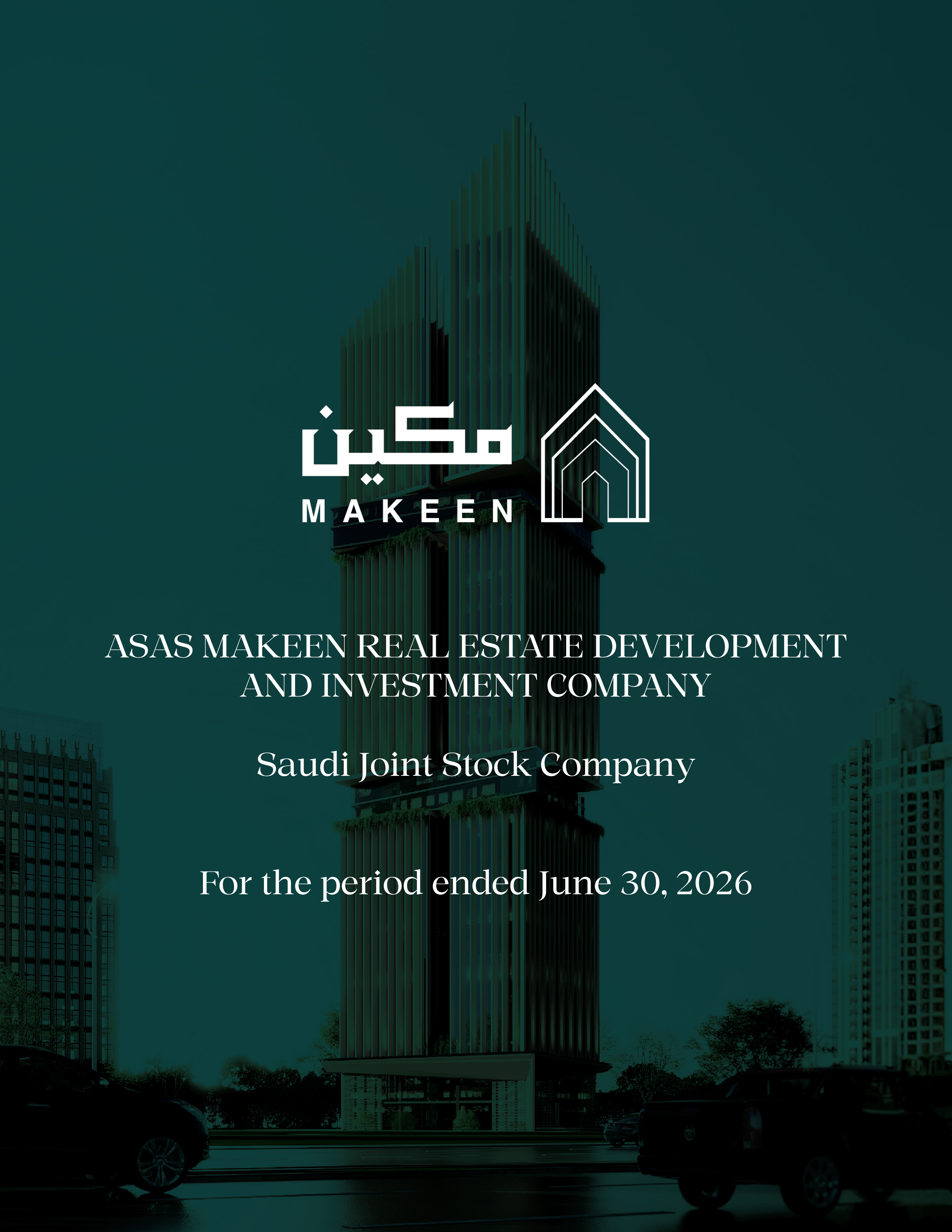

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MAKEEN

ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY

Saudi Joint Stock Company

For the period ended June 30, 2026

ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
(Saudi Joint Stock Company)
INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
For the six-month period ended 30 June 2026

PKF Al-Bassam
Chartered Accountants

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

TO THE SHAREHOLDERS OF ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
A SAUDI JOINT STOCK COMPANY

INTRODUCTION

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

- The interim condensed statement of financial position as at 30 June 2026,
- The interim condensed statements of profit or loss and other comprehensive income for the six-month period ended 30 June 2026,
- The interim condensed statement of changes in equity for the six-month period ended 30 June 2026,
- The interim condensed statement of cash flows for the six-month period ended 30 June 2026,
- The notes to the interim condensed financial statements.

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

SCOPE OF REVIEW

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

CONCLUSION

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

PKF Albassam
Chartered Accountants

Abdulellah Hamad Al-Bassam
Certified Public Accountant
License No: 703
Riyadh - Kingdom of Saudi Arabia
Date: 30 Safar 1448 H
Corresponding to: 13 August 2026

شركة بي كي اف البسام
محاسبون ومراجعون قانونيون
C. R. 1010385804
PKF Al Bassam
chartered accountants

ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
(Saudi Joint Stock Company)
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
As at 30 June 2026
(All amounts in SAR)

	Note	30 June 2026 (unaudited)	31 December 2025 (audited)
ASSETS			
Non-current assets			
Property and equipment, net	5	**1,677,955**	1,781,448
Investment properties	6	**467,303,328**	417,176,205
Right of use assets, net		**-**	99,497
Properties under development – non-current	8-A	**14,113,312**	4,930,686
Investments in associate companies	7	**1,146,601**	-
Total non-current assets		**484,241,196**	423,987,836
Current assets			
Properties under development	8-A	**81,090,701**	180,285,085
Properties held for sale	8-B	**324,151,251**	271,098,554
Construction contract assets	9-A	**51,894,723**	31,784,141
Trade receivables, net	11	**99,633,447**	115,533,052
Prepayment and other assets, net	12	**15,343,353**	26,404,070
Restricted cash		**1,725,121**	1,811,250
Cash and cash equivalent	13	**12,327,243**	7,907,163
Total current assets		**586,165,839**	634,823,315
TOTAL ASSETS		**1,070,407,035**	1,058,811,151
EQUITY AND LIABILITIES			
Equity			
Share capital	14	**300,000,000**	100,000,000
General reserve	15	**-**	14,078,166
Retained earnings		**191,318,782**	336,470,478
Contribution from a related party	10-B	**19,028,439**	19,028,439
TOTAL EQUITY		**510,347,221**	469,577,083
Liabilities			
Non-current liabilities			
Credit facilities	16	**340,180,040**	388,337,276
Employee benefit obligations		**1,462,116**	1,032,148
Due to related parties	10-B	**64,229,816**	60,990,900
Investment liability in an associate	7	**-**	23,359
Total non-current liabilities		**405,871,972**	450,383,683
Current liabilities			
Credit Facilities	16	**22,342,174**	11,442,029
Lease Liabilities		-	141,956
Construction contract liabilities	9-B	**24,550,808**	4,555,804
Due to related parties	10-B	**17,296,356**	25,001,750
Trade payables		**67,643,549**	78,715,638
Accrued expenses and other liabilities		**20,284,275**	12,939,577
Zakat provision	17	**2,070,680**	6,053,631
Total current liabilities		**154,187,842**	138,850,385
TOTAL LIABILITIES		**560,059,814**	589,234,068
TOTAL EQUITY AND LIABILITIES		**1,070,407,035**	1,058,811,151

Chief Financial Officer **Chief Executive Officer** **Vice Chairman**

The accompanying notes from 1 to 29 form an integral part of these interim condensed financial statements.

ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
(Saudi Joint Stock Company)
INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)
For the six-month period ended 30 June 2026
(All amounts in SAR)

	Note	For the six-month period ended	
		30 June 2026 (unaudited)	30 June 2025 (unaudited) Restated – Note 25
Revenue	18	**213,284,200**	134,113,507
Cost of revenue	19	**(186,744,412)**	(99,044,036)
Gross profit		**26,539,788**	35,069,471
Gain on fair value of investment properties	6	**40,178,525**	39,572,625
General and administrative expenses	20	**(10,898,250)**	(10,649,229)
Selling and marketing expenses		**(3,263,917)**	(1,998,744)
Operating profit		**52,556,146**	61,994,123
Finance cost on bank facilities	16	**(6,636,110)**	(8,551)
Provision for expected credit losses, net	9,11	**(1,007,773)**	-
Interest cost of a loan from a related party	10-B	**(3,238,915)**	(2,393,343)
Company's share of results of an associate	7	**1,169,960**	-
Realized (losses) from financial investments at fair value through profit or loss		**-**	(809,093)
Other income		**16,442**	74,565
Profit before zakat		**42,859,750**	58,857,701
Zakat expense	17	**(2,070,680)**	(873,475)
Net profit for the period		**40,789,070**	57,984,226
Other comprehensive loss for the period		**(18,932)**	-
Total comprehensive income for the period		**40,770,138**	57,984,226
Basic and diluted earnings per share from net profit for the period	21	**1.36**	1.93

Chief Financial Officer **Chief Executive Officer** **Vice Chairman**

The accompanying notes from 1 to 29 form an integral part of these interim condensed financial statements.

ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
(Saudi Joint Stock Company)
INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
For the six-month period ended 30 June 2026
(All amounts in SAR)

	Note	Share capital	General reserve	Retained earnings	Contribution from a related party	Total Equity
Balance as at 1 January 2025 (audited)		100,000,000	14,078,166	202,130,844	-	316,209,010
Effect of adjustments resulting from the change in accounting policy	25	-	-	3,998,342	-	3,998,342
Restated balance as at 1 January 2025		100,000,000	14,078,166	206,129,186	-	320,207,352
Net profit for the period (Restated – Note 25)		-	-	57,984,226	-	57,984,226
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the period		-	-	57,984,226	-	57,984,226
The effect of the present value on a loan from a related party	10-B	-	-	-	19,028,439	19,028,439
Balance as at 30 June 2025 (unaudited) restated – Note 25		100,000,000	14,078,166	264,113,412	19,028,439	397,220,017
Balance as at 1 January 2026 (audited)		**100,000,000**	**14,078,166**	**336,470,478**	**19,028,439**	**469,577,083**
Net profit for the period		**-**	**-**	**40,789,070**	**-**	**40,789,070**
Other comprehensive loss for the period		**-**	**-**	**(18,932)**	**-**	**(18,932)**
Total comprehensive income for the period		**-**	**-**	**40,770,138**	**-**	**40,770,138**
Increase in share capital	14	**200,000,000**	**-**	**(200,000,000)**	**-**	**-**
Transferred from general reserve to retained earnings	15	**-**	**(14,078,166)**	**14,078,166**	**-**	**-**
Balance as at 30 June 2026 (unaudited)		**300,000,000**	**-**	**191,318,782**	**19,028,439**	**510,347,221**

Chief Financial Officer **Chief Executive Officer** **Vice Chairman**

The accompanying notes from 1 to 29 form an integral part of these interim condensed financial statements.

	Note	**For the six-month period ended 30 June 2026 (Unaudited)**	For the six-month period ended 30 June 2025 Restated (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit for the period before zakat		**42,859,750**	58,857,701
Adjustments to reconcile profit before zakat:			
Depreciation of property and equipment	5	**341,718**	360,862
Gain on fair value of investment properties	6	**(40,178,525)**	(39,572,625)
Provision for expected credit losses for contract assets	9	**1,155,012**	-
Reversal of allowance for expected credit losses on trade receivables	11	**(147,239)**	-
Depreciation of right-of-use assets		**99,497**	195,114
Provision for employees end-of-service benefits		**449,754**	200,029
Finance cost on end-of-service benefits		**55,117**	-
Finance cost	16	**6,636,110**	8,551
Finance cost on a loan from a related party	10	**3,238,915**	2,393,343
Realized losses from investments carried at fair value through profit or loss		**-**	809,093
Company's share of results of an associate	7	**(1,169,960)**	(5,000)
Finance cost on lease liabilities		**96,382**	-
Loss on disposal of investment property		**153,616**	-
		13,590,147	23,247,068
Changes in working capital items:			
Trade receivables, net		**16,046,844**	(921,416)
Construction contract assets		**(21,265,594)**	16,095
Properties under development	8	**(29,120,594)**	(214,939,351)
Net change in related party balances	10	**(1,750)**	21,856,400
Properties held for sale		**67,763,303**	65,303,770
Prepaid expenses and other receivables		**11,060,717**	(17,210,510)
Construction contract Liabilities		**19,995,004**	2,407,584
Accounts payable		**(11,072,089)**	(2,478,493)
Restricted cash		**86,129**	-
Accrued expenses and other payables		**7,344,698**	(19,430,990)
Cash generated from / (used in) operating activities		**74,426,815**	(142,149,843)
Zakat paid	17	**(6,053,631)**	(3,493,900)
Employees' post-employment benefits paid		**(93,835)**	(93,500)
Net cash generated from / (used in) operating activities		**68,279,349**	(145,737,243)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	5	**(238,225)**	(240,925)
Additions to investment properties	6	**(9,112,772)**	(31,768,302)
Proceeds from investments carried at fair value through profit or loss		**-**	13,520,000
Proceeds from disposal of investment property		**1,350,000**	-
Net cash used in investing activities		**(8,000,997)**	(18,489,227)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from credit facilities	16	**25,000,000**	243,404,000
Repayments of credit facilities	16	**(55,011,525)**	(80,232,000)
Lease liabilities paid		**(238,338)**	(184,000)
Repayment of related-party loan	10	**(7,703,643)**	(7,591,109)
Finance costs paid		**(17,904,766)**	(6,871,501)
Net cash (used in) / generated from financing activities		**(55,858,272)**	148,525,390
Net change in cash and cash equivalents		**4,420,080**	(15,701,080)
Cash and cash equivalents at beginning of the period		**7,907,163**	70,467,165
Cash and cash equivalents at end of the period		**12,327,243**	54,766,085

CASH FLOWS (CONTINUED)

	Note	**For the six-month period ended 30 June 2026 (Unaudited)**	For the six-month period ended 30 June 2025 Restated (Unaudited)
Non-cash transactions:			
Accrued financing costs capitalized to properties under development	8	**1,683,648**	5,688,238
Accrued financing costs capitalized to Investment properties	6	**2,339,442**	4,018,595
Increase in share capital transferred from retained earnings	14	**200,000,000**	**-**
Closing of general reserve in retained earnings	15	**14,078,166**	-
Transferred from properties under development to properties held for sale	8	**120,816,000**	23,469,116
Accrued Expenses for Lease Liabilities		-	34,125
Transferred from financial investments at fair value through profit or loss		-	2,787,227
Transferred from advance payments to purchase land		-	41,007,500
Transferred from properties under development to Investment properties	8	-	151,735,949
The effect of the present value on a loan from a related party	10	-	19,028,439

Chief Financial Officer **Chief Executive Officer** **Vice Chairman**

The accompanying notes from 1 to 29 form an integral part of these interim condensed financial statements.

1. ORGANIZATION AND NATURE OF ACTIVITY

Asas Makeen Real Estate Development and Investment Company ("the Company") is a Saudi joint stock company that was established and operates in the Kingdom of Saudi Arabia, and the company conducts its activities in accordance with Commercial Register No. 1010895854, Unified National Number 7010750482 issued on 29 Dhu al-Hijjah 1428H (corresponding to 20 September 2017).

The Company's registered address is Riyadh - Al-Nargis District - Anas Bin Malik Road.

The Company's main activity is as follows:

General field of activities	Activity Name
Construction	Building construction
	Completion and finishing of buildings
	Other specialized construction activities
Real Estate activities	Real estate activities in owned or leased property
	Real estate activities based on fees or contracts

2. BASIS OF PREPARATION

2.1 Statement of compliance

These interim condensed financial statements have been prepared in accordance with International Accounting Standard (34) “Interim Financial Reporting” as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

The interim condensed financial statements do not include all the information and disclosures required for the Company's full annual financial statements. It must be read with the financial statements as at 31 December 2025. However, selected explanatory notes have been included to explain significant events and transactions to help understand changes in the statement of financial position and its performance since the last annual financial statements. In addition, business results for the period ended 30 June 2026, are not necessarily an indicator of the results that may be achieved for the fiscal year ended 31 December 2026.

2.2 Basis of measurement

These interim condensed financial statements have been prepared on the historical cost basis, except for investment properties and financial investments classified at fair value through profit or loss or otherwise measured at fair value, and the employees’ end-of-service benefits obligation, which is measured at the present value of the defined benefit obligation, using the accrual basis of accounting and the going concern assumption.

2.3 Functional and presentation currency

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

3. NEW AND AMENDED STANDARDS AND INTERPRETATIONS

The accounting policies applied in preparing the interim condensed financial statements are consistent with those used in preparing the Company's annual financial statements for the year ended 31 December 2025.

3. NEW AND AMENDED STANDARDS AND INTERPRETATIONS (CONTINUED)

3.1.1 Standards and amendments effective in the current period

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of the amendments
IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026	The amendments clarify the recognition and derecognition of financial assets and financial liabilities, including settlement date accounting for certain electronic payment systems. They also provide additional guidance on assessing contractual cash flow characteristics of financial assets, including contingent cash flows arising from environmental, social and governance (ESG)-linked features. The amendments also introduce new and updated disclosure requirements in IFRS 7
	Contracts Referencing Nature-dependent Electricity	1 January 2026	These amendments modify the ‘own use’ requirements and hedge accounting provisions in IFRS 9 for contracts that expose entities to variability in electricity prices due to uncontrollable natural conditions such as weather. Targeted disclosure requirements are introduced in IFRS 7 Financial Instruments: Disclosures

3.1.2 Standards and amendments issued but not yet effective

The following standards and amendments have been issued but are not yet effective for the reporting period ended 30 June 2026, and have not been early adopted by the Company:

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of the amendments
IFRS 19	Subsidiaries without Public Accountability	1 January 2027	IFRS 19 permits eligible subsidiaries without public accountability to apply reduced disclosure requirements while continuing to apply full IFRS recognition and measurement principles. The standard affects disclosure requirements only and does not impact recognition or measurement.

3. NEW AND AMENDED STANDARDS AND INTERPRETATIONS (CONTINUED)

3.1.2 Standards and amendments issued but not yet effective (continued)

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of the amendments
IFRS 18	Presentation and Disclosure in the Financial Statements	1 January 2027	IFRS 18 replaces IAS 1 and establishes a new framework for the presentation and disclosure of the financial statements. The standard introduces new categories for income and expenses (operating, investing and financing) and requires presentation of new subtotals, including operating profit or loss and profit or loss before financing and income taxes. It also enhances guidance on aggregation and disaggregation, introduces disclosure requirements for management-defined performance measures, and removes classification options for interest and dividends in the statement of cash flows.

Expected Impact on the Company

In April 2024, the International Accounting Standards Board issued IFRS 18 “Presentation and Disclosure in Financial Statements”, which will replace IAS 1 “Presentation of Financial Statements”. The standard is effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted, where allowed under the standards and pronouncements endorsed in the Kingdom of Saudi Arabia. The Company has not early adopted IFRS 18 in preparing these interim condensed financial statements.

IFRS 18 introduces new requirements for the presentation of the statement of profit or loss, including the classification of income and expenses into defined categories and the presentation of mandatory subtotals, including operating profit or loss and profit or loss before financing and zakat, where applicable. The standard also introduces new requirements relating to aggregation and disaggregation, disclosure of certain expenses by nature when expenses are presented by function, and disclosure of management-defined performance measures used in public communications outside the financial statements, where applicable. The issuance of IFRS 18 also resulted in consequential amendments to certain other standards, including IAS 7 “Statement of Cash Flows”.

Management has performed a preliminary assessment of the expected impact of the initial application of IFRS 18. Based on this assessment, management does not expect the application of the standard to result in changes to the recognition or measurement of the Company’s assets, liabilities, equity, income or expenses. Accordingly, the application of the standard, in itself, is not expected to affect total assets, total liabilities, total equity, profit before zakat, profit for the period, earnings per share, or total net cash flows. The expected impact is mainly related to the presentation and classification of certain items in the statement of profit or loss and the related disclosures.

The Company’s principal activities include real estate development and sale of properties, contracting and third-party development activities, and investment in and leasing of investment properties. Considering the nature, size and significance of the Company’s investment property portfolio to its activities and financial performance, management has preliminarily concluded that investing in investment properties represents one of the Company’s specified main business activities for the purposes of applying IFRS 18. Accordingly, management preliminarily expects income and expenses relating to investment properties, including rental income and gains or losses from changes in fair value, to be classified within the operating category.

3. NEW AND AMENDED STANDARDS AND INTERPRETATIONS (CONTINUED)

3.1.2 Standards and amendments issued but not yet effective (continued)

Management also preliminarily expects revenue, cost of revenue, selling and marketing expenses, general and administrative expenses, and expected credit losses relating to trade receivables and contract assets to be classified within the operating category, based on the nature of each item. Conversely, management expects the Company’s share of results of its associate accounted for using the equity method to be classified within the investing category, while finance costs relating to bank facilities, the related party loan, lease liabilities and any other relevant financing components are expected to be classified within the financing category.

IFRS 18 also requires disclosure of management-defined performance measures used by an entity in public communications outside the financial statements to communicate management’s view of an aspect of the financial performance of the entity as a whole. Management is continuing to assess whether any performance measures used in its public communications meet the definition of management-defined performance measures under IFRS 18. If any such measures are identified, the Company will provide the required disclosures and reconciliations in accordance with the standard.

When the indirect method is used in preparing the statement of cash flows, operating profit will become the starting point for determining cash flows from operating activities, and the amended classification requirements relating to interest and dividends will be applied. These changes are not expected, in themselves, to affect total net cash flows or the closing balance of cash and cash equivalents.

Based on management’s preliminary assessment up to the date of preparation of these interim condensed financial statements, management does not expect the application of IFRS 18 to affect profit before zakat or profit for the period. However, the presentation, location of certain items, and subtotals in the statement of profit or loss may change upon application. Management is continuing to assess the detailed requirements of the standard, including the classification of certain income and expense items, aggregation and disaggregation requirements, disclosure of expenses by nature, identification of management-defined performance measures, required amendments to the statement of cash flows, and the necessary updates to the chart of accounts, internal reporting and financial close procedures in preparation for mandatory application of the standard.

4. MATERIAL INFORMATION ABOUT ACCOUNTING INFORMATION

Significant accounting estimates, assumptions and policies

The preparation of the interim condensed financial statements requires the use of judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, and accompanying notes. Uncertainty regarding these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of the affected assets and liabilities in future periods. The accounting policies applied to these interim condensed financial statements are the same as those applied to the Company's financial statements for the prior year ended 31 December 2025.

5. PROPERTY AND EQUIPMENT, NET

During the six-month period ended 30 June 2026, additions to property and equipment amounted to 238 thousand Saudi riyals (During the six-month period ended 30 June 2025 amounted to 240 thousand Saudi riyals).

During the six-month period ended 30 June 2026, depreciation on property and equipment amounted to 341 thousand Saudi riyals (During the six-month period ended 30 June 2025 amounted to 360 thousand SAR). The depreciation for the period was charged to general and administrative expenses.

6. INVESTMENT PROPERTIES

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	**417,176,205**	85,514,426
Additions during the period / year	**9,112,772**	52,062,713
Borrowing costs capitalized during the period / year	**2,339,442**	9,490,952
Transferred from investments at fair value through profit or loss during the period / year	**-**	3,796,050
Transferred from advances against purchase of land during the period / year	**-**	41,007,500
Transferred from properties under development during the period / year	**-**	151,448,312
Disposals during the period / year	**(1,503,616)**	(1,038,450)
Change in fair value during the period / year	**40,178,525**	74,894,702
Balance at the end of the period / year	**467,303,328**	417,176,205

The investment properties item includes lands registered in the Company's name as at 30 June 2026, Certain of these lands have been mortgaged in favor of local lending banks as collateral for the credit facilities granted under the financing agreement (Note 16).

During the six-month period ended 30 June 2026, borrowing costs relating to projects under construction amounting to SAR 2,339,442 were capitalized (period ended 30 June 2025: SAR 4,018,595) (Note 16).

The investment properties measured at fair value as at the reporting date comprise the following:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Shopping malls on owned lands	**218,944,279**	129,198,708
Projects under development – fair value	**207,309,000**	192,507,260
Owned land held as investment properties	**34,313,500**	87,366,087
Residential apartments	**6,736,549**	8,104,150
Balance at the end of the period / year	**467,303,328**	417,176,205

Fair value of investment properties

Fair value hierarchy:

The fair value measurement of the investment property amounting to SAR 467 million as of 30 June 2026 (31 December 2025: SAR 417 million) has been classified within Level 3 of the fair value hierarchy, based on significant unobservable inputs used by the independent valuers in the valuation methodology. These inputs include the terms of future lease payments, discount rates, capitalization (yield) rates, expected occupancy rates, and other relevant assumptions.

As at each reporting date, the fair value of all investment properties is determined by independent external valuers with appropriate qualifications and experience in property valuation. The independent valuers are accredited by the Saudi Authority for Accredited Valuers (TAQEEM). Due to the change in the accounting policy for the subsequent measurement of investment properties, the effective valuation dates are 30 June 2025, 31 December 2025, and 30 June 2026.

6. INVESTMENT PROPERTIES (CONTINUED)

Relationship between significant unobservable inputs and fair value measurement:

30 June 2026

Properties	Fair value	Valuation technique	Significant unobservable inputs	Range
Commercial complexes on owned land	218,944,279	Discounted cash flow method Residual value method	Occupancy rate % Discount rate%	61% –100 % 7.3% – 9%
Projects under development	207,309,000	Comparable transactions method Residual value method	Average price (SAR/sq.m.)	26,314 - 47,711
Owned land held as investment properties	34,313,500	Comparable transactions method	Average price (SAR/sq.m.)	1,407 – 8,314
Residential apartments	6,736,549	Discounted cash flow method	Occupancy rate% Discount rate% Average rental rate	0%–100% 6.7% 81,835

31 December 2025

Properties	Fair value	Valuation technique	Significant unobservable inputs	Range
Commercial complexes on owned land	129,198,708	Discounted cash flow method Residual value method	Occupancy rate% Discount rate%	48% - 90% 7% - 8.2%
Projects under development	192,507,260	Comparable transactions method Residual value method	Average price (SAR/sq.m.)	12,750 - 46,104
Owned land held as investment properties	87,366,087	Comparable transactions method	Average price (SAR/sq.m.)	1551 - 6650
Residential apartments	8,104,150	Discounted cash flow method	Occupancy rate% Discount rate% Average rental rate	0%–100% 7.5% 77,886

The valuation methodology applied in the valuation of the investment properties is consistent with the International Valuation Standards and the guidelines issued by the Saudi Authority for Accredited Valuers (TAQEEM).

The following are the details of the independent valuers who carried out the valuation of the investment properties:

Valuation date	Valuer	License No.
30 June 2026	Araa Real Estate Valuation Company	1210001611
	Ayaan Real Estate Valuation Company	1210002707
31 December 2025	Araa Real Estate Valuation Company	1210001611
	Makin Al Qimah Real Estate Valuation Company	1210001150

7. INVESTMENTS IN ASSOCIATE COMPANIES

The investment in an associate represents the Company's investment in Buyutat Real Estate Development and Investment Company, which operates in the real estate development sector. The Company holds a 35% ownership interest in the associate and accounts for the investment using the equity method. The Company's share of the associate's profit for the six-month period ended 30 June 2026 amounted to SAR 1,169,960, compared with its share of the associate's loss of SAR 25,109 for the year ended 31 December 2025. As a result of the prior year's losses, a liability relating to the associate amounting to SAR 23,359 was recognized as at 31 December 2025, as the Company had an obligation to absorb those losses.

The movement in the investment in the associate is as follows:

	Investment in an associate	Liability relating to the associate	Net carrying amount
Balance as at 31 December 2025	-	(23,359)	**(23,359)**
Share of profit (loss) of the associate	1,146,601	23,359	**1,169,960**
Balance as at 30 June 2026	1,146,601	-	**1,146,601**

Details of the associate:

Number of shares	Ownership percentage	Country of incorporation	Activity	Associate
35	35%	Kingdom of Saudi Arabia	Real estate development	Buyutat Real Estate Development and Investment Company

8. PROPERTIES UNDER DEVELOPMENT AND PROPERTIES HELD FOR SALE

The following table shows the balance of properties held for sale and under development:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Properties under development (A)	**95,204,013**	185,215,771
Properties held for sale (B)	**324,151,251**	271,098,554

8A- Properties under development

The movement on properties under development as at 30 June 2026 is as follows:

	Lands	**Development costs**	**Financing costs**	**Total**
Balance as at 1 January 2026	**141,686,317**	**39,656,460**	**3,872,994**	**185,215,771**
Additions during the period	**-**	**29,120,594**	**1,683,648**	**30,804,242**
Transferred to Properties held for sale	**(75,679,650)**	**(42,025,433)**	**(3,110,917)**	**(120,816,000)**
Balance as at 30 June 2026	**66,006,667**	**26,751,621**	**2,445,725**	**95,204,013**

The movement on properties under development as at 31 December 2025 (audited) is as follows:

	Lands	Development costs	Financing costs	**Total**
Balance as at 1 January 2025	302,040,392	40,090,550	6,489,033	348,619,975
Additions during the year	189,908,525	202,671,919	14,938,099	407,518,543
Transferred to investment properties	(136,209,642)	(10,890,108)	(4,348,562)	(151,448,312)
Transferred to Properties held for sale	(214,052,958)	(192,215,901)	(13,205,576)	(419,474,435)
Balance as at 31 December 2025	141,686,317	39,656,460	3,872,994	185,215,771

8. PROPERTIES UNDER DEVELOPMENT AND PROPERTIES HELD FOR SALE (CONTINUED)
8A- Properties under development (Continued)

Properties under development include land registered in the name of the Company as at 30 June 2026. Certain plots of land have been pledged in favor of a local bank as security for the credit facilities obtained under the financing agreement.

The movement in properties under development is as follows:

Properties under development are presented in the statement of financial position as follows:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Properties under development – current portion	**81,090,701**	180,285,085
Properties under development – non - current portion	**14,113,312**	4,930,686
	95,204,013	185,215,771

8B- Properties held for Sale

This value represents a number of residential units whose construction was completed during the period, and the units are located in the city of Riyadh. The Company expects to complete its sale in the coming period.

The properties held for sale are as follows:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Balance as at the beginning of the period/year	**271,098,554**	44,423,437
Transferred from properties under development	**120,816,000**	419,474,435
Cost of properties sold	**(67,763,303)**	(192,799,318)
Balance as at the end of the period/year	**324,151,251**	271,098,554

9. ASSETS AND LIABILITIES OF CONSTRUCTION CONTRACTS

	30 June 2026 (unaudited)	31 December 2025 (audited)
Contract assets (A)	**51,894,723**	31,784,141
Contract liabilities (B)	**24,550,808**	4,555,804

A- Contract assets

Contract assets are initially recognized for revenue recognized over time from development contracts, as the receipt of consideration is conditional upon the achievement of specified contractual milestones. Upon completion and customer acceptance of a billing milestone, amounts previously recognized as contract assets are reclassified to trade receivables.

B- Contract liabilities

Contract liabilities comprise amounts received in advance from customers in respect of unsatisfied performance obligations. A contract liability represents the Company's obligation to complete the project for which consideration has been received (or is due) from the customer. If a customer pays consideration before the Company completes the project, a contract liability is recognized when the payment is made or becomes due, whichever occurs earlier. Contract liabilities are recognized as revenue when the Company satisfies its performance obligations in accordance with the terms of the contract.

C- Expected credit losses – Contract assets

	30 June 2026 (unaudited)	31 December 2025 (audited)
Contract assets	**53,372,254**	32,106,660
Allowance for expected credit losses	**(1,477,531)**	(322,519)
	51,894,723	31,784,141

9. ASSETS AND LIABILITIES OF CONSTRUCTION CONTRACTS (CONTINUED)

The movement in the allowance for expected credit losses on contract assets is as follows:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Balance at the beginning of the period/year	**322,519**	-
Charge for the period/year	**1,155,012**	322,519
Balance at the end of the period/year	**1,477,531**	322,519

10. RELATED-PARTY TRANSACTIONS AND BALANCES

A - Related-party transactions and balances

Related parties include the Company's shareholders, key management personnel, entities owned or managed by these parties, and entities over which they exercise joint control or significant influence. Transactions with related parties are conducted during the normal course of business through contracts approved by management.

The following is a summary of the most significant transactions between the Company and related parties during the six-month periods ended 30 June 2026 and 30 June 2025:

		Transactions during the period ended 30 June 2026			**Transactions during the period ended 30 June 2025**		
Related party name	Nature of relationship	**Finance**	**Works and services**	**Expenses incurred on behalf**	**Finance**	**operations**	**Expenses incurred on behalf**
Abdulrahman Saud Al-Hadlaq	Principal shareholder	**(7,703,643)**	**-**	**-**	**(7,591,109)**	**-**	**-**
Tasheed Hayat Contracting Company	Related party	**-**	**162,072,388**	**2,180,024**	**-**	**(21,865,813)**	**-**
Watheeq Marketing Company	Related party	**-**	**3,041,600**	**445,563**	**-**	**-**	**-**
Bariq Integrated Operation and Maintenance Company	Related party	**-**	**-**	**225,677**	**-**	**-**	**-**
Awtad Al Thiqah Contracting Company	Related party	**-**	**-**	**537**	**-**	**-**	**-**
Asas Al Tamasuk Aluminium Company	Related party	**-**	**-**	**15,902**	**-**	**-**	**-**
Buyutat Real Estate Development and Investment Company	Associate	**(87,132)**	**-**	**85,382**	**-**	**-**	**9,413**
Thura Holding Company	Related party	**-**	**-**	**186,107**	**-**	**-**	**-**
Shajarat Al Ghar Company	Related party	**-**	**3,471,225**	**79,200**	**-**	**-**	**-**

10. RELATED-PARTY TRANSACTIONS AND BALANCES (CONTINUED)

B- Due to related parties

	30 June 2026 (unaudited)	31 December 2025 (audited)
Abdulrahman Saud Al-Hadlaq	**81,526,172**	85,990,900
Buyutat Real Estate Development and Investment Company	**-**	1,750
	81,526,172	85,992,650

On 23 December 2024, the Company entered into an agreement with Mr. Abdulrahman Saud Al-Hadlaq to convert the outstanding balance due to him into an interest-free loan, with no interest or additional charges, for the purpose of supporting the Company and facilitating its operations. The loan is repayable over five years in equal instalments. On 20 February 2025, the Ordinary General Assembly approved the conversion of the outstanding balance due to the related party into financing for the Company. The opening balance of the loan amounted to SAR 112,554,012, while its present value amounted to SAR 89,315,355, resulting in a difference of SAR 19,028,439. This difference was recognized as a separate component within equity. During the six-month period ended 30 June 2026, the Company recognized finance costs of SAR 3,238,915 (six-month period ended 30 June 2025: SAR 2,393,343), representing the unwinding of the discount on the interest-free loan.

The movement in the related party loan from Mr. Abdulrahman Saud Al-Hadlaq is as follows:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Balance at the beginning of the period/year	**85,990,900**	112,554,012
Present value effect	**-**	(19,028,439)
Finance costs	**3,238,915**	5,567,691
Repayment of the interest-free loan during the period/year	**(7,703,643)**	(13,102,364)
Balance at the end of the period / year	**81,526,172**	85,990,900

The loan from a related party is presented in the statement of financial position as follows:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Current portion of the loan	**17,296,356**	25,001,750
Non - current portion of the loan	**64,229,816**	60,990,900

C- Compensation of Key Management Personnel and Committees

The Company's key management personnel comprise those individuals having the authority and responsibility for planning, directing and controlling the activities of the Company.

	Nature of transaction	**For the six-month period ended 30 June 2026 (unaudited)**	For the six-month period ended 30 June 2025 (unaudited)
Key management and executive personnel	Salaries and allowances	**707,900**	567,900
	End of service benefit	**62,325**	78,426
Members of the board of directors	Remuneration	**650,000**	650,000
Committees of the board of directors	Allowances and remunerations	**160,000**	160,000

11. TRADE RECEIVABLES, NET

	30 June 2026 (unaudited)	31 December 2025 (audited)
Trade receivables	**100,669,221**	116,716,065
Allowance for expected credit losses	**(1,035,774)**	(1,183,013)
Balance at the end of the period / year	**99,633,447**	115,533,052

The movement in the allowance for expected credit losses on trade receivables is as follows:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Balance at the beginning of the period/year	**1,183,013**	-
Charge for the period/year	**-**	1,183,013
Reversal of allowance during the period/year	**(147,239)**	-
Balance at the end of the period / year	**1,035,774**	1,183,013

The Company holds collateral represented by the fair value of the properties sold, whereby title deeds are not transferred to customers until the full contractual amount has been settled. Given the consistent quality of such collateral and the absence of any significant changes therein, management considers the existing expected credit loss allowance to be adequate and appropriate to cover any potential risks. The reversal of a portion of the expected credit loss allowance during the period was mainly attributable to collections of outstanding balances and improved recoverability of certain customers' balances.

12. PREPAYMENTS AND OTHER ASSETS, NET

	30 June 2026 (unaudited)	31 December 2025 (audited)
Recoverable value-added tax (VAT)	**11,965,715**	24,283,017
Accrued income	**1,035,172**	525,406
Advances to contractors and suppliers	**1,728,051**	1,609,987
Less: Allowance for impairment of advances to contractors and suppliers	**(360,162)**	(360,162)
Prepaid expense	**508,846**	1,577
Employees advances	**198,436**	296,950
Guarantees and refundable amounts	**267,295**	47,295
Balance at the end of the period / year	**15,343,353**	26,404,070

13. CASH AND CASH EQUIVALENT

	30 June 2026 (unaudited)	31 December 2025 (audited)
Banks	**12,327,243**	6,300,863
Checks under collection	**-**	1,606,300
Balance at the end of the period / year	**12,327,243**	7,907,163

14. SHARE CAPITAL

The Company's share capital as at 31 December 2025 amounted to SAR 100,000,000, divided into 10,000,000 ordinary shares of equal value, with a nominal value of SAR 10 per share, all of which were fully issued and paid.

On 21 May 2026, the Extraordinary General Assembly approved an increase in the Company's share capital from SAR 100,000,000 to SAR 300,000,000 through the capitalization of SAR 200,000,000 from retained earnings and its transfer to share capital. The necessary statutory procedures to complete the capital increase in accordance with the applicable laws and regulations were finalized during the period ended 30 June 2026.

14. SHARE CAPITAL (CONTINUED)

Description	Number of shares	Share capital (Saudi Riyals)
Share capital at the beginning of the period	**10,000,000**	**100,000,000**
Capitalization of retained earnings through the issuance of new shares	**20,000,000**	**200,000,000**
Share capital at the end of the period	**30,000,000**	**300,000,000**

15. GENERAL RESERVE

- The Ordinary General Assembly may, when determining the shareholders' share of net profit, resolve to establish reserves to the extent necessary to serve the interests of the Company or to ensure, as far as possible, the distribution of stable dividends to shareholders. The Ordinary General Assembly may also appropriate amounts from net profit for social purposes benefiting the Company's employees.
- At its Extraordinary General Assembly meeting held on 21 May 2026 (corresponding to 4 Dhu Al-Hijjah 1447H), the Company approved the transfer of the general reserve balance of SAR 14,078,166 to retained earnings, in accordance with the provisions of the Companies Law and the Company's Articles of Association. The effect of this transfer was recognized within the components of equity during the financial period ended 30 June 2026 and did not result in any change to the total equity.

16. CREDIT FACILITIES

The Company entered into Murabaha and Tawarruq agreements with banks to obtain banking facilities. Details are as follows:

Facility (1)
On 31 January 2024, the Company entered into a Shariah-compliant Murabaha deferred sale financing agreement with a local bank for a financing facility of SAR 200 million to finance the acquisition and development of land**.**
On 16 February 2025, the agreement was amended to increase the credit facility limit by SAR 150 million, bringing the total facility limit to SAR 350 million. Certain financed land was pledged as collateral for the facility, in addition to promissory notes and personal guarantees provided by certain shareholders.
On 16 April 2026, the financing agreement was renewed. Under the renewed agreement, the Company was granted a financing sub-limit of SAR 100 million within the overall facility limit of SAR 350 million, without the requirement to pledge additional land title deeds in favor of the bank. The agreement includes an early settlement option and contains both financial and non-financial covenants, primarily requiring the Company to maintain specified financial ratios. Under the terms of the agreement, the bank has the right to demand immediate repayment in the event of a breach of these covenants. The Company complied with all such covenants as of 30 June 2026.
The outstanding balance of the financing facilities amounted to SAR 208,280,265 as of 30 June 2026 (31 December 2025: SAR 246,052,765).

Facility (2)
On 14 August 2024, the Company entered into a Shariah-compliant deferred sale financing agreement leading to Tawarruq with a local bank for an amount of SAR 150 million to finance the acquisition and development of land. On 29 October 2025, the agreement was amended and the credit facility limit was increased by SAR 50 million, bringing the total facility amount to SAR 200 million .
The financed land has been pledged as collateral for the facility (Notes 6 and 8), in addition to promissory notes and personal guarantees provided by certain shareholders. The agreement also includes an early settlement option.
The facility agreement contains covenants primarily requiring the Company to maintain certain financial ratios. Under the terms of the agreement, the bank has the right to demand immediate repayment in the event of a breach of these covenants. The Company complied with these covenants as of 30 June 2026.
The outstanding balance of the facility amounted to SAR 140,332,975 as of 30 June 2026 (31 December 2025: SAR 132,572,000).

16. CREDIT FACILITIES (CONTINUED)

The movement in total credit facilities is as follows:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Balance as at the beginning of the period / year	**378,624,765**	151,604,500
Proceeds during the period / year	**25,000,000**	238,820,265
Paid during the period / year	**(55,011,525)**	(11,800,000)
Balance as at the end of the period / year	**348,613,240**	378,624,765
Add: Accrued finance costs	**13,908,974**	21,154,540
Balance at the end of the period / year	**362,522,214**	399,779,305

The movement in accrued finance costs is as follows:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Balance as at the beginning of the period / year	**21,154,540**	7,825,581
Additions during the period / year	**10,659,200**	24,429,051
Finance cost paid during the period / year	**(17,904,766)**	(11,100,092)
Balance at the end of the period / year	**13,908,974**	21,154,540

The balance of credit facilities, including accrued finance costs, is presented in the statement of financial position as follows:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Non-current portion	**340,180,040**	388,337,276
Current portion	**22,342,174**	11,442,029

Total finance transaction costs incurred during the six-month period ended 30 June 2026 amounted to SAR 10,659,200 (six-month period ended 30 June 2025: SAR 9,706,833).

A portion of these finance costs was capitalized as follows:

Investment properties: SAR 2,339,442 as of 30 June 2026 (six-month period ended 30 June 2025: SAR 4,018,595).
Properties under development: SAR 1,683,648 as of 30 June 2026 (six-month period ended 30 June 2025: SAR 5,688,238).

Finance costs that were not capitalized were recognized in the statement of profit or loss during the period.

17. ZAKAT PROVISION

17-1 The movement in zakat provision

	30 June 2026 (unaudited)	31 December 2025 (audited)
Balance at the beginning of the period / year	**6,053,631**	3,493,900
Charged during the period / year	**2,070,680**	6,053,631
Paid during the period / year	**(6,053,631)**	(3,493,900)
Balance at the end of the period / year	**2,070,680**	6,053,631

17-2 Zakat status:

The Company submitted the zakat return for the fiscal year ended 31 December 2025 and obtained its zakat certificate, which is valid until 23 Dhu Al-Qi'dah 1448H, corresponding to 30 April 2027. As at 30 June 2026, the Company had not received any material unrecorded zakat assessments or claims.

18. REVENUE

	For the six-month period ended	
	30 June 2026 (unaudited)	30 June 2025 (unaudited)
Construction and development revenues for others	**124,931,830**	38,320,489
Properties sales revenue	**82,787,318**	93,788,780
Administrative services and properties rental revenues	**5,565,052**	2,004,238
	213,284,200	134,113,507

Timing of revenue recognition:

For the period ended 30 June 2026	**Sale of properties**	**Construction and development services**	**Administrative services and property rental**	**Total**
At a point in time	**82,787,318**	**-**	**-**	**82,787,318**
Over time	**-**	**124,931,830**	**5,565,052**	**130,496,882**
Total	**82,787,318**	**124,931,830**	**5,565,052**	**213,284,200**

For the period ended 30 June 2025	Sale of properties	Construction and development services	Administrative services and property rental	Total
At a point in time	93,788,780	-	-	93,788,780
Over time	-	38,320,489	2,004,238	40,324,727
Total	93,788,780	38,320,489	2,004,238	134,113,507

19. COST OF REVENUE

	For the six-month period ended	
	30 June 2026 (unaudited)	30 June 2025 (unaudited) Restated
Cost of Construction and development for others	**118,496,084**	32,701,815
Cost of selling properties	**67,763,303**	66,342,221
Cost of administrative services and properties rental revenues	**485,025**	-
Total	**186,744,412**	99,044,036

20. GENERAL AND ADMINISTRATIVE EXPENSES

	For the six-month period ended	
	30 June 2026 (unaudited)	30 June 2025 (unaudited)
Salaries, wages and related benefits	**6,306,179**	5,918,443
Government fees	**221,896**	468,138
Bonuses and incentives	**292,098**	587,223
Professional and consultancy fees	**756,148**	355,675
Social insurance contributions	**396,523**	387,115
Depreciation of property and equipment	**341,718**	360,862
Amortization of right-of-use assets	**99,497**	195,114
Employee end-of-service benefits expense	**449,754**	200,029
Hospitality and cleaning expenses	**152,734**	173,426
Remuneration of the Board of Directors and its committees	**828,000**	1,470,000
Others	**1,053,703**	533,204
Total	**10,898,250**	10,649,229

21. BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the period attributable to the shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share are equal to basic earnings per share, as the Company has no dilutive financial instruments.

On 21 May 2026, the Extraordinary General Assembly approved an increase in the Company's share capital from SAR 100,000,000 to SAR 300,000,000 through the capitalization of SAR 200,000,000 from retained earnings and the issuance of bonus shares. Accordingly, the weighted average number of shares for the comparative period has been retrospectively adjusted for the purpose of calculating earnings per share.

Basic and diluted earnings per share are calculated by dividing the net profit for the period by the weighted average number of ordinary shares outstanding, as follows:

	30 June 2026 (unaudited)	30 June 2025 (unaudited) Restated
Net profit for the period	**40,789,070**	57,984,226
Weighted average number of ordinary shares outstanding	**30,000,000**	30,000,000
Basic and diluted earnings per share	**1.36**	1.93

22. FINANCIAL RISK MANAGEMENT

Capital management

The Board of Directors' policy is to maintain effective capital in order to maintain the confidence of investors, creditors and the market and to continue future developments of its business. The Board of Directors monitors the return on capital employed and the level of dividends to ordinary shareholders.

The company's objectives when managing capital are:

- Maintaining the entity's ability to continue operating in accordance with the going concern principal and continuing to achieve returns for shareholders and benefits for other beneficiaries.
- providing a return to shareholders.

23. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair Value Hierarchy

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Inputs that are quoted (unadjusted) prices in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active, or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Unobservable inputs. This category includes all instruments for which the valuation technique includes inputs not based on observable market data and where such unobservable inputs have a significant effect on the valuation of the instrument. This category also includes instruments valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Management has determined that the fair values of cash and cash equivalents, trade receivables, investments measured at fair value through profit or loss (FVTPL), other current assets, trade payables, borrowings and other current liabilities approximate their carrying amounts, primarily due to the short-term maturities of these financial instruments.

24. SEGMENT INFORMATION

Segment information relates to the Company's activities and operations, which management relies upon as the basis for preparing the Company's financial information in accordance with internal reporting practices.

Transactions between segments are conducted on the same terms as transactions with other segments. The Company discloses information relating to revenues, expenses and operating results for each operating segment based on the internal reports that are regularly presented to the Chief Operating Decision Maker for the purpose of assessing performance and allocating resources. As the total assets and liabilities of each segment are not regularly presented to the Chief Operating Decision Maker as part of those reports, the disclosure has been limited to the measurement of profit or loss for each segment. Accordingly, segment assets and liabilities have not been disclosed in accordance with the requirements of IFRS 8 – Operating Segments.

For the period ended 30 June 2026:

	Properties sales sector	**Construction and development services segment**	**Administrative services and property rental segment**	**Total**
Revenue	**82,787,318**	**124,931,830**	**5,565,052**	**213,284,200**
Cost of revenue	**(67,763,303)**	**(118,496,084)**	**(485,025)**	**(186,744,412)**
Gross profit	**15,024,015**	**6,435,746**	**5,080,027**	**26,539,788**

For the period ended 30 June 2025

	Properties sales sector	Construction and development services segment	Administrative services and property rental segment	Total
Revenue	93,788,780	38,320,489	2,004,238	134,113,507
Cost of revenue	(66,342,221)	(32,701,815)	-	(99,044,036)
Gross profit	27,446,559	5,618,674	2,004,238	35,069,471

25. EFFECT OF CHANGE IN ACCOUNTING POLICY

During the year ended 31 December 2025, the Company's Board of Directors approved a change in the accounting policy for the subsequent measurement of investment properties from the cost model to the fair value model, as management believes that the fair value model provides more relevant and reliable information about the Company's financial position and performance. This change was applied retrospectively in accordance with the requirements of IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, and IAS 40, Investment Property. The effect of the change was recognized by restating each affected line item in the financial statements for the prior periods.

25. EFFECT OF CHANGE IN ACCOUNTING POLICY (CONTINUED)

	Before adjustment	Adjustment	**After adjustment**
Condensed statement of profit or loss and other comprehensive income for the six-month period ended 30 June 2025			
Fair value gain on investment properties	-	39,572,625	**39,572,625**
Cost of revenues	(99,173,324)	129,288	**(99,044,036)**
Operating profit	22,292,210	39,701,913	**61,994,123**
Net profit before zakat	19,155,788	39,701,913	**58,857,701**
Net profit after zakat	18,282,313	39,701,913	**57,984,226**
Basic and diluted earnings per share for the period	0.61	1.32	**1.93**

There was no impact on total operating, investing or financing cash flows for the six-month period ended 30 June 2025.

26. CAPITAL CONTINGENCIES AND CONTINGENT COMMITMENTS

As at 30 June 2026, the Company had outstanding capital commitments amounting to SAR 328,038,295. In addition, the Company had issued a bank guarantee amounting to SAR 18,038,295 in favor of the National Housing Company and a promissory note amounting to SAR 74,476,918 in favor of one of the developers as contractual performance guarantees for projects under development.

White Land fees

Subsequent to the financial year ended 31 December 2025, the Company received a number of White Land invoices amounting to SAR 10,301,337 relating to land owned by the Company. Management studied these claims in consultation with the legal advisor, as some invoices relate to land associated with completed and delivered projects for which occupancy certificates have been issued, while the other invoices relate to land that may be subject to statutory exemptions. Formal objections have been submitted. Due to the uncertainty regarding the final outcome at present and the lack of certainty as to whether an obligation exists, no provision has been recognized, and the matter has been disclosed as a contingent liability.

27. SUBSEQUENT EVENTS

On 7 July 2026, the Company entered into a framework agreement with Middle East Financial Investment Company (MEFIC Capital) and Benaa Al Tharawat Financial Company to establish a private real estate fund with a target fund size of SAR 73,441,020 for the development of the Company's land located in Al Hamra District, with a land value of SAR 30,672,000. The Company will contribute 30% of the land value as an in-kind contribution, while the remaining amount will be settled in cash in accordance with the definitive agreements. This agreement did not result in any adjustments to the amounts recognized in the financial statements as of 30 June 2026, as it represents a non-adjusting event after the reporting period.

28. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the presentation of the current period.

29. APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

These condensed interim financial statements were approved by the Company's Board of Directors on 30 Safer 1448H, corresponding to 13 August 2026.

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Thank you

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