

AFCONS CONTRACTING COMPANY
(MIXED LIMITED LIABILITY)

FINANCIAL STATEMENTS AND AUDITORS' REPORT
YEAR ENDED MARCH 31, 2025

AFCONS CONTRACTING COMPANY
(MIXED LIMITED LIABILITY)

FINANCIAL STATEMENTS AND AUDITORS' REPORT
YEAR ENDED MARCH 31, 2025

INDEX	PAGE
Auditors' report	2
Statement of financial position	3
Statement of comprehensive income	4
Statement of cash flows	5
Statement of changes in shareholder' equity	6
Notes to the financial statements	7 - 13

AFCONS CONTRACTING COMPANY
(MIXED LIMITED LIABILITY)

STATEMENT OF FINANCIAL POSITION (Continued)
AS OF MARCH 31, 2025

	Note	2024 SR
ASSETS		
Current assets		
Cash and cash equivalents	4	1,944,962
Other receivables	5	<u>177,793</u>
Total current assets		<u>2,122,755</u>
TOTAL ASSETS		<u><u>2,122,755</u></u>
SHAREHOLDER' EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	1	1,000,000
Accumulated losses		<u>(2,141)</u>
Total shareholder' equity		<u>997,859</u>
Non-current liabilities		
Due to a related party	8	<u>1,124,896</u>
Total non-current liabilities		<u>1,124,896</u>
Total liabilities		<u><u>1,124,896</u></u>
TOTAL SHAREHOLDER' EQUITY AND LIABILITIES		<u><u>2,122,755</u></u>

The accompanying notes form an integral part of these financial statements

AFCONS CONTRACTING COMPANY
(MIXED LIMITED LIABILITY)

STATEMENT OF COMPREHENSIVE INCOME
FOR YEAR ENDED MARCH 31, 2025

	Note	For the period from Aug 1, 2024 (date of commercial registration) to March 31, 2025 SR
Revenue		-
Cost of revenue		-
Gross profit		
General and administrative expenses	7	(445)
Financing expenses	8	(1,696)
Net (loss) before Zakat and income tax		(2,141)
Zakat and income tax	6	-
NET (LOSS)		(2,141)

The accompanying notes form an integral part of these financial statements

AFCONS CONTRACTING COMPANY
(MIXED LIMITED LIABILITY)

STATEMENT OF CASH FLOWS
FOR YEAR ENDED MARCH 31, 2025

	For the period from Aug 1, 2024 (date of commercial registration) to March 31, 2025 SR
OPERATING ACTIVITIES	
Net (loss) before Zakat and income tax	(2,141)
Changes in operating assets and liabilities:	
Other receivables	<u>(177,793)</u>
Net cash generated from operating activities	<u>(179,934)</u>
FINANCING ACTIVITIES	
Loan from related parties	1,124,896
Share capital	<u>1,000,000</u>
Net cash from financing activities	<u>2,124,896</u>
Net change in cash and cash equivalents	1,944,962
Cash and cash equivalents at beginning of the period	-
CASH AND CASH EQUIVALENTS, MARCH 31	<u><u>1,944,962</u></u>

The accompanying notes form an integral part of these financial statements

AFCONS CONTRACTING COMPANY
(MIXED LIMITED LIABILITY)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR YEAR ENDED MARCH 31, 2025

	Notes	Share capital SR	Accumulated losses SR	Total SR
August 1, 2024		1,000,000	-	1,000,000
Net (Loss) for the year		-	(2,141)	(2,141)
March 31, 2025		1,000,000	(2,141)	997,859

The accompanying notes form an integral part of these financial statements

AFCONS CONTRACTING COMPANY
(MIXED LIMITED LIABILITY)

NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED MARCH 31, 2025

1. ORGANIZATION AND ACTIVITIES

AFCONS Contracting Company ("the company") is a Saudi mixed limited liability company. The company is registered in Riyadh, the Kingdom of Saudi Arabia on Muharram 26, 1446 H (corresponding to August 1, 2025) under commercial registration No. 1009079988 , and it's unified number 7041198859 and having a share capital of SR 1,000,000 consists of 10,000 equity shares of SR 100 each.

As of March 31, 2025, the company's shareholdings are as follow:

Shareholder	Country of inception	No. of shares	% Ownership	Amount
AFCONS INFRASTRUCTURE LIMITED	India	9,000	90%	900,000
JUBAIL PEARL COMPANY LIMITED	Saudi	1,000	10%	100,000
		<u>10,000</u>	<u>100%</u>	<u>1,000,000</u>

The company's main activities are the construction of airports and their facilities; on-site construction of prefabricated buildings; construction of roads, streets, sidewalks, and road-related infrastructure; construction of bridges and tunnels; railway line construction; construction of aircraft runways; maintenance and repair of roads, streets, sidewalks, and related infrastructure; maintenance and repair of bridges and tunnels; laying of oil and gas pipelines; installation of water pipelines within and between cities, including the development of new networks; construction of main water distribution stations and pipelines; construction of irrigation and watering channels, and main water storage towers; drilling of tubular and manual water wells; maintenance and repair of sewage treatment plants, drainage systems, sewer networks, and pumping stations; construction of refineries, petrochemical plants, and processing facilities; construction of port docks and marine infrastructure; construction of ports and tourist marinas; construction of dams; building of breakwaters and dock protection structures; maintenance and repair of port docks and marine facilities; site preparation including excavation and leveling; pouring of foundations and base structures; inland water transportation of goods using containers; and the operation and maintenance of railway facilities. Under MISA license no. 102084510281781 dated Shawwal 19, 1445H (corresponding to Apr 28, 2024).

The company is registered in Riyadh, the Kingdom of Saudi Arabia.

AFCONS CONTRACTING COMPANY
(MIXED LIMITED LIABILITY)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED MARCH 31, 2025

2. BASIS OF PREPARATION

Statement of compliance

The accompanying financial statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities applicable in the Kingdom of Saudi Arabia and endorsed by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”).

Basis of measurement

The financial statements are prepared under the historical cost convention, using the accrual basis of accounting and the going concern concept.

Functional and presentational currency

These financial statements are presented in Saudi Arabia Riyals (SR) which is the functional currency of the country.

Use of estimates and judgements

The preparation of financial statements in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities applicable in the Kingdom of Saudi Arabia and endorsed by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”) required management to make judgment, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income, and expenses.

Estimates and underlying assumptions are review on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and where future periods are affected. Actual results may differ from these estimates.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR YEAR ENDED MARCH 31, 2025

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies applies are summarized as follows:

Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

Accounts receivable

Accounts receivable are stated at original invoice amount net of allowance for doubtful debts. An allowance against doubtful debts is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Accounts payable and accruals

Liabilities are recognized for amounts to be paid in the future for goods/services when risks and rewards attributable to goods are transferred to the company or services are received, whether or not billed to the company.

Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation.

Revenue recognition

The company shall recognize revenue associated with the transaction by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfies:

- (a) The amount revenue can be measured reliably;
- (b) It is probable that the economic benefit associated with the transaction will flow to entity;
- (c) The stage of completion of the transaction at the end of the reporting period can be measured reliably;
and
- (d) The cost incurred for the transaction and the costs to complete the transaction can be measured reliably.

Expenses

General and administrative expenses include direct and indirect costs not specifically part of cost of revenue as required under generally accepted accounting principles. Allocations between general and administrative expenses and cost of revenue, when required, are made on a consistent basis.

Foreign currency translation

Foreign currency transactions are translated into Saudi Riyals at the rates of exchange prevailing at the time of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the exchange rates prevailing at that date. Gains and losses from settlement and translation of foreign currency transactions are included in the statement of operations.

AFCONS CONTRACTING COMPANY
(MIXED LIMITED LIABILITY)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR YEAR ENDED MARCH 31, 2025

Income tax

The company is subject to the Regulations of the Zakat, Tax and Customs authority ("ZATCA") in the Kingdom of Saudi Arabia. Income tax is provided on an accruals basis. Income tax is computed on adjusted net income. Any difference in the estimate is recorded when the final assessment is approved, at which time the provision is cleared.

Zakat

The Company is subject to the regulations of the Zakat, Tax and Customs Authority (ZATCA) in the Kingdom of Saudi Arabia. Zakat is charged to the statement of profit or loss. Any additional zakat liabilities related to prior years are recognized in the period in which the final assessment is issued by ZATCA.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash, bank balances and highly liquid investments with original maturities of three months or less. As of March 31, 2025, cash and cash equivalents consist entirely of cash and bank balances.

	2024
	SR
Cash and bank balances	1,944,962
	1,944,962

5. PREPAID EXPENSES AND OTHER ASSETS

	2024
	SR
Rent deposit	127,732
Advance payment to supplier	50,000
VAT	61
	177,793

AFCONS CONTRACTING COMPANY
(MIXED LIMITED LIABILITY)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR YEAR ENDED MARCH 31, 2025

6. ZAKAT AND INCOME TAX

The main components of the Zakat and Income Tax Base include the following:

	2024
	SR
Shareholders' Equity	997,859
Liabilities and their Equivalents	1,124,896
Net (Loss) Before Zakat and Income Tax	(2,141)

The Company submitted its zakat and tax return for the year ended March 31, 2025.

7. GENERAL AND ADMINISTRATIVE EXPENSES

	For the period from Aug 1, 2024 (date of commercial registration) to March 31, 2025 SR
Bank charges	445
	445

AFCONS CONTRACTING COMPANY
(MIXED LIMITED LIABILITY)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR YEAR ENDED MARCH 31, 2025

8. RELATED PARTY TRANSACTIONS AND BALANCES

During the period, the company mainly transacted with the following related party:

<u>Name</u>	<u>Relationship</u>
AFCONS INFRASTRUCTURE LIMITED	Shareholder

The significant transactions and the related approximate amounts are as follows:

	<u>2024</u> <u>SR</u>
Financing	1,123,200
Interest	(1,696)

Due to related parties consist of the following:

	<u>2024</u> <u>SR</u>
AFCONS INFRASTRUCTURE LIMITED	<u>1,124,896</u>
	<u>1,124,896</u>

Facility Agreements

On March 17, 2025, the company entered into a facility agreement with Afcons Infrastructure Limited for a total amount of SAR 3,750,000. Under the terms of this agreement, the company has got financing facilities amounting to SAR 1,123,200. This financing bears a interest at prevailing commercial rates.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial risk management

The company's management monitors and manages the financial risks relating to the operations of the company.

Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in the market interest rates. The company does not have any loan commitments subject to interest as of March 31, 2025.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial assets which potentially subject the company to concentrations of credit risk consist principally of cash at bank. Cash at bank is placed with reliable financial institutions.

Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at an amount close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available to meet any future commitments.

10. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable willing parties in an arm's length transaction. As the company's financial instruments are compiled under the historical cost convention, differences can arise between the book values and fair value estimates. Management believes that the fair values of the company's financial assets and liabilities are not materially different from their carrying values.

11. APPROVAL OF THE FINANCIAL STATEMENTS

On June 12, 2025, the board of directors adopted the financial statement for the year ended 31 March 2025.