Jadwa REIT Saudi Fund
(Managed by Jadwa Investment Company)

FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT

31 DECEMBER 2025

Jadwa REIT Saudi Fund
(Managed by Jadwa Investment Company)
FINANCIAL STATEMENTS
31 December 2025

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Alluhaid & Alyahya Chartered Accountants
A Limited Liability Company
Paid up capital SR 100,000 - CR:1010468314
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Muhammadiyah District, Grand Tower 12 th Floor

INDEPENDENT AUDITOR'S REPORT
To the Unitholders of Jadwa REIT Saudi Fund
(Managed by Jadwa Investment Company)

Opinion
We have audited the accompanying financial statements of Jadwa REIT Saudi Fund (the "Fund") managed by Jadwa Investment Company (the "Fund Manager"), which comprise the statement of financial position as at 31 December 2025, and the related statements of profit or loss and other comprehensive income, cash flows and changes in equity for the year then ended, and notes to the financial statements, including a material accounting policy information.

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

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

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

Key Audit Matter	How the key matter was addressed in the audit
Assessing Impairment of Investment Properties The Fund owns a portfolio of investment properties comprising of land and commercial buildings being located in the Kingdom of Saudi Arabia. Investment properties are held for capital appreciation and/or rental yields and are stated at cost less accumulated depreciation and any impairment losses. As at 31 December 2025, the carrying value of investment properties was ﷼ 2,004 million (31 December 2024: ﷼ 2,038 million) which was net of accumulated depreciation of ﷼ 268 million (31 December 2024: 230 million) and an accumulated impairment allowance of ﷼ 70 million (31 December 2024: ﷼ 72 million).	We performed the following procedures: - We obtained an understanding of the process and controls surrounding assessment of impairment of investment properties by performing walkthrough procedures. - We agreed the value of all the properties held at the year end to the valuation included in the independent management expert valuation report; - We evaluated the competency, capabilities and objectivity of work performed by the independent management expert; - On sample basis, with the help of our independent expert, we performed the following:

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INDEPENDENT AUDITOR'S REPORT (continued)
To the Unitholders of Jadwa REIT Saudi Fund
(Managed by Jadwa Investment Company)

Key Audit Matters (continued)

Key Audit Matter	How the key matter was addressed in the audit
For assessing the impairment of investment properties, the Fund management monitors volatility of fair value of investment properties by engaging independent certified property valuers to perform a formal valuation of the Fund's investment properties on semi-annual basis. We considered this as a key audit matter since the impairment assessment of investment properties requires significant judgement and estimates by management and the external valuers. Any input inaccuracies or unreasonable bases used in these judgements and estimates (such as in respect of estimated rental value and yield profile applied) could result in a material misstatement of the Statement of Financial Position and in the Statement of Comprehensive Income. *The Fund's accounting policy for investment properties is disclosed in note 5.1, the significant accounting estimates, judgement and assumptions relating to investment properties are disclosed in note 4 and related disclosures about investment properties are included in notes 6 and 7 of the accompanying financial statements.*	o We assessed the appropriateness of valuation methodology, assumptions, and estimates used by management in the process of impairment of investment properties; o We engaged in discussions with management and assessed the relevant assumptions used based on market data where possible; o We tested the appropriateness of the key assumptions used in the valuation of investment properties, such as estimated rental value and yield profile applied; - We checked the accuracy of impairment loss recognized in the statement of comprehensive income during the year; and - We ensured that the financial statements contain adequate disclosures regarding the valuation methodology, judgment, assumptions and estimates used in the valuation.

Other Information included in the Fund's 2025 Annual Report
The Fund Manager is responsible for the other information. The other information comprises the information included in the Fund's 2025 annual report other than the financial statements and our auditor's report thereon. The Fund's 2025 annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Fund's 2025 annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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INDEPENDENT AUDITOR'S REPORT (continued)
To the Unitholders of Jadwa REIT Saudi Fund
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Responsibilities of the Fund Manager and Those Charged with Governance for the Financial Statements

The Fund Manager is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements that are endorsed by SOCPA and the applicable provisions of the Real Estate Investment Fund Regulations issued by the Board of Capital Market Authority, and the Fund's terms and conditions and for such internal control as the Fund Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charge with governance, i.e the Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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INDEPENDENT AUDITOR'S REPORT (continued)
To the Unitholders of Jadwa REIT Saudi Fund
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Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

For Alluhaid & Alyahya Chartered Accountants

Turki A. Alluhaid
Certified Public Accountant
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(8 March 2026)

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Jadwa REIT Saudi Fund
(Managed by Jadwa Investment Company)
STATEMENT OF FINANCIAL POSITION
As at 31 December 2025

	Notes	2025 ﷼	2024 ﷼
ASSETS			
NON-CURRENT ASSETS			
Investment properties	6	**2,003,721,770**	2,038,369,717
Financial assets at fair value through profit or loss ("FVTPL")	8	**107,472,914**	185,557,363
TOTAL NON-CURRENT ASSETS		**2,111,194,684**	2,223,927,080
CURRENT ASSETS			
Prepayments and other assets	9	**484,898**	839,357
Rent receivables	10	**40,526,950**	26,273,946
Cash and cash equivalents	11	**75,343,658**	57,748,746
TOTAL CURRENT ASSETS		**116,355,506**	84,862,049
TOTAL ASSETS		**2,227,550,190**	2,308,789,129
LIABILITIES			
NON-CURRENT LIABILITY			
Long-term loan	12	**542,500,000**	542,500,000
CURRENT LIABILITIES			
Due to related parties	14	**3,408,456**	2,649,898
Contract liability		**13,941,015**	13,143,530
Accrued management fees	14	**8,933,985**	9,246,046
Accrued expenses and other liabilities	13	**6,250,324**	4,123,703
TOTAL CURRENT LIABILITIES		**32,533,780**	29,163,177
TOTAL LIABILITIES		**575,033,780**	571,663,177
EQUITY			
Net assets attributable to unitholders		**1,652,516,410**	1,737,125,952
TOTAL LIABILITIES AND EQUITY		**2,227,550,190**	2,308,789,129
Units in issue (in numbers)		**186,509,785**	186,509,785
Per unit value		**8.86**	9.31
Per unit fair value	7	**11.75**	11.83

The attached notes 1 to 24 form an integral part of these financial statements.

Jadwa REIT Saudi Fund
(Managed by Jadwa Investment Company)
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2025

	Notes	2025 ﷼	2024 ﷼
REVENUE			
Rental income from investment properties	17	**189,560,276**	177,968,998
Loss from financial assets at FVTPL	8	**(15,756,897)**	(10,269,759)
Finance income	11	**2,025,696**	1,693,002
Dividend income	8	**-**	3,813,961
Gain on disposal of investment properties	6	**-**	1,243,611
		175,829,075	174,449,813
EXPENSES			
Depreciation	6	**(37,515,001)**	(37,887,409)
Management fees	14	**(16,556,525)**	(16,675,608)
Charge for expected credit losses	10	**(7,725,316)**	(3,413,979)
General and administrative expenses	15	**(13,116,534)**	(12,870,101)
		(74,913,376)	(70,847,097)
OPERATING PROFIT		**100,915,699**	103,602,716
Other income		**8,800**	1,143,928
Finance charges	12,14	**(38,360,084)**	(38,557,203)
PROFIT FOR THE YEAR		**62,564,415**	66,189,441
Reversal of / (charge for) impairment on investment properties	6	**2,033,871**	(10,414,453)
NET INCOME FOR THE YEAR		**64,598,286**	55,774,988
Other comprehensive income		**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**64,598,286**	55,774,988

The attached notes 1 to 24 form an integral part of these financial statements.

Jadwa REIT Saudi Fund
(Managed by Jadwa Investment Company)
STATEMENT OF CASH FLOWS
For the year ended 31 December 2025

	Notes	2025 ﷼	2024 ﷼
OPERATING ACTIVITIES			
Net income for the year		**64,598,286**	55,774,988
Adjustments for non-cash and other items:			
Depreciation on investment properties	6	**37,515,001**	37,887,409
(Reversal of)/charge for impairment on investment properties	6	**(2,033,871)**	10,414,453
Gain on disposal of investment properties		**-**	(1,243,611)
Finance charges	12,14	**38,360,084**	38,557,203
Charge for expected credit losses	10	**7,725,316**	3,413,979
Loss from financial assets at FVTPL	8	**15,756,897**	10,269,759
Finance income		**(2,025,696)**	(1,693,002)
		159,896,017	153,381,178
Changes in operating assets and liabilities:			
Prepayments and other assets		**354,459**	29,843,154
Rent receivables		**(21,978,320)**	(1,742,393)
Due to related parties		**1,390,733**	91,423
Contract liability		**797,485**	9,116,283
Accrued management fees		**(312,061)**	(379,302)
Accrued expenses and other liabilities		**2,126,621**	(18,132,579)
		142,274,934	172,177,764
Finance charges paid		**(38,992,259)**	(37,644,428)
Finance income received		**2,025,696**	2,108,821
Net cash flows from operating activities		**105,308,371**	136,642,157
INVESTING ACTIVITIES			
Additions to investment properties	6	**(833,183)**	(426,037,514)
Proceed from redemption of financial assets at FVTPL	8	**62,327,552**	-
Proceed from disposal of investment properties		**-**	90,000,000
Net cash flows from / (used in) investing activities		**61,494,369**	(336,037,514)
FINANCING ACTIVITIES			
Distributions	20	**(149,207,828)**	(149,207,828)
Proceeds from long-term loan	12	**-**	340,377,500
Net cash flows (used in) / from financing activities		**(149,207,828)**	191,169,672
Net increase / (decrease) in cash and cash equivalents		**17,594,912**	(8,225,685)
Cash and cash equivalents at beginning of the year		**57,748,746**	65,974,431
Cash and cash equivalents at end of the year		**75,343,658**	57,748,746
NON-CASH TRANSACTIONS			
Advance against investment properties		**-**	20,000,000

The attached notes 1 to 24 form an integral part of these financial statements.

Jadwa REIT Saudi Fund
(Managed by Jadwa Investment Company)
STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2025

	Notes	2025 ﷼	2024 ﷼
Equity attributed to the Unitholders at beginning of the year		**1,737,125,952**	1,830,558,792
Comprehensive income			
Net income for the year		**64,598,286**	55,774,988
Other comprehensive income for the year		**-**	-
Total comprehensive income for the year		**64,598,286**	55,774,988
Distributions	20	**(149,207,828)**	(149,207,828)
Equity attributed to the Unitholders at end of the year		**1,652,516,410**	1,737,125,952

Transactions in units for the year ended are summarised as follows:

	Notes	2025 Units	2024 Units
Units at the beginning and at the end of the year	16	**186,509,785**	186,509,785

The attached notes 1 to 24 form an integral part of these financial statements.

Jadwa REIT Saudi Fund
(Managed by Jadwa Investment Company)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2025

1 CORPORATE INFORMATION

Jadwa REIT Saudi Fund (the "Fund") is a closed-ended Shariah compliant real estate investment traded fund. The Fund operates in accordance with Real Estate Investment Fund Regulations ("REIFR") by the Capital Market Authority ("CMA"). The Fund is listed on Saudi Stock Exchange ("Tadawul") and the units of the Fund are traded on Tadawul in accordance with its rules and regulations. The Capital of the Fund is ﷼ 1,865,097,850 divided into 186,509,785 units (2024: ﷼ 1,865,097,850 divided into 186,509,785 units). The Fund has a term of 99 years, which is extendable at the discretion of the Fund Manager following the approval of the CMA.

The Fund is being managed by Jadwa Investment Company (the "Fund Manager"), a Saudi Arabian closed joint stock company with commercial registration number 1010228782, and a Capital Market Institution licensed by the CMA under license number 06034-37.

The following entities have been established and approved by the CMA as special purpose vehicles (the "SPVs") for the beneficial interest of the Fund. The SPVs own all the assets of the Fund and have entered into financing agreement on behalf of the Fund.

1. Real Estate Development Areas Company, a Limited Liability Company with commercial registration number 1010385322.
2. Jadwa Al Masha'ar Real Estate Company, a Limited Liability Company with commercial registration number 1010495554.
3. Growth Areas Real Estate Company, a Limited Liability Company- Owned by Single Person with commercial registration number 1010748800.

The primary investment objective of the Fund is to provide its investors with regular income by investing in income-generating real estate assets in Saudi Arabia, excluding the Holy cities of Makkah and Medina.

While the Fund will primarily invest in developed real estate assets which are ready for use, it may also opportunistically invest in real estate development projects in a value not exceeding 25% of the Fund's total asset value with the aim of achieving an increase in value per unit; provided that (i) at least 75% of the Fund's total assets are invested in developed real estate assets which generate periodic income and (ii) the Fund shall not invest in White Land.

The Fund has appointed Albilad Investment Company (the "Custodian") to act as its custodian. The fees of the custodian are paid by the Fund.

During the year ended 31 December 2025, the Fund Manager entered into a management and operation contract with Sareed Development and Real Estate Investment Company to manage and operate Lafif Complex. The contract also includes the responsibilities of marketing, maintenance and supervision of the property.

2 REGULATING AUTHORITY

The Fund operates in accordance with Real Estate Investment Fund Regulations ("REIFR") issued by the CMA. The regulations detail the requirements for real estate funds and traded real estate funds within the Kingdom of Saudi Arabia.

3 BASIS OF PREPARATION

3.1 Statement of compliance

These financial statements of the Fund have been prepared in accordance with IFRS Accounting Standards as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncement that are endorsed by the Saudi Organisation for Chartered and Professional Accountants ("SOCPA''), (collectively hereafter referred to as IFRS Accounting Standards as endorsed in the Kingdom of Saudi Arabia).

Jadwa REIT Saudi Fund
(Managed by Jadwa Investment Company)
NOTES TO THE FINANCIAL STATEMENTS (continued)
31 December 2025

3 BASIS OF PREPARATION (continued)

3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, using accrual basis of accounting, except for financial assets at fair value through profit or loss ("FVTPL") which are recorded at fair value.

The management has prepared the financial statements on the basis that it will continue to operate as a going concern.

3.3 Functional and presentation currency

These financial statements are presented in Saudi Riyals ("﷼"), which is the functional currency of the Fund. All financial information has been rounded off to the nearest ﷼.

4 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Fund's financial statements in conformity with the IFRS Accounting Standards as endorsed in the Kingdom of Saudi Arabia requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenue and expenses during the year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates, by definition, may differ from the related actual results.

Significant areas where management has used estimates, assumptions, or exercised judgments are as follows:

Going concern
The Board of Directors, in conjunction with the Fund Manager, has made an assessment of the Fund's ability to continue as going concern and satisfied that the Fund has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Fund's ability to continue as going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Useful lives of investment properties
The management determines the estimated useful lives of investment properties for calculating depreciation. This estimate is determined after considering expected usage of the assets and physical wear and tear. Management reviews the residual value and useful lives annually and change in depreciation charges, if any, are adjusted in current and future periods. The estimated useful lives of the investment properties are disclosed in note 6.

Impairment of investment properties
The carrying values of non-financial assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset or cash generating unit ("CGU") exceeds its recoverable amount which is the higher of an asset's fair value less cost to sell and value in use. The recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. The value in use is based on a discounted cash flow ("DCF") model, whereby the future expected cash flows are discounted using a pre-zakat discount rate that reflects the current market assessments of the time value of money and risks specific to the asset. Impairment losses are recognised in the statement of comprehensive income.

4 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Impairment of investment properties (continued)
Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but the increased carrying amount should not exceed the carrying amount that would have been determined, had no impairment loss been recognised for the assets or cash-generating unit in prior years. A reversal of an impairment loss is recognised as income immediately in the statement of comprehensive income.

Expected credit losses of trade receivables and contract assets
For rental income receivables and contract assets, the Fund applies a simplified approach in calculating expected credit losses ("ECL"). Therefore, the Fund does not track changes in credit risk but instead recognizes a loss allowance based on lifetime ECL at each reporting date. The Fund has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The information about the ECL on the Fund's rental income receivables is disclosed in note 10 in these financial statements.

Fair value measurement
The Fund measures its investments in mutual fund at fair value at each reporting date. The investment in the investee fund is valued based on the latest available redemption price of such units for each investee fund, as determined by the investee fund's Manager.

The Fund discloses fair value of investment properties which is determined by real estate valuation experts using recognised valuation techniques and the principles of IFRS 13 Fair Value Measurement. The significant methods and assumptions used by valuers in estimating the fair value of investment properties are set out in note 7.

5 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies used in the preparation of these financial statements are as follows:

5.1 Investment properties
Investment properties comprise properties that are held to earn rentals or for capital appreciation or both. Investment property is stated at cost including transaction costs net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met. The cost less estimated residual value, if any, of investment property is depreciated on a straight-line basis over the estimated useful lives of the assets. Land, on the other hand, is reported at cost. The estimated useful lives of the buildings range from 27 to 48 years.

5.2 Impairment of non-financial assets
The carrying values of non-financial assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset or cash generating unit ("CGU") exceeds its recoverable amount which is the higher of an asset's fair value less cost to sell and value in use. The recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets of a group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. The value in use is based on a discounted cash flow ("DCF") model, whereby the future expected cash flows are discounted using a discount rate that reflects the current market assessments of the time value of money and risks specific to the asset. Impairment losses are recognised in the statement of comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but the increased carrying amount should not exceed the carrying amount that would have been determined, had no impairment loss been recognised for the assets or cash-generating unit in prior years. A reversal of an impairment loss is recognised as income immediately in the statement of comprehensive income.

Jadwa REIT Saudi Fund
(Managed by Jadwa Investment Company)
NOTES TO THE FINANCIAL STATEMENTS (continued)
31 December 2025

5 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

5.3 Cash and cash equivalents
For the purposes of cash flows statement, cash and cash equivalents consists of bank balances and short-term deposits having original maturity of less than or equal to 90 days.

5.4 Financial instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

5.4.1 Initial recognition and measurement of financial instruments
The Fund initially recognises financial assets and financial liabilities when it becomes party to the contractual provisions of the financial instrument.

Initial measurement of the financial instrument is at its fair value plus or minus, in the case of a financial asset or financial liability not at FVTPL, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs of financial assets carried at FVTPL are expensed in the statement of comprehensive income.

5.4.2 Financial assets – subsequent classification and measurement
Financial assets are subsequently measured at amortised cost or FVTPL. There are two criteria used to determine how financial assets should be classified and measured:

a) The Fund's business model for managing the financial assets; and
b) The contractual cash flow characteristics of the financial asset

A financial asset is measured at amortised cost if the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Otherwise, a financial asset is measured at FVTPL.

The Fund's financial assets measured at amortised cost include cash and cash equivalents, rent receivables and other receivables.

In accordance with the exemption in IAS 28 Investments in Associates and Joint Ventures, the Fund has elected to measure its investment in associates at FVTPL.

The Fund derecognises a financial asset when the rights to the cash flows from the financial asset have expired or where the Fund has transferred substantially all risks and rewards associated with the financial asset and does not retain control of the financial asset.

5.4.3 Impairment of financial assets
The Fund recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Fund expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cashflows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As at the year end, the Fund has rent receivables as financial assets carried at amortised cost. For rent receivables, the Fund applies a simplified approach in calculating ECLs. Therefore, the Fund does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Fund has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The information about the ECLs on the Fund's rent receivables is disclosed in note 10 and note 18 in these financial statements.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

5 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

5.4 Financial instruments (continued)

5.4.4 Financial liabilities – subsequent classification and measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate ("EIR") method. The EIR is the rate that discounts the estimated future cash payments through the expected life of the financial liability, or where appropriate, a shorter period to the net carrying amount on initial recognition.

The Fund derecognises a financial liability (or part of a financial liability) from its statement of financial position when, and only when, it is extinguished, i.e. when the obligation specified in the contract is discharged, cancelled or expired. The Fund's financial liabilities include long-term loan, contract liabilities, due to related parties, management fee payable and other liabilities.

5.4.5 Modification of financial assets and financial liabilities

Financial assets
If the terms of the financial asset are modified, the Fund evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Fund recalculates the gross carrying amount of the financial asset and recognises the amount adjusting the gross carrying amount as modification gain or loss in the statement of comprehensive income.

Financial liabilities
The Fund derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability distinguished and the new financial liability with modified terms are recognised in the statement of comprehensive income.

5.4.6 Offsetting of financial instruments

Financial assets and liabilities are offset with the net amount reported in the statement of financial position only if there is a current enforceable legal right to offset the recognised amounts and an intent to settle on a net basis, or to realise the assets and liabilities simultaneously.

5.5 Current versus non-current classification

The Fund presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

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

All other assets are classified as non-current:

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Fund classifies all other liabilities as non-current.

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31 December 2025

5 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

5.6 Fair value measurement

The Fund measures financial instruments such as equity instruments at fair value at each balance sheet date.

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

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

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

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

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

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in financial statements at fair value on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each year. The Fund determines the policies and procedures for both recurring fair value measurement, and for non-recurring measurement.

At each reporting date, the Fund analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Fund's accounting policies. For this analysis, the Fund verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Fund also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

Fair value related disclosures for financial instruments that are measured at fair value or where fair values are disclosed are discussed in notes 7 and 8.

Jadwa REIT Saudi Fund
(Managed by Jadwa Investment Company)
NOTES TO THE FINANCIAL STATEMENTS (continued)
31 December 2025

5 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

5.7 Provisions
Provisions are recognised when the Fund 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 a reliable estimate can be made of the amount of the obligation.

5.8 Revenue recognition
Revenue includes rental income from investment properties.

The Fund recognises lease payments as rental income on a straight-line basis. After lease commencement, the Fund recognises variable lease payments that do not depend on an index or rate (e.g. performance- or usage-based payments) as they are earned. When the Fund provides incentives to its tenants, the cost of the incentives is recognised on a straight-line basis, as a reduction of rental income.

The contracts include fixed price and the customer pays the fixed amount based on a payment schedule. If the services rendered by the Fund exceed the payment, contract asset is recognised. If the payments exceed the services rendered, contract liability is recognised.

Revenue is measured at the transaction price agreed under the contract. Amounts disclosed as revenue are net of variable consideration and payments to customers, which are not for distinct services, this consideration may include discounts. The Fund does not have contracts where the period between the performance of the service to the customer and the payment by the customer exceeds one year, and as a result, the Fund does not adjust transaction price for the time value of money.

Rental income from operating lease of properties is recognised on a straight-line basis over the term of the operating lease.

5.9 Management fees
Management fees are charged by the Fund Manager at the rate of 0.75% per annum of the Fund's net asset market value. Management fees are calculated and payable semi-annually in arrears.

5.10 Expenses
General and administrative expenses include direct and indirect costs not specifically part of cost of revenue.

5.11 Net asset value
The net asset value per unit disclosed in the financial statements is calculated by dividing the net assets of the Fund by the number of units in issue at the year-end.

5.12 Units in issue
The Fund has units in issue. On liquidation of the Fund, the unitholders are entitled the holders to the residual net assets. They rank pari passu in all respects and have identical terms and conditions. The units provide investors with the right to require redemption for cash at a value proportionate to the investor's share in the Fund's net assets in the event of the Fund's liquidation.

5.13 Zakat
Zakat is the obligation of the Unitholders and is not provided for in the financial statements.

5.14 Dividends distribution
The Fund has a policy of distributing and paying at least 90% of its net profit, not including profit resulting from the sale of the underlying real estate assets and other investments and unrealised (loss)/gain on financial assets at FVTPL.

Jadwa REIT Saudi Fund
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NOTES TO THE FINANCIAL STATEMENTS (continued)
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5 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

5.15 Amendments to existing standards effective 1 January 2025
The Fund applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2025 (unless otherwise stated).

Lack of Exchangeability - Amendments to IAS 21
An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

The amendments had no impact on the financial statements of the Fund.

5.16 New standards, amendments and interpretations issued but not yet effective
The following standards, amendments to standards and interpretations are not yet effective. The Fund intends to adopt these standards, if applicable, when they become effective and endorsed by SOCPA.

Standards/amendments to standards/interpretations	***Effective date***
Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to the IFRS Accounting Standards	1 January 2026
IFRS 18 - Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	1 January 2027

The Fund Manager is currently working to identify all impacts the new standards, amendments to standards and interpretations will have on the primary financial statements and notes to the financial statements.

In the opinion of the Fund Manager, other than IFRS 18, the Fund Manager does not anticipate that the standards, amendments to standards and interpretations will have a material effect on the Fund's financial statements.

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31 December 2025

6 INVESTMENT PROPERTIES

The composition of the investment properties as of the reporting date is summarised below:

31 December 2025

Description	*Cost* ﷼	*Accumulated depreciation* ﷼	*Accumulated impairment* ﷼	*Net book Value* ﷼
Marvela Residential Compound	**621,646,525**	**142,961,090**	**-**	**478,685,435**
Jeddah Land	**433,000,000**	**-**	**-**	**433,000,000**
Boulevard	**347,037,921**	**21,016,928**	**-**	**326,020,993**
Alyaum Newspaper Tower	**281,701,708**	**21,481,591**	**70,220,117**	**190,000,000**
Almaarefa University for Science & Technology	**206,500,000**	**22,625,424**	**-**	**183,874,576**
Al-Sulay warehouse	**226,273,749**	**44,443,465**	**-**	**181,830,284**
Lafif Complex	**129,900,000**	**3,470,022**	**-**	**126,429,978**
Olaya Court Tower	**60,917,500**	**7,818,385**	**-**	**53,099,115**
Aber Al Yasmin Hotel	**34,601,250**	**3,819,861**	**-**	**30,781,389**
	2,341,578,653	**267,636,766**	**70,220,117**	**2,003,721,770**

31 December 2024

Description	*Cost* ﷼	*Accumulated depreciation* ﷼	*Accumulated impairment* ﷼	*Net book Value* ﷼
Marvela Residential Compound	621,277,913	124,701,752	-	496,576,161
Jeddah Land	433,000,000	-	-	433,000,000
Boulevard	346,573,350	15,968,876	-	330,604,474
Alyaum Newspaper Tower	281,701,708	19,447,720	72,253,988	190,000,000
Almaarefa University for Science & Technology	206,500,000	19,716,871	-	186,783,129
Al-Sulay warehouse	226,273,749	38,788,354	-	187,485,395
Lafif Complex	129,900,000	1,753,819	-	128,146,181
Olaya Court Tower	60,917,500	6,546,112	-	54,371,388
Aber Al Yasmin Hotel	34,601,250	3,198,261	-	31,402,989
	2,340,745,470	230,121,765	72,253,988	2,038,369,717

On 2 March 2024, the Fund completed the disposal process for Al Fanar Residential Compound property located in Khobar. This transaction was executed in accordance with the terms outlined in the Sale and Purchase Agreement ("SPA"). The completion of this disposal included fulfilling all contractual obligations stipulated within the SPA, including the transfer of the property title deed to the buyer. At the date of disposal, the property had a carrying value of ﷼ 88,756,389 and the Fund received the disposal proceeds amounting to ﷼ 90,000,000, accordingly, the Fund recognized a gain on disposal amounting to ﷼ 1,243,611.

Jadwa REIT Saudi Fund
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NOTES TO THE FINANCIAL STATEMENTS (continued)
31 December 2025

6 INVESTMENT PROPERTIES (continued)

The movement in the account during the year is as follows:

	2025 ﷼	*2024* ﷼
Cost		
Balance at beginning of the year	**2,340,745,470**	2,007,499,792
Additions during the year	**833,183**	446,037,514
Disposals during the year	**-**	(112,791,836)
Balance at end of the year	**2,341,578,653**	2,340,745,470
Accumulated depreciation		
Balance at beginning of the year	**230,121,765**	213,821,584
Depreciation charge for the year	**37,515,001**	37,887,409
Depreciation related to disposals	**-**	(21,587,228)
Balance at end of the year	**267,636,766**	230,121,765
Accumulated impairment		
Balance at beginning of the year	**72,253,988**	64,287,754
(Reversal of) / charge for impairment for the year	**(2,033,871)**	10,414,453
Reversal of impairment on disposed properties	**-**	(2,448,219)
Balance at end of the year	**70,220,117**	72,253,988
Net book value	**2,003,721,770**	2,038,369,717

During the year ended 31 December 2024, the Fund entered into a Sale and Purchase Agreement (SPA) for the sale of Alyaum Newspaper Tower for a consideration of ﷼ 190,000,000. Subsequently, the parties mutually agreed to cancel the SPA, and the agreement was rescinded without any penalties or other financial consequences.

Management however, determined that the agreed transaction price represented a reliable indication of the property's fair value as at 31 December 2024. Accordingly, the carrying amount of the property was reduced from ﷼ 200,414,453 to ﷼ 190,000,000, resulting in impairment loss amounting to ﷼ 10,414,453. As at 31 December 2025, management continues to carry the property at the same valuation, as no events or circumstances have arisen that would indicate a material change in the property's fair value.

The useful lives of the investment properties as estimated by independent valuators range from 27 to 48 years. During the year ended 31 December 2025, the Fund recognised depreciation amounting to ﷼37,515,001 (2024: ﷼ 37,887,409).

Jadwa REIT Saudi Fund
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NOTES TO THE FINANCIAL STATEMENTS (continued)
31 December 2025

6 INVESTMENT PROPERTIES (continued)

Freehold land comprises of the lands acquired on which the buildings are built. The Fund acquired properties in Riyadh, Dammam and Jeddah with an aggregate area of 508,171.17 square meters of land (31 December 2024: 508,171.17 square meters).

6.1 Brief details of the investment properties:

6.1.1 Alyaum Newspaper Tower
This property is a 16-storey with 3-level basement, office building located in Al Hussam District, Dammam City.

6.1.2 Almaarefa University for Science & Technology
This property is a fully constructed educational facility located in Al Diriah District, Riyadh.

6.1.3 Al-Sulay Warehouse
This property is an industrial compound located at the east corner of Haroon Al Rashid Road and Alsafa Street, within Al Sulay District, Riyadh.

6.1.4 Marvela Residential Compound
This property is a residential compound located along the southeast side of King Abdullah Road, within King Faisal District, Riyadh.

6.1.5 Aber Al Yasmin Hotel
This property is a hospitality and retail property located in Al Yasmin District, Riyadh.

6.1.6 Olaya Court Tower
This property is an office project occupied by the labor court and located in Al Sahafa District, Riyadh.

6.1.7 Boulevard
This property is a prime commercial and office complex located in Hittin District, Riyadh.

6.1.8 Lafif property
This property is an office complex located in Hittin District, in the northern part of Riyadh.

6.1.9 Jeddah Land
This property is commercial land located in Al Zahra district, Jeddah, which has been leased out by the Fund.

6.2 Impairment of investment properties

The Fund's investment properties are tested for impairment at each reporting. During the year ended 31 December 2025, management reassessed the recoverable amounts of Fund's investment properties and noted that no additional impairment was required based on the valuation exercise performed. However, for the previously impaired property, the recoverable amount exceeded its carrying amount, and a reversal of impairment amounting to ﷼ 2,033,871 was recognised, limited to the amount of the previously recognised impairment. The recoverable amount for the year was determined based on the average fair values of the properties at the reporting date, as assessed by independent professional valuers (note 7).

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31 December 2025

7 EFFECT ON NET ASSET VALUE IF INVESTMENT PROPERTIES ARE FAIR VALUED

In accordance with Article 37 of the REIFR issued by CMA in the Kingdom of Saudi Arabia, the Fund Manager evaluates the Fund's real estate assets based on two evaluations prepared by independent evaluators. However, investments properties are carried at cost less depreciation and impairment, if any, in these financial statements. Accordingly, the fair value below is disclosed for information purposes and has not been accounted for in the Fund's books.

The fair value of the investment properties is determined by two accredited valuers, i.e. Barcode and Ensad (2024: Barcode and Ensad). As at the reporting date, the valuation of investment properties is as follows:

31 December 2025	***Appraiser 1*** ﷼	***Appraiser 2*** ﷼	***Average*** ﷼
Marvela Residential Compound	**625,000,000**	**625,000,000**	**625,000,000**
Jeddah Land	**543,479,010**	**508,471,000**	**525,975,005**
Boulevard	**365,142,853**	**360,467,000**	**362,804,927**
Alyaum Newspaper Tower	**190,000,000**	**190,000,000**	**190,000,000**
Almareefa University for Science & Technology	**253,538,462**	**235,429,000**	**244,483,731**
Al-Sulay warehouse	**291,711,656**	**289,660,000**	**290,685,828**
Lafif Complex	**168,633,697**	**161,274,000**	**164,953,849**
Olaya Court Tower	**89,314,615**	**86,007,000**	**87,660,808**
Aber Al Yasmin Hotel	**50,947,785**	**50,295,000**	**50,621,393**
	2,577,768,078	**2,506,603,000**	**2,542,185,541**

31 December 2024	*Appraiser 1* ﷼	*Appraiser 2* ﷼	*Average* ﷼
Marvela Residential Compound	626,002,213	625,000,000	625,501,107
Jeddah Land	543,479,010	533,311,000	538,395,005
Boulevard	340,263,683	342,907,000	341,585,342
Alyaum Newspaper Tower	190,000,000	190,000,000	190,000,000
Almareefa University for Science & Technology	252,548,093	235,429,000	243,988,547
Al-Sulay warehouse	278,813,638	264,017,000	271,415,319
Lafif Complex	166,364,958	158,914,000	162,639,477
Olaya Court Tower	84,314,730	85,579,000	84,946,865
Aber Al Yasmin Hotel	49,154,385	50,295,000	49,724,693
	2,530,940,710	2,485,452,000	2,508,196,355

Management has used the average of the two valuations for the purposes of assessing impairment of investment properties, except for Alyaum Newspaper Tower property which is assessed using the recent available transaction price for the said property.

The investment properties were valued taking into consideration number of factors, including the area and type of property. Below is an analysis of the fair value of investment properties against cost:

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31 December 2025

7 EFFECT ON NET ASSET VALUE IF INVESTMENT PROPERTIES ARE FAIR VALUED (continued)

7.1 The unrealised gain on investment properties based on fair value valuation is set out below:

	2025 ﷼	*2024* ﷼
Fair value of investment properties	**2,542,185,541**	2,508,196,355
Less: Carrying value of investment properties (note 6)	**2,003,721,770**	2,038,369,717
Unrealised gain based on fair valuation	**538,463,771**	469,826,638
Units in issue	**186,509,785**	186,509,785
Per unit share in unrealised gain based on fair valuation	**2.89**	2.52

7.2 The net asset value using the fair values of the investment properties is set out below:

	2025 ﷼	*2024* ﷼
Net asset value at cost, as presented in these financial statements	**1,652,516,410**	1,737,125,952
Unrealised gain based on fair valuations (note 7.1)	**538,463,771**	469,826,638
Net asset based on fair value	**2,190,980,181**	2,206,952,590

7.3 The net asset value per unit, using the fair value of the investment properties is set out below:

	2025 ﷼	*2024* ﷼
Net asset value per unit, at cost as presented in these financial statements	**8.86**	9.31
Impact on net asset value per unit on account of unrealised gain based on fair valuations (note 7.1)	**2.89**	2.52
Net asset value per unit at fair value	**11.75**	11.83

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 ﷼	*2024* ﷼
Non-current		
Investment in associate (note 8.1)	**107,472,914**	185,557,363

8.1 Investment in associate

This represents investment of 8,422,642 units (2024: 12,713,205 units) in Real Estate Investment Fund, a closed-ended Shariah-compliant private real estate investment fund managed by the Fund Manager, the cost of which is ﷼ 84,226,422 (2024: ﷼ 127,132,049).

As of 31 December 2025, the Fund holds 28.075% of Real Estate Investment Fund (2024: 28.075%).

Subsequent to the year ended 31 December 2025, the Board of Directors of the Fund approved the sale of 8,422,642 units of the Fund's investment in associate at a unit price of ﷼ 12.76, with a total value of ﷼ 107,472,914. The management has determined that the said price represents a reliable indication of the investment's fair value as at 31 December 2025.

Jadwa REIT Saudi Fund
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NOTES TO THE FINANCIAL STATEMENTS (continued)
31 December 2025

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

8.1 Investment in associate (continued)

The unrealised loss on investment in associate amounted to ﷼ 35,178,821 for the year ended 31 December 2025 (2024: ﷼ 10,269,759).

During the year ended 31 December 2025, the Fund redeemed 4,290,563 units for cash proceeds of ﷼ 62,327,552. These units had an original cost of ﷼ 42,905,628. As a result, the Fund recognised a realised gain of ﷼ 19,421,924, which has been included in statement of profit or loss and other comprehensive income for the year.

During the year ended 31 December 2024, the Fund earned dividend income amounting ﷼ 3,813,961 from the associate.

9 PREPAYMENTS AND OTHER ASSETS

	2025 ﷼	*2024* ﷼
Prepaid expenses	**368,131**	724,002
Accrued finance income	**39,306**	18,056
Other receivables	**77,461**	97,299
	484,898	839,357

10 RENT RECEIVABLES

This account represents the rent receivables from the operating leases (note 17).

	2025 ﷼	*2024* ﷼
Rent receivables	**56,187,206**	34,208,886
Less: Allowance for expected credit loss (note 10.1)	**(15,660,256)**	(7,934,940)
	40,526,950	26,273,946

10.1 Movement in the allowance for expected credit loss:

	2025 ﷼	*2024* ﷼
At the beginning of the year	**7,934,940**	4,565,577
Provided for during the year	**7,725,316**	3,413,979
Written off during the year	**-**	(44,616)
At the end of the year	**15,660,256**	7,934,940

Jadwa REIT Saudi Fund
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NOTES TO THE FINANCIAL STATEMENTS (continued)
31 December 2025

10 RENT RECEIVABLES (continued)

Following is the ageing analysis of the rent receivables:

	31 December 2025			31 December 2024		
	Gross receivable ﷼	**ECL allowance** ﷼	**Loss rate %**	*Gross receivable* ﷼	ECL allowance ﷼	Loss rate %
Less than 30 days	**5,858,962**	**17,240**	**0.3%**	1,941,904	1,014	0.1%
Between 31 to 60 days	**507,358**	**1,591**	**0.3%**	552,965	886	0.2%
Between 61 to 90 days	**11,095,567**	**40,152**	**0.4%**	546,066	654	0.1%
Between 91 to 120 days	**15,220,520**	**127,476**	**0.8%**	5,336,215	9,531	0.2%
Between 121 to 150 days	**345,423**	**54,360**	**15.7%**	648,055	13,198	2.0%
Between 121 to 180 days	**94,358**	**20,827**	**22.1%**	1,613,135	87,225	5.4%
Between 181 to 360 days	**10,566,202**	**2,899,794**	**27.4%**	12,919,517	759,281	5.9%
More than 360 days	**12,498,816**	**12,498,816**	**100.0%**	10,651,029	7,063,151	66.3%
	56,187,206	**15,660,256**		34,208,886	7,934,940	

Impairment and risk exposure

Information about the impairment of rent receivables and the Fund's exposure to credit risk can be found in note 18.

11 CASH AND CASH EQUIVALENTS

	2025 ﷼	*2024* ﷼
Cash at Bank	**35,343,658**	32,748,746
Short-term deposits	**40,000,000**	25,000,000
	75,343,658	57,748,746

As of 31 December 2025, there are bank accounts maintained with Banque Saudi Fransi under the name of the SPVs with a total balance of ﷼ 17,384,627 (2024: ﷼ 22,452,088).

Short-term deposits represent an investment in Murabaha deposits with an original maturity period of 90 days.

As at 31 December 2025, the Fund held Murabaha deposits amounting to ﷼ 40,000,000 (2024: ﷼ 25,000,000) and earned an average profit rate of 4.87% (2024: 5.20%).

Finance income for the year ended 31 December 2025 amounted to ﷼ 2,025,696 (2024: ﷼ 1,693,002), with an accrued finance income amounting to ﷼ 39,306 (2024: ﷼ 18,056).

12 LONG-TERM LOAN

	2025 ﷼	*2024* ﷼
Long-term loan	**542,500,000**	542,500,000
	542,500,000	542,500,000

On 2 August 2023, BSF renewed the said facility and decreased the limit to ﷼ 1,000,000,000 carrying a markup rate of 3 months SIBOR +1.5%.

Jadwa REIT Saudi Fund
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31 December 2025

12 LONG-TERM LOAN (continued)

As of 31 December 2025, the Fund has drawn ﷼ 542,500,000 (31 December 2024: ﷼ 542,500,000) against the facility and repayment is due in full amount on 30 September 2028.

The facility is secured by promissory notes and pledges over the current and future rights and interests in the investment properties of the Fund.

The movement in the long-term loan, excluding transaction cost, is as follows:

	2025 ﷼	*2024* ﷼
At beginning of the year	**542,500,000**	202,122,500
Proceeds from additional drawdown	**-**	340,377,500
At end of the year	**542,500,000**	542,500,000

Finance charges for the year ended 31 December 2025 amounted to ﷼ 38,360,084 (2024: ﷼ 38,557,203) which are reflected under the statement of comprehensive income.

13 ACCRUED EXPENSES AND OTHER LIABILITIES

	2025 ﷼	*2024* ﷼
Output value-added tax	**2,752,349**	1,630,085
Property management fee	**1,158,157**	498,670
Security deposits	**520,252**	536,085
Property valuation fees	**235,925**	313,525
Custodian fee	**107,277**	-
Professional fees	**86,750**	55,500
Administration fee	**65,934**	63,227
Independent board member fee	**30,000**	30,000
Others	**1,293,680**	996,611
	6,250,324	4,123,703

14 RELATED PARTY TRANSACTIONS AND BALANCES

14.1 Related party transactions

The following are the details of the significant transactions with related parties during the year:

Name of related party	***Nature of relationship***	***Nature of transaction***	***2025*** ﷼	*2024* ﷼
Jadwa Investment Company	Fund Manager	Management fees (i)	**16,556,525**	16,675,608
		Transaction fee (note 15)	**-**	675,000
		Commission fees	**-**	3,000,000
Real Estate Development Areas Company	SPV	Finance charges	**38,360,084**	38,557,203
Board of Directors	Director	Remuneration	**20,000**	20,000
Real Estate Investment Fund	Associate	Dividend income	**-**	3,813,961
		Redemption of units	**62,327,552**	-

Jadwa REIT Saudi Fund
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NOTES TO THE FINANCIAL STATEMENTS (continued)
31 December 2025

14 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

14.1 Related party transactions (continued)

(i) Management fees

In consideration for managing the assets of the Fund, the Fund Manager in accordance with the terms and conditions of the Fund, charges the Fund management fees equal to 0.75% of the net asset based on fair value calculated and payable semi-annually in arrears.

As at 31 December 2025, the Fund Manager held 10,558,353 units in the Fund (2024: 10,558,353 units).

For the dividends distributed to the Unitholders, please refer to note 20.

14.2 Related party balances
The following are the details of related party balances at the year-end:

Amounts due to related parties

	2025 ﷼	*2024* ﷼
Real Estate Development Areas Company	**2,511,425**	1,879,250
Unitholders distribution payable	**825,018**	698,635
Jadwa Investment Company	**72,013**	72,013
	3,408,456	2,649,898

Accrued management fees

	2025 ﷼	*2024* ﷼
Jadwa Investment Company	**8,933,985**	9,246,046

15 GENERAL AND ADMINISTRATIVE EXPENSES

	2025 ﷼	*2024* ﷼
Property expense	**4,848,210**	4,281,606
Property management fees (ii)	**1,705,705**	1,070,339
Repair and maintenance expense	**1,452,526**	876,034
VAT expense	**1,084,062**	1,882,125
Insurance	**990,639**	423,611
Legal fee	**803,755**	310,475
Registration fee	**400,000**	400,000
Administration fees	**371,976**	361,390
Tadawul listing fee	**300,000**	300,000
Property valuation fees	**269,800**	298,800
Professional fees	**220,085**	909,542
Custody fee	**219,166**	294,559
Independent board member fee (iii)	**20,000**	20,000
Transaction fee (i)	**-**	675,000
Bank charges	**175,375**	204,382
Others	**255,235**	562,238
	13,116,534	12,870,101

Jadwa REIT Saudi Fund
(Managed by Jadwa Investment Company)
NOTES TO THE FINANCIAL STATEMENTS (continued)
31 December 2025

15 GENERAL AND ADMINISTRATIVE EXPENSES (continued)

(i) As per the terms and conditions of the Fund, the Fund Manager is entitled to a transaction fee of 0.75% on the proceeds from the disposal of an investment property. During the year ended 31 December 2024, this fee was paid to the Fund Manager in connection with the disposal of the Al Fanar Residential Complex. No such fee was charged or paid in 2025.

(ii) This pertains to fees paid to the property managers for the operation and maintenance of Boulevard complex, Lafif complex and Olaya Court Tower.

(iii) This pertains to remuneration paid to independent directors of the Fund's Board.

16 FAIR VALUE MEASUREMENT

16.1 Financial instruments

Financial assets consist of cash and cash equivalents, rent receivables, and other receivables. Financial liabilities consist of due to related parties, management fees payable, other liabilities and long-term loan.

Due to the short-term nature of most of the financial instruments, their carrying amounts are considered to be the same as their fair values. For the long-term loan, the fair value is not materially different from its carrying amount since the interest payable on the loan is frequently repriced at the market rate.

The following table shows the fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

	Level 2 ﷼
31 December 2025	
Financial assets at fair value through profit or loss (note 8)	**107,472,914**
31 December 2024	
Financial assets at fair value through profit or loss (note 8)	185,557,363

The financial assets at FVTPL represent an investment in a private real estate investment fund. The fair value at the reporting date has been determined with reference to the subsequent sale price of the units, as the transaction provides observable evidence of fair value (Level 2 valuation).

There were no transfers between levels 1, 2 and 3 during the reporting period.

16.2 Non-financial assets

The fair value of investment properties is classified within Level 3 of the fair value hierarchy. Details of the fair value are disclosed in note 7.

When the fair value of items disclosed in these financial statements cannot be derived from active markets, their fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. The estimates include capitalisation rate, and discount rate.

Changes in assumptions about these factors could affect the fair value of items disclosed in these financial statements and the level where the items are disclosed in the fair value hierarchy.

The fair values of investment properties were assessed by Ensad (TAQEEM license number: 1210000934) and Barcode (TAQEEM license number: 1210000001) (2024: Esnad and Barcode) as disclosed in note 7. They are accredited independent valuers with a recognised and relevant professional qualification and with recent experience in the location and category of the investment properties being valued.

The valuation models have been applied in accordance with the Royal Institution of Chartered Surveyors ("RICS") Valuation Standards, in addition to the International Valuation Standards issued by International Valuation Standards Council ("IVSC") and applied by Saudi Authority for Accredited Valuers ("TAQEEM").

Jadwa REIT Saudi Fund
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NOTES TO THE FINANCIAL STATEMENTS (continued)
31 December 2025

16 FAIR VALUE MEASUREMENT (continued)

16.2 Non-financial assets (continued)

The assumptions used in determining the fair values of the investment properties as at 31 December are as follows:

Valuation approach	*Key assumptions*	*Range*	
		2025	*2024*
Income capitalisation	Capitalisation rate (%)	**6.5 – 8**	6.5 – 8
Discounted cash flow	Discount rate (%)	**8.53 – 10**	8 – 10.5
	Rate of return	**4 - 7.8**	4 - 8

17 OPERATING LEASES

Future minimum rent receivables under the operating leases are as follows:

	2025	*2024*
	﷼	*﷼*
Not later than one year	**156,320,557**	160,419,725
Later than one year and not later than five years	**351,227,322**	413,721,498
Later than five years	**1,062,288,730**	1,130,015,686
	1,569,836,609	1,704,156,909

The Fund enters long-term operating lease contracts with tenants for space in its investment properties. Initial lease terms are generally between 3 and 20 years. Leases generally provide for the tenant to pay the base rent, with provisions for contractual increases in base rent over the term of the lease. Rental income from investment properties recognised by the Fund during the year is ﷼ 189,560,276 (2024: ﷼ 177,968,998).

18 FINANCIAL RISK MANAGEMENT

The Fund's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

The Fund Manager is responsible for identifying and managing risks. The Fund Board supervises the Fund Manager and is ultimately responsible for the overall management of the Fund.

The Fund has its terms and conditions document that sets out its overall business strategies, its tolerance of risks and its general risk management philosophy and is obliged to take actions to rebalance the portfolio in line with the investment guidelines.

18.1 Market risk

The Fund will be subject to the general conditions of the real estate sector in Saudi Arabia, which itself is influenced by a variety of factors such as, but not limited to the overall macroeconomic growth in the Kingdom, interest rates, demand-supply, availability of financing, investor sentiment, liquidity, legal and regulatory requirement. The Fund management monitors on a regular basis the fluctuation and changes in the overall economic environment and believes that the impact of such changes is not significant to the Fund.

Special commission rate risk

Special commission rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market special commission rates. The Fund's special commission rate risk arises from the long-term loan. This is benchmarked to SAIBOR which expose the Fund to cash flow special commission rate risk.

The Fund analyses its special commission rate exposure on a regular basis by monitoring special commission rate trends and believes that the impact of such changes is not significant to the Fund.

An increase / decrease in special commission rate of 1%, with all other variables held constant, would have resulted in a net increase / decrease in the Fund's total comprehensive income of ﷼ 5,129,128 for the year ended 31 December 2025 (2024: ﷼ 5,155,805).

Jadwa REIT Saudi Fund
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NOTES TO THE FINANCIAL STATEMENTS (continued)
31 December 2025

18 FINANCIAL RISK MANAGEMENT (continued)

18.2 Credit risk

Credit risk is the risk of financial loss to the Fund if a customer or counterparty to a financial instrument fails to meet its contractual obligations. As at year end, the Fund holds cash and cash equivalents, rent receivables, and other receivables.

The maximum exposure to credit risk applicable to the Fund approximates to the carrying value of the financial assets as disclosed in these financial statements. The Fund seeks to limit its credit risk by monitoring outstanding balances on an ongoing basis. For banks and financial institutions, the Fund only deals with reputable banks with sound credit ratings.

The Fund applies IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for rent receivables, which is disclosed in note 10.

18.3 Liquidity risk

Liquidity risk is the risk that the Fund 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.

The table below summarises the maturity profile of the Fund's financial liabilities based on contractual undiscounted payments:

31 December 2025	***On demand***	***Within 12 months***	***More than 12 months***	***Total***
	﷼	***﷼***	***﷼***	***﷼***
Long-term loan	**-**	**37,601,344**	**603,907,358**	**641,508,702**
Due to related parties	**897,031**	**-**	**-**	**897,031**
Other liabilities	**-**	**6,250,330**	**-**	**6,250,330**
	897,031	**43,851,674**	**603,907,358**	**648,656,063**

31 December 2024	*On demand*	*Within 12 months*	*More than 12 months*	*Total*
	﷼	*﷼*	*﷼*	*﷼*
Long-term loan	-	39,449,792	645,818,249	685,268,041
Due to related parties	770,648	-	-	770,648
Other liabilities	-	4,123,703	-	4,123,703
	770,648	43,573,495	645,818,249	690,162,392

19 OPERATING SEGMENT

The Fund is organised into one operating segment. All of the Fund's activities are interrelated and each activity is dependent on the others. Accordingly, all significant operating decisions are based upon analysis of the fund as one segment.

20 DIVIDENDS DISTRIBUTION

The following dividends were distributed in accordance with the terms and conditions of the Fund which was at least 90% of the Fund's annual net profits.

31 December 2025

Dividend declaration date	*Dividend period*	﷼
18 February 2025	From 1 October 2024 to 31 December 2024	**37,301,957**
27 May 2025	From 1 January 2025 to 31 March 2025	**37,301,957**
20 August 2025	From 1 April 2025 to 30 June 2025	**37,301,957**
18 November 2025	From 1 July 2025 to 30 September 2025	**37,301,957**
		149,207,828

31 December 2024

Dividend declaration date	*Dividend period*	﷼
5 February 2024	From 1 October 2023 to 31 December 2023	37,301,957
14 May 2024	From 1 January 2024 to 31 March 2024	37,301,957
19 August 2024	From 1 April 2024 to 30 June 2024	37,301,957
11 November 2024	From 1 July 2024 to 30 September 2024	37,301,957
		149,207,828

21 ZAKAT AND INCOME TAX

The Ministry of Finance has issued a resolution ("MR") numbered 29791, dated 9th Jumada Al-Awwal 1444 H (corresponding to 3 December 2022) publishing certain zakat filing rules to be complied by investment funds in the Kingdom of Saudi Arabia, applicable from the financial year 2023. According to the MR the Fund is not subject to zakat or tax, however, will be required to file certain financial information with Zakat, Tax and Customs Authority ("ZATCA") commencing 1 January 2023 (or commencing from the start of operations during the period ended 31 December 2023). The filing with ZATCA is due by 30 April 2026.

22 EVENTS AFTER THE REPORTING DATE

On 21 January 2026, the Board of Directors of the Fund approved the sale of 8,422,642 units of the Fund's investment in Real Estate Investment Fund at a unit price of ﷼ 12.76, with a total value of ﷼ 107,472,914.

On 2 February 2026, the Fund Manager approved to distribute dividends to the Unitholders for the period from 1 October 2025 to 31 December 2025 for an amount of ﷼ 37,301,957.

23 LAST VALUATION DAY

The last valuation day of the year was 31 December 2025 (2024: 31 December 2024).

24 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Fund's Board on 14 Ramadan 1447H (corresponding to 3 March 2026).

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This document has been prepared specifically as part of a contractual agreement between Auronova and the client and based on the defined scope of the engagement. The document is to be read in conjunction with the scope of the engagement.

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