



Approach toward Sustainability

Chief Financial Officer's Review	98
Financial Performance	100
Environment	109
Chief Operations Officer's Statement	121
Social	123
Chief Commercial Officer's Statement	141
Sustainable Value for Customers	143
ESG Governance	144

Record Outcomes in a Year of Expansion



Mr. Ammar AlGhoul

Chief Financial Officer

The year 2025 marks another defining milestone in Retal's journey, delivering the strongest financial performance since inception. During the year, Retal achieved record revenues of SAR 2,437.8 million, representing an 18.1% YoY increase, driven by three key factors – increased unit sales in high-completion projects, a larger volume of projects reaching the sales phase, and enhanced revenue contribution from real estate funds and investment platforms. Development contract revenues remained the primary growth engine, reaching SAR 2,392.6 million, the highest level in the Company's history.

The year also saw record profitability across key financial metrics. Gross profit rose to SAR 605.9 million, with a margin of 24.9%, while operating profit reached SAR 405.7 million, delivering an operating margin of 16.6%, reflecting margin expansion and disciplined cost management. Net profit before minority interest reached SAR 324.5 million, while net profit attributable to shareholders amounted to SAR 293.3 million,

marking the highest net earnings recorded by Retal to date.

Beyond profitability, several financial indicators reached historic highs during the year. Total assets expanded to SAR 5.8 billion, while total equity surpassed SAR 1.03 billion, reflecting the continued scaling of Retal's development platform. Net working capital also strengthened significantly to SAR 942 million, supporting the Company's ability to fund ongoing project execution while maintaining financial flexibility.

A Resilient Revenue Model

These results were achieved in a market environment characterized by elevated interest rates and softer mortgage activity across parts of the residential sector. In this context, Retal's operating model has continued to demonstrate resilience.

Development contract revenues remain the cornerstone of Retal's revenue structure,

accounting for approximately 98% of total revenues in 2025. The continued expansion of this segment reflects Retal's ability to secure large-scale development opportunities and deepen partnerships with national housing platforms and institutional developers. This model provides stable revenue streams, reduces exposure to market absorption risk, and enables disciplined capital deployment across projects.

Complementing development activities, Retal continues to benefit from diversified revenue streams generated through real estate funds, joint ventures, and structured investment platforms. As of 2025, the Company operates across 12 active funds and partnerships, which are expected to generate approximately SAR 304 million in service-fee income over the next three to five years through development, marketing, and sales mandates. These structures enable Retal to participate in premium developments while maintaining a capital-efficient growth strategy and enhancing long-term earnings visibility.



Strengthening the Balance Sheet

Retal's balance sheet expanded in line with the growth of its development portfolio. Total assets increased to SAR 5.8 billion in 2025, compared with SAR 4.2 billion in the previous year, primarily driven by higher development properties and ongoing project execution across the Kingdom.

Cash and cash equivalents stood at SAR 732 million, supporting liquidity while enabling the Company to continue investing in new development opportunities.

At the same time, Retal maintained a disciplined approach to capital management. Total debt declined to SAR 1.46 billion, reflecting decline amounting to SAR 276 million during the year, and the Company's commitment to maintaining a balanced capital structure. Key financial indicators remained healthy, including a current ratio of 1.23 and a debt-to-equity ratio of 0.70, demonstrating the Company's ability to support growth while preserving financial resilience.

Profitability metrics remained strong, with return on equity reaching 31.7% and return on assets at 5.9%, highlighting the efficiency of Retal's capital allocation strategy.

Retal in 2026

Looking ahead to 2026, Retal is well-positioned to continue its growth trajectory by expanding its asset-light development model and deepening strategic partnerships with leading national developers and institutional development platforms. The Company will continue to prioritize efficient capital allocation by growing its development contract portfolio, while increasing the contribution of high-margin, fee-based income streams through real estate funds, joint ventures, and private partnerships.

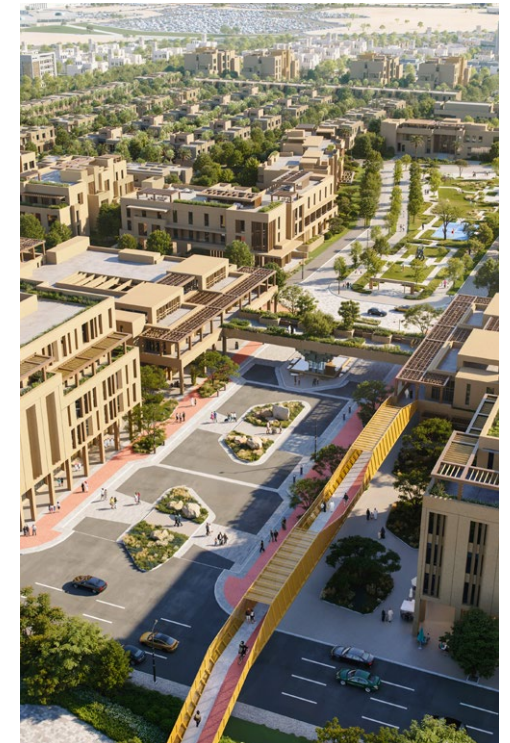
Building on the foundations established in 2025, Retal aims to enhance the quality and sustainability of its earnings by expanding its indirect development portfolio and optimizing its project mix toward more capital-efficient opportunities. This approach is expected to

support margin stability, improve return on equity, and strengthen cash flow generation across economic cycles.

While the operating environment may continue to experience volatility due to changes in interest rates and mortgage activity, Retal's diversified revenue model, supported by a strong contracted backlog, provides a solid foundation for sustainable performance.

Supported by strong long-term fundamentals in the Kingdom's real estate sector, and continued alignment with national housing program objectives, Retal remains confident in its ability to deliver sustainable growth, driven by its asset-light model and diversified income streams. This positions the Company to generate sustainable value for its shareholders while reinforcing its position as a leading development platform in the Kingdom.

Mr. Ammar AIGHoul
Chief Financial Officer



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(SAR '000)

Particulars	2021	2022	2023	2024	2025
Revenues	1,085,321	1,106,830	1,367,125	2,063,211	2,437,808
Cost of revenues	(839,860)	(803,598)	(987,839)	(1,564,866)	(1,831,832)
Gross profit	245,461	303,232	379,286	498,345	605,976
General and administrative expenses	(42,699)	(59,174)	(80,609)	(106,216)	(135,614)
Selling and marketing expenses	(21,230)	(19,750)	(47,158)	(49,323)	(58,834)
Allowance for expected credit losses	-	-	(6,451)	(2,580)	(5,772)
Operating profit	181,532	224,308	245,068	340,226	405,756
Finance cost	(3,173)	(21,190)	(99,851)	(122,526)	(122,706)
Share of results of equity accounted investments	1,820	34,641	64,806	71,109	17,291
Gain on disposal of associate	-	-	-	-	32,685
Gain from investments at fair value through profit or loss, net	3,688	10,833	4,911	3,652	6,623
Other income, net	3,995	8,050	3,210	3,001	5,545
Profit before zakat	187,862	256,642	218,144	295,462	345,194
Zakat	(8,463)	(10,899)	(10,204)	(12,530)	(20,695)
Profit from continuing operations	179,399	245,743	207,941	282,933	324,499
Gain on disposal of a subsidiary, net of zakat	13,936	-	-	-	-
Net profits	193,335	245,743	207,941	282,933	324,499
Net profit for the year attributable to:					
Shareholders of the Group	193,719	245,743	202,350	266,126	293,306
Non-controlling interest	(385)	-	5,591	16,807	31,194

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(SAR '000)

Particulars	2021	2022	2023	2024	2025
ASSETS					
Non-current assets					
Property and equipment	90,793	124,032	159,729	186,752	233,275
Right -of- use assets	6,659	2,850	35,009	34,793	30,333
Intangible assets	4,166	10,279	13,217	10,604	7,999
Investment properties	201,583	122,310	309,993	302,224	217,230
Investment in associate and joint ventures	306,398	330,437	394,929	329,187	303,151
Development properties	63,438	464,668	559,311	410,116	-
Accounts receivable	-	-	-	-	4,333
Investments at fair value through other comprehensive income	-	-	-	6,000	6,000
Prepayments and other receivables	2,202	2,382	3,205	3,294	1,846
Total non-current assets	675,238	1,056,958	1,475,393	1,282,972	804,167
Current assets					
Inventories	12,509	15,963	23,813	32,228	39,771
Accounts receivable	269,446	242,911	237,850	456,801	552,041
Contract asset	69,844	91,185	200,951	300,026	809,450
Development properties	245,368	353,232	705,477	1,073,957	2,413,529
Investments at fair value through profit or loss	656	23,754	101	2,304	98,996
Prepayments and other receivables	162,927	114,155	282,647	177,169	333,075
Investments in associates and joint ventures	-	-	-	76,835	-
Escrow bank balances				798,994	664,455
Cash on hand and at banks	407,977	522,975	705,883	34,112	67,933
Total current assets	1,168,727	1,364,175	2,156,722	2,952,427	4,979,249
Total assets	1,843,965	2,421,133	3,632,115	4,235,399	5,783,417

EQUITY AND LIABILITIES

(SAR '000)

Particulars	2021	2022	2023	2024	2025
Equity					
Share capital	400,000	400,000	500,000	500,000	500,000
Statutory reserve	38,205	62,779	83,014	83,014	-
Other reserves	(3,358)	(3,213)	2,546	(166)	(8,763)
Retained earnings	134,060	274,844	156,958	263,085	537,567
Treasury shares	-	-	-	(11,959)	(14,770)
Equity attributable to the shareholders of the Group	568,906	734,410	742,518	833,973	1,014,033
Non-controlling interests	(135)	-	7,333	8,510	20,353
Total Equity	568,770	734,410	749,851	842,484	1,034,386
Non-current liabilities					
Term loans	211,459	461,499	1,028,721	1,051,565	590,676
Lease liabilities	-	2,407	33,542	32,314	27,965
Employees' end of service benefits	11,078	12,585	17,829	26,098	32,529
Payable to National Housing Company	-	-	-	-	60,584
Accounts payable	13,658	17,453	23,450	-	-
Total non-current liabilities	236,194	493,944	1,103,542	1,109,977	711,754

EQUITY AND LIABILITIES (CONTINUED)

(SAR '000)

Particulars	2021	2022	2023	2024	2025
Current liabilities					
Term loans	389,517	189,811	136,136	193,578	487,797
Short-term loans	100,352	165,070	286,929	489,793	380,509
Lease liabilities	2,995	236	3,254	4,662	4,713
Accounts payable	65,310	273,461	450,132	308,343	869,856
Accrued expenses and other payables	88,184	193,328	336,098	569,191	786,776
Payable to National Housing Company	272,521	254,662	437,429	595,372	968,015
Contract liabilities	109,675	100,220	109,232	100,835	514,403
Zakat payable	10,447	15,991	19,512	21,164	25,208
Total current liabilities	1,039,001	1,192,779	1,778,722	2,282,938	4,037,276
Total liabilities	1,275,195	1,686,723	2,882,264	3,392,915	4,749,030
Total equity and liabilities	1,843,966	2,421,133	3,632,115	4,235,399	5,783,417

CASH FLOW STATEMENT

(SAR '000)

Particulars	2021	2022	2023	2024	2025
Net cash flow generated from operating activities	234,634	460	(148,310)	(143,939)	442,107
Net cash flow generated from investing activities	(12,592)	82,889	(86,732)	39,042	10,170
Net cash flow generated from financing activities	120,954	31,648	417,950	84,276	(418,457)
Net change in cash and cash equivalents	342,996	114,997	182,908	(20,621)	33,820
Cash and cash equivalent at the beginning of the year	9,975	32,414	24,137	54,733	34,112
Restricted cash	(320,557)	(123,275)	(152,312)	-	-
Cash and cash equivalent at the end of the year	32,414	24,136	54,733	34,112	67,933

DISAGGREGATED REVENUE INFORMATION

A) Revenues Segments

(SAR '000)

Particulars	2021	2022	2023	2024	2025
Development contracts revenues	915,841	693,213	1,270,706	1,979,090	2,392,601
Revenue from sales of real estate units/lands	129,922	366,726	59,424	48,983	7,134
Revenue from property and facility management	32,187	37,740	30,886	28,955	32,199
Rent contracts revenue	7,371	9,151	6,109	6,184	5,873
Total revenues	1,085,321	1,106,830	1,367,125	2,063,211	2,437,808

DISAGGREGATE REVENUE INFORMATION (CONTINUED)

B) Total Revenues Segment-wise as % from Revenues

(SAR '000)

Particulars	2024	2025	Diff 2025 Vs 2024	2024 as %	2025 as %
Development contracts revenues	1,979,090	2,392,601	413,512	95.92%	98.15%
Revenue from sales of real estate units/lands	48,983	7,134	(41,848)	2.38%	0.29%
Revenue from property and facility management	28,955	32,199	3,244	1.4%	1.32%
Rent contracts revenue	6,184	5,873	(311)	0.3%	0.24%
Total revenues	2,063,211	2,437,808	374,597	100%	100%

C) Revenues Location Wise

(SAR '000)

Particulars	2021	2022	2023	2024	2025	2025 % from Revenues
Eastern province	943,774	650,866	280,792	488,549	622,277	25.53%
Western province	349	6,458	27,470	164,846	276,276	11.33%
Central province	139,502	445,287	1,049,961	1,409,816	1,531,961	62.84%
Northern province	1,696	4,219	8,902	-	7,293	0.3%
Total revenues	1,085,321	1,106,830	1,367,125	2,063,211	2,437,808	100%

D) Revenues Location Wise (Company Wise)

(SAR '000)

Particulars	Eastern Province	Western Province	Central Province	Northern Province	Total	% from Total Revenues
Retal Urban Development	307,482	269,209	1,504,905	-	2,081,596	85.4%
Building Construction Company Limited	300,231	-	12,746	-	312,977	12.8%
Nesaj Urban Development Company	10,758	-	-	-	10,758	0.4%
Tadbeir Limited Company	593	7,067	13,721	7,293	28,674	1.2%
Adara Real Estate Company	3,214	-	589	-	3,803	0.2%
Total	622,277	276,276	1,531,961	7,293	2,437,808	100.0%

KEY FINANCIAL HIGHLIGHTS

Particulars	2021	2022	2023	2024	2025
Gross profit margin	22.6%	27.4%	27.7%	24.2%	24.9%
Operating profit margin	16.7%	20.3%	17.9%	16.5%	16.6%
EBITDA margin	20.8%	26.4%	24.2%	21.4%	20.6%
Net profit margin	17.8%	22.2%	15.2%	13.7%	13.3%
EPS (SAR)	4.52	0.49	0.4	0.53	0.59
ROE (TTM)	35.6%	37.7%	27.4%	33.76%	31.7%
ROA (TTM)	12.9%	11.5%	6.7%	6.8%	5.9%
Current ratio	1.12	1.14	1.21	1.29	1.23
Net working capital (SAR '000)	129,726	171,396	378,000	669,489	941,974
Leverage ratio	2.24	2.30	3.84	4.03	4.59
Adjusted leverage ratio	1.76	1.95	3.26	3.32	3.60
Gearing ratio (Total debt/Total equity)	1.23	1.11	1.94	2.06	1.41
Total liabilities to total assets	0.69	0.70	0.79	0.80	0.82
Total debt (SAR '000)	701,328	816,380	1,451,786	1,734,936	1,458,982
Net debt (SAR '000)	565,872	548,067	1,183,332	901,830	726,595
Net debt-to-equity (times)	0.99	0.75	1.58	1.07	0.70



Revenues (SAR '000)

↑ 18.15%

2025	2,437,808
2024	2,063,211
2023	1,367,125
2022	1,106,830
2021	1,085,321

Gross Profit Margin (%)

↑ 2.89%

2025	24.9%
2024	24.2%
2023	27.7%
2022	27.4%
2021	22.6%

Operating Profit Margin (%)

↑ 0.60%

2025	16.6%
2024	16.5%
2023	17.9%
2022	20.3%
2021	16.7%

EBITDA Margin (%)

↓ 3.73%

2025	20.6%
2024	21.4%
2023	24.2%
2022	26.4%
2021	20.8%

Net Profit Margin (%)

↓ 2.91%

2025	13.3%
2024	13.7%
2023	15.2%
2022	22.2%
2021	17.8%

EPS (SAR)

↑ 11.3%

2025	0.59
2024	0.53
2023	0.4
2022	0.49
2021	4.52

ROE (TTM) (%)

↓ 6.21%

2025	31.7%
2024	33.8%
2023	27.4%
2022	37.7%
2021	35.6%

ROA (TTM) (%)

↓ 13.2%

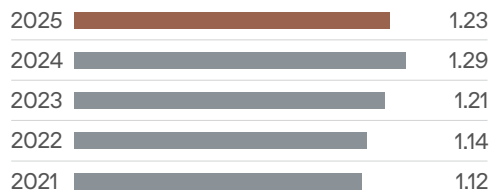
2025	5.9%
2024	6.8%
2023	6.7%
2022	11.5%
2021	12.9%

↑ YoY growth



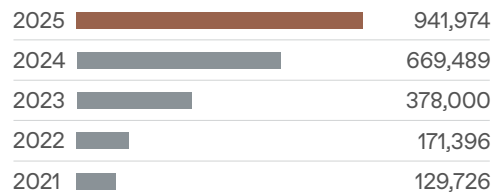
Current Ratio (times)

↓ 4.65%



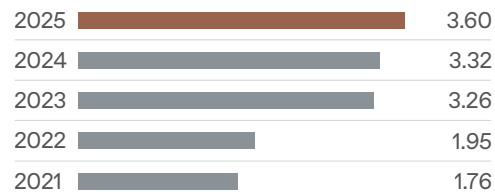
Net Working Capital (SAR '000)

↑ 40.70%



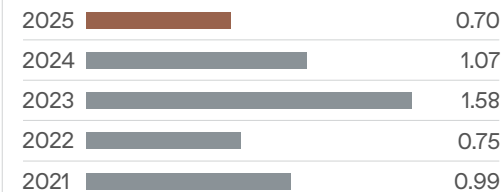
Adjusted Leverage Ratio (times)

↑ 8.43%



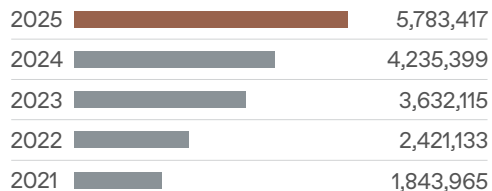
Net Debt-to-Equity (times)

↓ 34.57%



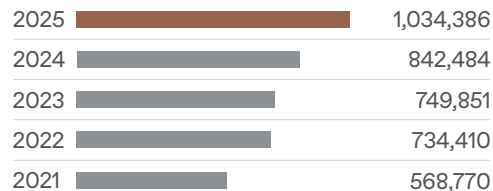
Total Assets (SAR '000)

↑ 36.5%



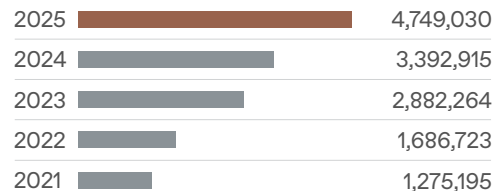
Total Equity (SAR '000)

↑ 22.7%



Total Liabilities (SAR '000)

↑ 39.9%



↑ YoY growth



Environment

- ⚡ ENERGY AND EMISSIONS
- 🏗️ SUSTAINABLE BUILDING PRACTICES
- 📦 SUSTAINABLE MATERIALS
- ♻️ WASTE MANAGEMENT
- 💧 WATER MANAGEMENT

Retal is committed to pioneering sustainable urban development by integrating environmental stewardship into every stage of the asset lifecycle. In 2025, we transitioned from high-level commitments to a robust operational framework, establishing standardized benchmarks for energy, water, and material performance across our portfolio. By aligning our flagship projects with green building certifications like LEED and Mostadam and Modescore, we are ensuring that our growth directly contributes to the Kingdom’s transition toward a resilient, circular, and low-carbon economy.

Energy and Emissions management underpins Retal’s push for asset efficiency, cost optimization, and transition to climate-smart urban development.

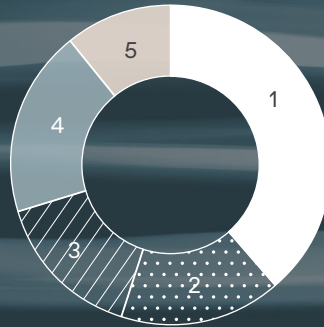


As a responsible and leading real estate developer and asset manager, Retal recognizes that energy consumption and emissions are driven by both how buildings are constructed and how they are operated over time. Our approach focuses on reducing operational energy demand, managing embodied carbon, and strengthening long-term resilience across the full asset life cycle.

2,914 MWh

Annual energy consumption

Annual Energy Consumption Data for 2025



1. Khobar HQ Office	1,130,740.78 kWh
2. Riyadh HQ Office	472,392.00 kWh
3. Jeddah HQ office	450,060.91 kWh
4. Khobar Sales Centre	552,170.67 kWh
5. Al Ahsa Sales Centre	308,828.00 kWh

The total Scope 1 emissions are comprised of 4,477.58 tCO₂e from stationary combustion, 2,452 tCO₂e from mobile sources, and 249 tCO₂e from refrigerant leakage.

Segregated Emissions Data for 2025

8,693 tCO₂e

Scope 1+2 Emissions

Scope 1	7,178 tCO ₂ e
Scope 2 (Location-based)	1,515 tCO ₂ e

Scope 3 Emissions: Category-wise Breakdown

Category 1 Purchased Goods and Services:	525.58 kgCO ₂ eq/m2
Category 3 Fuel- and Energy-Related Activities:	188.45 tCO ₂ eq
Category 5 Waste Generated	
• Construction Waste:	9,877.72 tCO ₂ eq
• Office Waste:	24.85 tCO ₂ eq
Category 6 Business Travel:	69.40 tCO ₂ eq
Category 7 Employee Commuting:	311.83 tCO ₂ eq



MANAGING EMISSIONS ACROSS THE VALUE CHAIN

We manage greenhouse gas emissions by mapping their sources across its operations and developments, ensuring accountability across:

- **Scope 1** emissions include direct fuel consumption from on-site generators, construction equipment, Company-owned vehicles, and fugitive emissions from refrigerants and fire suppression systems.
- **Scope 2** emissions are calculated based on purchased electricity consumption across all Retal HQ offices located in Khobar, Jeddah, and Riyadh, as well as the Khobar and Al Ahsa sales offices, reflecting the carbon intensity of the national grid.
- **Scope 3** emissions capture indirect emissions from Retal's value chain, including purchased construction materials, contractor activities, and waste management associated with project development and operational activities across Retal's projects.

This structured emissions boundary supports consistent measurement, transparent disclosure, and targeted mitigation actions across the portfolio.



Embedding Climate Resilience

Retal safeguards long-term asset value by embedding climate risk management across every stage of the development lifecycle. This integrated approach aligns our portfolio with national Net Zero goals through a structured Decarbonization Framework that defines clear reduction pathways for Scopes 1, 2, and 3. By mandating internationally recognized standards such as LEED, alongside the Kingdom of Saudi Arabia's national sustainability rating system, Mostadam, at the preliminary project planning stage, we ensure climate resilience is built-in rather than retrofitted.

Operationally, we mitigate cost volatility and physical stressors through energy audits and strategic retrofits. Our reporting alignment with GRI and UN SDG frameworks ensures transparent, regulatory-ready disclosure. These actions proactively strengthen our asset performance and long-term operational resilience.



Improving Energy Performance through Audits and Smart Systems

In 2025, asset energy assessments were initiated across projects under management in order to identify priority efficiency measures and inform retrofit planning over the coming years. Buildings have outlined upgrade pathways focused on reducing energy intensity and improving operational control.

Outlined plans for buildings include the evaluation and phased consideration of LED lighting upgrades, Building Management Systems (BMS), IoT-enabled smart controls, and energy-efficient HVAC systems with advanced controls and zoning to optimize future operational performance. These interventions enable real-time monitoring, faster fault detection, and sustained reductions in operational energy demand.

BUILDING READINESS FOR LONG-TERM DECARBONIZATION

Retal has approved a comprehensive five-year Decarbonization Strategy defining emissions boundaries, baselines, short- and long-term reduction targets, and actions across Scope 1 and 2 emissions. This ambition is translated into clearly defined actions across four priority areas:

Low-Carbon Operational Transformation



Energy Efficiency Retrofits:

Targeted upgrades to insulation, LED lighting, and efficient HVAC systems are being implemented across select properties, prioritizing buildings with the highest energy intensity to achieve near-term reductions in operational energy loads.



Smart Building Technology

Deployment: All major projects are now integrated with BMS, enabling automated control of lighting, cooling, and ventilation. Smart thermostats, occupancy sensors, and real-time energy meters support optimized energy use and improved occupant comfort.



Renewable Energy Integration:

Solar feasibility assessments are underway for multiple sites, alongside pilot solar installations to test technical viability, efficiency, and return on investment. These insights will inform a longer-term renewable energy procurement roadmap.



Low-Carbon Procurement:

To address embodied emissions, Retal is increasingly prioritizing low-carbon concrete, recycled steel, and sustainable insulation materials, with supplier selection partially guided by product carbon intensity and life-cycle performance.

Together, these actions strengthen Retal's readiness for long-term decarbonization — ensuring energy efficiency, emissions reduction, and climate resilience are embedded as core operational principles rather than standalone initiatives.



Sustainable Building Practices is how we ensure long-term asset resilience and future-proof our communities' resilience.



4

Projects under active certification pathways





We recognize that building performance across the full asset lifecycle is critical to value preservation, operational efficiency, and resilience. Passive sustainable design principles are embedded at the earliest stages of planning and design to reduce energy demand before mechanical systems are introduced. By prioritizing climate-responsive architecture, Retal enhances thermal comfort, optimizes daylight, improves water efficiency, and strengthens long-term asset durability while reducing operational carbon exposure.

Retal’s Sustainable Design Guidelines, currently under development, will formalize this approach through a structured framework applicable across master planning, architectural design, and building systems integration. The guidelines are designed to ensure that sustainability considerations are incorporated from concept stage onward, with emphasis on site orientation, building massing, facade performance, insulation, shading strategies, and material selection aligned with local climatic conditions.

Through the systematic integration of passive design measures—such as natural ventilation, solar control, daylight optimization, and envelope efficiency—Retal aims to minimize reliance on energy-intensive mechanical systems and enhance long-term operational performance. Once implemented, the Guidelines will serve as a core reference for internal teams and project partners, aligning design outcomes with ESG objectives, regulatory requirements, and long-term value creation.

SUSTAINABLE PORTFOLIO ALIGNMENT

In 2025, Retal strengthened this approach through the establishment of a **Sustainable Development Framework** benchmarking leading standards such as LEED, Mostadam, and Modscore. A portfolio-wide gap analysis of existing projects was completed, and sustainability principles, themes, and certification pathways were defined for all new developments.

This is supported by the introduction of a formal compliance review process, sustainability compliance trackers, and continuous improvement mechanisms, ensuring that sustainability requirements are applied consistently and measurably across projects.

ADVANCING CERTIFICATION AND PERFORMANCE

In 2025, we prioritized aligning our flagship developments with both international and national green building standards (Mostadam Rating System), embedding performance-driven interventions directly into the design and engineering stages:

- **Mostadam Green Certification Operations and Maintenance is under Implementation Stage:** This was systematically advanced for Retal Office Buildings through coordinated operational and sustainability strategies, ensuring our headquarters and administrative hubs meet the Kingdom’s highest domestic sustainability benchmarks.

- **Energy & Thermal Efficiency:** Invested in high-performance facades and glazing paired with energy-efficient HVAC systems and advanced climate controls.
- **Resource & Environment Quality:** Deployed water-efficient fixtures and enhanced indoor environmental quality measures to set a new portfolio benchmark for future developments.
- **Flagship Certification Pathways:** Initiated active certification for key projects. Refer table below.

Targeted Sustainability Certification Schemes and Intended Certification Levels

#	Project Name	Development Type	Target Certification	Target Level
1	RBC Khobar	Office and Retail	LEED v4 BD+C Core & Shell	● Gold
2	Terra Riyadh	Office and Retail	LEED v4 BD+C Core & Shell	● Gold
3	RBC Massar	Office Buildings	LEED v4 BD+C Core & Shell	● Gold
4	RBC Massar	Residential Assets	Mostadam Residential	● Green
5	RBC Massar	Master Plan	Mostadam Communities	● Green
6.	ROSHN Al Danah, Dhahran	Residential Assets	Mostadam Residential	● Gold

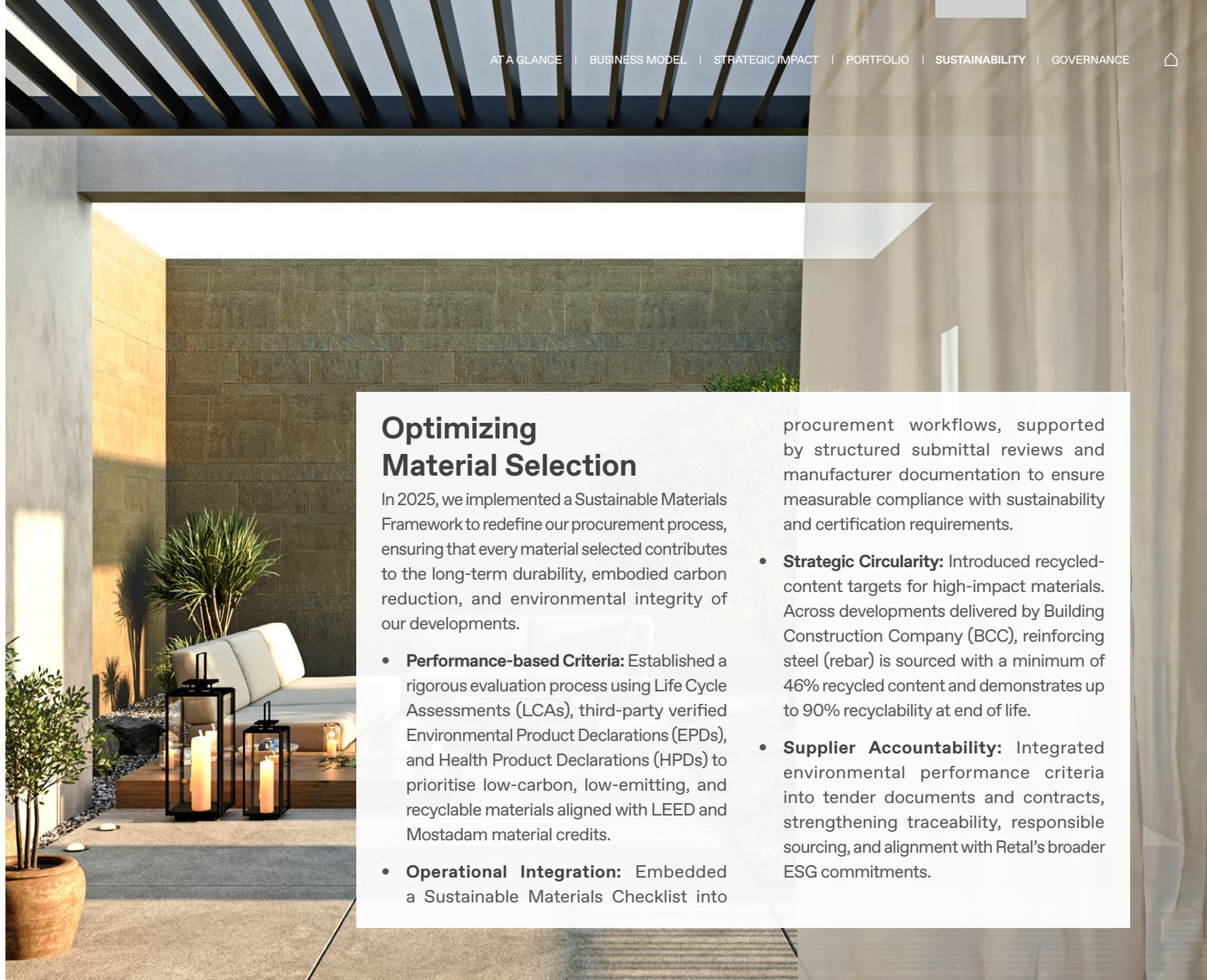


Sustainable Materials reduce lifecycle impact through performance-based selection and supplier accountability.



25%

Sustainable materials used, meeting the 2025 portfolio target under LEED v4 and Mostadam requirements



Optimizing Material Selection

In 2025, we implemented a Sustainable Materials Framework to redefine our procurement process, ensuring that every material selected contributes to the long-term durability, embodied carbon reduction, and environmental integrity of our developments.

- **Performance-based Criteria:** Established a rigorous evaluation process using Life Cycle Assessments (LCAs), third-party verified Environmental Product Declarations (EPDs), and Health Product Declarations (HPDs) to prioritise low-carbon, low-emitting, and recyclable materials aligned with LEED and Mostadam material credits.
- **Operational Integration:** Embedded a Sustainable Materials Checklist into

procurement workflows, supported by structured submittal reviews and manufacturer documentation to ensure measurable compliance with sustainability and certification requirements.

- **Strategic Circularity:** Introduced recycled-content targets for high-impact materials. Across developments delivered by Building Construction Company (BCC), reinforcing steel (rebar) is sourced with a minimum of 46% recycled content and demonstrates up to 90% recyclability at end of life.
- **Supplier Accountability:** Integrated environmental performance criteria into tender documents and contracts, strengthening traceability, responsible sourcing, and alignment with Retal's broader ESG commitments.



Waste Management advances circularity through segregation, reuse, and data-driven oversight.



OUR WASTE MANAGEMENT PRINCIPLES

Retal's waste management approach advances circularity across its developments through systematic waste segregation, on-site reuse, and data-driven oversight. By prioritizing material recovery, minimizing landfill disposal, and strengthening traceability through documented waste tracking, Retal reduces reliance on virgin resources and embeds circular economy principles into project delivery. These practices support regulatory compliance, certification requirements, and Retal's broader sustainability commitments under Saudi Vision 2030.

235,720 tonnes
Construction and demolition waste generated



Waste Segregation: Separate skips are deployed for distinct waste streams, including concrete, wood, paper, metal, and general waste.



Awareness: Regular briefings, signage, and toolbox talks are conducted to guide workers on appropriate waste segregation and skip usage.



Documentation: Waste manifests and delivery notes are consistently managed and documented by our logistics team.



Reuse: Materials such as steel scraps and wood waste are reused on site to the maximum extent feasible, with surplus metal sold to certified recycling vendors.



Strategies: Include concrete reuse, dust suppression measures, stormwater management controls, and the repurposing of surplus materials.



WASTE SEGREGATION AND STREAMLINED PROCESSES

In 2025, We are developing a comprehensive waste management policy rolled out across new projects, supported by project-specific Construction Waste Management Plans. On-site segregation systems were introduced on key construction projects with sustainability targets, supported by training and audits.

In offices, waste segregation programs are being implemented with clearly labeled streams for paper, plastic, organic, and general waste. This was supplemented by staff engagement training to reinforce behavioral change.

Waste Generation across Assets

Waste Generation (in kg)	
Retal HQ Offices	2025
HQ, Khobar Office	17.42
HQ, Riyadh Office	4.22
HQ, Jeddah Office	2.91
Al Khobar Sales	1.45

Performance Data

	Project Name	Construction Waste Generation in 2025 (in tonnes)
1	Ewan Sedra 2	58,000
2	Ewan Sedra 3	39,000
3	Ewan Sedra 4	13,260
4	Nesaj Al Asala	9,480
5	Nesaj Al Sadan	7,640
6	Nesaj Sadayem	5,360
7	Nesaj Town Al Fursan	58,000
8	Nesaj Town Al Fursan 2	9,500
9	Nesaj Town Safwa	1,660
10	Nesaj Town Narjis	3,740
11	Roya Sedra	13,000
12	Remal Business Court	7,160
13	Ayala AL Muhammadiyah	980
14	Ewan Rejan	2,000
15	Ewan Sedra	6,940
	Total	235,720

Retal implements construction waste management practices across projects targeting LEED and Mostadam certifications to minimize waste sent to landfill. A minimum construction waste diversion rate of 50% is applied for all certified projects, while LEED-targeted developments adopt an enhanced diversion target of 75%, in line with LEED v4 requirements.

Approved and licensed waste recyclers are appointed at project level to manage waste segregation, collection, and recycling. Key waste streams, including concrete waste, are segregated on site and sent to authorized recycling facilities. Waste quantities and diversion performance are monitored during construction and recorded in project-level waste trackers to support ESG reporting and certification compliance.



ADVANCING CIRCULAR ECONOMY AND RESOURCE EFFICIENCY

Retal integrates circular economy principles across its developments by prioritizing material recovery, waste segregation, and responsible resource use. A structured construction waste management approach is applied across projects pursuing LEED and Mostadam certification, supporting systematic material diversion and improved resource efficiency throughout the project lifecycle.

Concrete waste is segregated at source and managed through approved haulers and recycling facilities, ensuring full traceability and compliance. As a result, 100% of segregated concrete waste is recycled and diverted from landfill, reducing disposal volumes and limiting reliance on virgin aggregates.

Each project operates under a site-specific Waste Management Plan that defines waste streams, segregation protocols, approved recyclers, and monitoring responsibilities. Waste quantities and diversion rates are tracked through formal documentation processes to support ESG reporting and certification requirements. While initially applied to certified projects, these practices are progressively being extended across the broader portfolio to strengthen circular economy adoption at scale.

On-Site Material Reuse

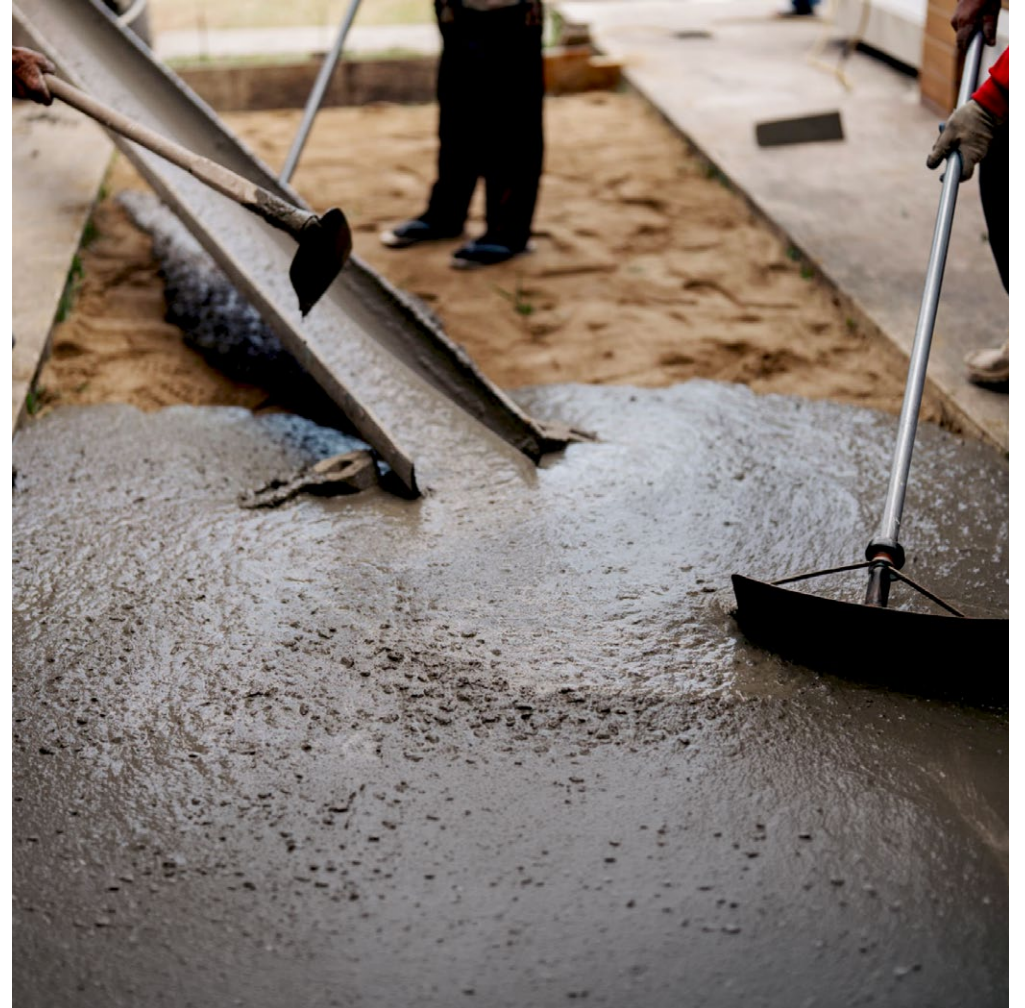
Steel and wood waste are reused within projects, reducing disposal needs and enhancing resource efficiency.

Steel and Surplus Materials

Steel scraps are repurposed on-site, and surplus materials are redirected for recycling.

TRANSPARENT PRACTICES

To ensure full transparency and accountability, Retal's waste management efforts are anchored by a rigorous tracking and reporting system. By systematically managing waste manifests, delivery notes, and diversion tracking, we monitor real-time progress toward our sustainability goals. This data-driven approach is reinforced by regular waste audits that assess performance and identify improvement opportunities, ensuring strict compliance with our Waste Management Policy. Comprehensive reports document our waste reduction efforts, with specific focus on our diversion from landfill targets.





Water Management at Retal helps address arid-region risks through efficiency and responsible stewardship.



31,064.6 m³

Total water consumption*

*Retal offices in main cities and sales offices

ALIGNMENT WITH INTERNATIONAL AND NATIONAL STANDARDS

Water conservation remains a critical focus for Retal, particularly given Saudi Arabia’s arid climate and water scarcity challenges. The Company’s **Water Management Plan** is designed to ensure sustainable sourcing, efficient use, and responsible discharge of water across construction and operational phases. Our water management strategy aligns with recognized international frameworks, alongside Saudi Arabia’s National Water Strategy and the

Mostadam rating system. These frameworks guide water-related practices and support alignment with both global best practices and national sustainability objectives.

WATER SOURCING

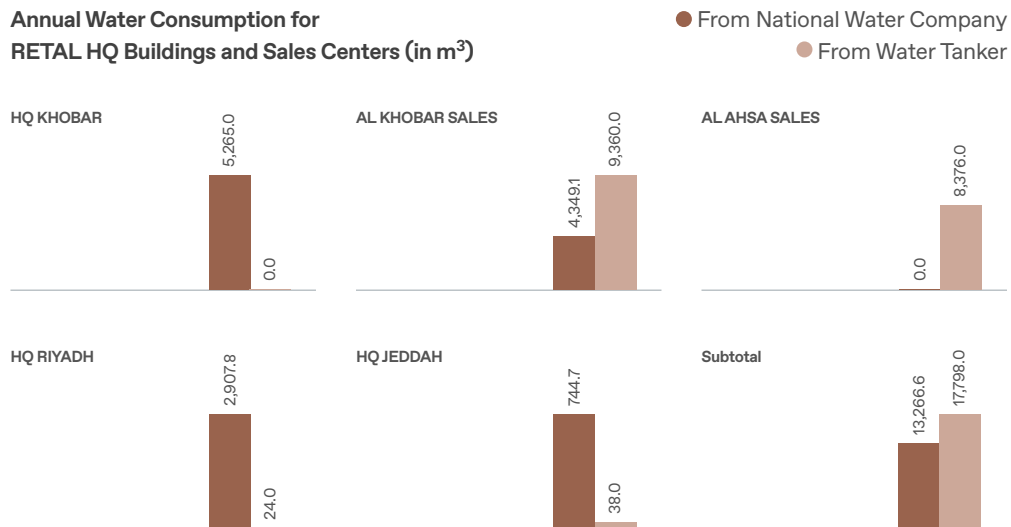
Freshwater is sourced primarily from the National Water Company (NWC), supplemented by third-party suppliers where required. In 2025, a verified baseline for water consumption was established across assets, strengthening monitoring and future reduction planning.



WATER EFFICIENCY

We continue to assess and implement water efficiency measures across developments, including low-flow fixtures, flow regulators, smart irrigation systems, and high-efficiency plumbing solutions. Preventive maintenance and leak detection programs were introduced during the year to reduce avoidable losses and improve operational control.

Annual Water Consumption for RETAL HQ Buildings and Sales Centers (in m³)



WATER CONSERVATION MEASURES

We are committed to reducing water consumption through advanced technologies and operational practices, embedding responsible water stewardship across developments.

Rainwater Harvesting

Pilot projects for rainwater capture are underway to support non-potable applications like landscape irrigation.

Greywater Reuse

In select projects, treated greywater is assessed for reuse in irrigation and flushing applications where feasible.

Water Consumption Data for Year 2025 BCC Construction Sites

Project Name	Water Consumption in m ³
Ewan Sedra 2	23,346.0
Ewan Sedra 3	20,376.0
Ewan Sedra 4	12,024.0
Nesaj Al Asala	30,080.0
Nesaj Al Sadan	9,472.0
Nesaj Sadayem	38,080.0
Nesaj Town Al Fursan	93,920.0
Nesaj Town Al Fursan 2	18,560.0
Nesaj Town Safwa	25,856.0
Nesaj Town Narjis	11,040.0
Roya Sedra	16,160.0
Remal Business Court	9,784.0
Ayala AL Muhammadiyah	2,304.0
Ewan Rejan	9,600.0
Ewan Sedra	1,800.0
Total	322,402.0

Long-term Commitment to Water Efficiency

Retal's Water Management Policy establishes clear guidelines for water sourcing, consumption reduction, and operational practices. Collaboration between Facility Management and Construction teams ensures water efficiency measures are embedded across design, construction, and operations.

Strengthening Reliability and Consistency



Eng. Yousif AlHamoudi
Chief Operations Officer

In 2025, Retal advanced its commitment to operational excellence, strengthening the systems and practices that enable consistent performance. I am proud of the progress made in reinforcing discipline, accountability, and rigor across our operations. Building on this foundation, we sharpened focus on execution – aligning people, processes, and technology to deliver measurable improvements in productivity, delivery timelines, and workforce effectiveness.

People as the Core Execution Advantage

Our people remain the foundation of Retal's operational strength. In 2025, we continued to invest in leadership readiness, succession planning, and capability development to ensure continuity and resilience. As much as 76% of critical positions – representing ~18 roles – are

now covered by successors ready, or expected to be ready, within one to three years, of which around 56% are Saudi nationals.

Structured career pathways, leadership development programs, and recognition initiatives – including the Employee of the Quarter program – strengthened engagement and internal mobility. These efforts were reflected in Retal being recognized once again as a Best Place to Work®, including for Saudi nationals, marking the fourth time the Company has received this certification, alongside recognition through the King Abdulaziz Quality Award and the Championing National Talent distinction.

Digital Enablement and Process Integration

Digital enablement continued to mature as a practical driver of execution effectiveness. During

the year, Retal delivered 89 system solutions and automation initiatives, with 38 operational processes fully automated, eliminating human error and reducing manual effort across core workflows.

End-to-end system integration strengthened execution visibility, linking demand planning, procurement, contracting, and delivery within unified platforms. Artificial intelligence was selectively applied to enhance forecasting, lead qualification, and workforce analytics, supporting more informed decision-making without replacing human judgment.

More than 50 redundant process steps were removed – saving approximately 1,500 employee working hours per month – while technical support productivity increased by 24%, with over 9,000 service tickets resolved.



Embedding Discipline through the PMO

One of the most impactful developments during the year was the establishment of the Project Management Office (PMO) to institutionalize disciplined project delivery and strengthen management oversight of strategic initiatives. The PMO enhanced portfolio-level visibility and performance monitoring, enabling more informed executive decision-making and stronger delivery control.

These improvements contributed to a measurable improvement in the on-time delivery of strategic initiatives. By clarifying accountabilities, standardizing governance practices, and reinforcing performance transparency, the PMO improved schedule predictability, optimized resource deployment, and embedded a stronger delivery-focused culture across the organization.

Supply Chain Performance and Delivery Enablement

Supply chain performance strengthened operational resilience and cost discipline. Total issued agreements reached SAR 3.15 billion, delivering average cost savings of 9.85% and a competitive awarding rate of 97.9%. Local content across procurement spend reached

93.1%, reflecting continued progress in supplier localization. These outcomes were supported by the Strategic Supplier Prequalification Program and full compliance with Local Content and Government Procurement Authority requirements.

Operational improvements were also linked to digital customer enablement. Automation reduced unit handover time by 17%, shortened collection cycles by 9%, and improved process quality by 7%, supported by the rollout of 12 automated digital services across delivery and handover touchpoints.

Driving the Next Phase

Looking ahead, our priority is to further institutionalize operational excellence across Retail's platform. We will deepen execution discipline, expand leadership capability, and continue leveraging data, automation, and AI to strengthen planning precision and performance visibility. Supported by an integrated operating model and a strong execution culture, Retail is well positioned to deliver consistent outcomes and long-term operational value.

Eng. Yousif AlHamoudi
Chief Operations Officer





Social

- 👤 EMPOWERING TALENT
- 🌐 DIVERSITY AND INCLUSION
- 🇸🇦 SAUDIZATION
- 🔗 TALENT ATTRACTION AND EMPLOYEE ENGAGEMENT
- 🛡️ HEALTH AND SAFETY
- 🏘️ COMMUNITY DEVELOPMENT

Our commitment to social responsibility is woven into the very fabric of our operations, beginning with the empowerment of our workforce and extending through the vibrant, interconnected communities we bring to life. By aligning our corporate values with the aspirations of our residents and the strategic goals of the Kingdom, we serve as a catalyst for a more resilient and enriched society.



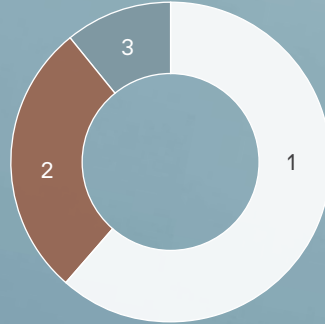
Empowering Talent reflects our commitment to developing people as enablers of national progress – advancing professional growth and societal impact.



Our commitment to excellence is deeply rooted in our investment in human capital, where we treat our workforce as the first and most vital community we nurture. By fostering an environment that champions continuous learning and leadership, we empower our team members to take ownership of the nation’s housing goals. This internal culture of empowerment ensures that every project we undertake is infused with the passion and precision required to redefine modern living standards.

236

Total no. of employees (full-time)



Workforce at a Glance

1. Junior Management	145
2. Middle Management	66
3. Senior Management	25



Learning and Development

By embedding a culture of continuous growth directly into our operational systems, we ensure that Retal’s performance is driven by a highly skilled and future-ready workforce. In 2025, we reinforced our commitment to organizational excellence by modernizing our talent review processes, utilizing rigorous readiness assessments to bridge the gap between current potential and future leadership. These infrastructural enhancements allow us to identify skill gaps with precision and help Saudi employees meet the 15-hour training target, and align our learning investments with sustainable organizational growth. Our structured mentorship programs pair Saudi talent with experienced senior leaders across departments, utilizing tailored career goals and cross-functional guidance to accelerate professional growth.

We have deployed integrated platforms to track capability development and promote the use of digital learning tools (self-paced e-learning modules, webinars, and continuous learning resources) that help our people track individual career paths. To further modernize our delivery, we intend to develop a centralized Learning Management System (LMS), serving as the backbone of our training ecosystem and providing a scalable platform for self-paced modules.

These resources facilitate hands-on learning through real-time projects and job rotations to build cross-functional expertise, alongside certification programs in fields like PMP, LEED, or ISO to enhance professional credibility. These modules range from soft skills, technical skills, and industry-specific knowledge, covering areas identified in the needs assessment.

Monthly newsletters and quarterly briefings keep teams remain informed of training opportunities. Communication platforms and email distribution ensure employees without intranet access remain equally updated.

Participation is tracked across demographics – department, gender, age, and seniority – and progress reports monitor that training targets are met and certifications are accurately logged. We have deployed integrated platforms to track capability development across the enterprise.

In 2025, a Company-wide session aligned training with Retal’s strategic priorities. We focused on core leadership skills and project management through interactive, scenario-based problem-solving. To ensure high-impact delivery, we utilized post-training surveys and HRMS analytics to evaluate session effectiveness and metrics, using these insights to continuously refine the future curriculum.

2,807 hrs

Total training hours



- Staff 1,647 hrs (58.67%)
- Middle Management 890 hrs (31.71%)
- Senior Management 270 hrs (9.62%)

100%

Employees who received regular performance and career development review

Q CASE STUDY

Leadership Mentoring Program

The program extends throughout 2026 (6 months of awareness mentoring for leaders plus 6 months of operational mentoring) and focuses on empowering future leaders by connecting them with executive leaders within the Company under an approved organizational framework. The program includes regular mentoring sessions, individual development plans, transfer of practical expertise, and continuous feedback, contributing to accelerating leadership readiness and enhancing institutional knowledge sustainability.

Impact

- Accelerating employee development and knowledge transfer
- Enhancing readiness of future leaders
- Improving collaboration between departments

Future Outlook

- Expanding the program scope to include broader categories of promising talents
- Unifying the mechanism for evaluating mentors’ performance and measuring impact
- Linking program outcomes to succession planning

100%

Completion rate

Learning and Development

KNOWLEDGE SHARING

We foster a collaborative environment where knowledge exchange is a standard part of our daily operations. Our current focus centers on high-impact mentorship and cross-functional exposure, providing emerging talent with practical experience and strategic insights across different business units. This integrated approach ensures that our core values, sustainable practices, and technical expertise are passed down through lived experiences that strengthen the collective capability of our workforce.

This collaborative culture extends to industry-wide engagement. Our representatives capture strategic leadership insights from global forums and lead internal sessions to integrate these gender-inclusive best practices into Retal's operations.

SUCCESSION READINESS

To mitigate succession risk and ensure long-term stability, we have launched targeted leadership development and fast-track programs specifically designed for high-potential employees. These initiatives provide structured career progression that encourages internal mobility and ensures a steady supply of qualified leaders for critical roles.

By aligning our training curriculum with specific technical and leadership competencies, we equip our future managers to handle evolving market demands. We have also put in place a disciplined succession planning framework that ensures that more than three-quarters of critical positions have identified successors with clear readiness timelines.

🔍 CASE STUDY

A Unique Approach to Strategic Resilience

Our approach to organizational stability is anchored in a data-driven talent strategy, beginning with a six-month, Company-wide gap analysis to identify skill needs and succession readiness across C-level, Director, and managerial roles. Established in 2003, this framework is updated frequently and reinforced through annual skills assessments that capture employee capabilities and career aspirations.

Insights from these assessments inform targeted, role-specific training plans by department, strengthening leadership pipelines and succession depth. This discipline enables rapid internal promotion for critical roles, while cross-functional development ensures successors are prepared to step into leadership positions with the breadth and agility needed to sustain performance and reduce organizational risk.

Q3-Q4 2025

Implementation period

100%

Completion rate

Impact

- Identifying skill gaps in critical roles
- Supporting the design of targeted training programs
- Enabling data-based workforce planning

Future Outlook

- Updating the analysis annually
- Linking program outcomes to succession planning

Diversity and Inclusion at Retal drives a global, multi-generational workforce, where growth is strictly merit-based.



Zero

Incidents of discrimination reported

34.3%

Women in the workforce





GENDER DIVERSITY

Our merit-based approach eliminates bias by focusing on professional quality, ensuring that all critical roles are filled by the most qualified candidates. This focus has naturally increased the diversity of our workforce. By providing equal access to executive pathways and specialized development, we have seen an organic increase in female participation across our professional and managerial ranks.

During 2025, progress on our DE&I goals was achieved through increased participation of Saudi nationals and women across professional and technical positions, supported by the consistent application of non-discriminatory, merit-based policies.

Strategic initiatives include tailored leadership training modules, annual workshops, and mentorship programs designed to equip women for senior roles. Dedicated quarterly performance reviews identify high-potential candidates, including women and employees with disabilities, for targeted career progression. The internal Women’s Group promotes empowerment through recognition, retention incentives, and life-coaching, complemented by a robust ‘red flag’ policy for reporting abuse, mistreatment, and harassment to ensure a secure professional

environment. Furthermore, inclusivity is supported through flexible work arrangements and job-sharing options, fostering a work-life balance that allows our diverse talent pool to thrive.

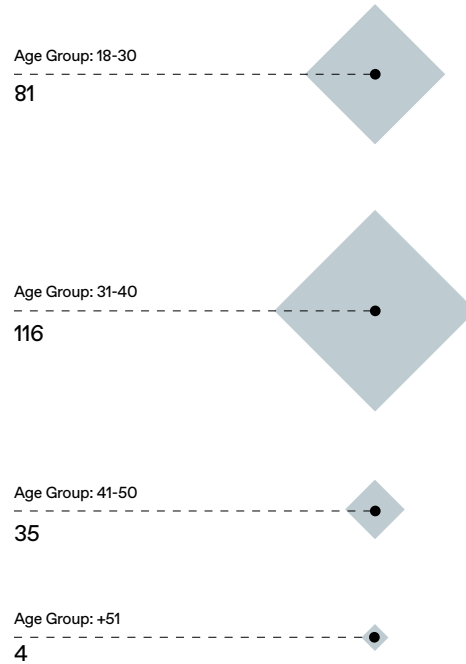
This was further reinforced by broader inclusion in leadership development and succession planning initiatives, resulting in a more balanced representation within senior management and a workforce that reflects the diverse talent pool of the Kingdom.

16.48%
Women across Senior and Middle management

GENERATIONAL SYNERGY

Retal is powered by a high-energy, youthful demographic that is perfectly positioned to drive long-term growth. The workforce is primarily composed of mid-career professionals who provide technical maturity, supported by a substantial pipeline of emerging talent. This balance ensures that seasoned industry expertise is seamlessly integrated with the innovation and agility of the next generation, creating a resilient workforce ready to meet the evolving demands of the Kingdom’s real estate sector.

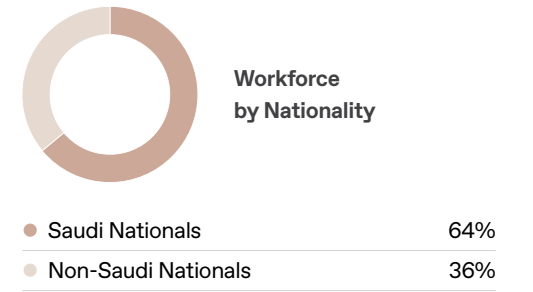
DIVERSITY BY AGE



WORLD-CLASS TALENT, LOCAL EXCELLENCE

Retal thrives on a multicultural ecosystem that harmonizes global expertise with a strong national core. By integrating diverse global perspectives with a 64% Saudization rate, we foster a rich culture of knowledge exchange. This synergy ensures our projects meet world-class standards while delivering meaningful social and economic value within the Kingdom.

[Read more on p.129 →](#)

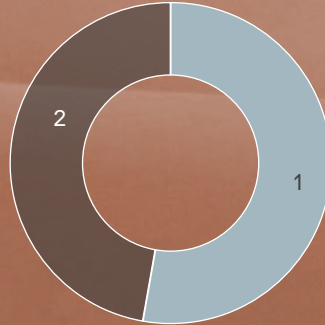


Commitment to Universal Access

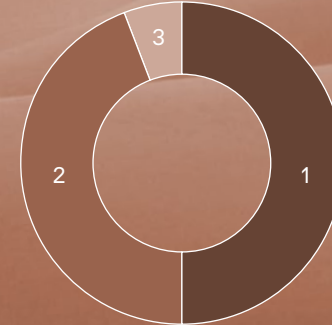
Retal fosters an inclusive environment built on equity and respect. Our workplace and building infrastructure are intentionally inclusive in design, featuring accessible architecture that removes physical barriers. By providing tailored accommodations and aligning roles with individual strengths, we ensure people of all physical abilities have the tools to thrive and contribute meaningfully.

Saudization supports long-term value creation by embedding national talent across Retal’s development, delivery, and leadership functions.

151
No. of full-time national employees



Distribution by Gender



Distribution by Employee Level Type



64%

Saudization rate



For us, Saudization is a strategic investment in the Kingdom's future. By prioritizing national talent, we ensure that our developments are shaped by a workforce with an inherent cultural understanding of the communities we serve. This focus on localization creates a self-sustaining leadership pipeline that keeps economic value within the Kingdom, directly fueling the goals of Vision 2030 while ensuring our operational growth remains rooted in national identity.

In 2025, we continued to advance our workforce localization agenda, supported by targeted hiring, structured capability building, and succession planning aligned with business growth. Retal increased its overall headcount in line with

portfolio expansion, while ensuring Saudi nationals remained integral across technical, commercial, and corporate roles. Enhanced Saudi representation in the Senior Management further strengthened leadership continuity and organizational depth.

Retal also nurtures Saudi talent through sustained professional development. Structured mentorship programs pair Saudi professionals with experienced practitioners to accelerate skills transfer across real estate development, engineering, and project management. In parallel, we actively collaborate with academic institutions, offering structured internships and graduate placements that turn academic potential into sector-ready experience.



Upholding Human Rights Across Our Operations and Supply Chain

Aligned with UN Sustainable Development Goal 16 (Peace, Justice, and Strong Institutions), Retal's approach to human rights is embedded within its governance framework and employment practices, ensuring respect for fundamental rights across its workforce and business relationships. The Company aligns its principles with internationally recognized standards, reinforcing expectations related to fair treatment, non-discrimination, and ethical conduct within day-to-day operations.

Retal extends its human rights expectations across its partner and supplier ecosystem. We emphasize responsible business conduct through contractual requirements and oversight mechanisms designed to identify and manage potential human rights risks within the supply chain. This approach supports ethical project delivery while strengthening accountability across the broader value chain.

Talent Attraction and Employee Engagement by Retal ensure high-caliber professionals drive national urban transformation.



Best Place to Work[®]

Certified for the 4th consecutive year

66

New employees onboarded in 2025



STRATEGIC TALENT SOURCING

We have built a smart talent attraction ecosystem to secure top professionals and solidify our leadership in the real estate sector. We partner with universities and provide internship pathways to young talent, ensuring a steady flow of specialized expertise at Retal. In 2025, we expanded our reach through referral programs and targeted hiring channels, such as professional networking platforms, to fill critical roles requiring advanced expertise

in financial planning, development project management, and investment analysis.

To incentivize longevity, we provide competitive compensation and tiered rewards including performance bonuses and premium benefits aligned with retention milestones to mitigate market-driven turnover and reward commitment.



Employee Engagement

INTEGRATION AND ORGANIZATIONAL CULTURE

We ensure seamless transition for new hires through a comprehensive onboarding experience and role-specific orientation. This process features a hybrid model of in-person and virtual monthly sessions, alongside a dedicated buddy program pairing new employees with four-year veterans to facilitate cultural immersion, team integration, and ESG awareness.

Beyond professional integration, we invest in the long-term stability of our people through innovative savings and homeownership programs, alongside volunteer initiatives that deepen our community impact. By pairing operational agility with a genuine commitment to employee well-being, we maintain a consistent, inclusive culture that has earned Retal the 'Best Place to Work' recognition.

Our commitment to an inclusive culture is reinforced by an equitable environment where all hiring and promotions are strictly merit-based. To support this, we provide comprehensive benefits — including 38 days of annual leave and flexible study options — designed to balance operational continuity with personal well-being. By prioritizing these standards, we foster deep organizational trust and ensure our team remains motivated and resilient as we scale.



Q CASE STUDY

Retention Program

This year, we launched a dedicated program to develop high-potential employees, following the implementation of an internal study aimed at identifying their developmental needs and measuring their readiness to transition into leadership roles. The initiative included extensive discussions on individual development paths, job rotation opportunities, and leadership and technical mentoring programs.

PERFORMANCE-DRIVEN REWARDS

We use a structured framework to link individual KPIs to corporate goals. We conduct biannual evaluations using performance and leadership criteria to assess employees, providing constructive feedback that aligns individual skill growth with the organizational values. Digital appraisal systems ensure transparent, data-driven reviews. We differentiate incentives, recognition, and career growth based on measurable outcomes and sustained contributions. By rewarding

high performance in critical roles, we reinforce accountability and incentivize the expertise needed to achieve our long-term strategic objectives.

Monthly departmental meetings utilize hybrid formats to review goals and celebrate professional milestones, while a nomination-based recognition program highlights exceptional performance through certificates, monetary incentives, and public acknowledgement. We actively monitor employee turnover monthly through tailored interventions and career progression strategies.

Q CASE STUDY

'Difference Maker' Employee of the Quarter Program

A quarterly initiative to honor one employee from each sector in recognition of performance, commitment, and initiative, granting a certificate of appreciation and a financial reward, thereby reinforcing a culture of excellence and positive motivation.

Q3 2025 – Ongoing
Start date

100%
Completion rate

Impact:

- Strengthening a culture of recognition
- Reinforcing values of performance and excellence
- Raising morale

Future Outlook:

- Standardizing nomination and evaluation criteria
- Highlighting success stories internally



Employee Engagement

CULTURE OF FEEDBACK

Our workplace vitality is driven by active listening. We conduct annual satisfaction surveys and quarterly focus groups to identify recurring themes and implement department-specific action plans. Through the ‘Your Voice’ program and regular focus groups, we transform employee feedback into targeted action plans. This strategic platform enhances organizational transparency and utilizes sophisticated diagnostics to generate insights for continuous workplace enhancement.

Employee Grievance Mechanism

Retal enforces a zero-tolerance approach toward discrimination and harassment, grounded in Saudi Labor Law and its Code of Conduct. Employees may raise concerns through a structured grievance mechanism, beginning with their line manager and escalating, where required, to senior management and the Employee Relations function. The process provides for fair review and impartial hearings, ensuring concerns are addressed without fear of retaliation and reinforcing a transparent, respectful, and inclusive workplace.

Q CASE STUDY

Internal Process Development (Operations Sector)

A quarterly initiative to honor one employee from each sector in recognition of performance, commitment, and initiative, granting a certificate of appreciation and a financial reward, thereby reinforcing a culture of excellence and positive motivation.

Q3 2025 – Ongoing

Start date

Impact:

- Measuring operational efficiency
- Identifying challenges and areas for improvement
- Supporting data-driven decision-making
- Establishing a culture of continuous improvement

100%

Completion rate

Future Outlook:

- Analyzing survey results and developing executive improvement plans
- Sharing outputs with executive leadership
- Re-measuring periodically to monitor improvement



CELEBRATING EXCELLENCE

We promote a culture of appreciation and cross-departmental unity by celebrating excellence with ‘Employee of the Month’ awards and hosting collaborative team events. Bi-annual team-building activities, including sports, escape rooms, and gala dinners, involve all seniority levels to strengthen cohesion and internal cooperation. Company-wide gatherings further celebrate milestones, showcasing ESG updates and performance that enhance a sense of community. These interactions strengthen organizational cohesion and drive internal cooperation necessary to maintain high employee satisfaction and promote innovation.

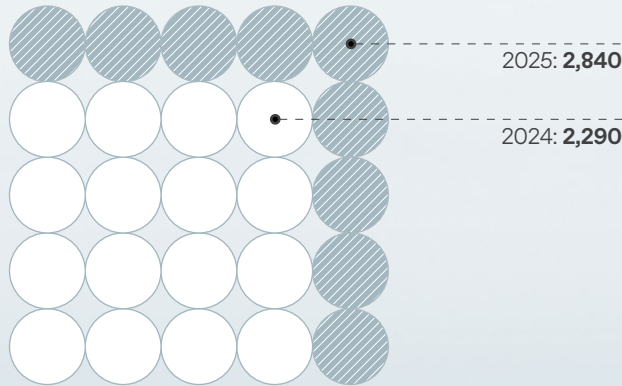
Health and Safety underpins our operational excellence by safeguarding our people and ensuring disciplined project delivery.



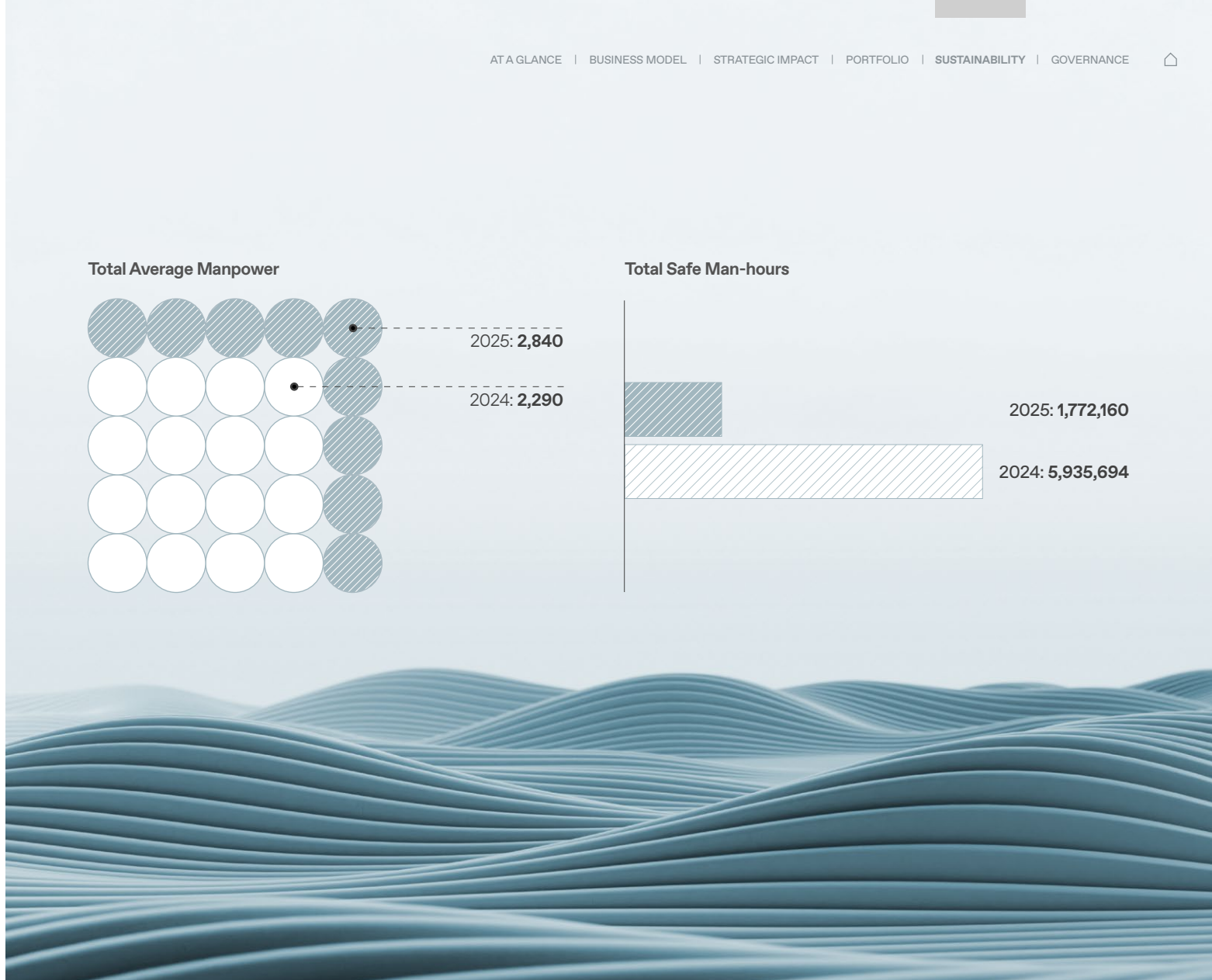
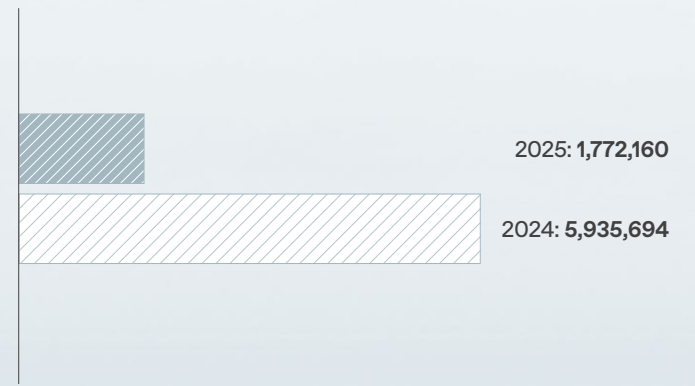
Zero
Fatalities in 2025

ISO 45001
Certified

Total Average Manpower



Total Safe Man-hours





PROACTIVE SAFETY CULTURE

As a developer operating across large-scale, multi-region construction environments, Retal recognizes health and safety as a core business priority. In 2025, the Company continued to strengthen its proactive safety culture as construction activity and operational complexity increased, embedding safe behavior across employees, contractors, and project sites.

Our approach to workplace safety is grounded in leadership accountability, robust governance, and consistent site execution, reinforcing shared responsibility at all levels of the organization. Through structured training, regular toolbox talks and safety meetings, and site-based risk assessments, we embed situational awareness directly at the frontline. We encourage open communication through hazard identification and near-miss reporting, strengthening early risk detection. This behavior-led strategy resulted in zero work-related fatalities during the year despite increased construction activity.



STANDARDIZED MANAGEMENT SYSTEMS

As project scale and complexity grows, we continue to strengthen our HSE systems by aligning with international best practices, including ISO 45001. A unified HSE framework ensures consistent procedures, controls, and reporting across all sites, supported by risk-based inspections and management reviews. Through regular audits and governance oversight, we enable timely corrective actions and continuous improvement. This ensures our operations remain compliant with global HSE protocols and internal policies.

CONTRACTOR AND SUPPLY CHAIN SAFETY MANAGEMENT

Contractors and subcontractors play a critical role in project delivery. We maintain rigorous oversight to ensure alignment with Retal’s safety standards. All contractors are subject to defined HSE prequalification requirements and contractual obligations, with approved safety plans mandatory prior to site mobilization.

Ongoing compliance is monitored through inspections, audits, coordination meetings, and KPI-based performance reviews, with corrective actions tracked to closure. As regulatory expectations evolve, Retal continues to enhance its contractor safety requirements, strengthening risk management, competency expectations, and accountability across the supply chain.

PERFORMANCE MONITORING AND DIGITAL ENABLEMENT

We track and review key safety indicators through structured weekly and monthly reporting at both project and corporate levels. Incident trends, near-miss data, inspections, and preventive actions are analyzed to identify root causes and prioritize targeted risk controls.

To strengthen consistency and oversight, we deploy digital tools across our sites. Centralized project management platforms support standardized safety reporting, inspections, and corrective action tracking, while QR code-based induction systems enable controlled site access. Digital equipment inspection tools further enhance compliance by supporting routine checks and certification verification.



Community Development is how we empower society through lasting social impact and improved urban well-being, aligned with national goals.



Through Retal Al-Khair, we extend our role as a developer to strengthen the Kingdom’s social fabric — whether by fostering urban creativity in our cityscapes, youth empowerment, revitalizing neighborhoods, or providing humanitarian support. In 2025, Retal continued to advance its social impact agenda, building on a multi-year CSR strategy launched in 2020, aligned with Vision 2030 and UN Sustainable Development Goals.



+355K
 Total direct and indirect beneficiaries
 (cumulative over the last 5 years)

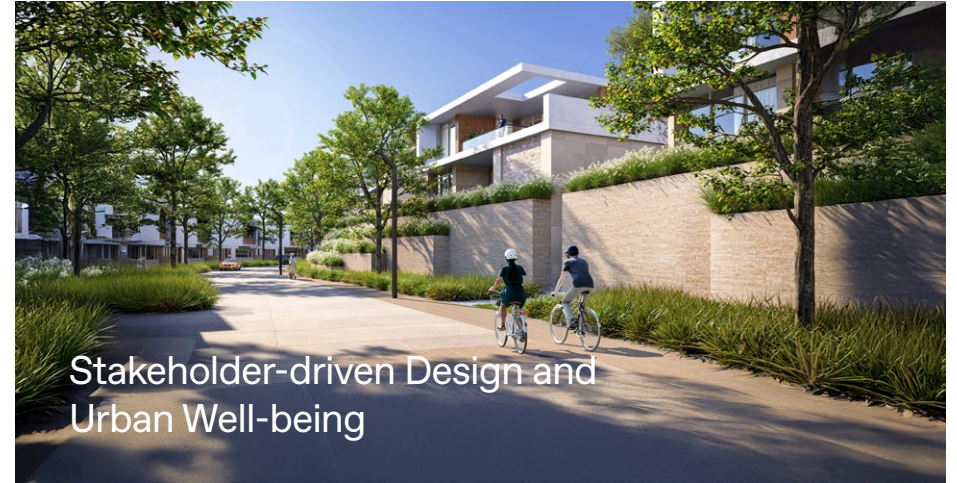
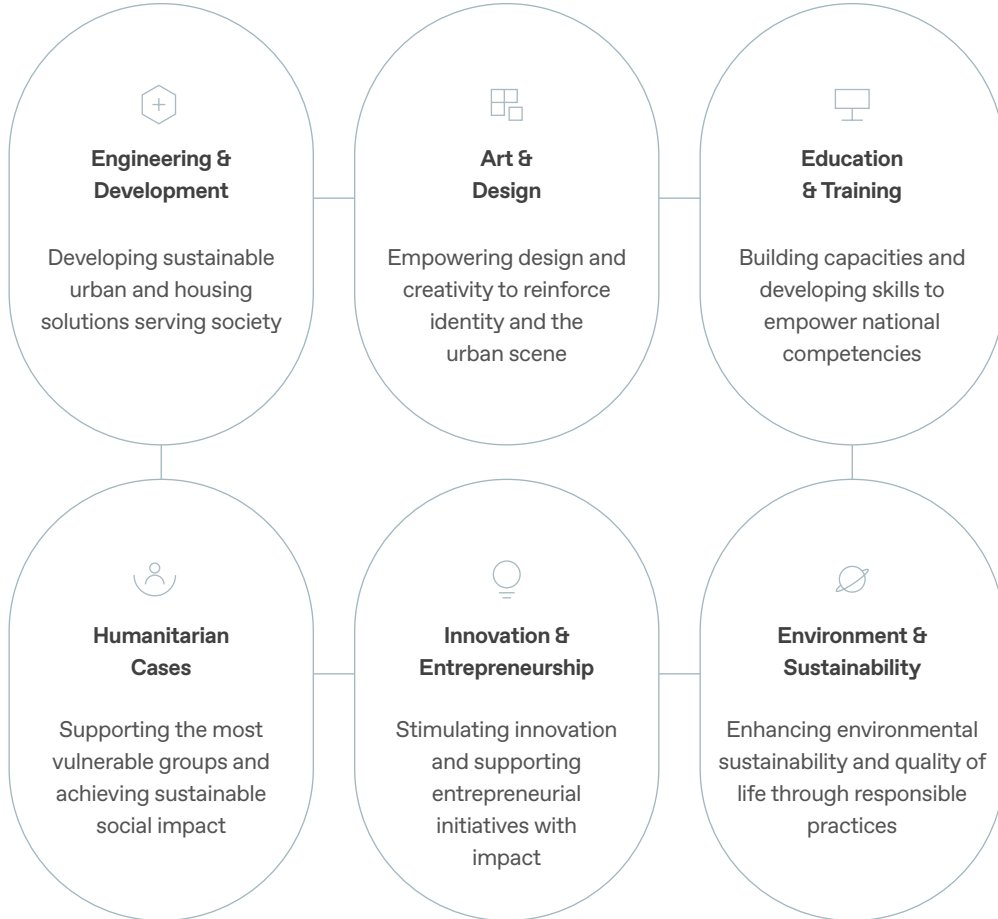
+32 Mn
 CSR Spend (Cumulative over the Last 5 Years)

42
 Total implemented initiatives

7
 Total community investments



CSR Focus Areas



Retal integrates community insights through market research and resident surveys right at the design phase, ensuring that unit mixes and public spaces are engineered for long-term liveability. This place-based engagement is executed through strategic partnerships to enhance urban greenery and reinforce local pride.

Our development philosophy is guided by these core principles:

Integrated Master Planning: Prioritizing proximity to essential services, including schools, healthcare, and retail, to ensure daily convenience

Humanized Cities: Partner-led architectural competitions bring innovative, green designs to a few Retal projects like the Nesaj and Marasi Mosques through walkable and artistic urban planning

Through continuous feedback loops, we ensure our communities remain vibrant, responsive, and aligned with the evolving needs of their residents.



CSR Initiatives in 2025

HOUSING SUPPORT

Retal contributed SAR 3 million to develop 8 innovative housing products, benefiting over 250,000 families to date. These sustained partnerships in housing rehabilitation earned Retal Al Khair multiple 2025 recognitions for measurable social impact.

📍 ENGINEERING & DEVELOPMENT

🏠 HUMANITARIAN CASES

HAL HOUSING INNOVATION CENTER

The strategic partnership between Retal, the Ministry of Municipalities and Housing, and Sakan since 2020 has established an advanced model for fostering innovation in the housing sector through the Hal Housing Innovation Center. The Center serves as a national platform dedicated to addressing challenges in the real estate sector through research, development, and institutional collaboration, with a particular focus on developing innovative housing solutions that support and empower families most in need.

In 2025, for the fifth consecutive year, Retal continued its commitment to supporting this initiative by contributing SAR 1 million toward the development of 8 innovative housing products. These cumulative efforts have delivered a tangible impact, benefiting more than 250,000 families to date.

TARMEEM

Furthermore, through the 'A'maq Athar' campaign with Tarmeem Association, Retal renovated 10 homes for families in need during Ramadan to enhance stability and quality of life under the patronage of H.H. Prince Saud bin Nayef.

AL-AHSA MUNICIPALITY

Retal partnered with Al-Ahsa Municipality to develop community parks in Al-Badriyah, transforming underutilized residential spaces into green recreational areas that enhance urban quality of life and support the Saudi Green Initiative.

Urban Identity & Creative Capital

Our commitment to urban excellence is underpinned by our focus on placemaking, city identity, and long-term value creation.

🏠 ART & DESIGN

🎓 EDUCATION & TRAINING

🚀 INNOVATION & ENTREPRENEURSHIP



UNITY OF THE NATION

Central to this mission is Retal Al-Khair's partnership with Mujassam Watan Initiative, which has resulted in iconic sculptures such as the 'Unity of the Nation'. Spanning 2,184 sqm located at the intersection of Custodian of The Two Holy Mosques Road and Prince Turki Road in Al-Khobar, the sculpture portrays the story of the Kingdom's unification by the Founding King Abdulaziz Al Saud (may he rest in peace) through 10 pages featuring his signature, "Trusting in the Most Loving, Abdulaziz Al Saud."



CREATIVE URBAN DESIGN COMPETITION

The 5th edition of the Retal Creative Urban Design Competition continues a legacy of empowering talent to explore adaptive reuse. To date, this innovation-driven platform has engaged +1,120 total participants and awarded a cumulative SAR 660,000, encouraging the transformation of existing buildings into sustainable community spaces that preserve cultural identity.



TANWEEN DESIGN CHALLENGE

As a strategic sponsor of the Tanween Design Challenge, Retal further drives urban development by supporting Ithra Design Week. In 2025, this collaboration engaged over 34,000 participants through 10 panel discussions and 4 design hackathon tracks, reinforcing sustainability and quality-of-life concepts aligned with Saudi Vision 2030.



MURTASIM DESIGN AWARD

Retal sponsored this award to nurture national architectural talent. In 2025, the initiative supported +350 student projects and 18 winners through 8 workshops, bridging the gap between academia and professional urban development with prizes totaling SAR 300,000.



Fostering Knowledge & Community Resilience

Beyond infrastructure, Retal invests in health, digital inclusion, and global scientific collaboration. We believe in the long-term value of knowledge creation and research, fostering an innovation culture that empowers youth to build sustainable, knowledge-based societies.

HUMANITARIAN CASES

EDUCATION AND TRAINING

ENVIRONMENT & SUSTAINABILITY

UNESCO-AL FOZAN INTERNATIONAL PRIZE

Retal provided strategic support to the prize, championing STEM education and youth empowerment. To date, this global initiative has awarded 5 winners across 5 geographic regions, recognizing young scientists whose research drives sustainable developmental impact and builds knowledge-based societies.

IRTIQA ASSOCIATION

Our strategic sponsorship of the Irtiqa Association promotes digital inclusion and environmental stewardship. By refurbishing 1,000 electronic devices for over 30 charitable and educational organizations in 2025, we reduced e-waste while empowering over 5,550 beneficiaries through technology and knowledge sharing.

Building Trust through Delivery Credibility



Mr. Maan AlBadran
Chief Commercial Officer

'2025 was not simply a year of growth — it was a year of proof.'

Markets rarely reward ambition alone; they reward disciplined execution. In 2025, Retal demonstrated that growth, delivery credibility, and customer confidence can scale together.

We entered the year with a clear mandate: move beyond the traditional boundaries of sales execution and build a trust-led, experience-enabled commercial model. What followed validated that thesis.

Commercial Performance: Scale with Discipline

Sales performance was anchored by the successful launch of 13 projects, delivering total sales of 923 units and reinforcing pipeline depth across key growth corridors. Flagship platforms such as Cityscape Global delivered strong reservations and unit sales while generating over 255 million brand impressions across investors, buyers, and ecosystem stakeholders.

Our sponsorship and hosting of the NeoCity Innovation Program further elevated Retal's positioning within the PropTech and ConTech

ecosystem, expanding engagement with investors, developers, and future-focused partners. This was not marketing spend; it was strategic positioning ensuring that Retal's brand equity grows in parallel with its asset base.

Delivery credibility moved in lockstep with sales momentum. Across our portfolio, 753 units were handed over spanning five communities — Nesaj Al Fursan, Nesaj A IAhsa, Nesaj Al Narjis, Ewan Sedra, and Roya Alnakheel — reinforcing customer confidence in execution timelines. In a market where trust is the ultimate differentiator, our delivery record is a commercial asset.

The Customer as the Centre of Gravity

A singular enabler of this performance was the consolidation of sales, marketing, and Customer Care under the Commercial Division. This structural decision was deliberate: the customer conversation must remain consistent and experience-led before, during, and long after the sale.

The integration strengthened conversion confidence, reinforced credibility at the point of sale, and embedded long-term relationship ownership within the commercial function. The resulting unified engagement model generated a pipeline of 32,553 leads, converting 4,457 into qualified opportunities — a qualification rate of 13.7%.

Of those opportunities, 923 units were sold at a close rate of 20.7%, delivering total sales value of SAR 1.978 billion. These are not volume metrics; they are proof of a commercially disciplined pipeline.

Customer care satisfaction at handover reached 92.3%. This is not a lagging indicator — it is proof that our commercial model delivers beyond the transaction. Every handover is, in effect, the beginning of a referral cycle. We do not underestimate its strategic value.



Capability as a Competitive Advantage

Capability development at Retal is not episodic — it is continuous. A new CX operating model now governs how customer feedback is captured, how service quality is monitored, and how issues are resolved across the organisation, bringing customer voice, relationship ownership, service integrity, and quality insights into a single disciplined framework.

This sustained focus translates directly into retention, referrals, and long-term brand equity — outcomes that cannot be manufactured through volume alone, but must be earned through consistency.

Digital Enablement: Scale Without Compromise

Digital enablement plays a critical role in scaling this engagement. Enhancements across our customer platforms have strengthened transparency, responsiveness, and service accessibility, allowing us to manage higher interaction volumes without compromising experience quality.

Technology in our commercial model acts as an amplifier, enabling our teams to remain responsive and informed across every stage of the ownership journey.

Looking Ahead: Execution at Every Stage

Going forward, we are focused on sustaining launch absorption, accelerating handovers across progressing communities, and deepening investor participation across our development pipeline.

The integration of sales, marketing, and Customer Care ensures that growth is supported by conversion discipline — not just demand generation. As we scale, we remain governed by the same rigour applied to delivery and sales targets: responsiveness, resolution quality, and relationship continuity at every stage.

Our ambition for 2026 is clear: to deepen the trust we have earned, strengthen delivery credibility, and ensure that every customer who chooses Retal does so with confidence — and remains confident long after handover.

Trust is not built through promises alone. It is built through consistent delivery — project after project, community after community.

Mr. Maan AlBadran
Chief Commercial Officer





Building Trust into Every Step

Retal builds sustainable value for its customers through an integrated approach focused on delivering a high-quality customer experience, ensuring clear communication, and fostering long-term relationships based on trust. Customer experience at Retal is viewed as a strategic investment that supports the development of enduring relationships, with customers serving as an extension of the brand’s strength and reflecting its values within the community.

THE FIVE PILLARS OF THE RETAL EXPERIENCE

Clear and Confident Customer Engagement

Retal engages customers through structured channels designed to ensure clarity and accountability throughout the lifecycle. Communication is managed through official service platforms and well-established processes, enabling customers to receive timely, accurate information.

Customer Value

Reduced uncertainty and stronger confidence in every interaction with Retal.

Service Integrity through Customer Care

A dedicated, accountable **Customer Care** function safeguards customer interests. This model ensures that commitments are upheld with accuracy and responsiveness, maintaining the highest standards of service.

Customer Value

Confidence, protection, and trust that all investment commitments will be honored.

Long-term Relationship

Beyond delivery, we maintain ongoing engagement with customers through responsive support and continuous feedback mechanisms. Customer insights are reviewed systematically and used to strengthen service delivery and enhance the overall experience over time.

Customer Value

Sustained trust and the benefit of a long-term partnership with a responsive developer.

Predictable Delivery and Handover Experience

Customers benefit from a coordinated approach to delivery, handover, and early post-handover support. Clear internal alignment and structured updates help manage critical milestones with greater predictability.

Customer Value

Peace of mind through a predictable and professional move-in experience.

Digitally-enabled Transparency

Digital platforms, including the Retal App, support engagement by enhancing visibility into service updates and communication history. These tools ensure that interaction remains accessible and structured across the entire journey.

Customer Value

Convenience and control through 24/7 visibility into the development process.

SUSTAINING THE STANDARD

As Retal scales, we remain committed to reinforcing delivery predictability and maintaining the service integrity that underpins our value proposition. Our focus is to ensure that growth is achieved without compromising the reliability and personal connection that define the Retal experience. By grounding our future in these principles, we continue to build communities where every resident feels rooted, valued, and at home.



Securing Long-term Value

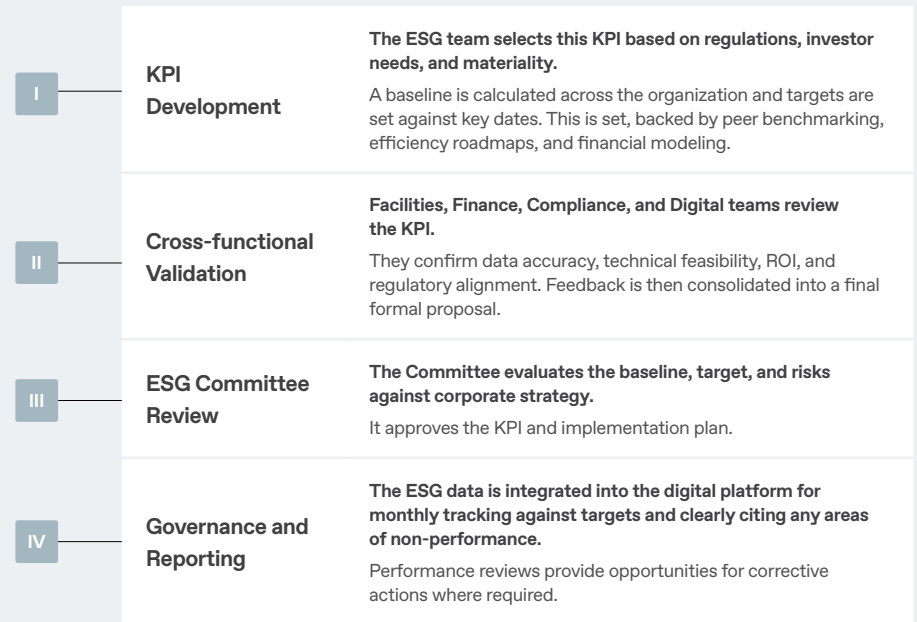
The ESG Committee sits at the center of Retal’s sustainability governance, with direct accountability to executive-level stewardship of the Company’s ESG agenda.

Established and led by the CEO, the ESG Committee enabled Retal’s resilience during the year by modernizing the risk management framework to include specific sustainability considerations. This expanded framework provides the oversight for the ESG Risk Management target of ensuring 100% of operations are assessed for social and environmental risks, transforming these risk evaluations into measurable sustainability outcomes. The Committee is responsible for approving ESG KPIs and ensuring alignment with corporate strategy, financial impact, and investor expectations. The Committee maintains accountability across operations, driving long-term environmental excellence through disciplined forecasting and performance oversight.

Unified Approach to Performance Tracking

Beyond alignment, the Committee exercises oversight of all ESG-related targets. ESG KPIs are treated as corporate performance metrics and governed with the same rigor as financial and operational indicators.

For example, the Operational Carbon Intensity (kgCO₂e/m²), which serves as a critical parameter for energy efficiency and climate-related transition risk across our portfolio. The approval of this KPI followed a disciplined four-step process. This included cross-functional validation and review by the ESG Committee, following which the KPI was approved with a phased implementation approach and a calibrated reduction target.



By applying this approach to all ESG KPIs, we ensure our governance remains proactive and data-driven. This allows for disciplined execution of our long-term commitments while maintaining executive-level stewardship of our strategic sustainability agenda. This advancement in our data architecture provides the rigorous foundation necessary to drive comprehensive ESG performance across our entire operational footprint.