SUMOU REAL ESTATE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
AND INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE- AND SIX-MONTH PERIODS ENDED JUNE 30, 2026

SUMOU REAL ESTATE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
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FOR THE THREE- AND SIX-MONTH PERIODS ENDED JUNE 30, 2026

RSM Allied Accountants Professional Services Co.

Riyadh - Olaya District - Al Oruba Street
1st Floor, Building No. 3193
P.O. Box 8335, Riyadh - 12333
Tel.: +966 11 416 9361
Fax: +966 11 416 9349
Kingdom of Saudi Arabia
www.rsmksa.com
C.R: 4030228773

RSM

شركة ار اس ام المحاسبون المتحدون للإستشارات المهنية

الرياض – حي العليا - طريق العروبة
مبنى رقم ٣١٩٣ ، الطابق الأول
ص. ب ٨٣٣٥ ، الرياض - ١٢٣٣٣
هاتف: ٩٣٦١ ٤١٦ ١١ ٩٦٦+
فاكس: ٩٣٤٩ ٤١٦ ١١ ٩٦٦+
المملكة العربية السعودية
www.rsmksa.com
س.ت ٤٠٣٠٢٢٨٧٧٣

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

To the Shareholders of
SUMOU REAL ESTATE COMPANY
(A Saudi Joint Stock Company)

Introduction

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

Scope of Review

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

Other matter

The consolidated financial statements of the Group for the year ended 31 December 2025 were audited by another independent auditor who expressed an unmodified opinion on those consolidated financial statements on 20 Ramadan 1447H (corresponding to 9 March 2026).
In addition, the interim condensed consolidated financial information for the three-month and six-month periods ended 30 June 2025 was reviewed by another independent auditor who expressed an unmodified conclusion thereon on 9 Safar 1447H (corresponding to 3 August 2025).

RSM Allied Accountants Professional Services

شركة ار اس ام المحاسبون المتحدون للإستشارات المهنية
س.ت: ٤٠٣٠٢٢٨٧٧٣
C.R. 4030228773
RSM Allied Accountants Professional Services Co.

Mohammad Abdulmajeed Mohandes
License No, 564
Riyadh, Saudi Arabia
22 Safar 1448 H (corresponding to August 5, 2026).

SUMOU REAL ESTATE COMPANY
(SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026
(All amounts are stated in Saudi Riyals unless otherwise stated)

	Note	30 June 2026 (Unaudited)	31 December 2025 (Audited) (Reclassified – Note 22)
Assets			
Non-Current Assets			
Property and equipment, net		**3,123,749**	3,414,602
Investment property under development	6	**52,000,793**	45,299,097
Projects under development - non-current portion	7	**47,456,499**	108,463,493
Right of use assets, net	9	**17,253,876**	18,134,742
Intangible assets, net		**15,528**	46,608
Investments in associates	10	**311,025,752**	314,207,875
Financial assets at fair value through other comprehensive income	11	**276,616,511**	181,817,426
Total Non-Current Assets		**707,492,708**	671,383,843
Current Assets			
Projects under development - current portion	7	**444,300,279**	453،113،094
Trade receivables, net		**100,421,171**	94,951,637
Contract assets, net	8	**98,180,012**	44,014,534
Due from related parties	12-a	**120,567,791**	84,885,790
Prepayments and other assets		**104,024,973**	95,794,160
Restricted cash		**216,795,860**	210,261,746
Cash and cash equivalents		**43,394,687**	45,121,458
Total Current Assets		**1,127,684,773**	1,028,142،419
Total Assets		**1,835,177,481**	1,699,526,262
Equity and Liabilities			
Equity			
Share capital	15	**500,000,000**	500,000,000
Revaluation reserve for financial assets at fair value through other comprehensive income		**39,509,239**	46,024,872
Retained earnings		**261,817,771**	221,791,391
Total Equity attributable to the shareholders of the parent company		**801,327,010**	767,816,263
Non-controlling interest		**(1,618,432)**	(1,564,018)
Total equity		**799,708,578**	766,252,245
Non-Current Liabilities			
Lease liabilities - non-current portion	9	**16,708,473**	17,918,220
Lands obligations against projects under development - non-current portion		**90,422,218**	157,847,870
Bank facilities	13	**40,000,000**	-
Employees defined benefit obligations		**9,484,403**	6,875,570
Total Non-Current Liabilities		**156,615,094**	182,641,660
Current Liabilities			
Trade payables		**37,488,055**	10,506,142
Accrued expenses and other liabilities		**175,230,815**	206,009,364
Lease liabilities - current portion	9	**1,781,492**	1,561,225
Lands obligations against projects under development - current portion		**430,315,937**	382,396,311
Contract liabilities	8	**61,100,472**	58,409,768
Due to related parties	12-b	**166,068,817**	81,233,941
Zakat provision	14-b	**6,868,221**	10,515,606
Total Current Liabilities		**878,853,809**	750,632,357
Total Liabilities		**1,035,468,903**	933,274,017
Total Equity And Liabilities		**1,835,177,481**	1,699,526,262

Finance Manager Chief Executive Officer Chairman

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

SUMOU REAL ESTATE COMPANY
(SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE THREE- AND SIX-MONTH PERIODS ENDED JUNE 30, 2026
(All amounts are stated in Saudi Riyals unless otherwise stated)

	Note	For the three-month period ended 30 June		For the Six-month period ended 30 June	
		2026 (Unaudited)	2025 (Unaudited) (Reclassified – Note 22)	**2026 (Unaudited)**	2025 (Unaudited) (Reclassified – Note 22)
Revenue	16	**148,664,407**	104,166,604	**334,195,159**	205,656,176
Cost of revenue		**(105,996,372)**	(77,382,037)	**(240,860,922)**	(148,630,831)
Gross profit		**42,668,035**	26,784,567	**93,334,237**	57,025,345
Selling and marketing expense		**(1,393,268)**	(1,783,839)	**(3,994,885)**	(3,323,955)
General and administrative expenses		**(5,160,836)**	(3,982,267)	**(14,015,972)**	(7,516,101)
Expected credit losses provision		**(436,922)**	-	**(436,922)**	-
Profit from operations		**35,677,009**	21,018,461	**74,886,458**	46,185,289
Finance cost		**(212,476)**	(270,806)	**(800,375)**	(539,749)
The Group's share of the results of investments in associates	10-c	**(85,605)**	(101,962)	**(164,488)**	(192,917)
Other income	17	**96,036**	15,185,442	**317,690**	15,194,024
Profit before zakat		**35,474,964**	35,831,135	**74,239,285**	60,646,647
Zakat expense	14-b	**(3,950,581)**	1,137,041	**(7,197,766)**	(1,412,959)
Net profit for the period		**31,524,383**	36,968,176	**67,041,519**	59,233,688
Net profit for the period attributed to:					
Shareholders in parent Company		**31,471,414**	37,079,584	**67,095,933**	59,442,930
Non-controlling interest		**52,969**	(111,408)	**(54,414)**	(209,242)
		31,524,383	36,968,176	**67,041,519**	59,233,688
Earnings per share:					
Basic and diluted earnings per share from net profit for the period	18	**0.63**	0.74	**1.34**	1.19

Finance Manager | Chief Executive Officer | Chairman

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

SUMOU REAL ESTATE COMPANY
(SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH AND SIX-MONTHS PERIODS ENDED JUNE 30, 2026
(All amounts are stated in Saudi Riyals unless otherwise stated)

	For the three months period ended 30 June		**For the six months period ended 30 June**	
	2026 (Unaudited)	2025 (Unaudited)	**2026 (Unaudited)**	2025 (Unaudited)
Net profit for the period	**31,524,383**	36,968,176	**67,041,519**	59,233,688
Items that will not be subsequently reclassified into profit or loss:				
Share of other comprehensive income of investments in associates	**(3,008,227)**	(10,466,021)	**(3,008,227)**	(10,466,021)
Changes in the fair value of financial assets at fair value through other comprehensive income (FVOCI)	**(3,507,406)**	(912,807)	**(3,507,406)**	(912,807)
Actuarial losses from re-measurement for employee benefits obligations	**(327,566)**	(21,915)	**(2,069,553)**	(333,720)
Other Comprehensive loss for the period	**(6,843,199)**	(11,400,743)	**(8,585,186)**	(11,712,548)
Total comprehensive income for the period	**24,681,184**	25,567,433	**58,456,333**	47,521,140
Total comprehensive income for the period attributed to:				
Shareholders in the parent company	**24,628,215**	25,678,841	**58,510,747**	47,730,382
Non-controlling interest	**52,969**	(111,408)	**(54,414)**	(209,242)
	24,681,184	25,567,433	**58,456,333**	47,521,140

Finance Manager　　Chief Executive Officer　　Chairman

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

SUMOU REAL ESTATE COMPANY
(SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTHS PERIOD ENDED JUNE 30, 2026
(All amounts are stated in Saudi Riyals unless otherwise stated)

	Share capital	Revaluation reserve for financial assets at FVOCI	Retained earnings	Total Equity attributable to the shareholders of the parent company	Non-controlling interest	Total equity
Balance as at 1 January 2025 (Audited)	500,000,000	(2,860,149)	136,550,438	633,690,289	(1,296,590)	632,393,699
Net profit for the period	-	-	59,442,930	59,442,930	(209,242)	59,233,688
Other comprehensive loss for the period	-	(11,378,828)	(333,720)	(11,712,548)	-	(11,712,548)
Total comprehensive income for the period	-	(11,378,828)	59,109,210	47,730,382	(209,242)	47,521,140
Dividend distributions (note 19)	-	-	(25,000,000)	(25,000,000)	-	(25,000,000)
Balance as at 30 June 2025 (Unaudited)	500,000,000	(14,238,977)	170,659,648	656,420,671	(1,505,832)	654,914,839
Balance as at 1 January 2026 (Audited)	**500,000,000**	**46,024,872**	**221,791,391**	**767,816,263**	**(1,564,018)**	**766,252,245**
Net profit for the period	**-**	**-**	**67,095,933**	**67,095,933**	**(54,414)**	**67,041,519**
Other comprehensive loss for the period	**-**	**(6,515,633)**	**(2,069,553)**	**(8,585,186)**	**-**	**(8,585,186)**
Total comprehensive income for the period	**-**	**(6,515,633)**	**65,026,380**	**58,510,747**	**(54,414)**	**58,456,333**
Dividend distributions (note 19)	**-**	**-**	**(25,000,000)**	**(25,000,000)**	**-**	**(25,000,000)**
Balance as at 30 June 2026 (Unaudited)	**500,000,000**	**39,509,239**	**261,817,771**	**801,327,010**	**(1,618,432)**	**799,708,578**

Finance Manager

Chief Executive Officer

Chairman

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

SUMOU REAL ESTATE COMPANY
(SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX-MONTHS PERIOD ENDED JUNE 30, 2026
(All amounts are stated in Saudi Riyals unless otherwise stated)

	Note	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
OPERATING ACTIVITIES			
Net profit for the period before zakat expense		**74,239,285**	60,646,647
Adjustments to reconcile profit before zakat expense to net cash generated from operating activities:			
Depreciation and amortization		**1,260,739**	1,319,619
The Group's share of the results of Investments in associates	10	**164,488**	192,917
Gain on sale of investment properties	17	**-**	(15,185,441)
Expected credit losses provision		**436,922**	-
Finance costs		**800,375**	539,749
Employees defined benefit obligations charged		**559,642**	492,364
		77,461,451	48,005,855
Changes in working capital:			
Account receivables		**(5,906,456)**	(19,341,611)
Contract assets		**(54,165,478)**	13,527,397
Due from related parties		**(39,432,001)**	(17,266,553)
Prepayments and other assets		**(16,903,283)**	(4,434,001)
Account payables		**26,981,913**	26,155,308
Accrued expenses and other liabilities		**(30,778,549)**	(1,949,838)
Due to related parties	12	**(9,721,615)**	9,373,232
Net change in restricted cash		**(6,534,114)**	(57,543,719)
Contract liabilities		**2,690,704**	39,927,983
Net change in projects under development		**98,363,203**	1,365,734
Cash flows from operating activities		**42,055,775**	37,819,787
Employee benefits obligations paid		**(20,362)**	(79,329)
Zakat paid	14	**(2,172,681)**	(6,380,892)
Net cash flow generated from operating activities		**39,862,732**	31,359,566
INVESTING ACTIVITIES			
Addition to property and equipment		**(57,940)**	(260,147)
Additions to investment property under development		**(6,701,696)**	(3,005,334)
Dividends from investments in associates		**-**	1,865,271
Additional contribution in investments in associates		**-**	(100,000)
Proceeds from sale of Investment properties		**-**	16,815,586
Proceeds from sale of investments in associates	10	**9,408**	-
Net cash flow (used in) / generated from investing activities		**(6,750,228)**	15,315,376
FINANCING ACTIVITIES			
Lease liabilities paid	9	**(1,321,750)**	(1,321,750)
Lands obligations against projects under development paid		**(47,717,150)**	(16,000,000)
Dividends paid	19	**(25,000,000)**	(25,000,000)
Financing costs paid		**(800,375)**	(189,205)
Bank facilities proceeds	13	**40,000,000**	-
Net cash flow used in financing activities		**(34,839,275)**	(42,510,955)
Net change in cash and cash equivalents		**(1,726,771)**	4,163,987
Cash and cash equivalents at beginning of the period		**45,121,458**	3,282,421
Cash and cash equivalents at end of the period		**43,394,687**	7,446,408
Non cash transactions			
Actuarial losses from re-measurement of employee benefits obligations		**2,069,553**	333,720
Share of other comprehensive income of investments in associates		**(3,008,227)**	(10,466,021)
Changes in the fair value of financial assets at fair value through other comprehensive income		**(3,507,406)**	(912,807)
Lease contracts interest capitalized		**(332,270)**	-
Lands obligations against projects under development		**27,059,965**	48,386,534
Disposal of investment properties in exchange for financial assets at fair value through other comprehensive income		**-**	58,590,631
Financial assets at fair value through other comprehensive income against amounts due to related parties		**94,556,491**	-
Transfer of due from related parties to financial assets at fair value through other comprehensive income		**3,750,000**	-
Settlement of Zakat payable against value-added tax (VAT) receivables		**(8,672,470)**	-

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Finance Manager | Chief Executive Officer | Chairman

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

1. Company information

A- Company incorporation

Sumou Real Estate Company ("The Company") which is the parent company is a Saudi Joint Stock Company operating under Unified National number 7001555643 and Commercial registration number 2051034841 dated 3 Jumada Al Thani 1428H (corresponding to June 18, 2007) issued at Al-Khobar.

The address of the Company's head office is in Al-Khobar, Prince Turki Street, Al-Yarmouk District, PO Box 250, Al-Khobar 31952, Kingdom of Saudi Arabia.

The Company was established on 3 Jumada Al-Thani 1428H (corresponding to 18 June 2007) as a limited liability company. On 4 Safar 1431H (corresponding to 19 January 2010), the Company was converted into a closed joint stock company. Subsequently, it was converted into a public joint stock company and its shares were listed on the Parallel Market (Nomu) on 18 Ramadan 1441H (corresponding to 11 May 2020) under Commercial Registration No. 2051034841. The Company's shares were subsequently transferred to and listed on the Main Market (Tadawul) on 22 Safar 1445H (corresponding to 7 September 2023).
The Company's current share capital is Saudi Riyals 500,000,000, divided into 50,000,000 ordinary shares of Saudi Riyals 10 each, all of which are fully paid.

B- Nature of the Company's activities

The Company's activities include general construction of residential buildings and non-residential buildings (such as schools, hospitals, hotels, etc.), construction of airports and their facilities, on-site construction of prefabricated buildings, renovation of residential and non-residential buildings, purchase and sale of land and real estate, land subdivision, off-plan sales activities, management and leasing of owned or leased properties (both residential and non-residential), real estate brokerage activities, property management, and real estate auctions.

C- Fiscal year

The Company's fiscal year is twelve months in duration, commencing on January 1 and ending on December 31 of each calendar year.

D- Presentation and functional currency

The interim condensed consolidated financial information is prepared in Saudi Riyals, which is both the functional and presentation currency of the Company, all the numbers are rounded to the nearest Saudi Riyal (SAR), unless otherwise indicated.

2. Group information

These interim condensed consolidated financial information include assets, liabilities and the main activities of the above-mentioned commercial register and the following branches commercial registers:

Branches CR No	Location and registration
1010261561	Riyadh
4030189816	Jeddah
4031275053	Makkah

The interim condensed consolidated financial statements include the interim condensed consolidated financial statements for the Company and its subsidiaries (collectively referred to as the "Group") as follows:

Company name	Legal entity	Country of Incorporation	Actual Ownership Percentage	
			30 June 2026	**30 June 2025**
Al Mahafel Trading and Contracting Co. Ltd.	Limited Liability Co	Kingdom of Saudi Arabia	**80%**	80%
Anara Development Company	Limited Liability Co	Kingdom of Saudi Arabia	**100%**	100%

The assets, liabilities and results of operations of the above mentioned subsidiaries are included in the accompanying interim condensed consolidated financial information.

2. Group information (continued)

- **Al Mahafel Trading and Contracting Co. Ltd**. is a Saudi limited liability company registered under Commercial Registration No. 4030127728 in Jeddah, Dated 15 Rabi' Al-Thani 1420 AH, (corresponding to 28 July 1999). The main activity of the company is the general construction of residential buildings and non-residential buildings such as schools, hospitals, hotels, general construction of government buildings, construction of prefabricated buildings on sites, and renovations of residential and non-residential buildings.

- **Anara Development Company** is a Saudi limited liability company registered under Commercial Registration No. 4030534502 in Jeddah and dated 5-12-2023. Its activities include general construction of residential buildings and non-residential buildings such as schools, hospitals, hotels, etc., general construction of government buildings, and construction of prefabricated buildings on sites, renovations of residential and non-residential buildings, construction of roads, streets, sidewalks, and road supplies, general sports construction, including stadiums, building finishing, buying and selling land and real estate, dividing it, and off-plan sales activities, real estate development of residential buildings using modern construction methods, and real estate facility management.

3. BASIS OF PREPARATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

Applied Accounting Standards

These interim condensed consolidated financial information have been prepared in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting," as endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants (SOCPA). These interim condensed consolidated financial statements do not include all the information and disclosures normally required for a complete set of consolidated financial information prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards). However, selected accounting policies and explanatory notes have been 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 year ended 31 December 2025.

Accordingly, the same accounting policies and methods of computation applied in the preparation of the Group's consolidated financial statements for the year ended 31 December 2025 have been applied in preparing these interim condensed consolidated financial information, except for the impact of the new standards and amendments effective from 1 January 2026, as disclosed in Note 4-2. Accordingly, these interim condensed consolidated financial information should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2025. In addition, the financial results for the three-month and six-month periods ended 30 June 2026 are not necessarily indicative of the results that may be expected for the year ending 31 December 2026.

Basis of measurement

The interim condensed consolidated financial information has been prepared under the historical cost convention using the accrual basis of accounting and the going concern assumption, except for the following items in the interim condensed statement of financial position:

- Net employees defined benefit obligations, which is measured at the present value of the defined benefit obligation using the projected unit credit method.
- Lease liabilities, which are initially measured at the present value of the unpaid lease payments at the commencement date of the lease, using the interest rate implicit in the lease, if that rate can be readily determined; otherwise, the Group's incremental borrowing rate is used. Subsequently, lease liabilities are measured by increasing the carrying amount to reflect interest and reducing it by lease payments, with remeasurement when required.
- Financial assets classified at fair value through other comprehensive income (FVOCI), which are measured at fair value at the end of each reporting period.
- Bank loans and facilities, which are initially measured at fair value, net of directly attributable transaction costs, if any, and are subsequently measured at amortized cost using the effective interest rate method.
- Investments in associates, which are accounted for using the equity method.

3. BASIS OF PREPARATION INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

Going concern

These interim condensed consolidated financial information have been prepared on the going concern basis, which assumes that the Group will be able to manage its liquidity to ensure, as far as practicable, that it has sufficient liquidity to meet its obligations as they fall due under both normal and stressed conditions.

Basis of consolidation

The interim condensed consolidated financial statements incorporate the financial information of the Company and its subsidiaries detailed in note 2. Control is achieved when the Group:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- The size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Group, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of the subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary. Consolidated profit or loss and each component of other comprehensive income are attributed to the shareholders of the Company and the non-controlling interests based on shareholding percentage. All intra-group balances and transactions, including assets, liabilities, equity, revenues, expenses and cash flows arising from transactions between Group entities, are eliminated in full upon consolidation.

Significant accounting estimates and judgments

The preparation of the consolidated financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues, expenses and related disclosures.

These estimates and assumptions are based on historical experience and other factors that management believes are reasonable under the prevailing circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The principal accounting estimates and judgments include the assessment of the stage of completion of projects under development, the estimation of total expected project costs, the assessment of the net realizable value of projects under development, the assessment of impairment of investments, and the estimation of provisions and contingent liabilities.

Fair value measurement

The fair value of financial and non-financial assets and liabilities is measured in accordance with the approved Group's accounting policies. When measuring fair value, the Group uses observable market inputs whenever they are available.

3. BASIS OF PREPARATION INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Fair value measurements are categorized into the following levels of the fair value hierarchy:

- **Level 1:** Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- **Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- **Level 3:** Unobservable inputs based on management's assumptions.

Where fair value measurements use inputs from different levels of the fair value hierarchy, the entire measurement is classified in the lowest level input that is significant to the fair value measurement.

There were no changes in the valuation techniques or inputs used in measuring fair value compared to those applied in the year ended 31 December 2025.

4. MATERIAL ACCOUNTING POLICIES

4-1 Material accounting policies for the interim condensed consolidated financial information

Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognizes revenue when it transfers control over a product or service to a customer.

The Group assesses the goods or services promised in a contract with a customer and identifies each as a performance obligation if it is either:

a) a good or service that can be distinct; or
b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer (i.e. each distinct good or service is satisfied over time, and the same method is used to measure progress).

The Group satisfies a performance obligation and recognizes revenue over time, if the following criteria are met:

a) The Group's performance does not create an asset with an alternative use to the Group, and the Group has an enforceable right to payment for performance completed to date.
b) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
c) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

For the performance obligations where one of the above conditions is not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised services, it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of services recognized, this gives rise to contract liabilities.

Principal vs. Agent

The Group assesses whether it is acting as a principal or an agent when providing services to its customers. The Group recognizes revenue at the gross amount of the consideration to which it expects to be entitled when it controls the service before it is transferred to the customer, indicating that it is acting as a principal. Conversely, where the Group’s role is limited to arranging or facilitating the provision of the service by another party, it is acting as an agent and recognizes revenue only in the amount of the commission or fee to which it is entitled. This assessment is based on the relevant facts and circumstances, including the extent of the Group’s control over the service and its responsibility for satisfying the contractual performance obligations.

Sale of Off-Plan Properties Under Development

The Group recognizes revenue from the sale of properties under development over time, as the asset under development has no alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Revenue is recognized based on the progress made towards satisfying the performance obligations.

Progress is measured using the output method based on the percentage of completion certified by independent consultants, which faithfully reflects the value of work performed relative to the total contracted work. Management considers this method to provide the best representation of the transfer of control of the real estate units or services to customers.

4. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (continued)

4-1 Material accounting policies for the interim condensed consolidated financial information (continued)

Real-estate services revenue

- **Revenue from management fees**

Management fees are recognized as they are realized based on the terms of the concluded contracts, which include providing supervision and management services for investors. The performance obligation is satisfied over time.

- **Commission and agency revenue**

Represents revenue from commission and real-estate agency services and is recognized in the period in which it is earned, at a point in time, when the performance obligation is fulfilled. Management considers that the Group acts as a principal in this regard.

Investments in associates using the equity method

Associates are entities over which the Group has significant influence but neither control nor joint control.

Investments in associates are accounted for using the equity method. Under this method, the investment is initially recognized at cost and is subsequently adjusted to reflect the Group's share of the associate's profit or loss and changes in its equity after the date of acquisition.

The Group's share of the associate's profit or loss is recognized in the consolidated statement of profit or loss, while its share of the associate's other comprehensive income is recognized in other comprehensive income, with corresponding adjustments made to the carrying amount of the investment.

When the Group's share of losses of an associate exceeds the carrying amount of the investment, the Group discontinues recognizing its share of further losses unless it has incurred legal or constructive obligations on behalf of the associate. Recognition of the Group's share of future profits resumes only after its share of the profits equals the share of losses not previously recognized.

At the end of each reporting period, the Group assesses whether there is any indication that the investment may be impaired. If there is objective evidence of impairment, an impairment loss is recognized in the consolidated statement of profit or loss.

Upon the loss of significant influence, the Group discontinues the use of the equity method and recognizes in the consolidated statement of profit or loss any difference between the carrying amount of the investment and the sum of the proceeds from disposal and the fair value of any retained investment.

Projects under development

Projects under development represent real estate projects held by the Group for development and sale in the ordinary course of business. Projects under development are initially recognized at cost, which includes the cost of land acquisition, direct development and construction costs, infrastructure costs, professional and consultancy fees, qualifying borrowing costs eligible for capitalization, and any other costs directly attributable to the development of the project and preparing it for sale.

Subsequent to initial recognition, projects under development are measured at the lower of cost and net realizable value. Net realizable value represents the estimated selling price of the project in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale.

The Group performs periodic reviews of projects under development to assess whether there are any indicators of impairment. When the carrying amount of a project exceeds its net realizable value, an impairment provision is recognized to reduce the project to its net realizable value.

Projects under development are classified as current or non-current assets based on the expected development and sales cycle of each project and management's plans in relation thereto. The portion expected to be developed or sold within the next twelve months is classified as current assets, while the portion expected to be developed or sold after more than twelve months is classified as non-current assets.

Financial assets at fair value through other comprehensive income (FVOCI)

Equity instruments

On initial recognition of an investment in an equity instrument that is not held for trading, the Group may make an irrevocable election to present subsequent changes in the fair value of the investment through other comprehensive income. This election is made on an investment-by-investment basis.

Dividends from these investments are recognized in the consolidated statement of profit or loss as other income when the Group's right to receive payment is established.

4. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial assets at fair value through other comprehensive income (FVOCI) (continued)

Subsequent changes in fair value are not reclassified to the consolidated statement of profit or loss.

Borrowings and bank facilities

Borrowings are initially recognized at fair value, being the proceeds received, net of eligible transaction costs incurred, if any. Subsequent to initial recognition, borrowings are measured at amortized cost using the effective interest method, whereby the difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the consolidated statement of profit or loss over the term of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the borrowing to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fees are deferred until the drawdown occurs.

Where there is no evidence that it is probable that some or all of the facility will be drawn down, the fees are capitalized as a prepaid expenses for liquidity services and amortized over the period of the related facility.

Financial liabilities are derecognized from the consolidated statement of financial position when the obligation is discharged, cancelled or expires. The difference between the carrying amount of financial liability extinguished or transferred to another party, if any, and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statement of profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has, at the end of the reporting period, a right to defer settlement of the liability for at least twelve months after the reporting period.

General and specific borrowing costs, together with Murabaha finance costs, that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized during the period required to complete and prepare the asset for its intended use or sale. Other borrowing costs are recognized as an expense in the consolidated statement of profit or loss in the period in which they are incurred.

4-2 New standards, amendments to standards and interpretations

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

IFRS 18 “Presentation and Disclosure in Financial Statements” will replace IAS 1 “Presentation of Financial Statements” and is effective for annual reporting periods beginning on or after 1 January 2027. The Group has not early adopted the new accounting standard in the preparation of these interim financial statements; however, early application is permitted.

The Group is in the process of assessing the expected impact of the initial application of IFRS 18 “Presentation and Disclosure in Financial Statements” on its consolidated financial statements.

a) Structure of the Statement of Profit or Loss

IFRS 18 requires entities to classify all income and expenses presented in the statement of profit or loss into the following categories: operating, investing, financing, income taxes and zakat, and discontinued operations. The classification of income and expenses depends on the entity’s main business activities.

The application of IFRS 18 will not change the Group’s net profit or net assets. However, the Group will be required to present two new subtotals: “Operating profit” and “Profit or loss before financing and income taxes.” Nevertheless, the operating profit subtotal will differ 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 the statement of profit or loss as a result of the following:

- Interest income and interest expense are generally classified as finance income and finance costs, respectively, in accordance with the Group’s current accounting policy and are presented within the subtotal **“Net finance costs.”** IFRS 18 provides specific guidance on the classification of income and expenses within the investing and financing categories.

4. MATERIAL ACCOUNTING POLICIES (CONTINUED)

4-2 New standards, amendments to standards and interpretations (continued)

b) Management-defined Performance Measures

Management-defined performance measures represent subtotals of income and expenses that are used in public communications outside the financial statements and reflect management's view of an aspect of the financial performance of the entity as a whole. The Group will be required to disclose specified information relating to management-defined performance measures in a single note to the financial statements.

The Group is currently identifying the public communications that should be considered in determining its management-defined performance measures. These measures relate to the same reporting period covered by the financial statements. Accordingly, the management-defined performance measures to be disclosed by the Group upon the adoption of IFRS 18 will be determined based on the Group's public communications relating to the 2027 interim reporting period.

c) Aggregation and Disaggregation Principles

IFRS 18 introduces enhanced principles for the aggregation of information in the financial statements (i.e., the primary financial statements and the notes). It also provides guidance on the labelling and description of items presented in the primary financial statements or disclosed in the notes.

The Group is currently assessing the aggregation of items based on their similar and dissimilar characteristics. Based on this assessment, the Group will present line items in the primary financial statements that provide structured and useful summaries and will disclose additional material information in the notes.

The Group is also evaluating items that are currently presented under the caption "Other" and will use more descriptive labels where appropriate.

d) Consequential Amendments

IFRS 18 introduces consequential amendments to IAS 7, requiring entities to use the new operating profit subtotal as the starting point for the statement of cash flows when presenting cash flows from operating activities using the indirect method. The Group currently uses profit for the year/period as the starting point for the reconciliation to cash flows from operating activities. As a result of the new starting point, certain reconciliation items included in that reconciliation will change.

The consequential amendments also provide specific guidance on the classification of cash flows relating to interest and dividends. Under this guidance, the Group will classify cash flows arising from interest paid within financing activities rather than operating activities. Cash flows arising from interest received, dividends received, and dividends paid will continue to be classified within investing activities and financing activities, respectively.

5. SEGMENT INFORMATION

The segment information is attributable to the Group's activities and business as approved by Group's management to be used as a basis for the financial reporting preparation and consistent with the internal reporting process. Transactions between reportable segments are conducted on terms equivalent to those prevailing in arm's length transactions.

Segments' assets, liabilities and the operational activities comprise items that are directly attributable to certain segment and items that can reasonably be allocated between various business segments. Unallocated items are included under joint assets and liabilities.

The following table presents a summary of the Group's segment information (all in the Kingdom of Saudi Arabia) in Saudi riyals, based on the nature of the Group's activities:

	Real estate projects development	Real estate project management	Investments in equity instruments and properties	Others	Total
As of 30 June 2026 (Unaudited):					
Total assets	**960,614,171**	**230,081,145**	**587,642,263**	**56,839,902**	**1,835,177,481**
Total liabilities	**829,501,604**	**-**	**152,850,393**	**53,116,906**	**1,035,468,903**
For the period ended 30 June 2026 (Unaudited):					
Revenue	**270,275,276**	**63,919,883**	**-**	**-**	**334,195,159**
Gross profit	**37,306,151**	**56,028,086**	**-**	**-**	**93,334,237**

(All amounts are stated in Saudi Riyals unless otherwise stated)

5. SEGMENT INFORMATION (continued)

As of 31 December 2025 (Audited):					
Total assets	1,069,325,311	84,885,790	496,025,303	49,289,858	1,699,526,262
Total liabilities	853,144,720	-	61,524,009	18,605,288	933,274,017
For the period ended 30 June 2025 (Unaudited):					
Revenue	162,686,246	42,969,930	-	-	205,656,176
Gross profit	36,472,625	20,552,720	-	-	57,025,345

6. INVESTMENT PROPERTY UNDER DEVELOPMENT

Investment property under development represents costs incurred in relation to the Public Benefit Market project of the subsidiary, which is being developed to generate future rental income.
The details of the project are as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of period / year	**45,299,097**	37,096,528
Additions during the period / year	**6,701,696**	8,202,569
Balance at the ending of period / year	**52,000,793**	45,299,097

7. PROJECTS UNDER DEVELOPMENT

	30 June 2026 (Unaudited)	31 December 2025 (Audited) (Reclassified – note 22)
Areem 2 Project (7-A)	**232,138,551**	221,560,976
Al-Samia Project (7-B)	**141,609,573**	195,059,150
Areem 1 Project (7-C)	**45,627,632**	59,281,468
Iskan AlA'aly project (7-D)	**50,096,256**	55,491,340
Al Asela Project (7-E)	**20,611,501**	28,919,614
Dar Sumou Project (7-F)	**1,673,265**	1,264,039
	491,756,778	561,576,587

7-A) Project under development item represents the costs incurred in the Areem 2 Project to build and sell 915 villas in the city of Makkah on the lands of the Ministry of Housing allocated to Sumou Real Estate Company. Below are the project details:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	**221,560,976**	-
Development, implementation and construction costs incurred	**10,577,575**	221,560,976
Total	**232,138,551**	221,560,976
Work completed during the period / year	**-**	-
Balance at the end of the period / year	**232,138,551**	221,560,976

7-B) Project under development item represents the costs incurred in the Al-Samia Project to build and sell 451 villas in the city of Madina on the lands of the Ministry of Housing allocated to Sumou Real Estate Company. Below are the project details:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	**195,059,150**	167,431,755
Development, implementation and construction costs incurred	**56,048,948**	92,275,155
Total	**251,108,098**	259,706,910
Work completed during the period / year	**(109,498,525)**	(64,647,760)
Balance at the end of the period / year	**141,609,573**	195,059,150

(All amounts are stated in Saudi Riyals unless otherwise stated)

7. PROJECTS UNDER DEVELOPMENT (CONTINUED)

7-C) Project under development item represents the costs incurred in the Areem 1 Project to build and sell 357 villas in the city of Makkah on the lands of the Ministry of Housing allocated to Sumou Real Estate Company. Below are the project details:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	**59,281,468**	81,272,618
Development, implementation and construction costs incurred	**42,366,334**	92,687,438
Total	**101,647,802**	173,960,056
Work completed during the period / year	**(56,020,170)**	(114,678,588)
Balance at the end of the period / year	**45,627,632**	59,281,468

7-D) Project under development represents the costs incurred in the Iskan AlA'aly project to build and sell 297 appartment in the city of Dammam on the lands of the Ministry of Housing allocated to Sumou Real Estate Company. Below are the project details:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	**55,491,340**	16,656,564
Development, implementation and construction costs incurred	**2,876,169**	50,642,695
Total	**58,367,509**	67,299,259
Work completed during the period / year	**(8,271,253)**	(11,807,919)
Balance at the end of the period / year	**50,096,256**	55,491,340

7-E) Project under development represents the costs incurred in the Al Asela project to build and sell 326 villas in the city of Riyadh on the lands of the Ministry of Housing allocated to Sumou Real Estate Company. Below are the project details:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	**28,919,614**	65,603,120
Development, implementation and construction costs incurred	**37,043,208**	54,389,990
Total	**65,962,822**	119,993,110
Work completed during the period / year	**(45,351,321)**	(91,073,496)
Balance at the end of the period / year	**20,611,501**	28,919,614

7-F) Project under development represents the costs incurred in the Dar Sumou project to build and sell 412 villas in the city of Jeddah on the lands of the Ministry of Housing allocated to Sumou Real Estate Company. Below are the project details:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	**1,264,039**	425,260
Development, implementation and construction costs incurred	**409,226**	3,256,277
Total	**1,673,265**	3,681,537
Work completed during the period / year	**-**	(2,417,498)
Balance at the end of the period / year	**1,673,265**	1,264,039

Projects under development are classified as current assets when they are expected to be sold or realised within the Group's normal operating cycle, even if the operating cycle exceeds twelve months. Projects under development are classified as non-current assets only when they are not held for sale or expected to be realised within the Group's normal operating cycle.

(All amounts are stated in Saudi Riyals unless otherwise stated)

7. PROJECTS UNDER DEVELOPMENT (CONTINUED)

Classification of current portion / non-current portion	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Projects under development - Current portion	**444,300,279**	453,113,094
Projects under development – non-current portion	**47,456,499**	108,463,493
	491,756,778	561,576,587

8. CONTRACT ASSETS AND LIABILITIES

8-1 The movement is summarized as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Total costs incurred	**1,112,676,499**	879,707,374
Add:		
Total realized profit	**208,723,522**	80,786,478
Cumulative revenue recognized to date	**1,321,400,021**	960,493,852
Less: Progress billings	**(1,283,944,941)**	(974,513,546)
Less: Impairment allowance for contract assets	**(375,540)**	(375,540)
	37,079,540	(14,395,234)

8-2 Presented in the consolidated statement of financial position as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Contract assets	**98,180,012**	44,014,534
Contract liabilities	**(61,100,472)**	(58,409,768)
	37,079,540	(14,395,234)

8-3 The movement in the expected credit loss (ECL) allowance was as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	**375,540**	409,852
Reversal	**–**	(34,312)
Balance at the end of the period / year	**375,540**	375,540

9. RIGHT OF USE ASSETS AND LEASE LIABILITIES, NET

During 2021, The Group leased a land from the Ministry of Municipal and Rural Affairs (the Holy Capital Municipality - Asfan Municipality) at an annual rent of SR 1,321,750 and for a period of 25 years, with a total value of SR 33,043,750.

The present value of the rental payments was recorded on 3.5% interest rate basis and no other contractual terms. The table below shows the right of use assets balance and the depreciation charged as follows:

	Land	**Building**	**Total**
Cost			
Balance as at January 01, 2025 (Audited)	21,784,442	3,145,207	24,929,649
Additions	-	348,287	348,287
Balance as at December 31, 2025 and January 01, 2026 (Audited)	21,784,442	3,493,494	25,277,936
Balance as at 30 June, 2026 (Unaudited)	**21,784,442**	**3,493,494**	**25,277,936**
Accumulated depreciation			
Balance as at January 01, 2025 (Audited)	3,485,512	1,896,535	5,382,047
Charge for the period	871,378	889,769	1,761,147
Balance as at December 31, 2025 and January 01, 2026 (Audited)	4,356,890	2,786,304	7,143,194
Charge for the period	**436,890**	**443,976**	**880,866**
The balance as at 30 June, 2026 (Unaudited)	**4,793,780**	**3,230,280**	**8,024,060**
Net book value			
As at 30 June 2026 (Unaudited)	**16,990,662**	**263,214**	**17,253,876**
As at 31 December 2025 (Audited)	17,427,552	707,190	18,134,742

(All amounts are stated in Saudi Riyals unless otherwise stated)

9. RIGHT OF USE ASSETS AND LEASE LIABILITIES, NET (continued)

Lease liabilities

The carrying amounts of lease liabilities and the movements during the period / year are as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	**19,479,445**	20,824,885
Additions during the period / year	**-**	348,287
Finance cost during the period / year	**332,270**	712,567
Payment during the period / year	**(1,321,750)**	(2,406,294)
Balance at the end of the period / year	**18,489,965**	19,479,445

The lease liabilities classifications are as follows:	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Non-current lease liabilities	**16,708,473**	17,918,220
Current lease liabilities	**1,781,492**	1,561,225
Total lease liabilities	**18,489,965**	19,479,445

The finance cost recognized from lease liabilities during the period ended 30 June 2026 amounted to SR 332,270 (30 June 2025: SR 350,419)

10. INVESTMENTS IN ASSOCIATES

The investments in associates using the equity method are as follows:

	Actual Ownership Percentage			
	2026	2025	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Investments in Western Dhahiat Company (10-a)	**25%**	25%	**311,025,752**	314,198,467
Investments in Tanal Real Estate Development and Investment Company (10-b)	**-**	10%	**-**	9,408
			311,025,752	314,207,875

10-a) Investments in Western Dhahiat Company

The investment movement:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	**314,198,467**	265,612,350
Group's share of net loss for the period / year	**(164,488)**	(1,053,418)
Group's share of other comprehensive loss / income for the period/year*	**(3,008,227)**	49,639,535
Balance at the end of the period / year	**311,025,752**	314,198,467

*The Group's share of the associate's other comprehensive loss amounting to SAR 3,008,227 represents the Group's share of changes recognized directly in the associate's equity, which primarily relate to changes in the fair value of investments classified at fair value through other comprehensive income (FVOCI). These items are classified as components of other comprehensive income that will not be reclassified subsequently to the consolidated statement of profit or loss.

10-b) Investments in Tanal Real Estate Development and Investment Company

The investment movement:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	**9,408**	1,878,271
Dividends received	**-**	(1,865,271)
Share of loss for the period / year	**-**	(3,592)
Disposals	**(9,408)**	-
Balance at the end of the period / year	**-**	9,408

(All amounts are stated in Saudi Riyals unless otherwise stated)

10. INVESTMENTS IN ASSOCIATES USING THE EQUITY METHOD (Continued)

10-c) The Group's share of the results from business of associates Accounted for using the equity method

	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Western Dhahiat Company	**(164,488)**	(175,370)
Tanal Real Estate Development and Investment Company	**-**	(17,547)
	(164,488)	(192,917)

11. Financial assets at fair value through OCI

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Sumou Dahiet Real Estate Fund	**16,656,263**	16,809,241
Alinma Al Madinah Real Estate Fund	**19,427,660**	19,427,660
Alinma Ajyad Real Estate Fund	**25,260,000**	29,280,000
Alinma Al Taif Real Estate Fund	**21,512,940**	20,847,367
Al Jazeera Sumou Real Estate Fund	**99,203,158**	95,453,158
SEDCO Capital Sumou Almqr Fund	**94,556,490**	-
	276,616,511	181,817,426

The movement in the fair value changes of financial assets at fair value through other comprehensive income is as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	**181,817,426**	87,118,784
Additions during the period / year	**98,306,491**	95,453,156
Change in the Fair Value of Financial Assets at Fair Value through Other Comprehensive Income during the Period/Year	**(3,507,406)**	(754,514)
Balance at the end of the period / year	**276,616,511**	181,817,426

12. RELATED PARTIES TRANSACTIONS

The related parties are represented in the main shareholders, associate companies, affiliate companies, non-executive members of the board of directors, and senior management employees, where the employees of the higher management are the persons who exercise authority and responsibility in planning, managing and monitoring the Group's activities, directly or indirectly, including the managers.

The group had the following material transactions with major related parties during the period ended on 30 June 2026 and 30 June 2025:

Name	**Relationship**
Sumou Holding company	Main Shareholder
Sumou Global Investment Company	Affiliate company
Adeer Asar Real Estate Company	Affiliate company
Adeer Real Estate Company	Affiliate company
Asmou Real Estate Development Company	Affiliate company
Riyadah Gulf Management Company	Affiliate company
Buna Al Jazira for contracting Co.	Affiliate company
Western Dahiet Company	Associate company
Sumou Dahiet Real Estate Fund	Associated with board of directors
Alinma Al Madinah Real Estate Fund	Associated with board of directors
Alinma Ajyad Real Estate Fund	Associated with board of directors
Alinma Al Taif Real Estate Fund	Associated with board of directors
Al Jazeera Sumou Real Estate Fund	Associated with board of directors
SEDCO Capital Sumou Almqr Fund	Associated with board of directors
SEDCO Al Rimal Fund	Associated with board of directors
Alinma C Seed Fund	Associated with board of directors

(All amounts are stated in Saudi Riyals unless otherwise stated)

12. RELATED PARTIES TRANSACTIONS (CONTINUED)

- The transactions and amounts related to for the period ended on:

Description	Nature of the transaction	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Sumou Holding Company	Finance	**4,361,000**	12,578,082
Asmou Real Estate Development Company	Revenue	**30,000,000**	30,000,000
Buna Al Jazira For Contracting Co.	Contracting works cost	**44,963,083**	23,575,729
Sumou Global Investment Company	Revenue	**-**	6,525,415
Alinma Ajyad Real Estate Fund	Revenue	**1,599,000**	3,397,830
Adeer Asar Real Estate Company	Revenue	**1,469,765**	3,046,685
Adeer Asar Real Estate Company	Advance payments	**-**	9,215,999
Riyadah Gulf Management Company	Administrative services	**-**	600,000
Al Jazeera Sumou Real Estate Fund	Units in the fund	**3,750,000**	75,406,217
SEDCO Al Rimal Fund	Revenue	**7,772,371**	-
Alinma C Seed Fund	Revenue	**1,391,256**	-
Sumou Dahiet Real Estate Fund	Revenue	**18,000,000**	-
SEDCO Capital Sumou Almqr Fund	Units in the fund	**94,556,490**	-

- **Remunerations of Managers and Senior Management Staff:**

Description	Nature of the transaction	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Members of the Board of Directors and other committees	Allowances for attending sessions and bonuses	**1,340,500**	863,512
Senior management staff	Salaries and allowances	**3,474,001**	2,650,031

a. Due from related parties is as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Asmou Real Estate Development Company	**84,500,000**	60,000,000
Sumou Dahiet Real Estate Fund	**31,250,000**	20,700,000
Sumou Holding Company	**4,361,000**	-
Al Jazeera Sumou Real Estate Fund	**456,791**	4,185,790
	120,567,791	84,885,790

Amounts due from related parties are unsecured, non-interest bearing and have no fixed repayment terms. Management assesses the recoverability of these balances at each reporting date and considers them to be fully recoverable. Accordingly, no expected credit loss allowance has been recognized in respect of these balances as at the reporting date. Furthermore, there have been no significant changes in the assumptions and judgments applied in performing this assessment during the current period.

b. Due to related parties represent as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
SEDCO Capital Sumou Almqr Fund	**94,556,490**	-
Alinma Al Taif Real Estate Fund	**20,078,744**	21,470,000
Alinma Al Madinah Real Estate Fund	**19,427,660**	19,427,660
Alinma Ajyad Real Estate Fund	**18,787,499**	20,626,349
Buna Al Jazira for contracting Co	**7,792,024**	12,813,767
Adeer Asar Real Estate Co	**5,426,400**	6,896,165
	166,068,817	81,233,941

13. Bank Facilities

During the period, the Company obtained a Shariah-compliant Murabaha (Tawarruq) financing facility from SAB Bank amounting to SAR 40 million, which was received in cash. The financing bears a variable profit rate equal to three-month SAIBOR plus a margin of 2% per annum.

(All amounts are stated in Saudi Riyals unless otherwise stated)

13. Bank Facilities (continued)

The applicable profit rate at the inception of the financing was 6.70% per annum. The financing is repayable in accordance with the terms and repayment schedule specified in the financing agreement. The financing agreement does not include any specific pledges or security interests over the Company's assets. Instead, it is supported by an agency arrangement authorising the bank to execute the purchase and sale of commodities in accordance with the principles of Tawarruq. The facility is repayable in equal quarterly instalments of SAR 5 million each, commencing in August 2027 and maturing in May 2029.

14. ZAKAT PROVISION

14-A) Zakat assessment status:

The Group received Zakat assessments for the fiscal years 2019 and 2020 on 12 October 2021, resulting in additional Zakat assessments amounting to SAR 12,119,878.

The Group settled SAR 3,670,719 of the assessed amount and filed an objection with the Zakat, Tax and Customs Authority ("ZATCA") on 9 December 2021 against the remaining balance of SAR 8,449,159. The Preliminary Committee ruled in favour of the Group. ZATCA subsequently appealed the decision; however, on 21 May 2024, the Appellate Committee upheld the Preliminary Committee's decision, confirming that no additional Zakat liabilities were payable for the fiscal years 2019 and 2020. The Group has not yet received the final Zakat assessments for the fiscal years 2021 and 2022.

During 2025, the Group received the Zakat assessment for the fiscal year 2023, which did not result in any additional Zakat liabilities.

During 2025, the Zakat, Tax and Customs Authority (ZATCA) requested additional information in connection with its examination of the Group's 2024 Zakat return. The examination was conducted by ZATCA during 2026. As of the date of authorization of these interim condensed consolidated financial information, the final Zakat assessment has not yet been issued. Accordingly, a provision of SAR 1,432,315 has been recognized for the expected Zakat differences based on the assessment of the Group's tax advisor.

During 2026, the Company filed its Zakat return for the fiscal year 2025.

14-B) The movement of the zakat provision:

	30 June 2026 (Unaudited)	31 December 2025 (Audited) (reclassified – note 22)
Balance at the beginning of the period/ year	**10,515,606**	8,491,970
Charge during the period/ year	**5,435,906**	10,515,732
Expected Zakat differences for the fiscal year 2024	**1,432,315**	-
Prior years' adjustments during the period / year	**329,545**	(2,111,204)
Paid during the period/ year	**(2,172,681)**	(6,380,892)
Settlement against value-added tax (VAT) receivable*	**(8,672,470)**	-
Provision balance at the end of the period/ year	**6,868,221**	10,515,606

* The settlement against value-added tax (VAT) receivables represents the utilization of the debit balance with the Zakat, Tax and Customs Authority (ZATCA) to settle the Group's Zakat liability for the year 2025.

15. SHARE CAPITAL

The Company's share capital is SR 500 million as at June 30, 2026 (December 31, 2025: SR 500 million), consisting of 50 million shares as at June 30, 2026 (December 31, 2025: 50 million shares) issued and fully paid, with a par value of SR 10 per share.

16. REVENUE

	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Real-estate development revenue	**244,878,233**	131,251,939
Real-estate services revenue	**63,919,883**	42,969,930
Contracting revenue	**25,397,043**	31,434,307
	334,195,159	205,656,176

(All amounts are stated in Saudi Riyals unless otherwise stated)

16. REVENUE (CONTINUED)

The total revenue from related parties amounted to SR 60,232,392 for the period ended June 30, 2026 (June 30, 2025: SR 42,969,930) - Note 12.

Revenue by timing of revenue recognition

	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Revenue recognized over time	**286,195,159**	169,130,761
Revenue recognized at a point in time	**48,000,000**	36,525,415
	334,195,159	205,656,176

17. OTHER INCOME

	30 June 2026 (Unaudited)	30 June 2025 (Unaudited) Reclassified – Note 22)
Income from bank deposits	**317,690**	-
Gain on sale of investment properties	**-**	15,185,441
Other	**-**	8,583
	317,690	15,194,024

18. EARNINGS PER SHARE

Earnings per share relating to net income has been calculated by dividing profit for the period attributable to the shareholders of the parent company by the weighted average number of ordinary shares outstanding during the period, which amounted to 50 million shares as on June 30, 2026 (June 30, 2025: 50 million shares).

	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Net profit for the period attributable to the parent Company's shareholder	**67,095,933**	59,442,930
Weighted average number of shares during the period	**50,000,000**	50,000,000
Basic and diluted earnings per share for the net profit for the period	**1.34**	1.19

19. DIVIDEND DISTRIBUTION

The Board of directors, in their meeting held on March 3, 2026, approved cash dividend distributions to shareholders amounting to SR 25 Million in respect of the second half of 2025. this decision was made under the authorization granted to the Board by the ordinary General Assembly held on May 28, 2025.

The Board of directors, in their meeting held on March 7, 2025, approved cash dividend distributions to shareholders amounting to SR 25 Million in respect of the second half of 2024. this decision was made under the authorization granted to the Board by the ordinary General Assembly held on June 6, 2024.

20. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As of June 30, 2026, the Group has contingent liabilities in the form of letters of guarantee, of which the uncovered portion amounting to SR 63,958,125 (December 31, 2025: SR 46,998,047).

As at 30 June 2026, the Group had outstanding operating and capital commitments in respect of its projects amounting to SAR 354,258,068 (31 December 2025: SAR 440,672,482).

21. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including fair value measurement risk, credit risk, liquidity risk, market risk, and capital management risk. Management reviews and approves the policies for managing each of these risks, which are summarized below:

Fair Value Measurement of Financial Instruments

The fair values of the Group's financial and non-financial assets and liabilities are measured in accordance with the Group's accounting policies. In measuring fair value, the Group uses observable market data whenever available.
Fair value measurements are categorized into the following levels based on the fair value hierarchy:

21. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Fair Value Measurement of Financial Instruments (continued)

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs based on management's assumptions.

Where fair value measurements use inputs from different levels of the fair value hierarchy, the measurement is classified in its entirety within the lowest level input that is significant to the overall fair value measurement.

There were no changes in the valuation techniques or inputs used in measuring fair value compared to those applied in the financial year ended 31 December 2025.

The following table presents an analysis of financial instruments measured at fair value, classified by level within the fair value hierarchy:

	30 June 2026 (Unaudited)			
	Level 1	**Level 2**	**Level 3**	Total
	(Saudi Riyals)			
Financial assets at fair value through OCI	**-**	**276,616,511**	**-**	**276,616,511**
	-	**276,616,511**	**-**	**276,616,511**

	31 December 2025 (Audited)			
	Level 1	Level 2	Level 3	Total
	(Saudi Riyals)			
Financial assets at fair value through OCI	-	181,817,426	-	181,817,426
	-	181,817,426	-	181,817,426

Capital Risk Management

The Group's objective is to maintain a strong capital base that supports the continuity of its operations and enhances long-term shareholder value. Capital comprises the issued share capital and all components of equity attributable to the shareholders of the Parent Company.

The Group reviews its capital structure on a regular basis in light of changes in economic conditions and business requirements. When considered appropriate, the Group may adjust dividend distributions or take other appropriate actions to maintain an optimal capital structure.

The Group monitors its capital using the net gearing ratio, which is calculated by dividing net debt by total equity. Net debt comprises bank facilities, lease liabilities, and land obligations relating to projects under development, net of cash and cash equivalents and restricted cash.

There were no material changes in the Group's objectives, policies, or processes for managing capital during the period.

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Lands obligations against projects under development	**520,738,155**	540,244,181
Bank facilities	**40,000,000**	-
Lease liabilities	**18,489,965**	19,479,445
Less: cash and cash equivalents	**(43,394,687)**	(45,121,458)
Less: Restricted Cash	**(216,795,860)**	(210,261,746)
Net debt	**319,037,573**	304,340,422
Net shareholders’ equity	**799,708,578**	766,252,245
Gearing ratio	**%40**	٪40

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prevailing prices. Market risk comprises three types of risk: profit rate risk, foreign currency risk, and price risk.

a) Commission Rate Risk

Commission rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market commission rates.

21. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Market Risk (continued)

The Group's exposure to changes in market commission rates relates primarily to its bank facilities bearing variable interest rates.

The Group manages its commission rate risk through regular monitoring of the commission rates applicable to its interest-bearing financial instruments. Financial liabilities subject to market commission rates, which consist principally of bank facilities, bear variable interest rates and are subject to periodic repricing. Management monitors changes in commission rates and believes that the Group's exposure to fair value commission rate risk and cash flow commission rate risk is not material. Accordingly, the Group is not exposed to material cash flow commission rate risk or fair value commission rate risk.

b) Foreign Currency Risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign currencies' exchange rates. The Group is not exposed to significant foreign currency risk as its significant transactions are denominated in Saudi Riyals.

c) Price Risk

The Group is exposed to price risk arising from its equity investments. The Group holds equity investments for strategic purposes rather than for trading and does not actively trade in these investments.

Credit Risk Management

Credit risk is the risk that a counterparty to a financial instrument will fail to meet its contractual obligations, resulting in a financial loss to the Group. The Group is exposed to credit risk arising from its bank balances, trade receivables, amounts due from related parties, and contract assets, as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Cash and cash equivalents	**43,394,687**	45,121,458
Restricted cash	**216,795,860**	210,261,746
Due from related parties	**120,567,791**	84,885,790
Contract assets	**98,180,012**	44,014,534
Trade receivables	**100,421,171**	94,951,637
	579,359,521	479,235,165

Liquidity Risk Management

Liquidity risk is the risk that the Group will encounter difficulty in obtaining sufficient funds to meet its obligations associated with financial instruments. Liquidity risk may arise from the inability to sell a financial asset quickly at an amount close to its fair value.

30 June 2026 (Unaudited)	**Carrying Amount**	**Contractual Cash Flows**	**Less than One Year**	**1 to 5 Years**	**More than 5 Years**
Accounts payables	**37,488,055**	**37,488,055**	**37,488,055**	**-**	**-**
Bank facilities	**40,000,000**	**42,032,197**	**677,399**	**41,354,798**	**-**
Lands obligations against projects under development	**520,738,155**	**522,322,046**	**430,315,937**	**92,006,109**	**-**
Accrued expenses and other liabilities	**175,230,815**	**175,230,815**	**175,230,815**	**-**	**-**
Lease liabilities	**18,489,965**	**25,818,613**	**1,785,193**	**6,850,670**	**17,182,750**
	791,946,990	**802,891,726**	**645,497,399**	**140,211,577**	**17,182,750**

31 December 2025 (Audited)	**Carrying Amount**	**Contractual Cash Flows**	**Less than One Year**	**1 to 5 Years**	**More than 5 Years**
Accounts payables	10,506,142	10,506,142	10,506,142	-	-
Lands obligations against projects under development	540,244,181	544,332,061	382,396,311	161,935,750	-
Accrued expenses and other liabilities	206,009,364	206,009,364	206,009,364	-	-
Lease liabilities	19,479,445	27,136,331	2,360,262	6,271,569	18,504,500
	776,239,132	787,983,898	601,272,079	168,207,319	18,504,500

(All amounts are stated in Saudi Riyals unless otherwise stated)

22. RECLASSIFICATION OF COMPARATIVE FIGURES

During the period, management performed a detailed review of the presentation of certain comparative amounts and identified instances where certain balances had not been classified under the most appropriate line items.

Management reviewed the presentation of certain comparative amounts and reclassified certain items to provide a more appropriate and consistent presentation. The reclassifications were applied to the comparative consolidated statement of financial position as at 31 December 2025 and the comparative interim condensed consolidated statement of profit or loss for the three-month and six-month periods ended 30 June 2025. These reclassifications had no impact on net profit or total equity. The reclassifications comprised the following:

- Reclassification of SAR 45.3 million from Projects under development – non-current portion to Investment property projects under development in the consolidated statement of financial position, to reflect the nature of these assets more appropriately.
- Reclassification of selling and marketing-related costs amounting to SAR 3.3 million (SAR 1.8 million for the three-month period) from Cost of revenues to Selling and marketing expenses in the statement of profit or loss, to better reflect the nature of these expenses.
- Reclassification of SAR 112.6 million from Projects under development – current portion to Projects under development – non-current portion in the consolidated statement of financial position, to reflect the expected timing of their realisation and their nature, thereby providing a more appropriate presentation in accordance with their classification as current and non-current assets.
- Reclassification of SAR 2.1 million (SAR 2.1 million for the three-month period) from Other income to Zakat expense in the statement of profit or loss, to better reflect the nature of this item.
- Reclassification of SAR 4.1 million from Land obligations against projects under development – non-current portion to Projects under development – non-current portion in the consolidated statement of financial position, representing the present value effect of the liability, in line with its expected settlement period and nature, thereby providing a more appropriate presentation in accordance with its classification.

The items were reclassified as follows:

- **Effect on the consolidated statement of financial position as at 31 December 2025:**

	Balance as previously stated	Reclassification	**Balance after reclassification**
Investment property under development	-	45,299,097	45,299,097
Projects under development - non-current portion	45,299,097	63,164,396	108,463,493
Projects under development - current portion	565,664,467	(112,551,373)	453,113,094
Lands obligations against projects under development - non-current portion	161,935,750	(4,087,880)	157,847,870

- **Effect on the interim condensed consolidated statement of profit or loss for the six-month period ended 30 June 2025**

	Balance as previously stated	Reclassification	**Balance after reclassification**
Cost of revenue	(151,954,786)	3,323,955	(148,630,831)
Selling and marketing expense	-	(3,323,955)	(3,323,955)
Other income	17,305,228	(2,111,204)	15,194,024
Zakat expense	(3,524,163)	2,111,204	(1,412,959)

- **Effect on the interim condensed consolidated statement of profit or loss for the three-month period ended 30 June 2025**

	Balance as previously stated	Reclassification	**Balance after reclassification**
Cost of revenue	(79,165,876)	1,783,839	(77,382,037)
Selling and marketing expense	-	(1,783,839)	(1,783,839)
Other income	17,296,646	(2,111,204)	15,185,442
Zakat expense	(974,163)	2,111,204	1,137,041

22. RECLASSIFICATION OF COMPARATIVE FIGURES (CONTINUED)

- **Effect on the Interim condensed consolidated Statement of Comprehensive Income, Interim condensed consolidated Statement of Changes in Equity and Interim condensed consolidated Statement of Cash Flows for the six-month period ended 30 June 2025**

The reclassifications did not have any material impact on the Interim Condensed Consolidated Statement of Comprehensive Income, the Interim Condensed Consolidated Statement of Changes in Equity, or the Interim Condensed Consolidated Statement of Cash Flows for the six-month period ended 30 June 2025.

23. SUBSEQUENT EVENTS

On 30 July 2026, the Company’s Board of Directors resolved to distribute interim cash dividends to the Company’s shareholders for the first half of 2026, amounting to SAR 25 million, equivalent to SAR 0.50 per share. The number of shares eligible for the distribution was 50 million shares.

Except for the matter described above, there were no material subsequent events between 30 June 2026 and the date of approval of these interim condensed consolidated financial information that require adjustment to the amounts recognized or additional disclosure.

24. SIGNIFICANT EVENTS

In March 2026, geopolitical instability in the Middle East escalated, which may have an impact across countries in the region. The Group's management continues to closely monitor these geopolitical developments and has concluded that these events represent non-adjusting significant events that do not require any adjustments to the interim condensed consolidated financial information .

Although the Group's interim condensed consolidated financial position has not been affected at present, the group management continues to assess the potential impact of these developments on the Group's future operations.

25. APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved by the board of directors on 16 Safar 1448H corresponding to 30 July 2026.