**INMAR COMPANY FOR REAL ESTATE DEVELOPMENT AND INVESTMENT**
**(FORMERLY KNOWN AS ENMA AL RAWABI COMPANY)**
(A SAUDI JOINT STOCK COMPANY)

**CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**
**FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2026**
**WITH**
**INDEPENDENT AUDITOR'S REVIEW REPORT**

**INMAR COMPANY FOR REAL ESTATE DEVELOPMENT AND INVESTMENT**
**(FORMERLY KNOWN AS ENMA AL RAWABI COMPANY)**
**(A SAUDI JOINT STOCK COMPANY)**

**CONDENSED INTERIM FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REVIEW REPORT**
**FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2026 (UNAUDITED)**

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PKF Al-Bassam
Chartered Accountants

# INDEPENDENT AUDITOR'S REVIEW REPORT ON THE CONDENSED INTERIM FINANCIAL STATEMENTS

**TO THE SHAREHOLDERS OF INMAR COMPANY FOR REAL ESTATE DEVELOPMENT AND INVESTMENT**
**A SAUDI JOINT STOCK COMPANY**

## INTRODUCTION

We have reviewed the accompanying condensed interim financial statements of Inmar Company for Real Estate Development and Investment (the "Company") as of 30 June 2026 which comprises:

- The condensed interim statement of financial position as at 30 June 2026;
- The condensed interim statements of comprehensive income for the six-months period then ended;
- The condensed interim statement of changes in equity for the six-months period then ended;
- The condensed interim statement of cash flows for the six-months period then ended; and
- The notes to the condensed interim financial statements.

Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

## SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagement 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", that is endorsed in the Kingdom of Saudi Arabia. A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

**PKF Al-Bassam**
**Chartered Accountants**

Ibrahim Albassam
Certified Public Accountant
License No. 337
Riyadh, Kingdom of Saudi Arabia
26 Safar 1448H
Corresponding to: 09 August 2026

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محاسبون ومراجعون قانونيون
C. R. 1010385804
PKF Al Bassam
chartered accountants

**INMAR COMPANY FOR REAL ESTATE DEVELOPMENT AND INVESTMENT**
**(FORMERLY KNOWN AS ENMA AL RAWABI COMPANY)**
**(A SAUDI JOINT STOCK COMPANY)**
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**
**AS AT 30 JUNE 2026**
**(EXPRESSED IN SAUDI RIYALS UNLESS OTHERWISE STATED)**

| | Notes | 30 June 2026 (Unaudited) | 31 December 2025 (Audited) |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property and equipment | 5 | 3,319,968 | 3,494,073 |
| Investments properties | 6 | 611,805,842 | 619,506,982 |
| Properties under development | 7 | 133,869,688 | 127,469,129 |
| Intangible assets | 8 | 356,843 | 398,294 |
| **Total non-current assets** | | 749,352,341 | 750,868,478 |
| **Current assets** | | | |
| Cash and cash equivalents | 9 | 37,607,528 | 38,436,607 |
| Restricted cash at bank | 10 | 28,332,638 | 1,900,000 |
| Receivables from lessees | 11A | 6,463,131 | 1,534,830 |
| Trade receivables – off-plan sales | 11B | 37,265,250 | - |
| Accrued rental revenue | | - | 1,185,991 |
| Prepayments and other current assets | 12 | 7,853,151 | 6,727,479 |
| Properties under development for sale | 13 | 35,646,207 | 51,455,768 |
| **Total current assets** | | 153,167,905 | 101,240,675 |
| **Total assets** | | 902,520,246 | 852,109,153 |
| **EQUITY AND LIABILITIES** | | | |
| **EQUITY** | | | |
| Share capital | 1 | 400,000,000 | 400,000,000 |
| Treasury shares | 1 | (2,669,996) | - |
| Statutory reserve | | 19,704,666 | 19,704,666 |
| Retained earnings | | 311,667,961 | 254,044,150 |
| Remeasurement reserve for employees defined benefit obligations | | (325,430) | (325,430) |
| **Total equity** | | 728,377,201 | 673,423,386 |
| **Non-current liabilities** | | | |
| Borrowings - long term loan | 16 | 68,000,000 | 68,000,000 |
| Employees defined benefit obligations | 15 | 1,237,031 | 1,360,883 |
| **Total non-current liabilities** | | 69,237,031 | 69,360,883 |
| **Current liabilities** | | | |
| Borrowings – current | 16 | 79,000,000 | 78,000,000 |
| Trade payables and other credit balances | 14 | 4,769,316 | 11,841,020 |
| Advance rentals (Unearned) | | 19,704,255 | 16,293,256 |
| Advance received from customer- off plan sales | | 31,500 | 1,900,000 |
| Accrued interest | | 491,562 | 7,311 |
| Provision for Zakat | 23 | 909,381 | 1.283.297 |
| **Total current liabilities** | | 104,906,014 | 109,324,884 |
| **Total liabilities** | | 174,143,045 | 178.685.767 |
| **Contingencies and commitments** | 28 | | |
| **Total equity and liabilities** | | 902,520,246 | 852,109,153 |

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|---|---|---|
| **Fahad Ibrahim Al-Mousa** | **Abdulelah Ahmed Al[illegible]gbani** | **Muhammad Amir Khan** |
| Chairman | Chief Executive Officer | Chief Financial Officer |

The accompanying notes form an integral part of these condensed interim financial statements.

**INMAR COMPANY FOR REAL ESTATE DEVELOPMENT AND INVESTMENT**
**(FORMERLY KNOWN AS ENMA AL RAWABI COMPANY)**
**(A SAUDI JOINT STOCK COMPANY)**
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**
**FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2026**
**(EXPRESSED IN SAUDI RIYALS UNLESS OTHERWISE STATED)**

| | | **Six-month period ended 30 June** | |
|---|---|---|---|
| | **Notes** | **2026** | 2025 |
| Revenue | 18 | **118,966,707** | 109,178,869 |
| Cost of revenue | 19 | **(36,614,650)** | (35,016,210) |
| **Gross profit** | | **82,352,057** | 74,162,659 |
| General and administrative expenses | 20 | **(5,377,903)** | (5,016,778) |
| Selling and marketing expenses | 21 | **(1,858,553)** | (45,247) |
| (Provision) / reversal for impairment losses | | **(546,119)** | 935,835 |
| **Operating profit** | | **74,569,482** | 70,036,469 |
| Finance cost | | **(4,141,805)** | (5,154,465) |
| Other income | 22 | **81,324** | 907,637 |
| **Profit before zakat for the period** | | **70,509,001** | 65,789,641 |
| Zakat | 23 | **(909,382)** | (866,311) |
| **Profit for the period** | | **69,599,619** | 64,923,330 |
| **Other comprehensive income:** | | | |
| (Loss) / Gain on remeasurement for employees defined benefit obligations | | **-** | - |
| **Other comprehensive income** | | **-** | - |
| **Total comprehensive income for the period** | | **69,599,619** | 64,923,330 |
| **Earnings per share for the period** | 24 | **1.74** | 1.62 |

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**Fahad Ibrahim Al-Mousa**
Chairman

**Abdulellah Ahmed Alhabbani**
Chief Executive Officer

**Muhammad Amir Khan**
Chief Financial Officer

The accompanying notes form an integral part of these condensed interim financial statements.

**INMAR COMPANY FOR REAL ESTATE DEVELOPMENT AND INVESTMENT**
**(FORMERLY KNOWN AS ENMA AL RAWABI COMPANY)**
**(A SAUDI JOINT STOCK COMPANY)**
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**
**FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2026**
**(EXPRESSED IN SAUDI RIYALS UNLESS OTHERWISE STATED)**

| | Share capital | Treasury shares | Statutory reserves | Retained earnings | Remeasurement reserve for employees defined benefit obligations | Total |
|---|---|---|---|---|---|---|
| **Balance at 1 January 2026 (Audited)** | **400,000,000** | - | **19,704,666** | **254,044,150** | **(325,430)** | **673,423,386** |
| Purchase of Treasury shares | - | **(2,669,996)** | - | - | - | **(2,669,996)** |
| Profit for the period | - | - | - | **69,599,619** | - | **69,599,619** |
| Other comprehensive income | - | - | - | - | - | - |
| Total comprehensive income | - | - | - | **69,599,619** | - | **69,599,619** |
| Dividends (note 25) | - | - | - | **(11,975,808)** | - | **(11,975,808)** |
| **Balance at 30 June 2026 (Unaudited)** | **400,000,000** | **(2,669,996)** | **19,704,666** | **311,667,961** | **(325,430)** | **728,377,201** |
| Balance at 1 January 2025 (Audited) | 400,000,000 | - | 19,704,666 | 184,626,071 | (261,416) | 604,069,321 |
| Profit for the period | - | - | - | 64,923,330 | - | 64,923,330 |
| Other comprehensive income | - | - | - | - | - | - |
| Total comprehensive income | - | - | - | 64,923,330 | - | 64,923,330 |
| Dividends (note 25) | - | - | - | (10,000,000) | - | (10,000,000) |
| Balance at 30 June 2025 (Unaudited) | 400,000,000 | - | 19,704,666 | 239,549,401 | (261,416) | 658,992,651 |

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| Fahad Ibrahim Al-Mousa | Abdulellah Ahmed Alfagbani | Muhammad Amir Khan |
|---|---|---|
| Chairman | Chief Executive Officer | Chief Financial Officer |

The accompanying notes form an integral part of these condensed interim financial statements.

**INMAR COMPANY FOR REAL ESTATE DEVELOPMENT AND INVESTMENT**
**(FORMERLY KNOWN AS ENMA AL RAWABI COMPANY)**
**(A SAUDI JOINT STOCK COMPANY)**
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)**
**FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2026**
**(EXPRESSED IN SAUDI RIYALS UNLESS OTHERWISE STATED)**

| | | Six-month period ended 30 June | |
|---|---|---|---|
| | **Notes** | **2026** | 2025 |
| **Cash flows from operating activities:** | | | |
| Profit for the period | | **69,599,619** | 64,923,330 |
| **Adjustments to reconcile net profit for to net cash generated from operating activities:** | | | |
| Depreciation – Property and equipment | 5 | **174,105** | 193,259 |
| Depreciation – Investment properties | 6 | **7,701,140** | 7,718,103 |
| Amortization of intangible assets | 8 | **41,451** | 2,519 |
| Provision for employee defined benefit obligations – charged | 15 | **227,742** | 196,214 |
| (Reversal) / Provision for impairment losses | 11 | **546,119** | (935,835) |
| Finance cost | | **4,141,805** | 5,154,465 |
| Realized gain on disposal of investment at FVTPL | | **-** | (342,741) |
| Zakat charge | 23 | **909,382** | 866,311 |
| **Operating cash flows before working capital changes** | | **83,341,363** | 77,775,625 |
| **Adjustments on changes in working capital:** | | | |
| Lessees' receivables | | **(5,474,420)** | 200,143 |
| Trade receivables – off-plan sales | | **(37,265,250)** | - |
| Accrued rental revenue | | **1,185,991** | - |
| Restricted cash at bank | | **(26,432,638)** | (210,000) |
| Prepaid expenses and other current assets | | **(1,125,672)** | 1,266,062 |
| Properties under development for sale, net | | **15,809,561** | - |
| Advance rentals (unearned) | | **3,410,999** | (16,666,417) |
| Creditors to purchase investment properties in installments | | **-** | (5,043,731) |
| Advance received from customers – off plan | | **(1,868,500)** | - |
| Trade payables and other credit balances | | **(7,071,704)** | (4,416,749) |
| **Cash flows from operating activities** | | **24,509,730** | 52,904,933 |
| Payment for employees defined benefit obligations, paid | 15 | **(351,594)** | (38,188) |
| Zakat paid during the period | 23 | **(1,283,298)** | (1,777,475) |
| **Net cash flows generated from operating activities** | | **22,874,838** | 51,089,270 |
| **Cash flows from investing activities:** | | | |
| Additions of property and equipment | | **-** | (126,767) |
| Addition to investment properties | | **-** | (258,152) |
| Addition to Properties under development | 7 | **(6,400,559)** | (33,423,422) |
| Proceeds from disposal of investment carried at FVTPL | | **-** | 3,092,643 |
| **Net cash flows used in investing activities** | | **(6,400,559)** | (30,715,698) |
| **Cash flows from financing activities:** | | | |
| Borrowings during the period | 16 | **35,000,000** | - |
| Repayment of Borrowings | 16 | **(34,000,000)** | - |
| Finance cost paid | | **(3,657,554)** | (5,154,465) |
| Purchase of Treasury shares | 25 | **(2,669,996)** | |
| Dividends paid | | **(11,975,808)** | (10,000,000) |
| **Net Cash flows used in from financing activities** | | **(17,303,358)** | (15,154,465) |
| **Net increase in cash and cash equivalents** | | **(829,079)** | 5,219,107 |
| Cash and cash equivalents at the beginning of the period | | **38,436,607** | 23,325,002 |
| **Cash and cash equivalents at the end of the period** | 9 | **37,607,528** | 28,544,109 |

**Significant non-cash transactions:**

| | | | |
|---|---|---|---|
| Reclassification from 'Investment properties' to 'Properties under development' | 6.3 | - | 27,714,374 |
| Reclassification from 'Investment properties' to 'Properties under development for sale' | 6.3 | - | 6,802,811 |

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|---|---|---|
| **Fahad Ibrahim Al-Mousa**<br>Chairman | **Abdulellah Ahmed Alhagbani**<br>Chief Executive Officer | **Muhammad Amir Khan**<br>Chief Financial Officer |

The accompanying notes form an integral part of these condensed interim financial statements.

## 1. GENERAL INFORMATION

**Inmar Company for Real Estate Development and Investment** (formerly known as Enma Al Rawabi Company) ("the Company") is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia under unified number 7001688071 and Commercial Registration no. 1010306291 dated 4 April 2011 (corresponding to 30 Rabi' Al-Thani 1432H). On 18 August 2025, the Board of Directors approved a change to the Company's trade name from Enma Al Rawabi Company to Inmar Company for Real Estate Development and Investment. This change does not affect the Company's legal status as a Saudi Joint Stock Company or its Commercial Registration number. The Company's shares were approved for direct listing on the parallel market by the Capital Market Authority on 20 September 2021 (corresponding to 13 Safar1443H). The Company's head office is located in Riyadh, Kingdom of Saudi Arabia.

The Company is primarily engaged in establishing, constructing, owning, managing, and leasing various types of residential and non-residential properties, including real estate management services for a fee, as well as the buying, selling, and development of land and properties. The Company maintains the profitable real estate portfolio combining rental income generating assets classified in investment properties, a robust portfolio of investment properties under development and the properties for sale under development properties segment.

As of 30 June 2026, the Company's subscribed and paid-in capital is SR 400,000,000, divided into 40,000,000 shares with a nominal value of SR 10 per share (31 December 2025: Same). During the six-month period ended 30 June 2026, the Company acquired 120,991 of its own ordinary shares at an average price of SR 22.07 per share, for a total consideration of SR 2,669,996 (30 June 2025: nil). The purpose of the acquisition is to reserve shares for a potential future Employee Share Ownership Plan (ESOP).

The movement in treasury shares during the six-month period ended 30 June 2026 is as follows:

| | Number of shares | Average purchase price (SR) | Amount (SR) |
|---|---|---|---|
| Balance at 1 January 2026 | - | | - |
| Acquired during the period | 120,991 | 22.07 | 2,669,996 |
| Balance at 30 June 2026 | 120,991 | | 2,669,996 |

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard IAS 34 'Interim Financial Reporting', as endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA). These should be read in conjunction with the Company's last annual financial statements for the year ended 31 December 2025. These condensed interim financial statements do not include all the information normally required for a complete set of annual financial statements but provide selected explanatory notes to understand the changes in the Company's financial position and performance since 31 December 2025.

### 2.2 Basis of measurement

The condensed interim financial statements are prepared on a going concern basis under the **historical cost convention**, except where otherwise indicated.

### 2.3 Functional and presentation currency

The condensed interim financial statements are presented in Saudi Riyals (SR), which is the Company's functional and presentation currency.

### 2.4 Going Concern Assessment

Management has assessed the Company's ability to continue as a going concern and concluded that it has adequate resources to operate for the foreseeable future. This assessment is supported by a strong working capital position, profitable operations, positive operating cash flows, the settlement of a SR 30 million short-term loan subsequent to the reporting date and expected cash inflows from operations sufficient to meet debt repayments due on 31 December 2026. In addition, the anticipated release of SR 28.3 million of restricted cash will further strengthen the Company's liquidity position. Accordingly, management believes that no material uncertainties exist that may cast significant doubt on the Company's ability to continue as a going concern, and these condensed interim financial statements have been prepared on a going concern basis.

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The accounting policies applied to these condensed interim financial statements are the same as those applied to the financial statements for the year ended 31 December 2025. In addition, the Company has following due to purchase of treasury shares during the period.

**Treasury shares**
Treasury shares are the Company's own equity instruments that have been acquired and are held by the Company. The Company recognises treasury shares in accordance with IAS 32 Financial Instruments: Presentation, the Companies Law of the Kingdom of Saudi Arabia, and the regulations of the Capital Market Authority (CMA). The acquisition of treasury shares is approved by the Board of Directors within the limits and conditions authorised by the General Assembly of Shareholders, in compliance with the Companies Law and the CMA's Rules. Dividends declared by the Company are not paid in respect of treasury shares held by the Company. Any dividend that would otherwise be attributable to treasury shares is excluded from the total dividend distribution and remains within retained earnings. Voting rights attached to treasury shares are suspended for so long as the shares are held by the Company and are not exercisable at general meetings of shareholders.

In accordance with IAS 33 Earnings per Share, treasury shares are excluded from the calculation of the weighted average number of ordinary shares outstanding for the purpose of computing basic and diluted earnings per share for the period during which they are held as treasury shares. The reduction in the number of shares outstanding is accounted for from the date of acquisition of the treasury shares.

The Company discloses the number and carrying amount of treasury shares held at the beginning and end of the reporting period, together with a reconciliation of movements during the period. The carrying amount of treasury shares is presented as a separate line item within equity, immediately below issued share capital. The Company also discloses the purpose for which treasury shares are held, the maximum number of shares authorized for acquisition, and the remaining period of authorization, in accordance with the CMA's disclosure requirements for listed companies.

**New Standards, Amendments to Standards and Interpretations**
There are new standards and amendments to existing standards that became effective from 1 January 2026. These have been explained in the Company's annual financial statements for the year ended 31 December 2025, and they do not have a material effect on the Company's condensed interim financial statements. However, pursuant to the Capital Market Authority (CMA) Board Decision dated 26 Dhu Al-Qi'dah 1447H (corresponding to 13 May 2026), the Company is required to disclose a preliminary impact assessment of the expected effect of the initial application of IFRS 18 *Presentation and Disclosure in Financial Statements*, which supersedes IAS 1 and is effective for annual reporting periods beginning on or after 1 January 2027. The Company has not early-adopted IFRS 18 in these condensed interim financial statements. A preliminary assessment of the expected impact of IFRS 18 on the Company's financial statements, presentation and disclosures is set out in Note 4.

## 4. IFRS 18: PRESENTATION AND DISCLOSURES IN FINANCIAL STATEMENTS - PRELIMINARY IMPACT ASSESSMENT

On 9 April 2024, the International Accounting Standards Board (IASB) issued IFRS 18 "Presentation and Disclosure in Financial Statements", which supersedes IAS 1 "Presentation of Financial Statements". The standard was locally endorsed in the Kingdom of Saudi Arabia by the Saudi Organization for Chartered and Professional Accountants (SOCPA) on 25 Jumada Al-Thani 1446H (corresponding to 26 December 2024). Pursuant to the Capital Market Authority (CMA) Board Decision dated 26 Dhu Al-Qi'dah 1447H (corresponding to 13 May 2026), all listed companies on the Saudi Stock Exchange (Tadawul) are required to: (i) disclose a preliminary impact assessment of the expected effect of the initial application of IFRS 18 in their annual or interim financial statements for periods beginning on or after 1 April 2026; and (ii) continue to prepare and publish their financial statements in accordance with IAS 1 through the designated electronic systems until the mandatory effective date of IFRS 18 for reporting periods beginning on or after 1 January 2027. Early adoption before effective date is permitted, provided that the financial statements prepared under IAS 1 continue to be published to satisfy regulatory filing requirements.

(EXPRESSED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

## 4. IFRS 18: PRESENTATION AND DISCLOSURES IN FINANCIAL STATEMENTS - PRELIMINARY IMPACT ASSESSMENT (continued)

The Company has not early adopted IFRS 18 in these condensed interim financial statements. Management is currently assessing the impact of IFRS 18 on the Company's financial statements, presentation, disclosures, and related internal processes.

The following disclosure represents management's preliminary assessment of the expected impact based on the requirements of IFRS 18, the associated amendments to IAS 7 "Statement of Cash Flows" and IAS 33 "Earnings per Share", and the illustrative guidance published by the International Financial Reporting Standards Interpretations Committee.

**Overview of IFRS 18**
IFRS 18 introduces a new framework for the presentation and disclosure of financial statements, establishing five defined categories for the classification of all income and expenses in the statement of profit or loss: (a) Operating; (b) Investing; (c) Financing; (d) Income Taxes; and (e) Discontinued Operations. The standard also introduces two new mandatory subtotals – 'Operating Profit" and 'Profit before Financing and Income Tax" – and requires enhanced disclosures for Management-Defined Performance Measures (MPMs), aggregation and disaggregation principles, and the nature of operating expenses.

The standard does not affect the recognition or measurement of assets, liabilities, income, or expenses. Rather, it changes how those items are presented and disclosed in the primary financial statements and the notes. Consequential amendments have been made to IAS 7 (Statement of Cash Flows), IAS 33 (Earnings per Share), and IAS 8 (Accounting Policies, Changes in Accounting Estimates and Errors).

**Key Requirements and Preliminary Impact Assessment on the Company**

**Classification of Income and Expenses into Defined Categories**
Under IFRS 18, all items of income and expense must be classified into one of five categories. The classification is based on the nature of the underlying transaction and, for certain items, on the Company's assessment of its main business activity. The Company has preliminarily assessed the classification of its material income and expense items as follows:

| Income / Expense Item | Current Presentation (IAS 1) | IFRS 18 Category | Basis for Classification |
|---|---|---|---|
| Rental income from investment properties | Revenue (Operating) | Operating | IFRS 18.53(a): The Company's main business activity includes investing in assets (investment properties). Income and expenses from assets invested in as a main business activity are classified in the operating category. |
| Revenue from sale of real estate units (completed and off-plan) | Revenue from contracts with customers (Operating) | Operating | IFRS 18.41(c): Revenue arising in the ordinary course of the Company's business (real estate development and sale) is classified in the operating category. |
| Cost of real estate sales | Cost of revenue (Operating) | Operating | IFRS 18.78: Cost of sales is a functional line item within the operating category, representing directly related expenses incurred in generating revenue. |

(EXPRESSED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

**4. IFRS 18: PRESENTATION AND DISCLOSURES IN FINANCIAL STATEMENTS - PRELIMINARY IMPACT ASSESSMENT (continued)**

| Income / Expense Item | Current Presentation (IAS 1) | IFRS 18 Category | Basis for Classification |
|---|---|---|---|
| Depreciation of investment properties | Cost of revenue (Operating) | Operating | IFRS 18.B84: Depreciation is a specified expense by nature. When presented within functional line items, the total amount must be disclosed in the notes. The underlying classification remains operating. |
| Direct property expenses (utilities, maintenance, etc.) | Cost of revenue (Operating) | Operating | IFRS 18.B17: Aggregated as 'Direct property expenses' within the operating category due to similar characteristics. |
| General and administrative expenses | G&A expenses (Operating) | Operating | IFRS 18.78: Supporting activities that generate expenses are classified in the operating category as the default classification. |
| Selling and marketing expenses | Selling and marketing (Operating) | Operating | IFRS 18.78: Expenses related to revenue-generating activities, classified in the operating category. |
| Provision / (Reversal) for impairment losses on trade receivables | Operating | Operating | IFRS 18.B84: Impairment losses and reversals are specified expenses by nature. The classification follows the category of the underlying asset (trade receivables are operating assets). |
| Finance income (interest on bank deposits) | Other income (Operating) | Investing | IFRS 18.53(b): Interest revenue calculated using the effective interest method on cash and short-term deposits is classified in the investing category. |
| Realized gain on disposal of investments (FVTPL) | Other income (Operating) | Investing | IFRS 18.75(b)(i): Gains and losses on disposal of investments are classified in the investing category. |
| Other miscellaneous income | Other income (Operating) | Operating | IFRS 18.52: The default classification for items not included in investing, financing, income taxes, or discontinued operations is operating. |
| Finance costs (interest on loans and borrowings) | Finance cost (below operating profit) | Financing | IFRS 18.61(a): Interest expenses on loans and borrowings are classified in the financing category. |
| Zakat expense | Provision for Zakat (below profit before tax) | Income Taxes | IFRS 18.67: All income tax expense is classified in the income tax category. In the Kingdom of Saudi Arabia, Zakat is the statutory levy on corporate entities and is presented as 'Income tax expense (Zakat)'. |

(EXPRESSED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

## 4. IFRS 18: PRESENTATION AND DISCLOSURES IN FINANCIAL STATEMENTS - PRELIMINARY IMPACT ASSESSMENT (continued)

**New Mandatory Subtotals in the Statement of Profit or Loss**
IFRS 18 introduces two new mandatory subtotals that must be presented on the face of the statement of profit or loss, which will significantly change the Company's current presentation structure. The Company currently presents 'Gross profit" and 'Operating profit" as internally defined subtotals, followed by 'Profit before Zakat". Under IFRS 18, the following mandatory subtotals will be presented:

a) **Operating Profit (IFRS 18.69(a))**: A new mandatory subtotal comprising all income and expenses classified in the operating category. For the Company, this will include rental income, real estate sales revenue, cost of sales, direct property expenses, administrative expenses, selling and marketing expenses, and impairment losses/reversals. This subtotal replaces the current 'Operating profit' but is computed on a potentially different basis due to the reclassification of certain items (e.g., other miscellaneous income defaults to operating).

b) **Profit before Financing and Income Tax (IFRS 18.69(b)):** A new mandatory subtotal equal to Operating Profit plus all income and expenses classified in the investing category. For the Company, this will include interest revenue from bank deposits and realized gains on disposal of investments. This subtotal replaces the current 'Profit before Zakat' as the pre-tax measure, with finance costs and Zakat presented below it.

c) **Profit for the period (IFRS 18.69(c)):** Retained as the mandatory total, computed after deducting financing expenses and income tax (Zakat) expenses.

**Reconciliation of Statement of Profit or Loss**
The following table summarizes the expected presentation of the Company's statement of profit or loss under IFRS 18 for the six-month period ended 30 June 2026, based on the amounts reported in these condensed interim financial statements. This is a preliminary assessment and is subject to change as management finalizes its accounting policy choices and materiality assessments in advance of the effective date.

| **Line Item** | **Six-month period ended 30 June 2026 (SR)** | **IFRS 18 Category / Status** |
|---|---:|---|
| Rental income | 49,041,707 | Operating |
| Revenue from sale of inventory properties | 69,925,000 | Operating |
| Cost of sales – inventory property | (24,694,232) | Operating |
| Direct property expenses including depreciation | (11,920,418) | Operating |
| Administrative expenses | (5,377,903) | Operating |
| Selling and marketing expenses | (1,858,553) | Operating |
| Provision for impairment losses on trade receivables | (546,119) | Operating |
| **OPERATING PROFIT** | **74,569,482** | **Mandatory subtotal (IFRS 18.69(a))** |
| | | |
| Interest revenue calculated using the effective interest method | 81,324 | Investing |
| **PROFIT BEFORE FINANCING AND INCOME TAX** | **74,650,806** | **Mandatory subtotal (IFRS 18.69(b))** |
| | | |
| Interest expenses on loans and borrowings | (4,141,805) | Financing |
| **PROFIT BEFORE INCOME TAX (ZAKAT)** | **70,509,001** | |
| | | |
| Income tax expense (Zakat) | (909,382) | Income Taxes |
| **PROFIT FOR THE PERIOD** | **69,599,619** | **Mandatory total (IFRS 18.69(c))** |
| | | |
| Earnings per share | | |
| Profit attributable to shareholders of the Company | **69,599,619** | |
| Weighted average number of shares | **39,963,930** | |
| Basic and diluted earnings per share (SAR) | **1.74** | |

## 4. IFRS 18: PRESENTATION AND DISCLOSURES IN FINANCIAL STATEMENTS - PRELIMINARY IMPACT ASSESSMENT (continued)

**Management-Defined Performance Measures (MPMs)**
IFRS 18.117 defines a Management-Defined Performance Measure (MPM) as a subtotal of income and expenses that an entity uses in public communications outside the financial statements to communicate management's view of an aspect of the financial performance of the entity as a whole. IFRS 18 requires entities to disclose all MPMs in a single note to the financial statements, including a reconciliation to the most directly comparable subtotal specified by IFRS accounting standards, together with the income tax effect and the effect on non-controlling interests (if any).

The Company is currently reviewing its public communications (including press releases, investor presentations, the annual report management commentary, and communications with analysts) to identify any subtotals that may meet the definition of an MPM.

Based on a preliminary assessment, the following metrics are under review:
**'Profit before Zakat":** This metric is currently used in the Company's segment reporting and may be referenced in external communications. Under IFRS 18, the comparable IFRS-specified subtotal is 'Profit before financing and income tax". If this metric is determined to be an MPM, the Company will disclose a reconciliation showing the adjustment for financing costs (SAR 4.14 million for the six-month period ended 30 June 2026) and the related Zakat effect.

**'Gross profit":** This metric is used in segment reporting (Note 26) as the measure of segment performance. Under IFRS 18.118(a), gross profit is not considered an MPM as it depicts the difference between a type of revenue and directly related expenses. However, if the Company uses this metric in public communications outside the financial statements, additional disclosures may be required.

**'Operating profit before depreciation and amortization"** (or similar EBITDA variants): The Company does not currently use such metrics in its external reporting. If adopted in the future, they would be subject to MPM disclosure requirements.

The Company will finalise its MPM assessment in advance of the effective date and will establish appropriate governance procedures to ensure that any new MPMs introduced after the transition date are properly identified and disclosed in accordance with IFRS 18.

**Assessment of Main Business Activity**
IFRS 18.51 requires an entity to disclose whether its main business activity consists of investing in assets or providing financing to customers. This assessment is critical because it determines the classification of certain income and expense items that would otherwise default to a different category.

The Company has preliminarily assessed that its main business activities include (a) the development and sale of real estate properties, and (b) investment in, and leasing of, investment properties to earn rental income and capital appreciation. The latter activity constitutes 'investing in assets" as a specified main business activity under IFRS 18.53(a). Consequently:

All rental income and directly related expenses (e.g., direct property expenses, depreciation of investment properties) are classified in the operating category, not the investing category.
The acquisition, development, and disposal of investment properties are classified as investing activities in the statement of cash flows, consistent with IAS 7.

The Company does not have a main business activity of providing financing to customers. Interest revenue from bank deposits and finance costs on borrowings are classified based on the nature of the underlying asset or liability (investing and financing, respectively).

This assessment will be disclosed in the notes to the financial statements upon transition to IFRS 18, together with the date of the assessment and any changes thereto.

**Statement of Cash Flows:**
The starting point for operating cash flows will change to 'Operating Profit'. Interest received will be classified as Investing activities, while interest paid and dividends paid will be classified as Financing activities.

**Statement of Financial Position and Notes:**
The Company does not expect the re-measurement of any assets or liabilities to change as a result of IFRS 18. All changes are limited to presentation and disclosure. Enhanced note disclosures will be prepared to disaggregate specified expenses by nature (e.g., depreciation and employee benefits) and detail any identified Management-Defined Performance Measures (MPMs), such as 'Profit before Zakat'.

(EXPRESSED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

## 5. PROPERTY AND EQUIPMENT

During the period ended 30 June 2026, the movements in property and equipment are analyzed as follows:

| | Land | Buildings | Equipment | Vehicles | Furniture & Fixtures | Total |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| Balance as at 1 January 2026 | 1,150,000 | 2,844,441 | 518,008 | 903,328 | 517,311 | 5,933,088 |
| Balance as at 30 June 2026 | 1,150,000 | 2,844,441 | 518,008 | 903,328 | 517,311 | 5,933,088 |
| **Accumulated Depreciation** | | | | | | |
| Balance as at 1 January 2026 | - | 1,215,065 | 295,655 | 581,820 | 346,475 | 2,439,015 |
| Depreciation during the period | - | 42,112 | 35,330 | 81,423 | 15,240 | 174,105 |
| Balance as at 30 June 2026 | - | 1,257,177 | 330,985 | 663,243 | 361,715 | 2,613,120 |
| **Net Book value** | | | | | | |
| As at 30 June 2026 | 1,150,000 | 1,587,264 | 187,023 | 240,085 | 155,596 | 3,319,968 |

**(EXPRESSED IN SAUDI RIYALS UNLESS OTHERWISE STATED)**

## 5. PROPERTY AND EQUIPMENT (continued)

During the period, the movements in property and equipment are analyzed as follows:

| | Land | Buildings | Equipment | Vehicles | Furniture & Fixtures | Total |
|---|---|---|---|---|---|---|
| (Audited) | | | | | | |
| Cost | | | | | | |
| Balance as at 1 January 2025 | 1,150,000 | 2,808,575 | 409,428 | 855,283 | 495,532 | 5,718,818 |
| Additions during the year | - | 35,866 | 108,580 | 48,045 | 21,779 | 214,270 |
| Balance as at 31 December 2025 | 1,150,000 | 2,844,441 | 518,008 | 903,328 | 517,311 | 5,933,088 |
| Accumulated Depreciation | | | | | | |
| Balance as at 1 January 2025 | - | 1,130,470 | 231,112 | 373,262 | 314,804 | 2,049,648 |
| Depreciation during the year | - | 84,595 | 64,543 | 208,558 | 31,671 | 389,367 |
| Balance as at 31 December 2025 | - | 1,215,065 | 295,655 | 581,820 | 346,475 | 2,439,015 |
| Net Book value | | | | | | |
| As at 31 December 2025 | 1,150,000 | 1,629,376 | 222,353 | 321,508 | 170,836 | 3,494,073 |

**(EXPRESSED IN SAUDI RIYALS UNLESS OTHERWISE STATED)**

## 6. INVESTMENT PROPERTIES

During 2026, the movements in investment properties were analyzed as follows:

| | Land | Buildings | Total |
|---|---|---|---|
| **Cost** | | | |
| Balance as at 1 January 2026 | 239,091,744 | 513,373,444 | 752,465,188 |
| Balance as at 30 June 2026 | 239,091,744 | 513,373,444 | 752,465,188 |
| **Accumulated Depreciation** | | | |
| Balance as at 1 January 2026 | - | 132,958,206 | 132,958,206 |
| Depreciation during the period | - | 7,701,140 | 7,701,140 |
| Balance as at 30 June 2026 | - | 140,659,346 | 140,659,346 |
| **Carrying amount as at** | | | |
| **As at 30 June 2026** | 239,091,744 | 372,714,098 | 611,805,842 |

**(EXPRESSED IN SAUDI RIYALS UNLESS OTHERWISE STATED)**

## 6. INVESTMENT PROPERTIES (continued)

During 2025, the movements in investment properties were analyzed as follows:

| (Audited) | Land | Buildings | Buildings under construction | Total |
|---|---|---|---|---|
| Cost | | | | |
| Balance as at 1 January 2025 | 290,626,118 | 520,373,444 | 257,870 | 811,257,432 |
| Transferred to properties under development (note 7) | (47,714,374) | - | - | (47,714,374) |
| Transferred to properties under development for sale (note 13) | (3,820,000) | (7,000,000) | - | (10,820,000) |
| Derecognized during the year (note 6.1) | - | - | (257,870) | (257,870) |
| Balance as at 31 December 2025 | 239,091,744 | 513,373,444 | - | 752,465,188 |
| Accumulated Depreciation | | | | |
| Balance as at 1 January 2025 | - | 121,563,479 | - | 121,563,479 |
| Depreciation during the year | - | 15,411,916 | - | 15,411,916 |
| Transferred to properties under development for sale (note 13) | - | (4,017,189) | - | (4,017,189) |
| Balance as at 31 December 2025 | - | 132,958,206 | - | 132,958,206 |
| Carrying amount as at | | | | |
| As at 31 December 2025 | 239,091,744 | 380,415,238 | - | 619,506,982 |

**6.1** During 2025, the Company derecognized previously capitalized costs related to two projects for improvements and civil defense works, as management determined these costs to be unusable.

**6.2** Investment properties are measured at cost less accumulated depreciation and any impairment losses, if any. The Company has contracted with Saudi Asset Valuation Company for Professional Consulting (an independent external real estate valuer accredited by the Saudi Authority for Accredited Valuers) specialized in evaluating these investment properties, license No. (1210000273). The fair value for investment properties amounted to SR 1,559,300,956 as at 31 December 2025 (31 December 2024: SR 1,680,994,775). The Company has classified these fair value measurements as Level 3 within the fair value hierarchy due to the use of significant unobservable inputs. The valuation was determined by the independent valuer using a combination of the Income approach (based on discounted future cash flows and market rental yields) and the Cost approach (based on current replacement cost adjusted for depreciation). This hybrid approach is utilized to reflect the highest and best use of the properties as perceived by market participants, considering the specific characteristics and development potential of the Company's real estate portfolio.

## 6. INVESTMENT PROPERTIES (continued)

**6.3** During the year ended 31 December 2025, the Company reclassified assets with an aggregate net book value of SR 54.52 million from investment properties as follows:

- **Properties Under Development (note 7):** Certain parcels of land located in the Al-Kairouan district (SR 27.71 million), Riyadh and King Salman Road (SR 20 million), Riyadh, with a carrying amount of SR 47.71 million. This reclassification reflects the transition of the site into the active construction phase.
- **Properties Under Development for Sale (note 13):** The Rawabi Al Dabab Building was reclassified at a total net book value of SR 6.81 million. The historical cost of the asset was SR 10.82 million (comprising SR 3.82 million in land and SR 7.00 million in buildings), with accumulated depreciation of SR 4.01 million at the date of transfer. This property was reclassified following management's commitment to a plan for redevelopment and subsequent disposal.

**6.4** Investment properties comprise buildings located in the Hittin neighborhood of Riyadh. These properties were acquired, developed, and improved during 2024 using facilities obtained from Arab National Bank, which are secured by a mortgage over the underlying land in favor of the bank. The financing was arranged specifically for the development and improvement of the buildings situated on the Hittin land. There was no impairment loss recognized on investment properties. No borrowing costs were capitalized in 2025. Borrowing costs related to the above-mentioned investment properties (Hittin Schools Project) were capitalized in 2024 in the amounted to SR 4,716,636, calculated at the SAIBOR rate plus a fixed profit margin.

**6.5** The opening cost balance of the aforementioned lands includes units added during the year 2018, acquired under an off-plan real estate unit sale contract executed with Tharawat Riyadh Industrial Fund on July 10, 2018. The purchase comprised real estate units with plot numbers (434, 433, 432, 431, 400, 399, 398, 397, 396, 395, 394, 393), totaling an area of 17,411.36$m^2$ (meter square) at a total cost of SR 27,714,374, which included tax. During 2018, payments totaling SR 11,491,326 were made. This amount included a pursuit value of SR 675,961 paid upon signing the agreement, and the first and second payments totaling SR 10,815,366, which were deducted from the Company's investments in the Fund. During 2019, the third and part of the fourth payments, amounting to SR 8,696,830, were also deducted from the Company's investments. The total amount paid as of the end of 2019 was SR 20,188,156, leaving a remaining balance of SR 7,526,218. In 2022, a partial liquidation was executed, reducing the remaining balance to SR 5,043,731, payable according to the agreement terms. The land was expected to be ready and handed over to the Company by 1 September 2019 (corresponding to 02/01/1441H). However, the project was not completed by the end of that fiscal year, despite the fund's evaluation as of December 31, 2019, indicating 100% completion. On 24 December 2024, the Company received a notification from the fund manager that the land was ready for handover and the outstanding debt needed to be settled to complete the ownership transfer procedures. During 2025, the transfer formalities were completed, and the land was reclassified from 'Investment properties' to 'Properties under development'. Accordingly, the Company has paid the remaining cost to Tharawat Riyadh Industrial Fund and divest its investment from the Fund.

**6.6** The depreciation charged during the period ended was as follows:

| | **30 June 2026** **(Unaudited)** | 31 December 2025 (Audited) |
|---|---|---|
| Cost of revenues | **7,701,140** | 15,411,916 |

**(EXPRESSED IN SAUDI RIYALS UNLESS OTHERWISE STATED)**

## 7. PROPERTIES UNDER DEVELOPMENT

Properties under development represent real estate assets currently being constructed or developed for future use to earn long-term rental yields, for capital appreciation, or for integrated asset management. The Company maintains strategic flexibility regarding its portfolio; should an opportunistic market transaction arise, management may elect to sell these assets to third parties, subject to appropriate reclassification to 'properties under development for sale' or 'assets held for sale' prior to disposal.

The carrying amount of these properties includes the cost of land acquisition, direct construction costs, site infrastructure development, project management consultancy (PMC) fees, professional design and engineering fees, and other directly attributable site preparation and development expenses.

The movement in properties under development during the period is analyzed as follows:

| | **Note** | **30 June 2026** | 31 December 2025 |
|---|---|---|---|
| Carrying amount: | | **(Unaudited)** | (Audited) |
| Balance at the beginning of the period | | **127,469,129** | 10,454,202 |
| Additions during the period | | **6,400,559** | 22,228,453 |
| Addition in land during the period | | **-** | 47,072,100 |
| Land transferred from Investment properties | **6** | **-** | 47,714,374 |
| Balance at the end of the period | | **133,869,688** | 127,469,129 |

## 8. INTANGIBLE ASSETS

The movement in intangible assets for the period ended analyzed as follows:

| | **30 June 2026 (Unaudited)** | | | 31 December 2025 |
|---|---|---|---|---|
| | **Computer software** | **CWIP** | **Total** | Total |
| | | | | (Audited) |
| **Cost:** | | | | |
| Balance at the beginning of the period | **50,188** | **389,285** | **439,473** | 439,473 |
| Transfer from CWIP | **389,285** | **(389,285)** | **-** | - |
| Balance at the end of the period | **439,473** | **-** | **439,473** | 439,473 |
| **Accumulated Amortization:** | | | | |
| Balance at the beginning of the period | **41,179** | **-** | **41,179** | 36,140 |
| Amortization during the period | **41,451** | **-** | **41,451** | 5,039 |
| Balance at the end of the period | **82,630** | **-** | **82,630** | 41,179 |
| **Carrying amount as at** | | | | |
| **30 June 2026** | **356,843** | **-** | **356,843** | |
| 31 December 2025 | | | | 398,293 |

**8.1** Transfer from CWIP represents costs related to the implementation of a new ERP system. The system became operational in 2026, the associated costs were capitalized and transferred to Computer Software.

(EXPRESSED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

## 9. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of the following:

| | Note | 30 June 2026 (Unaudited) | 31 December 2025 (Audited) |
|---|---|---|---|
| Cash at banks | | | |
| - Current accounts | | **1,592,887** | 880,916 |
| - Savings accounts | 9.1 | **36,014,641** | 37,520,928 |
| Cash on hand | | **-** | 34,763 |
| | | **37,607,528** | 38,436,607 |

**9.1** Balances in savings accounts carry an effective annual profit rate of approximately ranges from 3.5% to 4.5% (31 December 2025: same).

## 10. RESTRICTED CASH AT BANK

As of 30 June 2026, restricted cash held at banks amounted to SR 28.33 million (31 December 2025: SR 1.90 million). This balance represents proceeds from the sale of off-plan property units, which are initially held in designated escrow accounts in accordance with regulatory requirements. Since the related sales were completed prior to the reporting date, the release and transfer of these funds to its unrestricted operating bank accounts is in process.

## 11. TRADE RECEIVABLES FROM LESSEES AND OFF-PLAN SALES

### 11A) RECEIVABLES FROM LESSEES

Receivables from lessees are recognized at amortized cost, net of expected credit loss (ECL) provision, in accordance with IFRS 9.

| | Note | 30 June 2026 (Unaudited) | 31 December 2025 (Audited) |
|---|---|---|---|
| Gross receivables from Lessees | | **10,670,522** | 5,196,102 |
| Less: Provision for expected credit losses | 11.1 | **(4,207,391)** | (3,661,272) |
| | | **6,463,131** | 1,534,830 |

### 11.1 Provision for expected credit losses (ECL) and ageing analysis

The movement in the provision for expected credit losses during the respective period was as follows:

| | 30 June 2026 (Unaudited) | 31 December 2025 (Audited) |
|---|---|---|
| Balance at the beginning of the period | **3,661,272** | 3,980,151 |
| Impairment loss/(reversal) during the period | **546,119** | (318,879) |
| Balance at the end of the period | **4,207,391** | 3,661,272 |

### 11B) TRADE RECEIVABLES – OFF-PLAN SALES

As at 30 June 2026, the balance of SR 37,265,250 represents amounts contractually due from customers (31 December 2025: nil) arose from off-plan sales completed during the period. These receivables are measured at amortized cost in accordance with IFRS 9. The Company monitors these receivables for expected credit losses based on customer creditworthiness, historical collection patterns and collateral held over the underlying units; no impairment provision is considered necessary as at the reporting date.

## 12. PREPAYMENTS AND OTHER CURRENT ASSETS

| | 30 June 2026 (Unaudited) | 31 December 2025 (Audited) |
|---|---|---|
| Advances to suppliers | **4,250,886** | 3,565,452 |
| VAT refund related to Projects | **2,161,428** | 2,011,496 |
| Advance to employees | **830,013** | 569,345 |
| Finance income receivables | **21,824** | 89,366 |
| Bank Guarantee Margin | **75,000** | 75,000 |
| Advance medical insurance | **514,000** | 372,332 |
| Other debit balances | **-** | 44,488 |
| | **7,853,151** | 6,727,479 |

**(EXPRESSED IN SAUDI RIYALS UNLESS OTHERWISE STATED)**

## 13. PROPERTIES UNDER DEVELOPMENT FOR SALE

Properties under development for the purpose of sale include completed and under construction properties that are being developed for the purpose of being sold as residential or commercial units and plots of land that management has identified as being for sale in the future during the normal course of the Company's business.

| | Note | 30 June 2026 (Unaudited) | 31 December 2025 (Audited) |
|---|---|---|---|
| **Carrying amount:** | | | |
| Balance at the beginning of the period | | **51,455,768** | 51,745,180 |
| Additions during the period | | **8,884,671** | 19,005,522 |
| Transferred from Investment properties | | | |
| – Lands | 6 | - | 3,820,000 |
| – Building | 6 | - | 2,982,811 |
| Cost of real estate sales | 19 | **(24,694,232)** | (26,097,745) |
| Balance at the end of the period | | **35,646,207** | 51,455,768 |

## 14. TRADE PAYABLES AND OTHER CREDIT BALANCES

| | Note | 30 June 2026 (Unaudited) | 31 December 2025 (Audited) |
|---|---|---|---|
| Trade payables | | **2,560,383** | 7,632,729 |
| Employees related cost | | **1,015,727** | 2,300,213 |
| Remuneration of the Board Members and Committees | 17 | **346,805** | 1,523,000 |
| Value added tax | | **483,875** | 122,565 |
| Accrued professional fees | | **281,000** | 157,500 |
| Accrued social insurance | | **81,526** | 77,824 |
| Withholding tax | | - | 24,522 |
| Other | | - | 2,667 |
| | | **4,769,316** | 11,841,020 |

## 15. EMPLOYEES DEFINED BENEFIT OBLIGATIONS

The Company operates an unfunded defined benefit plan for its employees, which complies with the requirements of the Saudi Labor Law. The present value of the defined benefit obligation is determined annually by an independent actuary using the Projected Unit Credit Method, in accordance with the requirements of International Accounting Standard (IAS) 19, 'Employee Benefits'. The Company's obligation to pay these benefits is met as and when they fall due.

The movement during the period is analyzed as follows:

| | 30 June 2026 (Unaudited) | 31 December 2025 (Audited) |
|---|---|---|
| Balance at the beginning of the period | **1,360,883** | 881,078 |
| Charged to statement of profit or loss | **227,742** | 470,709 |
| Remeasurement loss in OCI | - | 64,014 |
| Benefits paid during the period | **(351,594)** | (54,918) |
| Balance at the end of the period | **1,237,031** | 1,360,883 |

**(EXPRESSED IN SAUDI RIYALS UNLESS OTHERWISE STATED)**

## 16. LOANS AND BORROWINGS

The loans and borrowing consisted of the following:

| | Note | 30 June 2026 (Unaudited) | 31 December 2025 (Audited) |
|---|---|---|---|
| **Non-current liabilities** | | | |
| Borrowings - Long term loan | 16.1 | **68,000,000** | 68,000,000 |
| **Current liabilities** | | | |
| Current portion of long-term borrowings | 16.1 | **34,000,000** | 34,000,000 |
| Short-term borrowings | 16.2 | **45,000,000** | 44,000,000 |
| Borrowings – current | | **79,000,000** | 78,000,000 |
| **Total loans and borrowings** | | **147,000,000** | 146,000,000 |

### 16.1 Long term borrowings

On 5 Jumada II 1445H, corresponding to 18 December 2023, the Company signed a Sharia-compliant credit facilities agreement with Arab National Bank. The financing was obtained for the purpose of purchasing and redeveloping buildings constructed on the Company's owned land in the Hittin district of Riyadh. The facilities, totaling SR 170,000,000 (Saudi Riyals One Hundred Seventy Million), were obtained on 15 Shaban 1445H, corresponding to 25 February 2024. The financing is repayable in five equal annual instalments of SR 34,000,000 each. The first instalment was due on 31 December 2024, and the last instalment is due on 31 December 2028. The facility bear finance costs based on SAIBOR rates plus a fixed profit margin which are settled semi-annually on 30 June and 31 December throughout the loan term. As part of the financing arrangement, the Company mortgaged the land in the Hittin district to Arab National Bank as collateral. There is no covenant attached with this borrowing.

| | 30 June 2026 (Unaudited) | 31 December 2025 (Audited) |
|---|---|---|
| Balance at the beginning of the period | **102,000,000** | 136,000,000 |
| Repayments made during the period | **-** | (34,000,000) |
| Balance at the end of the period | **102,000,000** | 102,000,000 |
| ***Presented as:*** | | |
| Long term borrowings – non-current liabilities | **68,000,000** | 68,000,000 |
| Current portion of long-term loan – current liabilities | **34,000,000** | 34,000,000 |

### 16.2 Short-term borrowings

The movement in short-term borrowings analyzed as follows:

| | 30 June 2026 (Unaudited) | 31 December 2025 (Audited) |
|---|---|---|
| Balance at the beginning of the period | **44,000,000** | - |
| Obtained during the year | **35,000,000** | 44,000,000 |
| Repayments made during the period | **(34,000,000)** | - |
| Balance at the end of the period | **45,000,000** | 44,000,000 |

Subsequent to the reporting date, the Company paid the short-term loan of SR 30 million on 6 July 2026 including the related financing margin.

**(EXPRESSED IN SAUDI RIYALS UNLESS OTHERWISE STATED)**

## 16. LOANS AND BORROWINGS (continued)

**16.3** The table below summarizes the maturity profile of the Company's borrowings as follows:

| **30 June 2026 (Unaudited)** | **Long term borrowings** | **Short term borrowings** | **Total** |
|---|---|---|---|
| Within one year | **34,000,000** | **45,000,000** | **79,000,000** |
| More than one and less than five years | **68,000,000** | **-** | **68,000,000** |
| More than five years | **-** | **-** | **-** |
| **Total** | **102,000,000** | **45,000,000** | **147,000,000** |
| 31 December 2025 (Audited) | | | |
| Within one year | 34,000,000 | 44,000,000 | 78,000,000 |
| More than one and less than five years | 68,000,000 | - | 68,000,000 |
| More than five years | - | - | - |
| **Total** | 102,000,000 | 44,000,000 | 146,000,000 |

## 17. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The Company engages in transactions with related parties, which include its shareholders, members of the Board of Directors, and key management personnel at arm length basis. All such transactions are conducted in the ordinary course of business and are approved by the Company's Board of Directors.

### A. Significant transactions

During the period ended 30 June 2026, the Company entered into the following significant transactions with related parties:

- **Dividends**: The Board approved a total cash dividend of SR 12,000,000 (SR 0.30 per share) during the period ended 30 June 2026. Excluding treasury shares, the actual net dividend distributed was SR 11,975,808. A portion of these dividends was paid to related parties in their capacity as shareholders.

### B. Key Management Personnel Compensation

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly. Compensation for the period ended 30 June 2026 amounts to **SR 1,310,000** (30 June 2025: SR 1,230,000).

### C. Related Party Balances

As at 30 June 2026, the following balances were outstanding in relation to related party transactions:

- **Remuneration payable**: The balance of **SR 346,805** is included within 'Trade payables and other credit balances' representing outstanding Board and Committee remuneration (31 December 2025: SR 1,523,000).
- **Other balances**: As at 30 June 2026, there were no other significant outstanding balances resulting from transactions with related parties.

(EXPRESSED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

## 18. REVENUES

The Company derives its revenue from contracts with customers for the transfer of goods (real estate properties) and services (the leasing of investment properties). The disaggregation of revenue by major product/service lines and timing of recognition for the period ended 30 June were as follows:

| (Unaudited) | Timing of recognition | 30 June 2026 | 30 June 2025 |
|---|---|---|---|
| **Revenue from contracts with customers (IFRS 15)** | | | |
| Real estate sale revenues | Point in time | **69,925,000** | 61,160,900 |
| **Rental income (IFRS 16)** | | | |
| Real estate rental income | Over time | **49,041,707** | 48,017,969 |
| **Total revenues** | | **118,966,707** | 109,178,869 |

**Contract balances**

The following table provides information about receivables, accrued rental revenues, advance rentals, contract assets, and contract liabilities from contracts with customers and lessees at period end:

| | Note | 30 June 2026 (Unaudited) | 31 December 2025 (Audited) |
|---|---|---|---|
| **Contract assets and receivables** | | | |
| Receivables from lessees, net | 11A | **6,463,131** | 1,534,830 |
| Trade receivables – off-plan sales | 11B | **37,265,250** | - |
| **Accrued rental revenue (A)** | | - | 1,185,991 |
| **Contract liabilities** | | | |
| Advance received from customers – Sales **(B)** | | **31,500** | 1,900,000 |
| Advance rentals (Unearned revenue) **(C)** | | **19,704,255** | 16,293,256 |

**(A)** **Accrued rental revenue:** It is revenue that has been recognized because the tenant used the asset but not yet billed. These are transferred to receivables upon invoicing.

**(B)** **Contract liabilities:** Contract liabilities represent the Company's obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. The balance of SR 31,500 represents advances received for off-plan sales.

**(C)** **Advance rentals:** This represents lease payments received from tenants in advance of the corresponding rental period. These amounts are initially recorded as a liability and are subsequently recognized as rental income in the statement of profit or loss and other comprehensive income on systematic basis i.e. over the period to which they relate.

The movement during the period is analyzed as follows:

| | 30 June 2026 (Unaudited) | 31 December 2025 (Audited) |
|---|---|---|
| Balance at the beginning of the period | **16,293,256** | 35,322,466 |
| Invoiced during the period | **52,452,706** | 78,551,161 |
| Revenue recognized during the period | **(49,041,707)** | (97,580,371) |
| Balance at the end of the period | **19,704,255** | 16,293,256 |

(EXPRESSED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

## 19. COST OF REVENUES

The cost of revenues incurred by the Company during the period ended 30 June comprise of the following:

| | Note | 30 June 2026 | 30 June 2025 |
|---|---|---|---|
| | | **(Unaudited)** | (Unaudited) |
| Cost of real estate sales | 13 | **24,694,232** | 26,097,745 |
| Depreciation of investment properties | 6 | **7,701,140** | 7,718,101 |
| Electricity, water, sanitation, maintenance and utilities | | **1,971,343** | 520,039 |
| Employees related cost | | **1,405,994** | 540,680 |
| Other expenses | | **841,941** | 139,645 |
| | | **36,614,650** | 35,016,210 |

## 20. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses during the period ended 30 June comprise of the following:

| | Note | 30 June 2026 | 30 June 2025 |
|---|---|---|---|
| | | **(Unaudited)** | (Unaudited) |
| Salaries, wages and other employees related costs | | **3,442,102** | 3,538,891 |
| Remuneration of members of the Board of Directors and Committees | | **100,000** | 110,000 |
| Professional, consulting and audit fees (note 20.1) | 20.1 | **612,532** | 458,513 |
| Fees and subscriptions | | **336,038** | 317,860 |
| IT support & related services | | **245,756** | - |
| Depreciation | 5 | **174,105** | 193,259 |
| Amortization | 8 | **41,449** | 2,519 |
| Electricity, water, telephone, maintenance and repairs expenses | | **99,295** | 206,259 |
| Others | | **326,626** | 189,477 |
| | | **5,377,903** | 5,016,778 |

**20.1** This includes professional fees for auditing financial statements and reviewing the condensed interim financial statements of the Company for the period ended 30 June 2026 amounting to **SR 66,500** (2025: SR 57,500).

## 21. SALES AND MARKETING EXPENSES

Sales and marketing expenses during the period ended 30 June comprise of the following:

| | Note | 30 June 2026 | 30 June 2025 |
|---|---|---|---|
| | | **(Unaudited)** | (Unaudited) |
| Marketing media & advertising | | **316,527** | - |
| Employees related costs | | **1,431,806** | 45,247 |
| Corporate branding & trademarks | | **110,220** | - |
| | | **1,858,553** | 45,247 |

## 22. OTHER INCOME

Other income during the period ended 30 June comprise of the following:

| | Note | 30 June 2026 | 30 June 2025 |
|---|---|---|---|
| | | **(Unaudited)** | (Unaudited) |
| Bank returns | | **81,324** | 563,896 |
| Realized gain on investment carried at FVTPL | | **-** | 342,741 |
| Other miscellaneous income | | **-** | 1,000 |
| | | **81,324** | 907,637 |

## 23. PROVISION FOR ZAKAT

The movement during the period analyzed as follows:

| | **30 June 2026** | 31 December 2025 |
|---|---|---|
| | **(Unaudited)** | (Audited) |
| Balance at the beginning of the period | **1,283,297** | 1,777,475 |
| Charged during the period | **909,382** | 1,283,297 |
| Payment made during the period | **(1,283,298)** | (1,777,475) |
| Balance at the end of the period | **909,381** | 1,283,297 |

**Status of assessment**

The Company has filed its Zakat returns for all years up to and including the year ended 31 December 2025 and has obtained the required certificates, which are valid until 30 April 2027. The Zakat, Tax and Customs Authority (ZATCA) has finalized its assessments of the Company's returns for all years up to 31 December 2024.

## 24. EARNING PER SHARE

Basic earnings per share for profit attributable to ordinary shareholders for the period are computed based on the weighted average number of shares outstanding during such periods. The diluted earnings per share are the same as the basic earnings per share because as of the reporting date, the Company does not have any dilutive instruments in issue.

| | **30 June 2026** | 30 June 2025 |
|---|---|---|
| | **(Unaudited)** | (Unaudited) |
| Profit for the period (Saudi Riyals) | **69,599,619** | 64,923,330 |
| Weighted average number of shares (units)* | **39,963,930** | 40,000,000 |
| Basic and diluted earnings per share (Saudi Riyals) | **1.74** | 1.62 |

* The weighted average number of shares outstanding for the six-month period ended 30 June 2026 is calculated after excluding 120,991 treasury shares held by the Company during the period, in accordance with IAS 33 Earnings per Share.

## 25. DIVIDENDS

On 27 April 2026, the Board of Directors approved a cash dividend of SR 12,000,000 for the second half of 2025, representing SR 0.30 per share. The eligibility date for this dividend was 10 May 2026. The actual net dividend transferred for distribution on 14 May 2026 amounted to SR 11,975,808. The difference between the approved and distributed amount is because no dividends are paid on treasury shares held by the Company at the eligibility date.

During 2025, the Company distributed total cash dividends of SR 20,000,000. This comprised SR 10,000,000 for the second half of 2024, which was paid on 10 April 2025, and an additional SR 10,000,000 for the first half of 2025, which was paid on 01 September 2025.

(EXPRESSED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

## 26. SEGMENT REPORTING

### 26.1 General information and basis of segmentation

The Company operates within a single geographical segment, the Kingdom of Saudi Arabia. For management reporting purposes, the Company is organized into business units based on their products and services. These units represent the basis on which the Company reports its segmental information. The reportable segments, which are the Company's strategic business units, are detailed below.

The reportable segments are:

- **Property development & sales:** This segment is engaged in the development and subsequent sale of real estate properties. Revenue from property sales is recognized at a point in time upon the transfer of control to the customer.
- **Investment properties & leasing:** This segment holds and operates investment properties to generate rental income. Revenue from real estate rentals is recognized over the lease term. For leases with varying rental payments, income is recognized according to the amount contractually stipulated for each period.

The senior management monitors the operating results of each segment for the purpose of making decisions about resource allocation and assessing performance. Segment performance is evaluated based on gross profit, as this is considered the most relevant measure of segment performance. Corporate costs and other corporate-level income and expenses are not allocated to the reportable segments and presented as corporate amount under head office.

### 26.2 Segment financial performance

The following table presents revenue and profit information for the Company's reportable segments for the periods ended:

| **30 June 2026 (Unaudited)** | **Investment properties & leasing** | **Property development & sales** | **Corporate** | **Total** |
|---|---|---|---|---|
| Revenue | **49,041,707** | **69,925,000** | **-** | **118,966,707** |
| Cost of revenue | **(11,920,418)** | **(24,694,232)** | **-** | **(36,614,650)** |
| Gross profit | **37,121,289** | **45,230,768** | **-** | **82,352,057** |
| General and administrative expenses | **(691,278)** | **(56,514)** | **(4,630,111)** | **(5,377,903)** |
| Selling and marketing expenses | **-** | **(1,748,333)** | **(110,220)** | **(1,858,553)** |
| Provision for impairment losses | **(546,119)** | **-** | **-** | **(546,119)** |
| Finance costs | **(4,141,805)** | **-** | **-** | **(4,141,805)** |
| Other income | **81,324** | **-** | **-** | **81,324** |
| Profit before Zakat | **31,823,411** | **43,425,921** | **(4,740,331)** | **70,509,001** |

| 30 June 2025 (Unaudited) | Investment properties & leasing | Property development & sales | Corporate | Total |
|---|---|---|---|---|
| Revenue | 48,017,969 | 61,160,900 | - | 109,178,869 |
| Cost of revenue | (8,918,465) | (26,097,745) | - | (35,016,210) |
| Gross profit | 39,099,504 | 35,063,155 | - | 74,162,659 |
| General and administrative expenses | (569,393) | (53,018) | (4,394,367) | (5,016,778) |
| Selling and marketing expenses | - | (45,247) | - | (45,247) |
| Reversal in impairment losses | 935,835 | - | - | 935,835 |
| Finance costs | (5,154,465) | - | - | (5,154,465) |
| Other income | 907,637 | - | - | 907,637 |
| Profit before Zakat | 35,219,118 | 34,964,890 | (4,394,367) | 65,789,641 |

(EXPRESSED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

## 26. SEGMENT REPORTING (continued)

### 26.3 Segment financial position

The following table presents asset and liability information for the Company's reportable segments as at:

| | Investment properties & leasing | Property development & sales | Corporate | Total |
|---|---|---|---|---|
| **As at 30 June 2026 (Unaudited)** | | | | |
| **Total assets** | **638,729,652** | **260,113,783** | **3,676,811** | **902,520,246** |
| **Total liabilities** | **123,432,848** | **49,800,816** | **909,381** | **174,143,045** |
| As at 31 December 2025 (Audited) | | | | |
| Total assets | 667,391,889 | 180,824,897 | 3,892,367 | 852,109,153 |
| Total liabilities | 119,661,450 | 57,741,020 | 1,283,297 | 178,685,767 |

### 26.4 Information about major customers

The Company has revenues from major customers, defined as those individually accounting for 10% or more of the Company's total revenue from "Property Leasing" segment. For the period ended 30 June 2026, revenues from three major customers totaled SR 23.61 million (30 June 2025: SR 22.28 million from three customers).

## 27. FINANCIAL INSTRUMENTS – FAIR VALUE

The Company's principal financial assets comprise cash and cash equivalents, receivables from lessees and certain other current assets. Its principal financial liabilities include borrowings, accrued expenses, trade creditors and other current liabilities. These instruments are primarily held to manage the Company's liquidity and finance its operation. Management believes that the fair values of the Company's financial assets and liabilities are not materially different from their carrying values.

## 28. COMMITMENTS AND CONTINGENCIES

**Capital commitments:**

As at 30 June 2026, the outstanding capital commitments for properties under development and properties under development for sale amounted to SR 36.85 million (31 December 2025: SR 27.67 million).

**White Land Tax**

The Company is subject to the White Land and Vacant Real Estate Tax Law, as amended by Royal Decree No. M/244 dated 29 April 2025 and Council of Ministers Resolution No. 758 dated 12 May 2025. The statutory framework was further operationalized via Implementing Regulations issued on 22 August 2025.

For the year ended 31 December 2025, the Ministry of Municipalities and Housing (MOMAH) issued assessments dated 1 January 2026 amounting to SR 21.18 million against specific land parcels (subject lands) held by the Company. These assessments were subsequently revised and supplemented with additional invoices issued on 04 March 2026 and 16 April 2026. The total revised assessments amount to SR 28.64 million. These assessments were calculated at a rate of 10% of the land value, reflecting the Ministry's classification of the plots under the amended Phase 3 regulations. This classification presupposes that the lands are available for immediate development, a premise the Company contests based on material facts.

Management has conducted a comprehensive legal review and determined that valid statutory exemptions apply under Article 9 of the Implementing Regulations. The Company holds verified documentation demonstrating that the lands were not available for development due to regulatory and physical impediments throughout the assessment period, including:

- Government-imposed suspensions (Eiqaf): Preventing the issuance of necessary construction and excavation licenses.
- Third-party occupation: Physical encroachment by public utility contractors preventing site access.

The Company maintains active approved master plans and is ready to commence construction once these external restrictions are lifted. The delays are solely attributable to these factors, which legally suspend the development timeline. Subsequent to the period end, the Company has filed formal objections between 28 February 2026 and 29 April 2026 requesting annulment of the assessments based on the documented regulatory freeze, and the status of these plots currently remains "Under Review".

Consequently, Management has assessed that an outflow of economic resources to settle these liabilities is not probable in accordance with IAS 37, no provision has been recognized in these condensed interim standalone financial statements, and the amount is disclosed as a contingent liability.

## 29. EVENT AFTER THE REPORTING PERIOD

No significant events have occurred subsequent to the reporting period that would require adjustments to, or additional disclosures in, these condensed interim financial statements, except as disclosed elsewhere in the accompanying notes.

## 30. APPROVAL OF CONDENSED INTERIM FINANCIAL STATEMENTS

These condensed interim financial statements were approved by the Board of Directors of the Company and authorized for issuance on 04 August 2026 corresponding to 20 Safar 1448H.