ARABIAN CENTRES COMPANY
(A Saudi Joint Stock Company)
Interim condensed consolidated financial statements (Unaudited)
For the three-month and six-month periods ended 30 June 2026
together with the
Independent Auditor's Review Report

Contents | **Page(s)**

Independent auditor's review report	1
Interim condensed consolidated financial statements	
- Interim condensed consolidated statement of financial position	2
- Interim condensed consolidated statement of profit or loss	3
- Interim condensed consolidated statement of comprehensive income	4
- Interim condensed consolidated statement of changes in equity	5
- Interim condensed consolidated statement of cash flows	6 – 7
- Notes to the interim condensed consolidated financial statements	8 – 34

Notes to the Interim condensed consolidated financial statements index

Contents	*Page*
Basis of preparation	
1. Reporting entity	8
2. Statement of compliance	10
3. Basis of measurement	10
4. Functional and presentation currency	10
5. Significant accounting estimates, assumptions and judgements	10
6. Changes in Material accounting policies	10
7. New Standards, Amendment to Standards and Interpretations	11
Assets	
8. Investment properties	13
9. Intangible Assets	16
10. Investments	17
11. Cash and cash equivalents	18
12. Related party transactions and balances	18
Equity and liabilities	
13. Share capital and reserves	21
14. Loans and borrowings	21
15. Lease and other financial liabilities	24
Performance for the period	
16. Revenue	25
17. Other operating income	26
18. Zakat	26
19. Earnings per share	26
20. Operating segments	27
Financial instruments	
21. Financial instruments - fair values and risk management	27
Other information	
22. Commitments and contingencies	32
23. Summarized financial information of material subsidiaries	33
24. Events after the reporting date	34
25. Approval of the interim condensed consolidated financial statements	34

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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF ARABIAN CENTRES COMPANY (A SAUDI JOINT STOCK COMPANY)

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Arabian Centres Company (A Saudi Joint Stock Company) (the "Company") and its subsidiaries (collectively with the Company, referred to as the "Group") at 30 June 2026, and the related interim condensed consolidated statements of profit or loss and comprehensive income for the three-month and six-month periods ended 30 June 2026 and the related interim condensed consolidated statements of changes in equity and cash flows for the six-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Emphasis of matter – Legal claims

We draw attention to note 22 to the interim condensed consolidated financial statements, which describes the legal claims filed by a counterparty. As disclosed in the note, the ultimate outcome of these matters cannot presently be reliably estimated. Our conclusion is not modified in respect of this matter.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as endorsed in the Kingdom of Saudi Arabia. A review of interim financial statement 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 interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 as endorsed in the Kingdom of Saudi Arabia.

for Ernst & Young Professional Services

Abdullah A. Alshenaibir
Certified Public Accountant
License No. (583)

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EY
سجل تجاري ١٠١٠٣٨٣٨٢١
CR.1010383821
شركة إرنست ويونغ للخدمات المهنية
(مهنية ذات مسؤولية محدودة)
Ernst & Young Professional Services
(Professional LLC)

Riyadh: 30 Safar 1448H
(13 August 2026)

Arabian Centres Company (A Saudi Joint Stock Company)
Interim condensed consolidated statement of financial position
As at 30 June 2026

	Notes	30 June 2026 Unaudited	31 December 2025 Audited
Assets			
Investment properties	8	**31,851,310,176**	29,973,918,780
Property and equipment		**46,559,347**	52,032,566
Intangible assets	9	**256,308,608**	268,371,747
Right-of-use assets		**963,606**	1,060,299
Investment in equity accounted investees	10A	**140,494,658**	122,700,085
Investment at fair value through profit or loss ("FVTPL")	10B	**200,058,266**	200,058,266
Accrued revenue – non-current portion		**127,853,125**	126,776,958
Amounts due from related parties – non-current portion	12	**33,304,459**	78,504,854
Derivative financial instruments		**839,616**	--
Other non-current assets		**38,924,217**	39,742,401
Non-current assets		**32,696,616,078**	30,863,165,956
Development properties		**353,774,251**	353,774,251
Prepayments and other assets		**422,637,665**	450,636,392
Accrued revenue		**63,926,562**	63,388,479
Amounts due from related parties	12	**279,925,580**	196,167,037
Accounts receivable and others		**640,928,984**	608,935,511
Cash and cash equivalents	11	**614,362,718**	4,293,589,740
		2,375,555,760	5,966,491,410
Assets held for sale	8A	**62,500,000**	62,500,000
Current assets		**2,438,055,760**	6,028,991,410
Total assets		**35,134,671,838**	36,892,157,366
Equity			
Share capital	13	**4,750,000,000**	4,750,000,000
Share premium	13	**411,725,703**	411,725,703
Reserve	13	**873,992,101**	873,992,101
Other reserves	13	**3,242,245**	6,553,110
Retained earnings		**10,059,026,727**	9,471,099,615
Equity attributable to the shareholders of the Company		**16,097,986,776**	15,513,370,529
Non-controlling interest		**48,938,042**	52,019,735
Total equity		**16,146,924,818**	15,565,390,264
Liabilities			
Loans and borrowings	14	**15,058,436,482**	13,667,999,013
Lease and other financial liabilities	15	**2,272,532,011**	2,431,312,264
Employees' defined benefits liabilities		**53,489,278**	46,334,139
Other non-current liabilities		**1,328,097**	2,712,305
Non-current liabilities		**17,385,785,868**	16,148,357,721
Loans and borrowings – current portion	14	**56,117,708**	3,304,591,063
Lease and other financial liabilities – current portion	15	**409,587,509**	376,207,116
Accounts payable and other liabilities		**659,783,556**	723,951,491
Derivative financial instruments		**--**	1,029,065
Amount due to related parties	12	**25,174,862**	304,606,222
Unearned revenue		**364,772,925**	374,907,956
Zakat liabilities	18	**86,524,592**	93,116,468
Current liabilities		**1,601,961,152**	5,178,409,381
Total liabilities		**18,987,747,020**	21,326,767,102
Total equity and liabilities		**35,134,671,838**	36,892,157,366

The attached notes from 1 to 25 are an integral part of these interim condensed consolidated financial statements.
These interim condensed consolidated financial statements were authorized by the Board of Directors on 22 Safar 1448H (corresponding to 05 August 2026) and signed on its behalf by:

Jabri Maali	Alison Rehill-Erguven	Kamel Badee AlQalam
Chief Financial Officer	*Chief Executive Officer*	*Board Member*

All amounts are presented in Saudi Riyals unless otherwise stated.

Arabian Centres Company (A Saudi Joint Stock Company)
Interim condensed consolidated statement of profit or loss
For the three-month and six-month periods ended 30 June 2026

	Notes	Three-month period ended 30 June 2026 Unaudited	30 June 2025 Unaudited	Six-month period ended 30 June 2026 Unaudited	30 June 2025 Unaudited
Revenue	16	**569,373,497**	582,616,442	**1,151,923,190**	1,173,250,146
Cost of revenue		**(95,386,419)**	(93,236,315)	**(189,042,094)**	(172,123,835)
Gross profit		**473,987,078**	489,380,127	**962,881,096**	1,001,126,311
Other operating income	17	**4,901,768**	11,366,241	**8,093,969**	36,393,515
Net fair value gain on investment properties	8	**251,225,414**	280,593,938	**322,768,280**	325,093,398
Advertisement and promotion expenses		**(16,433,887)**	(2,974,296)	**(21,887,689)**	(7,232,919)
General and administration expenses		**(90,594,177)**	(69,353,496)	**(178,956,153)**	(149,244,919)
Impairment loss on accounts receivable, related parties and accrued revenue		**(7,726,628)**	(73,903,893)	**(41,451,055)**	(153,535,742)
Other operating expenses	8A	**--**	--	**--**	(22,000,000)
Profit before net finance costs, share of loss of EAI and zakat expense		**615,359,568**	635,108,621	**1,051,448,448**	1,030,599,644
Finance income on amounts due from related parties	12	**2,584,480**	19,044,098	**5,467,263**	26,135,758
Finance income on time deposits	11	**336,508**	2,789,226	**4,273,007**	5,535,284
Finance costs over loans and borrowings		**(186,710,151)**	(137,147,155)	**(371,114,610)**	(276,483,528)
Finance costs over lease and other financial liabilities	15	**(37,390,642)**	(32,528,548)	**(75,272,842)**	(65,629,202)
Net finance costs		**(221,179,805)**	(147,842,379)	**(436,647,182)**	(310,441,688)
Share of loss of equity-accounted investees ("EAI")	10A	**(1,539,250)**	(278,283)	**(6,565,613)**	(495,957)
Profit before zakat		**392,640,513**	486,987,959	**608,235,653**	719,661,999
Zakat expense	18	**(3,278,463)**	(12,333,333)	**(15,611,796)**	(22,333,333)
Profit for the period		**389,362,050**	474,654,626	**592,623,857**	697,328,666
Profit for the period is attributable to:					
- Shareholders of the Company		**385,715,184**	472,903,887	**588,205,550**	689,820,269
- Non-controlling interest		**3,646,866**	1,750,739	**4,418,307**	7,508,397
		389,362,050	474,654,626	**592,623,857**	697,328,666
Earnings per share					
Basic and diluted earnings per share	19	**0.81**	1.00	**1.24**	1.45

The attached notes from 1 to 25 are an integral part of these interim condensed consolidated financial statements.

Jabri Maali	**Alison Rehill-Erguven**	**Kamel Badee AlQalam**
Chief Financial Officer	*Chief Executive Officer*	*Board Member*

All amounts are presented in Saudi Riyals unless otherwise stated.

Arabian Centres Company (A Saudi Joint Stock Company)
Interim condensed consolidated statement of comprehensive income
For the three-month and six-month periods ended 30 June 2026

		Three-month period ended		Six-month period ended	
	Notes	**30 June 2026 Unaudited**	30 June 2025 Unaudited	**30 June 2026 Unaudited**	30 June 2025 Unaudited
Profit for the period		**389,362,050**	474,654,626	**592,623,857**	697,328,666
Other comprehensive loss					
Items that are or may be reclassified subsequently to profit or loss:					
- Foreign currency translation difference of equity accounted investees		**(18,924)**	575,146	**(147,062)**	415,199
Items that will not be reclassified subsequently to profit or loss:					
- Remeasurement of employee's defined benefits liabilities		**(3,323,328)**	(2,136,249)	**(3,323,328)**	(2,136,249)
Total other comprehensive loss for the period		**(3,342,252)**	(1,561,103)	**(3,470,390)**	(1,721,050)
Total comprehensive income for the period		**386,019,798**	473,093,523	**589,153,467**	695,607,616
Total comprehensive income for the period attributable to:					
- Shareholders of the Company		**382,372,932**	471,342,784	**584,735,160**	688,099,219
- Non-controlling interests		**3,646,866**	1,750,739	**4,418,307**	7,508,397
		386,019,798	473,093,523	**589,153,467**	695,607,616

The attached notes from 1 to 25 are an integral part of these interim condensed consolidated financial statements.

Jabri Maali
Chief Financial Officer

Alison Rehill-Erguven
Chief Executive Officer

Kamel Badee AlQalam
Board Member

All amounts are presented in Saudi Riyals unless otherwise stated.

Arabian Centres Company (A Saudi Joint Stock Company)

Interim condensed consolidated statement of changes in equity

For the six-month period ended 30 June 2026

	Notes	Share capital	Share premium	Reserve	Other reserves	Retained earnings	Total	Non-Controlling interest	Total equity
		Attributable to shareholders of the Company							
Balance at 31 December 2024– Audited		4,750,000,000	411,725,703	873,992,101	10,320,410	8,739,245,345	14,785,283,559	42,753,264	14,828,036,823
Total comprehensive income for the period									
Profit for the period		--	--	--	--	689,820,269	689,820,269	7,508,397	697,328,666
Other comprehensive loss		--	--	--	(1,721,050)	--	(1,721,050)	--	(1,721,050)
Total comprehensive income for the period		--	--	--	(1,721,050)	689,820,269	688,099,219	7,508,397	695,607,616
Deficit on sale of treasury shares	13	--	--	--	--	(360,553)	(360,553)	--	(360,553)
Transactions with shareholders of the Company									
Treasury shares acquired	13	--	--	--	(331,373)	--	(331,373)	--	(331,373)
Dividends	13	--	--	--	--	(356,250,000)	(356,250,000)	--	(356,250,000)
Balance at 30 June 2025 - Unaudited		4,750,000,000	411,725,703	873,992,101	8,267,987	9,072,455,061	15,116,440,852	50,261,661	15,166,702,513
Balance at 31 December 2025 – Audited		**4,750,000,000**	**411,725,703**	**873,992,101**	**6,553,110**	**9,471,099,615**	**15,513,370,529**	**52,019,735**	**15,565,390,264**
Total comprehensive income for the period									
Profit for the period		--	--	--	--	**588,205,550**	**588,205,550**	**4,418,307**	**592,623,857**
Other comprehensive loss		--	--	--	**(3,470,390)**	--	**(3,470,390)**	--	**(3,470,390)**
Total comprehensive income for the period		--	--	--	**(3,470,390)**	**588,205,550**	**584,735,160**	**4,418,307**	**589,153,467**
Deficit on sale of treasury shares	13	--	--	--	--	**(278,438)**	**(278,438)**	--	**(278,438)**
Transactions with shareholders of the Company									
Treasury shares sold	13	--	--	--	**159,525**	--	**159,525**	--	**159,525**
Dividends		--	--	--	--	--	--	**(7,500,000)**	**(7,500,000)**
Balance at 30 June 2026 - Unaudited		**4,750,000,000**	**411,725,703**	**873,992,101**	**3,242,245**	**10,059,026,727**	**16,097,986,776**	**48,938,042**	**16,146,924,818**

The attached notes from 1 to 25 are an integral part of these interim condensed consolidated financial statements.

Jabri Maali
Chief Financial Officer

Alison Rehill-Erguven
Chief Executive Officer

Kamel Badee AlQalam
Board Member

All amounts are presented in Saudi Riyals unless otherwise stated.

Arabian Centres Company (A Saudi Joint Stock Company)
Interim condensed consolidated statement of cash flows
For the six-month period ended 30 June 2026

	Notes	Six-month period ended 30 June 2026 Unaudited	Six-month period ended 30 June 2025 Unaudited
Cash flows from operating activities:			
Profit before zakat		**608,235,653**	719,661,999
Adjustments to reconcile profit before zakat to net cashflows:			
- Depreciation of property and equipment		**7,828,137**	7,117,405
- Amortization of intangible assets		**14,426,294**	--
- Depreciation of right-of-use assets		**96,693**	--
- Impairment loss on accounts receivable, related parties and accrued revenue		**41,451,055**	153,535,742
- Provision for employees' defined benefits liabilities		**4,822,506**	4,225,311
- Finance cost over loans and borrowings		**371,114,610**	276,483,528
- Finance cost over lease and other financial liabilities	*15*	**75,272,842**	65,629,202
- Finance income on amounts due from related parties	*12*	**(5,467,263)**	(26,135,758)
- Finance income on time deposits	*11*	**(4,273,007)**	(5,535,284)
- Share of loss from equity-accounted investees	*10A*	**6,565,613**	495,957
- Gain on disposal of investment properties	*17*	**--**	(31,928,088)
- Loss on disposal of property and equipment		**22,405**	--
- Foreign currency translation gains	*15*	**(3,680,632)**	--
- Lease termination costs	*8*	**--**	22,000,000
- Gain on investments at FVTPL		**--**	(2,121,671)
- Derivative financial instruments		**(1,868,681)**	--
- Lease rental concessions		**--**	(937,536)
- Net fair value gain on investment properties	*8*	**(322,768,280)**	(325,093,398)
		791,777,945	857,397,409
Changes in operating assets and liabilities:			
- Accounts receivable		**(63,774,757)**	(77,748,632)
- Amounts due from / to related parties, net		**(322,192,016)**	(28,624,521)
- Prepayments and other current assets		**(12,503,300)**	(60,248,205)
- Accounts payable and other liabilities		**21,524,162**	106,716,221
- Accrued revenue		**(1,614,250)**	(73,467,311)
- Unearned revenue		**(10,135,031)**	(26,700,115)
Cash generated from operating activities		**403,082,753**	750,725,076
Employees' defined benefit liabilities paid		**(990,695)**	(797,749)
Zakat paid		**(22,203,672)**	(9,147,767)
Net cash generated from operating activities		**379,888,386**	740,779,560
Cash flows from investing activities:			
Additions in investment properties, net		**(1,341,271,108)**	(822,254,143)
VAT for capex transactions		**41,320,211**	78,933,029
Acquisition of equity-accounted investees		**(24,507,248)**	(14,187,260)
Acquisition of property and equipment		**(2,377,323)**	(4,593,582)
Acquisition of intangible assets		**(2,363,155)**	--
Finance income received on time deposits		**4,273,007**	6,183,695
Acquisition of investment at FVTPL		**--**	(200,000,000)
Proceeds from disposal of investment at FVTPL		**--**	255,322,684
Net cash used in investing activities		**(1,324,925,616)**	(700,595,577)

Arabian Centres Company (A Saudi Joint Stock Company)
Interim condensed consolidated statement of cash flows (continued)
For the six-month period ended 30 June 2026

	Notes	**Six-month period ended 30 June 2026 Unaudited**	Six-month period ended 30 June 2025 Unaudited
Cash flows from financing activities:			
Proceeds from loans and borrowings		**1,397,937,961**	307,596,623
Repayments of loans and borrowings		**(3,281,250,000)**	--
Transaction costs paid on loans and borrowings		**(13,501,688)**	(1,244,265)
Payment of finance costs on loans and borrowings		**(647,061,951)**	(470,002,302)
Proceeds from sale of treasury shares acquired		**93,812,521**	161,252,999
Repurchase of treasury shares		**(93,931,434)**	(161,944,925)
Payments of lease and other financial liabilities – principal portion		**(121,719,228)**	(64,033,153)
Payments of lease and other financials liabilities – interest portion		**(75,272,842)**	(65,629,202)
Proceeds from deferred premium sukuk USD		**14,296,869**	--
Dividends paid to non-controlling interests		**(7,500,000)**	--
Payment of dividends to shareholders		**--**	(178,125,000)
Net cash used in from financing activities		**(2,734,189,792)**	(472,129,225)
Net decrease in cash and cash equivalents		**(3,679,227,022)**	(431,945,242)
Cash and cash equivalents at the beginning of the period		**4,293,589,740**	670,342,011
Cash and cash equivalents at the end of the period		**614,362,718**	238,396,769

The attached notes from 1 to 25 are an integral part of these interim condensed consolidated financial statements.

Jabri Maali	**Alison Rehill-Erguven**	**Kamel Badee AlQalam**
Chief Financial Officer	*Chief Executive Officer*	*Board Member*

All amounts are presented in Saudi Riyals unless otherwise stated.

1. Reporting entity

Arabian Centres Company (the "Company") is a Saudi Joint Stock Company registered in Riyadh, Kingdom of Saudi Arabia ("KSA") under commercial registration numbered 1010209177 and dated 7 Rabi Thani 1426H (corresponding to 15 May 2005), and Unified Identification Number 7001497135. The registered office is located at Nakheel District, P.O. Box 341904, Riyadh 11333, KSA.

The Company has been listed on the Saudi Stock Exchange ("Tadawul") since 2019.

The Company's licensed activities general construction for residential and non-residential buildings, construction of prefabricated buildings on site, renovations of residential and non-residential buildings, buying and selling land and real estate, subdividing them, and off-plan sales activities, management and leasing of owned or rented residential and non-residential properties, real estate development for residential and commercial buildings using modern construction methods, property management - real estate facility management - real estate marketing and advertising and maintenance service activities for buildings.

The Company and its subsidiaries' (collectively referred to as the "Group") principal business objectives are to purchase lands, build, develop and invest in buildings, sell or lease of buildings and the construction of commercial buildings including demolition, repair, excavation and maintenance works. It also includes maintenance and operation of commercial centres, tourist resorts, hotels and restaurants, managing and operating temporary and permanent exhibitions, compounds and hospitals.

Recent activities of the Company

- During the period, geopolitical tensions in parts of the Middle East intensified, leading to regional instability. Given that the majority of the Company's operations are conducted within the region, management continues to monitor these developments closely as the situation remains evolving, and any further escalation or prolonged continuation of the conflict could potentially affect its business. Management believes that it would not have a material impact on the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2026.

- The Company has signed a promise-to-lease agreement with Saudi Downtown Company, a wholly owned subsidiary of the Public Investment Fund ("PIF"), for the leasing and operation of a new flagship destination in the city of Al Khobar, Kingdom of Saudi Arabia. This agreement holds no contract value, as it constitutes a promise to lease and operate. The agreement has a term of 3 years and may be extended for an additional 2 years if both parties mutually agree. After the handover, a lease and operation agreement for the mall will be established for a duration of 25 years.

- The Board of Directors recommended to increase the Company's share capital from SR 4,750,000,000 (475 million shares) to SR 5,176,587,620 (517,658,762 shares), through: (a) the issuance of 39,583,333 new shares as bonus shares to the shareholders at ratio of 1 bonus share for every 12 existing shares, representing 8.33% increase in the Company's capital (the "Bonus Shares"); and (b) the issuance of 3,075,429 new shares to be allocated to the employee share program to be established, representing 0.65% increase in the Company's share capital (the "ESOP Shares") (with an aggregate increase of 8.98%) (the "Capital Increase") and expected to be completed in Q3-2026. The capital increase will be effected through the capitalization of SR 426,587,620 from the retained earnings balance, resulting in the Company's share capital increasing to SR 5,176,587,620 following the capital increase. The transaction is currently under regulatory approvals.

1. Reporting entity (continued)

Following is the list of subsidiaries included in these interim condensed consolidated financial statements as at 30 June 2026 and 31 December 2025:

No	Subsidiaries	Country of incorporation	Direct ownership interest held by the Group as at:		Indirect ownership interest held by the Group as at: (refer iv)		Share Capital (SR)	Number of shares issued
			30 June 2026	31 December 2025	30 June 2026	31 December 2025		
1	Al Bawarij International Company for Development and Real Estate Investment	Kingdom of Saudi Arabia	**100%**	**95%**	**--**	**5%**	500,000	500,000
2	Al Makarem International Real Estate Development Company	Kingdom of Saudi Arabia	**95%**	**95%**	**5%**	**5%**	500,000	500,000
3	Oyoun Al Raed Commercial Complex	Kingdom of Saudi Arabia	**95%**	**95%**	**5%**	**5%**	100,000	100,000
4	Oyoun Al Basateen Trading Company	Kingdom of Saudi Arabia	**100%**	**95%**	**--**	**5%**	100,000	100,000
5	Al-Qasseem Company for Entertainment and Commercial Projects Owned by Abdulmohsin AlHokair and Company	Kingdom of Saudi Arabia	**50%**	**50%**	**--**	**--**	500,000	500
6	Yarmouk Complex Company Limited	Kingdom of Saudi Arabia	**100%**	**95%**	**--**	**5%**	500,000	500,000
7	Arab Complex Company Limited	Kingdom of Saudi Arabia	**100%**	**95%**	**--**	**5%**	500,000	500,000
8	Dhahran Commercial Complex Company Limited	Kingdom of Saudi Arabia	**100%**	**95%**	**--**	**5%**	500,000	500,000
9	Ceen Retail Media Network Company (formerly Al Noor Mall Trading Company Limited)	Kingdom of Saudi Arabia	**100%**	**95%**	**--**	**5%**	500,000	500,000
10	Vantage Facilities Company (formerly Al Yasmeen Mall Trading Company Limited)	Kingdom of Saudi Arabia	**100%**	**95%**	**--**	**5%**	100,000	100,000
11	Al Hamra Commercial Complex Company	Kingdom of Saudi Arabia	**--**	**--**	**100%**	**100%**	100,000	100,000
12	Al Erth Al Rasekh Trading Company	Kingdom of Saudi Arabia	**95%**	**95%**	**5%**	**5%**	100,000	100,000
13	Al Erth Almatin Trading Company	Kingdom of Saudi Arabia	**100%**	**95%**	**--**	**5%**	100,000	100,000
14	Aziz Commercial Complex Company	Kingdom of Saudi Arabia	**--**	**--**	**100%**	**100%**	500,000	500,000
15	Arkan Salam Real Estate and Contracting Company Limited	Kingdom of Saudi Arabia	**100%**	**95%**	**--**	**5%**	1,000,000	1,000
16	Al Malaz Commercial Complex Company	Kingdom of Saudi Arabia	**100%**	**95%**	**--**	**5%**	100,000	100,000
17	Riyad Real Estate Development Fund – Jawharat AlRiyadh ***(i)***	Kingdom of Saudi Arabia	**100%**	**100%**	**--**	**--**	--	--
18	Riyad Real Estate Development Fund – Jawharat Jeddah ***(ii)***	Kingdom of Saudi Arabia	**100%**	**100%**	**--**	**--**	--	--
19	Tijan Fund – Qaseem project ***(iii)***	Kingdom of Saudi Arabia	**100%**	**100%**	**--**	**--**	--	--

i) The Group invested in a private real estate fund named Riyad Real Estate Development Fund – Jawharat AlRiyadh. The Group signed an agreement with Riyad Capital Company to manage the fund. The units were subscribed by transfer of a parcel of land, construction work in progress and advances to contractor to the fund with carrying value of **SR 2,796 million** at the time of transfer**.**

ii) The Group invested in a private real estate fund named Riyad Real Estate Development Fund – Jawharat Jeddah. The Group signed an agreement with Riyad Capital Company to manage the fund. The units were subscribed by transfer of a parcel of land, construction work in progress and advances to contractor to the fund with carrying value of **SR 1,568 million** at the time of transfer**.**

iii) The Group invested in a private real estate fund named Tijan Fund. The Group signed an agreement with GIB capital to manage the fund. The units were subscribed by transfer of a parcel of land, construction work in progress and advances to contractor to the fund with a carrying value of SR **783 million.**

iv) It represents 5% cross ownership within the Group by certain subsidiaries.

All amounts are presented in Saudi Riyals unless otherwise stated.

2. Statement of compliance

These interim condensed consolidated financial statements for the six-month period ended 30 June 2026 have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. The Company has prepared the interim condensed consolidated financial statements on the basis that it will continue to operate as a going concern. The Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

These interim condensed consolidated financial statements do not include all of the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at and for the year ended 31 December 2025 ("last annual financial statements"). However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and financial performance since the last annual financial statements. The results shown in these interim condensed consolidated financial statements may not be indicative of the annual results of the Group's operations.

3. Basis of measurement

These interim condensed consolidated financial statements are prepared under the historical cost convention using accrual basis of accounting, except for the following material items in the interim condensed consolidated statement of financial position:

- Employee's defined benefit liabilities, which is recognized at the present value of future obligations - using projected unit credit method
- Investment properties at fair value
- Other investments at fair value
- Derivative financial instruments at fair value

4. Functional and presentation currency

These interim condensed consolidated financial statements are presented in Saudi Riyal ("SR"), which is the functional and presentation currency of the Group. All values are rounded to the nearest Saudi Riyal, except when otherwise indicated.

5. Significant accounting estimates, assumptions and judgements

The preparation of these interim condensed consolidated financial statements in conformity with IAS 34 as endorsed in the Kingdom of Saudi Arabia, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the interim condensed consolidated financial statements and the reported amounts of revenue and expenses during the reporting period.

The significant judgments and estimates used in the preparation of these interim condensed consolidated financial statements are consistent with those used in preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025.

6. Changes in material accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in preparing the Group's latest annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of new standards effective as of 1 January 2026. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

6. Changes in material accounting policies (continued)

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7
In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the 'settlement date' and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance ("ESG") and similar features should be assessed
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income ("OCI")

The amendments had no impact on the Group's interim condensed consolidated financial statements.

Annual Improvements to IFRS accounting Standards – Volume 11
In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows. The amendments had no impact on the Group's interim condensed consolidated financial statements.

Contracts Referencing Nature -dependent Electricity – Amendments to IFRS 9 and IFRS 7
In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity, and they:

- Clarify the application of the 'own-use' requirements for in-scope contracts
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts
- Add new disclosure requirements to enable investors to understand the effect of these contracts on a Company's financial performance and cash flows

The amendments had no impact on Group's interim condensed consolidated financial statements.

7. New standards, amendment to standards and interpretations

There are new standards and amendments that are not yet effective and have been explained in Group's Annual Consolidated Financial Statements for the year ended 31 December 2025. These amended standards and interpretations are not expected to have a material impact on the Group's Annual Consolidated Financial Statements. The Group has not adopted early new or amended standards in preparing these interim condensed consolidated financial statements.

Standard, interpretation, amendments	Effective date
IFRS 19 Subsidiaries without Public Accountability: Disclosures	Annual periods beginning on or after 1 January 2027
Amendments to IFRS 10 and IAS 28	The effective date of the amendments has yet to be set by the IASB.

The new standards and amendments to standards disclosed in the Group's annual consolidated financial statements remain unchanged.

Expected impact of initial application of IFRS 18 *Presentation and Disclosure in Financial Statements*

In April 2024, the International Accounting Standards Board ("IASB") issued IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1 Presentation of Financial Statements and becomes effective for annual reporting periods beginning on or after 1 January 2027. The new standard introduces new requirements and updates to the statement of profit or loss, with the main objective of improving comparability in the statement of profit or loss and enhancing transparency over management-defined performance measures.

All amounts are presented in Saudi Riyals unless otherwise stated.

7. New standards, amendment to standards and interpretations (continued)

Expected impact of initial application of IFRS 18 *Presentation and Disclosure in Financial Statements (continued)*

The key new concepts introduced by IFRS 18 include:

- A revised structure of the statement of profit or loss, requiring classification of income and expenses into 5 defined categories based on the entity's main business activities and presentation of mandatory subtotals;
- Enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general; and
- Required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures).

The Group is in the process of assessing the estimated impact that the initial application of IFRS 18 will have on its consolidated financial statements. Based on the assessment performed to date, the expected effects are set out below:

a) Structure of the statement of profit or loss

IFRS 18 requires entities to classify all income and expenses into categories in the statement of profit or loss — namely operating, investing, financing, income tax, and discontinued operations by introducing two new required standard-defined sub-totals. Classification of income and expenses depends on the main business activities of an entity. The Group is currently assessing its main business activity including any specified main business activities.

Neither net profit nor net assets will change as a result of the Group's adoption of IFRS 18. The Group will be required to present two newly defined subtotals, being 'operating profit' and 'profit or loss before financing and income tax'. The operating profit subtotal defined by IFRS 18 differs from the operating profit subtotal currently presented by the Group. Based on the information currently available, the Group expects changes to the current structure of its statement of profit or loss to result from the following:

- Special commission and profit income and expenses on the Group's Islamic financing facilities and Sukuk are currently included in finance income and finance costs and presented within the 'net finance costs' subtotal. IFRS 18 provides specific guidance on the income and expenses to be classified in the investing and financing categories. Current classifications may change.
- Interest cost on employees' end of service benefit obligations, which is currently presented within employee costs will be classified and presented within finance costs under the financing category.
- Foreign exchange differences are required under IFRS 18 to be presented in the same category as the income and expenses arising from the items that gave rise to those differences. The Group is currently assessing the nature of its foreign exchange differences and any available accounting policy choices before determining how such amount will be classified, however broadly, foreign exchange differences on trade payables and trade receivables will be classified in the operating category, and those on foreign currency borrowings in the financing category.
- Gains and losses on designated cash flow hedging instruments are currently included in finance costs and presented within net finance costs. Under IFRS 18, gains and losses on designated hedging instruments are required to be classified in the same category as the income and expenses affected by the hedged risks. The Group has determined that gains or losses on these hedging instruments will be classified in the financing category.

b) Aggregation and disaggregation

IFRS 18 provides enhanced principles on how to group information in the financial statements (i.e. the primary financial statements and the notes) and introduces guidance on labelling and describing items presented in the primary financial statements or disclosed in the notes, which would lead into changes to present the most useful structured summary. The Group is assessing the grouping of items on the basis of similar and dissimilar characteristics.

Based on this assessment, it will present line items in the primary financial statements that provide useful structured summaries and will disclose additional material information in the notes. The Group is also assessing line items currently labelled as 'others' and will apply more informative labels that describes the aggregated items as precisely as possible.

c) Management-defined performance measures ("MPMs")

Management-defined performance measures ("MPMs") is a sub-total of income and expenses that the Group uses in public communications outside the financial statements that communicates management's view of an aspect of the financial performance of the Group as a whole. Where applicable, these measures may require quantitative reconciliation to IFRS-defined subtotals together with expanded explanatory disclosures. The Group will be required to disclose specific information about MPMs in a single note to the financial statements.

7. New standards, amendment to standards and interpretations (continued)

Expected impact of initial application of IFRS 18 *Presentation and Disclosure in Financial Statements (continued)*

c) Management-defined performance measures ("MPMs") (continued)

The Group is in the process of determining which public communications should be considered in identifying its MPMs. MPMs relate to the same reporting period as the financial statements; accordingly, the MPMs disclosed by the Group following adoption of IFRS 18 will be determined based on public communications issued by the Group relating to the 2027 reporting periods.

d) Consequential amendments

IFRS 18 introduces consequential amendments to IAS 7 *Statement of Cash Flows*, which require entities to use the newly defined operating profit subtotal as the starting point for presenting operating cash flows under the indirect method. The Group currently uses profit for the period as the starting point of its reconciliation to cash flows from operating activities; certain adjusting items included in the reconciliation will change as a result of the new starting point. The consequential amendments also provide specific guidance on the classification of special commission, profit and dividend cash flows. The Group will classify cash flows from finance costs paid as financing activities rather than operating activities under this guidance. Cash flows from finance income received will be classified as investing activities, and dividends paid will continue to be classified as financing activities.

The Group's assessment remains ongoing and further refinements to the expected impact may arise as implementation activities progress and additional industry and regulatory guidance becomes available.

8. Investment properties

	Notes	**30 June 2026 Unaudited**	31 December 2025 Audited
Investment properties	*8A*	**31,075,828,653**	29,334,772,485
Advance payment for projects under construction	*8B*	**775,481,523**	639,146,295
		31,851,310,176	29,973,918,780

A. Investment properties

	Notes	**30 June 2026 Unaudited**	31 December 2025 Audited
At the beginning of the period / year		**29,397,272,485**	27,431,484,975
Additions during the period / year		**1,418,287,888**	2,185,071,143
Disposals during the period / year	*(i)*	**--**	(271,336,875)
Termination of lease during the period / year	*(ii)*	**--**	(581,977,209)
Impact of reassessment of lease		**--**	132,859,225
Net fair value gain on investment properties		**322,768,280**	501,171,226
At the end of the period / year		**31,138,328,653**	29,397,272,485
Presented in interim condensed consolidated statement of financial position as:			
Investment properties		**31,075,828,653**	29,334,772,485
Assets held for sale	*(iii)*	**62,500,000**	62,500,000
		31,138,328,653	29,397,272,485

All leasehold interests meet the definition of an investment property and, accordingly, the Group has accounted for the right-of-use assets as part of investment property as allowed by IFRS 16. The lands are restricted to be used for commercial purposes in relation to the Group's businesses and the right to renew the lease is based on mutual agreements between the parties. If the respective leases are not renewed the land and buildings will be transferred to the lessors at the end of the lease term.

All amounts are presented in Saudi Riyals unless otherwise stated.

8. Investment properties (continued)

A. Investment properties (continued)

i. The Group was committed to sell two parcels of land and a mall, as below:
   - During the year ended 31 December 2025, the Group entered into an agreement to sell parcels of land comprising multiple title deeds and title deeds were transferred during 2025 and recorded the disposal with net proceeds amounting to SR 100 million. A gain on disposal of SR 6.7 million has been recorded under other operating income in the second to fourth quarter of year 2025.
   - During the year ended 31 December 2024, the Group entered into an agreement to sell a mall. Title deed of the property was transferred during 2025 and recorded the disposal with net proceeds of SR 200 million, resulting in a gain of SR 22 million, which was recorded under other operating income in the interim condensed consolidated statement of profit or loss. Further, an early evacuation cost of SR 22 million was also recorded under other operating expenses.

ii. In January 2026, the Company mutually agreed to terminate the land lease agreement in respect of the land located in Al Khobar, which was previously designated for the development of Jawharat Al Khobar Mall. Management assessed this matter in accordance with IAS 10, Events after the Reporting Period, and concluded it to be an adjusting event for the purpose of consolidated financial statements as at and for the year ended 31 December 2025. As a result, the carrying amount of the related investment property was adjusted as at 31 December 2025 to reflect the termination of the lease arrangement. It resulted in a reduction of SR 581 million in the carrying value of investment property and SR 593 million as reduction of lease liabilities and the resulting gain on termination of SR 11 million has been recognized in the fourth quarter of year 2025.

iii. During the year ended 31 December 2023, the Group entered into an agreement to sell a plot of land and are still in the process of completing the required pre-conditions to execute the sale. As the sale is considered highly probable, the carrying value of the land is classified as an asset held for sale under current assets.

Carrying amount at the reporting date includes the fair value of the following:

	Notes	**30 June 2026 Unaudited**	31 December 2025 Audited
Shopping malls on owned lands	*(i)*	**13,280,937,397**	13,102,724,366
Shopping malls on leasehold lands	*(i)*	**6,876,619,281**	6,982,776,144
Owned lands / buildings held as investment properties	*(ii)*	**374,771,975**	374,771,975
Projects under construction – Fair value	*(iii)*	**10,606,000,000**	8,937,000,000
		31,138,328,653	29,397,272,485

(i) Investment properties held for rental
(ii) Investment properties for undetermined future use
(iii) Projects under construction pertain to expenditure relating to malls which are in the course of construction at the end of the reporting period and these are expected to be completed within 1 to 5 years. During the period, the Group capitalized finance costs amounting to **SR 213.35 million** (30 June 2025: SR 202 million).

Fair value of investment properties

The fair value measurement for investment property of **SR 31,138 million** (31 December 2025: SR 29,397 million) has been categorized as a level 3 fair value based on the significant unobservable inputs adopted by the valuer in the valuation technique used which are future retail rental payment terms; discount rates; capitalization rate (yields); forecasted occupancy; and cost to complete projects.

The fair value of investment properties as at the reporting dates for all properties, whether owned or leased, is determined by independent external valuers with appropriate qualifications and experience in the valuation of properties. Effective dates of the valuations are 30 June 2026 and 31 December 2025 and are prepared in accordance with Royal Institution of Chartered Surveyors ("RICS") Global Standards 2020 which comply with the international valuation standards and the RICS Professional Standards. The valuations have been performed by Colliers Saudi Arabia (License no. 1005248198, ValuStart (License no. 1210001039) and NATA Real Estate Appraisal Company (License no. 1210001567), which are accredited in Kingdom of Saudi Arabia. As per the CMA regulations for annual reporting, the Group has opted for the lower of all valuations for the properties performed by the independent and competent valuers.

All amounts are presented in Saudi Riyals unless otherwise stated.

8. Investment properties (continued)

A. Investment properties (continued)

Inter-relationship between key unobservable inputs and fair value measurement

30 June 2026 - Unaudited

Property	Fair value SR million	Valuation technique	Significant unobservable input	Range
			Occupancy (%)	63% - 98%
			Future rent growth (%)	0% - 2.5%
Shopping malls	**20,157**	Discounted cash flows	Discount rate (%)	9.8% - 21.5%
			Occupancy (%)	90% - 95%
Projects under		Discounted cash flows –	Future rent growth (%)	2.5%
construction	**10,606**	Residual method	Discount rate (%)	11% - 14%
Owned land	**375**	Comparable transaction	Average price (SR /sqm)	296-8,943

31 December 2025 - Audited

Property	Fair value SR million	Valuation technique	Significant unobservable input	Range
			Occupancy (%)	69% - 99%
			Future rent growth (%)	0% - 2.5%
Shopping malls	20,085	Discounted cash flows	Discount rate (%)	10.5% - 18%
			Occupancy (%)	90% - 95%
Projects under		Discounted cash flows –	Future rent growth (%)	2% - 2.5%
construction	8,937	Residual method	Discount rate (%)	12% - 15%
Owned land	375	Comparable transaction	Average price (SR /sqm)	296-8,943

Estimated fair value would increase / (decrease) if the discount rates were lower / (higher) and / or the growth rates and occupancy % were higher / (lower). Following table shows the valuation technique to measure fair value of investment properties:

Discounted cash flows ("DCF")	The gross fair value (net costs to complete), as applicable, is derived using DCF and is benchmarked against net initial yield.
Comparable transaction	Properties held for future development are valued using comparable methodology which involves analyzing other relevant market transactions.

Reconciliation of level 3 fair value as per fair valuer to accounting fair value

Accrued lease income at the reporting date, relating to the accounting for operating lease rentals on a straight-line basis as per IFRS 16 and lease liabilities have been adjusted from the fair valuation as per valuer, in order to avoid double counting of assets and liabilities, as mentioned below:

	30 June 2026 Unaudited	31 December 2025 Audited
Fair value of land and buildings as per valuer	**29,080,771,987**	27,241,771,977
Less: Adjustment for accrued operating lease income	**(197,349,340)**	(195,752,025)
Add: carrying amount of lease liabilities	**2,254,906,006**	2,351,252,533
Total carrying amount of investment properties	**31,138,328,653**	29,397,272,485

Amounts recognized in interim condensed consolidated statement of profit or loss for investment properties that generated income.

	Three-month period ended		**Six-month period ended**	
	30 June 2026 Unaudited	30 June 2025 Unaudited	**30 June 2026 Unaudited**	30 June 2025 Unaudited
Revenue from investment properties	**569,373,497**	582,616,442	**1,151,923,190**	1,173,250,146
Direct operating expenses on properties that generated rental income	**(95,386,419)**	(93,236,315)	**(189,042,094)**	(172,123,835)

All amounts are presented in Saudi Riyals unless otherwise stated.

8. Investment properties (continued)

B. Advance payments for projects under construction

It represents advance payments to the contractors for the construction of shopping malls, which are under various stages of completion.

Name of party	30 June 2026 Unaudited	31 December 2025 Audited
Lynx Contracting Company *(Fellow subsidiary)*	**760,096,512**	624,434,195
Others	**15,385,011**	14,712,100
	775,481,523	639,146,295

Lynx Contracting Company ("Lynx") is a related party controlled by the controlling shareholders of the Group. With the consent of the shareholders, the Group has signed a framework agreement with Lynx Contracting Company for the construction of projects and has engaged Lynx for design and construction services for all of its current projects under construction. Business relationships are entered into with Lynx after due cost verifications from third parties. As market practice, advance payments are required by the contractor from time to time in relation with design work, mobilization, and advance procurement of long lease items. Advances paid are commensurate with the associated contract values and repayment mechanisms are in place against progress billing.

9. Intangible assets

	Franchise	License Software	Software under development	Total
Costs				
At 31 December 2024 – Audited	--	--	--	--
Additions during the year	279,917,951	1,049,391	1,536,927	282,504,269
At 31 December 2025 - Audited	**279,917,951**	**1,049,391**	**1,536,927**	**282,504,269**
Additions during the period	**--**	**2,363,155**	**--**	**2,363,155**
At 30 June 2026 - Unaudited	**279,917,951**	**3,412,546**	**1,536,927**	**284,867,424**
Accumulated amortization				
At 31 December 2024 – Audited	--	--	--	--
Charge for the year	13,995,899	136,623	--	14,132,522
At 31 December 2025 – Audited	**13,995,899**	**136,623**	--	**14,132,522**
Charge for the period	**13,995,900**	**430,394**	**--**	**14,426,294**
At 30 June 2026 - Unaudited	**27,991,799**	**567,017**	**--**	**28,558,816**
Net Book Value:				
At 31 December 2025 – Audited	265,922,052	912,768	1,536,927	268,371,747
At 30 June 2026 – Unaudited	**251,926,152**	**2,845,529**	**1,536,927**	**256,308,608**

During the year 31 December 2025, the Group has recognized an exclusive franchise rights arising from a contractual arrangement that grants the exclusive and sub-licensable right to use trademarks within the Kingdom of Saudi Arabia. The franchise right meets the definition of an intangible asset under IAS 38, as it represents identifiable rights controlled by the Group and is expected to generate future economic benefits. The asset is initially measured at cost, representing the present value of future contractual payments, and is amortized over the contractual term of 10 years. Financing component arising from deferred payments is recognized as interest expense over the credit period.

Amortization charge for franchise rights is allocated to cost of revenue while amortization charge of license software is allocated to general and administration expenses. At the reporting date, remaining useful lives of intangible assets are ranging from 2.5 to 9 years. Software under development is expected to be completed within the current year.

All amounts are presented in Saudi Riyals unless otherwise stated.

10. Investments

	Note	30 June 2026 Unaudited	31 December 2025 Audited
Investment in equity accounted investees ("EAI")	*10A*	**140,494,658**	122,700,085
Investments at fair value through profit or loss ("FVTPL")	*10B*	**200,058,266**	200,058,266
		340,552,924	322,758,351

A - Investment in equity accounted investees

	Note	30 June 2026 Unaudited	31 December 2025 Audited
FAS Lab Holding Company (Associate)	(i)	**140,244,658**	122,450,085
Khozam Mall Real Estate Development Company (Joint venture)	(ii)	**250,000**	250,000
		140,494,658	122,700,085

i. This represents a 50% equity investment in FAS Lab Holding Company, an LLC incorporated in the Kingdom of Saudi Arabia, which is engaged primarily in leading the digital initiatives of the Group including but not limited to providing the malls visitors and shoppers with a specialized and advanced loyalty program, simplified and innovative consumer financing solutions and an e-commerce platform.

Reconciliation of carrying amount

	30 June 2026 Unaudited	31 December 2025 Audited
At the beginning of the period / year	**122,450,085**	87,467,039
Additions during the period / year	**24,507,248**	39,147,657
Share in results for the period / year	**(6,565,613)**	(4,648,875)
Share of other comprehensive (loss) income for the period / year	**(147,062)**	484,264
At the end of the period / year	**140,244,658**	122,450,085

Summarized financial statements

	30 June 2026 Unaudited	31 December 2025 Audited
Assets	**312,747,874**	289,043,430
Liabilities	**(74,323,383)**	(68,858,713)
Net Assets	**238,424,491**	220,184,717
Net assets attributable to owners of investee	**193,394,927**	182,313,027
Share of net assets (50%)	**96,697,464**	91,156,514
Adjustments – Due to additional contribution	**43,547,194**	31,293,571
Carrying amount of investee	**140,244,658**	122,450,085

	30 June 2026 Unaudited	30 June 2025 Unaudited
Revenue	**351,865,766**	205,222,276
(Loss) profit from continuing operations	**(9,605,701)**	46,345,687
Total comprehensive (loss) income	**(15,293,788)**	1,126,836
Loss for the period attributable to shareholders of the Company	**(15,255,940)**	(991,914)
Share of loss for the period	**(6,565,613)**	(495,957)

ii. This represents a 50% equity investment in the share capital of Khozam Mall Real Estate Development Company, a Closed Joint Stock Company incorporated in the Kingdom of Saudi Arabia, which is engaged primarily in the construction of real estate projects. The Joint Venture was established during the year 2023 and is yet to commence commercial operations.

All amounts are presented in Saudi Riyals unless otherwise stated.

10. Investments (continued)

B - Investment at fair value through profit or loss ("FVTPL")

Name of entity	*Note*	**30 June 2026 Unaudited**	31 December 2025 Audited
Al Jawhara Real Estate Fund	*(i)*	**58,266**	58,266
Al-Baraka Real Estate Fund	*(ii)*	**200,000,000**	200,000,000
		200,058,266	200,058,266

i. This represents an investment in 80,000 units (0.03%) (31 December 2025: 80,000 units) of Al Jawhara Real Estate Fund (formerly known as Digital City Fund), purchased for SR 6.8 million and valued at a unit price of SR 0.73 (31 December 2025: SR 0.73). No unrealized fair value gain or loss has been recognized in the interim condensed consolidated statement of profit or loss (30 June 2025: nil).

ii. This represents an investment in 20 million units (31 December 2025: 20 million units) of the Al-Baraka Real Estate Fund at a unit price of SR 10, amounting to SR 200 million. No unrealized fair value loss has been recognized in the interim condensed consolidated statement of profit or loss.

11. Cash and cash equivalents

	30 June 2026 Unaudited	31 December 2025 Audited
Bank balances – current accounts	**587,882,632**	4,292,614,740
Bank balances – time deposits	**25,335,086**	--
Cash in hand	**1,145,000**	975,000
	614,362,718	4,293,589,740

Time deposits are deposited with a commercial bank for varying periods of between one day and three months, depending on the immediate cash requirements of the Group and earns interest at floating rate based on effective interest rate of 3.2% (31 December 2025: 3.6%).

12. Related party transactions and balances

For the purpose of these interim condensed consolidated financial statements, a party is considered related to the Group if the Group has the ability, directly or indirectly, to control or exercise significant influence over the party in financial and operating decisions, or vice versa. A party is also considered related if both the Group and the party are subject to common control or if the Group can be directly or indirectly influenced by another party. Related parties may include both individuals and entities. Balances and transactions between the Company and its subsidiaries, which are related parties within the Group, have been eliminated on consolidation.

A. Key management personnel compensation

The compensation of the Group's key management personnel includes salaries and other benefits. Amounts disclosed in the table are the amounts recognized as an expense during the reporting year related to key management personnel.

	Three-month period ended		**Six-month period ended**	
	30 June 2026 Unaudited	30 June 2025 Unaudited	**30 June 2026 Unaudited**	30 June 2025 Unaudited
Board and committees' remuneration	**3,750,000**	1,199,739	**7,613,313**	2,409,477
End of service benefits	**432,095**	360,696	**2,486,852**	1,026,036
Salaries and short-term benefits	**7,579,830**	6,737,925	**15,159,660**	13,006,350
Total key management compensation	**11,761,925**	8,298,360	**25,259,825**	16,441,863

All amounts are presented in Saudi Riyals unless otherwise stated.

12. Related party transactions and balances (continued)

B. Related party transactions and balances

	30 June 2026 Unaudited	31 December 2025 Audited
Amounts due from related parties – current portion	**279,925,580**	196,167,037
Amounts due from related parties – non-current portion	**33,304,459**	78,504,854
Amount due from related parties - net (i)	**313,230,039**	274,671,891
Amount due to related parties	**25,174,862**	304,606,222
Movement of amount due from related parties-net		
Amount due from related parties – gross	**391,965,485**	349,204,829
Modification loss on related parties' receivables - net (i)	**(7,495,489)**	(12,962,752)
Less: impairment loss on due from related parties	**(71,239,957)**	(61,570,186)
Amount due from related parties – net	**313,230,039**	274,671,891

(i) In years 2024 and 2025, the Group has restructured the balances due from certain related parties. As per the restructuring agreement, the amounts are receivable over a period of three years, hence the balances are measured at the present value of the contractual amounts by using the average incremental borrowing rate consequently. For above modifications, finance income of **SR 5.5 million** (30 June 2025: SR 26.1 million) has been recognized in the interim condensed consolidated statement of profit or loss during the period.

For other related parties, outstanding balances at the period-end are unsecured, current in nature, interest free and settlement occurs in cash.

Movement in impairment loss on due from related parties were as follows:

	30 June 2026 Unaudited	31 December 2025 Audited
At the beginning of the period / year	**61,570,186**	91,978,104
Charge (reversal) for the period / year	**9,669,771**	(30,407,918)
At the end of the period / year	**71,239,957**	61,570,186

All amounts are presented in Saudi Riyals unless otherwise stated.

12. Related party transactions and balances (continued)

B. Related party transactions and balances (continued)

During the period, the Group transacted with its related parties. The terms of those transactions are approved by management / Board of Directors in the ordinary course of business. Significant transactions and the related amounts are as follows:

		Transactions for the six-month period ended 30 June 2026				**Balance as at 30 June 2026 Unaudited**	
Name of related party	**Business status**	**Rental income and other fees / services**	**Services received**	**Others**	**Total**	**Due from**	**Due to**
Transactions with ultimate parent							
Saudi FAS Holding Company	Closed Joint Stock Company	--	--	--	--	**4,501,721**	--
Transactions with fellow subsidiaries							
Abdul Mohsin Al Hokair Group for Tourism and Development and its subsidiaries	Joint Stock Company	**11,862,307**	--	--	**11,862,307**	**44,696,648**	--
Salman & Sons Holding Company and its associates	Limited Liability Company	**17,642,484**	--	--	**17,642,484**	**135,366,710**	--
Majd Al Amal Company Limited and its associates	Limited Liability Company	**5,061,870**	--	--	**5,061,870**	**27,097,052**	--
Tadaris Alnajd Security Company	Limited Liability Company	--	**(24,332,685)**	--	**(24,332,685)**	**10,617,737**	--
Ezdihar Holding Company and its subsidiaries	Limited Liability Company	**23,839,086**	--	--	**23,839,086**	**138,304,309**	--
Lynx Contracting Company	Limited Liability Company	--	**(1,016,781,374)**	--	**(1,016,781,374)**	--	**(15,170,762)**
Others, net	Limited Liability Companies	**3,008,846**	**(15,712,608)**	--	**(12,703,762)**	**31,381,308**	**(10,004,100)**
		61,414,593	**(1,056,826,667)**	--	**(995,412,074)**	**391,965,485**	**25,174,862**

		Transactions for the six-month period ended 30 June 2025				Balances as at 31 December 2025 (Audited)	
Transactions with ultimate parent							
Saudi FAS Holding Company	Closed Joint Stock Company	329,980	--	--	329,980	4,501,721	--
Transactions with fellow subsidiaries							
Fawaz Abdulaziz Al Hokair Company and its subsidiaries	Joint Stock Company	140,408,280	--	--	140,408,280	--	--
Abdul Mohsin Al Hokair Group for Tourism and Development and its subsidiaries	Joint Stock Company	13,440,248	--	--	13,440,248	50,559,207	--
Salman & Sons Holding Co and its associates	Limited Liability Company	11,247,414	--	--	11,247,414	113,628,151	--
Majd Al Amal Company Limited and its associates	Limited Liability Company	5,074,885	--	--	5,074,885	21,135,128	--
Tadaris Alnajd Security Company	Limited Liability Company	--	(19,233,292)	--	(19,233,292)	11,405,382	--
Ezdihar Holding Company and its subsidiaries	Limited Liability Company	17,579,457	--	--	17,579,457	118,950,646	--
Lynx Contracting Company	Limited Liability Company	--	(925,691,510)	--	(925,691,510)	--	(303,978,835)
Others, net	Limited Liability Companies	3,524,040	(15,017,873)	--	(11,493,833)	29,024,594	(627,387)
		191,604,304	(959,942,675)	--	(768,338,371)	349,204,829	(304,606,222)

* Refer to note 16 for three-month period transactions related to revenue.
** Services received amounts to SR 547.83 million for the three-month period ended 30 June 2026 (30 June 2025: SR 750.07 million).

All amounts are presented in Saudi Riyals unless otherwise stated.

13. Share capital and reserves

Share capital

The Company's authorized, issued and paid-up share capital is divided into 475 million shares (31 December 2025: 475 million shares) of SR 10 each and share premium of SR 411.7 million (31 December 2025: SR 411.7 million).

Treasury shares reserve

During the year ended 31 December 2023, the Group entered into a market making agreement with Al Rajhi Capital to provide continuous buying and selling of the Company's shares. The reserve for Company's treasury shares comprises the cost of Company's shares held by the Group. As at 30 June 2026, the Company held 17,014 of its shares (31 December 2025: 23,495). All rights attached to the Company's shares held by the Group are suspended until those shares are reissued.

Reserves

This balance represents the total amounts appropriated from net income for prior years as statutory reserves in accordance with the requirements of the previous Companies Law and the Company's By-Laws prior to alignment with the new Companies Law. The utilization of these reserves is subject to the decisions of the shareholders' assembly.

Other reserves

Other reserves include foreign currency reserve, treasury shares reserve and reserve for actuarial gain / loss of employees' defined benefit liabilities.

Dividends

In its meeting held on 5 Muharram 1447H (corresponding to 30 June 2025), the Ordinary General Assembly of the Company has authorized the Board of Directors to distribute interim dividends on a quarterly or semi-annual basis for the year ending 31 December 2025.

30 June 2025: On 10 Ramadan 1446H (corresponding to 10 March 2025), the Board of Directors resolved to distribute an interim dividend for the third quarter of the year ended 31 December 2024 amounting to SR 0.375 per share aggregating to SR 178,125,000 which was settled on 6 April 2025. Further, on 13 Thul-Qi'dah 1446H (corresponding to 11 May 2025), the Board of Directors resolved to distribute interim dividend for the fourth quarter of the year ended 31 December 2024 amounting to SR 0.375 per share aggregating to SR 178,125,000. The amount was paid in July 2025.

14. Loans and borrowings

		30 June 2026 Unaudited	31 December 2025 Audited
Islamic facilities with banks			
Facility 1	*(i)*	**5,191,321,186**	5,185,841,214
Facility 2	*(ii)*	**2,909,432,317**	2,072,122,452
Sukuks	*(iii)*	**7,013,800,687**	9,714,626,410
		15,114,554,190	16,972,590,076
Loans and Borrowings - current liabilities		**56,117,708**	3,304,591,063
Loans and Borrowings – Non-current liabilities		**15,058,436,482**	13,667,999,013
		15,114,554,190	16,972,590,076

Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in note 21.

All amounts are presented in Saudi Riyals unless otherwise stated.

14. Loans and borrowings (continued)

A. Terms and repayment

(i) Facility 1

During the year ended 31 December 2024, the Group has entered into various long-term Islamic facilities amounting to SR 4.2 billion (equivalent USD 1,120 million), with an additional accordion for SR 1.05 billion, with a syndicate of banks (local and international banks). The facilities include two term Murabaha tranches (maturing in 12 years) and revolving Murabaha facility (maturing in 5 years). These term Murabaha facilities and revolving Murabaha facility are fully utilized as at reporting date.

The long-term loan is repayable in unequal quarterly instalments, starting from third quarter of year 2027 with last instalment date in February 2036, and is subject to commission rates based on SIBOR/SOFR plus an agreed commission rate. The pricing applicable to the facilities are linked to sustainability targets i.e. reducing carbon emissions, increasing grid connectivity, and enhancing female representation in leadership roles.

The facilities are secured by security over land and buildings of several malls with carrying amount of SR **8.3 billion.**

(ii) Facility 2

During the period ended 30 June 2026, the Group has drawn-down **SR 835 million** (year ended 31 December 2025: SR 1,010 million) from the facilities. The facility is non-recourse to the Group.

In 2025, a subsidiary of the Group has entered into an upsizing of existing long-term Islamic facility arrangement by SR 1,350 million with a local bank. The facility is partially utilized at the reporting period (part of SR 1,010 million above). In 2024, a subsidiary of the Group has entered into a long-term facility arrangement amounting to SR 350 million from National Development Fund (“NDF”). The facility is non-recourse to the Group. In 2023, a subsidiary of the Group has entered into a long-term Islamic facility arrangement amounting to SR 1,000 million with a local bank. The facility is non-recourse to the Group. In 2022, a subsidiary of the Group has entered into a long-term Islamic facility arrangement amounting to SR 800 million with a local bank.

Above long-term loans are repayable in semi-annual instalments, starting from fourth quarter of year 2026 with last installment date in April 2034, and is subject to commission rates based on SIBOR plus an agreed commission rate. The facility is secured by the lands of projects under construction whose carrying amount as of reporting date is SR 9.4 billion. The above facility agreements contain covenants, which among other things, require certain financial ratios to be maintained. As at 30 June 2026, there has not been any non-compliance observed for any of the covenants and group is expected to meet its future covenants as well.

In 2025, a subsidiary of the Group has entered into a long-term Islamic facility arrangement amounting to SR 500 million with a local bank, out of which SR 153 million (31 December 2025: SR 115 million) has been utilized as of reporting date. The long-term loan is repayable in unequal semi-annual instalments and is subject to commission rates based on SIBOR plus an agreed commission rate. The facility is secured by the land.

(iii) USD Sukuks

During the period ended 30 June 2026, the group issued additional USD Sukuk amounting to **USD 150 million** (equivalent to SR 562.5 million), maturing in 2030 with annual yield of 8.875% semi-annually.

During the year ended 31 December 2025, the Group issued Shari’ah compliant Sukuk amounting to **USD 500 million** (equivalent SR 1,875 million), maturing in 2030 with annual yield of 8.875% semi-annually.

During the year ended 31 December 2024, the Group issued Shari’ah compliant Sukuk amounting to **USD 710 million** (equivalent SR 2,662.5 million), maturing in 2029 with annual yield of 9.5% payable semi-annually. The proceeds from the issuance have been used to refinance the Group’s 2019 Sukuk issue.

On 7 April 2021, Arabian Centres Sukuk II Limited (a special purpose company established for the purpose of issuing Sukuk) issued a Five- and half year International USD denominated Shari'ah compliant Sukuk “Sukuk II Certificates” amounting to **USD 650 million** (equivalent SR 2,437.5 million), at a par value of USD 0.2 million each, annual yield of 5.625% payable semi-annually. On 28 July 2021, the Group issued additional Sukuk II certificates amounting to **USD 225 million** (equivalent SR 843.75 million), at a premium of 4.75%. During the period, the Sukuk has been early redeemed.

14. Loans and borrowings (continued)

A. Terms and repayment (continued)

(iv) SAR Sukuk

During the year ended 31 December 2025, the Group issued Shari'ah compliant SAR Sukuk amounting to **SR 2,050 million**, maturing in 2031 with annual yield of 8.5% payable quarterly.

B. Reconciliation of carrying amount

		Islamic facility with banks		**Sukuks**	**Total**
		Facility 1	**Facility 2**		
At 31 December 2025 - Audited		**5,249,999,921**	**2,103,266,789**	**9,868,750,000**	**17,222,016,710**
Proceeds during the period		--	**835,437,961**	**562,500,000**	**1,397,937,961**
Payments during the period		--	**--**	**(3,281,250,000)**	**(3,281,250,000)**
	(i)	**5,249,999,921**	**2,938,704,750**	**7,150,000,000**	**15,338,704,671**
Un-amortized transaction costs	*(ii)*	**(58,678,735)**	**(29,272,433)**	**(146,418,757)**	**(234,369,925)**
Deferred Sukuk premium / Discount, net	*(iii)*	**--**	**--**	**10,219,444**	**10,219,444**
At 30 June 2026 - unaudited		**5,191,321,186**	**2,909,432,317**	**7,013,800,687**	**15,114,554,190**

		Islamic facility with banks		Sukuks	Total
		Facility 1	*Facility 2*		
At 31 December 2024 - Audited		5,249,999,921	1,092,747,346	5,943,750,000	12,286,497,267
Proceeds during the year		--	1,010,519,443	3,925,000,000	4,935,519,443
	(i)	5,249,999,921	2,103,266,789	9,868,750,000	17,222,016,710
Un-amortized transaction costs	*(ii)*	(64,158,707)	(31,144,337)	(156,791,199)	(252,094,243)
Deferred Sukuk premium	*(iii)*	--	--	2,667,609	2,667,609
At 31 December 2025 - Audited		5,185,841,214	2,072,122,452	9,714,626,410	16,972,590,076

Effective interest rate on the loan is **7.9%** during the period ended 30 June 2026 (30 June 2025: 7.2%).

i. Below is the repayment schedule of the principal portion of outstanding long-term loans:

	Islamic facility with banks	**Sukuks**	**Total**
30 June 2026 – Unaudited			
Within one year	**56,117,708**	**--**	**56,117,708**
Between two to five years	**2,799,005,597**	**5,100,000,000**	**7,899,005,597**
More than five years	**5,333,581,366**	**2,050,000,000**	**7,383,581,366**
	8,188,704,671	**7,150,000,000**	**15,338,704,671**

	Islamic facility with banks	**Sukuks**	**Total**
31 December 2025 – Audited			
Within one year	23,341,063	3,281,250,000	3,304,591,063
Between two to five years	1,497,287,893	4,537,500,000	6,034,787,893
More than five years	5,832,637,754	2,050,000,000	7,882,637,754
	7,353,266,710	9,868,750,000	17,222,016,710

All amounts are presented in Saudi Riyals unless otherwise stated.

14. Loans and borrowings (continued)

B. Reconciliation of carrying amount (continued)

ii. Un-amortized transaction costs movement is as follows:

	Facility *1*	Facility *2*	Sukuks	Total
At 31 December 2024 - Audited	67,609,643	12,201,627	43,402,048	123,213,318
Arrangement fees paid	2,625,000	28,236,535	131,232,069	162,093,604
Amortization for the year	(4,327,016)	--	(15,506,700)	(19,833,716)
Capitalized arrangement fees	(1,748,920)	(9,293,825)	(2,336,218)	(13,378,963)
At 31 December 2025 – Audited	64,158,707	31,144,337	156,791,199	252,094,243
Arrangement fees paid	**--**	**--**	**13,501,688**	**13,501,688**
Amortization for the period	**(4,713,283)**	**--**	**(21,442,594)**	**(26,155,877)**
Capitalized arrangement fees	**(766,689)**	**(1,871,904)**	**(2,431,536)**	**(5,070,129)**
At 30 June 2026 – Unaudited	**58,678,735**	**29,272,433**	**146,418,757**	**234,369,925**

iii. Deferred Sukuk premium / Discount, net

This represents the premium / discount on further issuance of Sukuk II, III & USD are amortized over the life of the instrument using the effective interest rate at the date of initial recognition of the instrument. Movement is as follows:

	Deferred Discount	Deferred Premium	Total
At 31 December 2024 – Audited	(3,827,083)	12,852,226	9,025,143
Amortization for the year	929,398	(7,286,932)	(6,357,534)
At 31 December 2025 – Audited	(2,897,685)	5,565,294	2,667,609
Additions during the period	**--**	**14,296,869**	**14,296,869**
Amortization for the period	**460,880**	**(7,205,914)**	**(6,745,034)**
At 30 June 2026 - Unaudited	**(2,436,805)**	**12,656,249**	**10,219,444**

15. Lease and other financial liabilities

	30 June 2026 Unaudited	31 December 2025 Audited
Lease liabilities	**2,437,303,058**	2,546,634,848
Liabilities related to intangible asset	**244,816,462**	260,884,532
	2,682,119,520	2,807,519,380
Current liabilities		
Lease liabilities	**346,110,869**	352,138,554
Liabilities related to intangible asset	**63,476,640**	24,068,562
	409,587,509	376,207,116
Non-current liabilities		
Lease liabilities	**2,091,192,189**	2,194,496,294
Liabilities related to intangible asset	**181,339,822**	236,815,970
	2,272,532,011	2,431,312,264
	2,682,119,520	2,807,519,380

All amounts are presented in Saudi Riyals unless otherwise stated.

15. Lease and other financial liabilities (continued)

Movement during the period were as follows:

Lease liabilities	30 June 2026 Unaudited	31 December 2025 Audited
At the beginning of the period / year	**2,546,634,848**	3,130,322,427
Additions during the period / year	**--**	1,096,861
Lease payments during the period / year	**(175,530,144)**	(296,151,940)
Remeasurement of lease liabilities	**--**	132,859,225
Lease termination	**--**	(593,227,193)
Interest expense during the period / year	**66,198,354**	129,196,369
Interest capitalized for projects under construction	**--**	42,539,099
At the end of the period / year	**2,437,303,058**	2,546,634,848

Liabilities related to intangible asset	30 June 2026 Unaudited	31 December 2025 Audited
At the beginning of the period / year	**260,884,532**	--
Additions during the period / year	**--**	279,917,951
Payments during the period / year	**(21,461,926)**	(33,833,250)
Translation of foreign currency liabilities	**(3,680,632)**	4,989,696
Interest expense during the period / year	**9,074,488**	9,810,135
At the end of the period / year	**244,816,462**	260,884,532

16. Revenue

	Three-month period ended		Six-month period ended	
	30 June 2026 Unaudited	30 June 2025 Unaudited	**30 June 2026 Unaudited**	30 June 2025 Unaudited
Income from leases				
Rental income	**497,023,515**	527,289,923	**1,021,172,122**	1,054,026,658
Turnover rent	**30,362,123**	18,825,129	**51,958,529**	43,029,128
Revenue from contracts with customers				
Service and management charges income	**40,453,600**	35,620,854	**75,884,787**	74,257,965
Commission income on provisions for utilities for heavy users, net	**1,534,259**	880,536	**2,907,752**	1,936,395
	569,373,497	582,616,442	**1,151,923,190**	1,173,250,146

The Group's revenues are from services in the Kingdom of Saudi Arabia. The rendering of services by the Group is recognized over time. Rental income includes fixed service and management charges income related to utilities, maintenance, cleaning and security charges of Malls' premises as a part of rent for each of the tenants for the period ended 30 June 2026 amounts to **SR 122.5 million** (30 June 2025: SR 121.6 million).

Group as a lessor:
The Group has entered into operating leases on its investment properties portfolio consisting of various buildings. These leases have terms of between 1 to 5 years. Lease includes a clause to enable upward revision of the rental charge depending on the lease agreements. Future minimum rentals receivable under non-cancellable operating leases as at the end of the reporting periods are as follows:

	30 June 2026 Unaudited	30 June 2025 Unaudited
Less than one year	**1,494,837,756**	1,487,493,063
Two to five years	**1,444,051,002**	1,596,485,788
More than five years	**400,264,203**	362,877,334
	3,339,152,961	3,446,856,185

All amounts are presented in Saudi Riyals unless otherwise stated.

17. Other Operating Income

		Three-month period ended		Six-month period ended	
	Note	**30 June 2026 Unaudited**	30 June 2025 Unaudited	**30 June 2026 Unaudited**	30 June 2025 Unaudited
Foreign exchange gain		**2,608,167**	23,418	**4,519,769**	52,625
Other income		**2,293,601**	1,414,735	**3,574,200**	4,412,802
Gain on sale of investment properties	*8A(i)*	**--**	9,928,088	**--**	31,928,088
		4,901,768	11,366,241	**8,093,969**	36,393,515

18. Zakat

Movement in zakat provision during the year was as follows:

	30 June 2026 Unaudited	31 December 2025 Audited
At the beginning of the period / year	**93,116,468**	76,360,657
Charge for the period / year	**24,666,666**	46,999,999
Adjustment for prior periods	**(9,054,870)**	--
Payments during the period / year	**(22,203,672)**	(30,244,188)
At the end of the period / year	**86,524,592**	93,116,468

Status of assessment
The Group is submitting consolidated zakat return of all entities in consolidation except for Al-Qasseem Company for Entertainment and Commercial Projects owned by Abdulmohsin AlHokair and Company ("Qaseem Entertainment Company"). The Group has submitted its zakat returns up to the year ended 31 December 2025 but the provisional zakat certificate has not yet obtained from Zakat, Tax and Customs Authority ("ZATCA"). The Company received final zakat assessments for all periods from 31 March 2020 until 31 December 2024, with year 2024 assessment raised during the period, raising an additional charge of SR 1.6 million, which is agreed and paid by the Group. Until the year ended 31 March 2019 (i.e. the Company completed its IPO), the majority shareholder, FAS Real Estate Company Limited, prepared and submitted combined zakat returns for its wholly owned subsidiaries, including Arabian Centres Company. The majority shareholder received final assessment order for zakat until the year ended 31 March 2016. For Qaseem Entertainment Company, the subsidiary submitted zakat returns up to the year 31 December 2023, however assessment is not raised by ZATCA for any of the previous years.

19. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial period as all the Company's shares are ordinary shares. Diluted earnings per share is calculated by adjusting the basic earnings per share for the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares (if any). Following table reflects the income and share data used in the basic and diluted EPS computations:

	Three-month period ended		Six-month period ended	
	30 June 2026 Unaudited	30 June 2025 Unaudited	**30 June 2026 Unaudited**	30 June 2025 Unaudited
Profit for the year attributable to ordinary shareholders	**385,715,184**	472,903,887	**588,205,550**	689,820,269
Weighted average number of ordinary shares	**474,964,828**	474,951,522	**474,971,838**	474,951,522
Earnings per share – basic and diluted	**0.81**	1.00	**1.24**	1.45

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and date of authorization of the interim condensed consolidated financial statements. Management assessed the requirements of IAS 33 relating to bonus issues and concluded that, as at 30 June 2026, the proposed bonus issue remained subject to shareholder and regulatory approvals and had not become unconditional. Accordingly, no adjustment has been made to the weighted average number of shares outstanding in the calculation of basic and diluted earnings per share. Management will reassess the accounting implications upon completion of the approval process.

All amounts are presented in Saudi Riyals unless otherwise stated.

20. Operating segments

The Group's activities and business lines used as a basis for the financial reporting are consistent with the internal reporting process and information reviewed by the Chief Executive Officer ("CEO"), who is chief operating decision maker ("CODM"). Management considers the operations of the Group as a whole as one operating and reportable segment as all subsidiaries engage in similar business activities.

The Group's revenue, gross profit, investment properties, total assets and total liabilities pertaining to the Group's operations as a whole are presented in the interim condensed consolidated statement of financial position and in the interim condensed consolidated statement of profit or loss and other comprehensive income.

All of the Group's operations are conducted in KSA. Hence, geographical information is not applicable in this case. Revenue from top five customers represents 22% of total revenue of the Group as of 30 June 2026 (30 June 2025: 24.5%).

21. Financial instruments – fair values and risk management

A. Accounting classification and fair values

Financial instruments have been categorized as follows:

Financial Assets	**30 June 2026 Unaudited**	31 December 2025 Audited
Other investments	**200,058,266**	200,058,266
Other financial assets	**26,587,563**	65,853,405
Amounts due from related parties	**313,230,039**	274,671,891
Accounts receivable	**640,928,984**	608,935,511
Accrued revenue	**159,443,006**	158,019,401
Cash and cash equivalents	**614,362,718**	4,293,589,740
	1,954,610,576	5,601,128,214

Financial Liabilities	**30 June 2026 Unaudited**	31 December 2025 Audited
Loans and borrowings	**15,114,554,190**	16,972,590,076
Lease and other financial liabilities	**2,682,119,520**	2,807,519,380
Accounts payable *(i)*	**205,090,456**	158,637,885
Tenants' security deposits	**71,294,639**	77,614,771
Amount due to related parties	**25,174,862**	304,606,222
Other liabilities	**335,714,500**	397,482,038
	18,433,948,167	20,718,450,372

The carrying amounts of Accounts payable is considered to be reasonable approximations of their fair values, due to their short-term nature.

The Group's financial assets at fair value at 30 June 2026 comprises investments at FVTPL which are valued as Level 3 (31 December 2025: same).

B. Financial risk management

The Group is exposed to market risk, credit risk and liquidity risk. The Group's management oversees the management of these risks. The Group's senior management is supported by shareholders that advises on financial risks and the appropriate financial risk governance framework for the Group. The Board committee provides assurance to the Group's management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

All amounts are presented in Saudi Riyals unless otherwise stated.

21. Financial instruments – fair values and risk management (continued)

B. Financial risk management (continued)

i. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risks from its leasing activities, including deposits with banks and financial institutions.

Credit risk is managed by requiring tenants to pay rentals in advance. The credit quality of the tenant is assessed based on an extensive credit rating scorecard at the time of entering into a lease agreement. Outstanding tenants' receivables are regularly monitored. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset.

Cash and cash equivalents
Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and all such investments are subject to approval of shareholders. Management continuously monitors the limits of investments with different financial institutions to minimize the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. Cash is substantially placed with national banks with sound credit ratings ranging BBB+ and above or in money market instruments from reputable managers associated with leading domestic banks. The Group does not consider itself exposed to a concentration of credit risk with respect to banks due to their strong financial background.

Account receivables
The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and sector in which customers operate.

Each entity within the Group has established a credit policy under which each new customer is analyzed individually for creditworthiness before the entity's standard payment and delivery terms and conditions are offered. The review includes financial statements, industry information and in some cases bank references. Credits to each customer are reviewed periodically. The Group limits its exposure to credit risk by offering credit terms which are typically not longer than three months on average. In monitoring customer credit risk, customers are grouped according to their credit characteristics trading history with the Group and existence of previous financial difficulties.

Expected credit loss assessment for account receivables
As per IFRS 9, the simplified approach is used to measure expected credit losses which uses a lifetime expected loss allowance for all financial assets measured at amortized cost.

The expected loss rates are based on the payment profiles of receivables over a suitable period and corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified GDP of Kingdom of Saudi Arabia (the country in which it renders the services) to be the most relevant factors and accordingly adjusts the historical loss rates based on expected changes in these factors.

Following table provides information about the exposure to credit risk and ECLs for accounts receivable from customers as at 30 June 2026 and 31 December 2025:

	30 June 2026 - Unaudited		
	Gross carrying amount	**Weighted-average loss**	**Loss allowance (%)**
0–90 days	**164,090,689**	**19,618,096**	**12%**
91–180 days	**133,413,880**	**19,616,837**	**15%**
181–270 days	**125,889,208**	**40,303,221**	**32%**
271–360 days	**64,457,890**	**29,861,978**	**46%**
More than 360 days	**785,373,023**	**522,895,574**	**67%**
	1,273,224,690	**632,295,706**	

All amounts are presented in Saudi Riyals unless otherwise stated.

21. Financial instruments – fair values and risk management (continued)

B. Financial risk management (continued)

i. Credit risk (continued)

Accounts Receivable (continued)

Expected credit loss assessment for accounts receivables (continued)

	31 December 2025 - Audited		
	Gross carrying amount	Weighted-average loss	Loss allowance (%)
0–90 days	158,038,927	28,311,062	18%
91–180 days	149,087,226	27,648,857	19%
181–270 days	87,751,563	32,499,879	37%
271–360 days	76,578,062	37,094,249	48%
More than 360 days	767,086,566	504,052,786	66%
	1,238,542,344	629,606,833	

Due from related parties

An impairment analysis is performed at each reporting date on an individual basis for the major related parties. The maximum exposure to credit risk at the reporting date is the carrying value of the amounts due from related parties. The Group does not hold collateral as a security. This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which the related parties operate. The Group evaluates the risk with respect to due from related parties as low, as the majority of the related parties are owned by the same shareholders.

All amounts are presented in Saudi Riyals unless otherwise stated.

21. Financial instruments – fair values and risk management (continued)

B. Financial risk management (continued)

ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The management believes that the Group is not exposed to significant risks in relation to liquidity and maintains different lines of credit. At reporting date, the Group was in a net current assets position amounting to **SR 836 million** (31 December 2025: SR 851 million).

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

Contractual maturities of financial liabilities:	Carrying amount	Less than 6 months	Between 6 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
30 June 2026 – Unaudited							
Loans and borrowings	**15,114,554,190**	**308,468,406**	**932,013,719**	**1,477,673,640**	**10,179,286,183**	**8,480,291,967**	**21,377,733,915**
Lease and other financial liabilities	**2,682,119,520**	**269,914,782**	**221,856,787**	**361,823,379**	**733,045,528**	**2,403,910,950**	**3,990,551,426**
Accounts payable	**205,090,456**	**205,090,456**	**--**	**--**	**--**	**--**	**205,090,456**
Tenants' security deposits	**71,294,639**	**65,092,189**	**4,874,353**	**968,246**	**359,851**	**--**	**71,294,639**
Amount due to related parties	**25,174,862**	**25,174,862**	**--**	**--**	**--**	**--**	**25,174,862**
Other liabilities	**335,714,500**	**335,714,500**	**--**	**--**	**--**	**--**	**335,714,500**
	18,433,948,167	**1,209,455,195**	**1,158,744,859**	**1,840,465,265**	**10,912,691,562**	**10,884,202,917**	**26,005,559,798**
31 December 2025 – Audited							
Loans and borrowings	16,972,590,076	3,904,202,616	601,207,134	1,108,385,631	7,971,979,399	8,062,237,441	21,648,012,221
Lease and other financial liabilities	2,807,519,380	373,761,727	146,864,174	368,624,559	800,708,633	2,551,303,452	4,241,262,545
Accounts payable	158,637,885	158,637,885	--	--	--	--	158,637,885
Tenants' security deposits	77,614,771	64,158,000	10,744,469	1,856,350	855,952	--	77,614,771
Amount due to related parties	304,606,222	304,606,222	--	--	--	--	304,606,222
Other liabilities	397,482,038	397,482,038	--	--	--	--	397,482,038
	20,718,450,372	5,202,848,488	758,815,777	1,478,866,540	8,773,543,984	10,613,540,893	26,827,615,682

All amounts are presented in Saudi Riyals unless otherwise stated.

21. Financial instruments – fair values and risk management (continued)

B. Financial risk management (continued)

iii. Market risk

Market risk is the risk that changes in market prices, such as currency rates and interest rates that will affect the Group's profit or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Interest rate risk
Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in the market interest rates. The Group has no significant interest-bearing long-term assets, but has interest bearing liabilities at 30 June 2026 and at 31 December 2025. The Group manages its exposure to commission rate risk by continuously monitoring movements in interest rates.

Following table demonstrates the sensitivity of the Group to a reasonably possible change, with all other variables held constant, of the Groups profit before zakat (through the impact on floating rate borrowings):

(Loss) / gain through the interim condensed consolidated statement of profit or loss	**30 June 2026 Unaudited**	30 June 2025 Unaudited
Floating rate debt:		
SIBOR/SOFR +100bps	**40,943,523**	(33,251,719)
SIBOR/SOFR -100bps	**(40,943,523)**	33,251,719

Real estate risk
The Group has identified the following risks associated with the real estate portfolio:

- The cost of the development projects may increase if there are delays in the planning process. The Group uses advisors who are experts in the specific planning requirements in the project's location in order to reduce the risks that may arise in the planning process.
- A major tenant may become insolvent causing a significant loss of rental income and a reduction in the value of the associated property. To reduce this risk, the Group reviews the financial status of all prospective tenants and decides on the appropriate level of security required via rental deposits or guarantees.

Foreign Currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency). However, as the Group primarily deals in USD and Euro, with the majority being in USD, which is pegged with SR. The Foreign currency risk is primarily limited to the transactions in Euros. The fluctuation in exchange rate against Euro is monitored on a continuous basis.

Following table demonstrates the sensitivity of the Group to a reasonably possible change, with all other variables held constant, of the Groups profit before zakat (through the impact on 10% change in exchange rate).

(Loss) / gain through the interim condensed consolidated statement of profit or loss	**30 June 2026 Unaudited**	30 June 2025 Unaudited
Euro +10%	**24,481,646**	--
Euro -10%	**(24,481,646)**	--

All amounts are presented in Saudi Riyals unless otherwise stated.

21. Financial instruments – fair values and risk management (continued)

B. Financial risk management (continued)

iv. Capital management risk

The Board's policy is to maintain an efficient capital base as to maintain investor, creditor and market confidence and to sustain future development of its business.

The Group's objectives when managing capital are:

i. to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
ii. to provide an adequate return to shareholders

The Group monitors capital using a ratio of 'net debt' to 'equity'. Net debt is calculated as total liabilities less cash and cash equivalents and short-term investments held for trading. The Group's net debt to equity ratio at 30 June 2026 and 31 December 2025 was as follows.

	30 June 2026 Unaudited	31 December 2025 Audited
Total liabilities	**18,987,747,020**	21,326,767,102
Cash and cash equivalents	**(614,362,718)**	(4,293,589,740)
Net debt	**18,373,384,302**	17,033,177,362
Equity attributable to the Shareholders of the Company	**16,097,986,776**	15,513,370,529
Net debt to equity	**1.14**	1.10

22. Commitments and contingencies

	Note	**30 June 2026 Unaudited**	31 December 2025 Audited
Commitments			
Commitments for projects under construction	*(i)*	**3,247,672,410**	2,437,523,289
Outstanding bank guarantees		**241,290,892**	53,500,000

i. These commitments pertain to construction of shopping malls across the Kingdom of Saudi Arabia.

Contingent liabilities

In July 2025, the lease agreement in respect of the Mall of Dhahran, a property located in the Eastern Province of the Kingdom of Saudi Arabia, was terminated by order of the Court with retrospective effect from May 2023. The Court ordered the Group to vacate the premises but did not establish any financial compensation or damages in connection with the termination. As of the reporting date, the Group had pursued further appeals against the decision before the Supreme Judicial Council of the Kingdom.

During the period, the landlord of the former premises filed lawsuits against the Group claiming aggregate amounts of SR 788.3 million, comprising: (i) alleged fair market rent for the period from the retrospective termination date in May 2023 up to the date of handover of the property, amounting to SR 103.4 million; (ii) recovery of revenues generated by the Group from the property during the same period, amounting to SR 523.0 million; and (iii) alleged fair rental value in respect of certain non-contracted and disputed areas within the mall and its extension, amounting to SR 161.9 million.

The Group has appointed external legal counsel to represent it in these matters. Management is reviewing the claims in detail and intends to take all appropriate legal actions to defend the Group's position and protect the interests of the Group and its shareholders, including the filing of counterclaims where considered appropriate. Based on assessments received from the Group's external legal counsel, that appear to have a favorable opinion on the three claims which clearly supports the Group's position, management has concluded that no additional liability arises in respect of these claims and, accordingly, no further liability has been recognized in these interim condensed consolidated financial statements.

All amounts are presented in Saudi Riyals unless otherwise stated.

23. Summarized financial information of material subsidiaries

Following are the summarized financial statements of material subsidiaries consolidated within the Group's interim condensed consolidated financial statements:

	Al-Qasseem Company for Entertainment and Commercial Projects Owned by Abdulmohsin AlHokair and Company	**Riyadh Real Estate Development Funds Jawharat Jeddah**	**Riyadh Real Estate Development Funds Jawharat Riyadh**	**Tijan Fund**
30 June 2026 - Unaudited				
Assets				
Investment properties	**126,609,530**	**3,421,929,713**	**5,301,974,421**	**427,385,300**
Cash and cash equivalents	**--**	**64,401,364**	**324,832,429**	**5,676,864**
Other assets	**11,489,815**	**45,166,755**	**159,572,479**	**25,201,675**
	138,099,345	**3,531,497,832**	**5,786,379,329**	**458,263,839**
Liabilities				
Loans and borrowings	**--**	**745,392,353**	**1,983,782,695**	**180,257,266**
Lease liabilities	**42,523,771**	**--**		
Other liabilities	**39,307,901**	**25,410,339**	**18,294,303**	**14,745,352**
	81,831,672	**770,802,692**	**2,002,076,998**	**195,002,618**
Net assets	**56,267,673**	**2,760,695,140**	**3,784,302,331**	**263,261,221**
Non-controlling interest	**48,938,042**			

	Al-Qasseem Company for Entertainment and Commercial Projects Owned by Abdulmohsin AlHokair and Company	Riyadh Real Estate Development Funds Jawharat Jeddah	Riyadh Real Estate Development Funds Jawharat Riyadh	Tijan Fund
31 December 2025 - Audited				
Assets				
Investment properties	137,259,395	3,131,046,089	4,468,064,624	406,017,521
Cash and cash equivalents	--	110,289,215	290,229,374	25,815,379
Other assets	16,441,417	43,157,421	210,206,982	14,977,035
	153,700,812	3,284,492,725	4,968,500,980	446,809,935
Liabilities				
Loans and borrowings	--	619,259,605	1,341,878,435	110,984,410
Lease liabilities	41,515,870	--	--	--
Other liabilities	38,422,223	16,219,395	12,540,634	14,028,874
	79,938,093	635,479,000	1,354,419,069	125,013,284
Net assets	73,762,719	2,649,013,725	3,614,081,911	321,796,651
Non-controlling interest	52,019,735			

All amounts are presented in Saudi Riyals unless otherwise stated.

23. Summarized financial information of material subsidiaries (continued)

	Al-Qasseem Company for Entertainment and Commercial Projects Owned by Abdulmohsin AlHokair and Company	Riyadh Real Estate Development Funds Jawharat Jeddah	Riyadh Real Estate Development Funds Jawharat Riyadh	Tijan Fund
Period ended 30 June 2026 - Unaudited				
Statement of profit or loss				
Revenue	**27,106,396**	**--**	**--**	**--**
Gross profit	**20,537,869**	**--**	**--**	**--**
Profit / (loss) for the period	**8,836,614**	**(5,308,769)**	**(10,288,449)**	**(7,819,475)**
Loss allocated to NCI	**4,418,307**	**--**	**--**	**--**
Period ended 30 June 2025 - Unaudited				
Statement of profit or loss				
Revenue	28,026,334	--	--	--
Gross profit	22,488,683	--	--	--
Profit / (loss) for the period	15,016,794	(8,156,363)	(4,963,729)	(5,263,551)
Profit allocated to NCI	7,508,397	--	--	--

(i) The carrying amount of the subsidiary's investment properties has been adjusted to reflect their fair value based on independent external valuations in order to comply with the Group's Accounting Policy.

24. Events after the reporting date

Subsequent to the period-end, a subsidiary of the Group, engaged in the development of the Westfield Riyadh project, entered into agreement for upsizing of its existing long-term Shariah-compliant (Islamic) financing facility by SR 1.7 billion with a local bank, increasing the total committed facility from SR 1.0 billion to SR 2.7 billion. The arrangement also includes an accordion (upsize) option of up to a further SR 200 million, bringing the total potential facility size to SAR 2.9 billion. The facility has a tenor of 9.5 years from Financial Close, comprising a 2-year grace period covering the construction and ramp-up phase of the project, followed by 7.5 years of scheduled principal repayment. Management has assessed this event and concluded that it is a non-adjusting subsequent event under IAS 10 Events after the Reporting Period, as it reflects conditions that arose after 30 June 2026 and does not require adjustment to the amounts recognized in these interim condensed consolidated financial statements.

Other than above, management believes that no significant subsequent event since the six-month period ended 30 June 2026 would have a material impact on the interim condensed consolidated financial position of the Group as reflected in these interim condensed consolidated financial statements.

25. Approval of the interim condensed consolidated financial statements

The interim condensed consolidated financial statements were approved by the Board of Directors for issuance on 22 Safar 1448H (corresponding to 5 August 2026).

All amounts are presented in Saudi Riyals unless otherwise stated.