

BONYAN REIT FUND
(A Closed-Ended Fund Real Estate Investments Traded Fund)
(Managed by Saudi Fransi Capital Company)

CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
together with
THE INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

BONYAN REIT FUND
(MANAGED BY SAUDI FRANSI CAPITAL COMPANY)
CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

For the six-month period ended 30 June 2025

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Report on review of condensed interim financial information

To the Unitholders and Fund Manager of
Bonyan REIT Fund

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Bonyan REIT Fund (the "Fund") as of 30 June 2025 and the related condensed interim statements of comprehensive income, changes in equity attributable to the unitholders and cash flows for the six-month period then ended and other explanatory notes. Fund Manager is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Accounting Standard 34 - "Interim Financial Reporting" (IAS 34), as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity", as endorsed in the Kingdom of Saudi Arabia. A review of interim financial 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 condensed interim financial information is not prepared, in all material respects, in accordance with IAS 34, as endorsed in the Kingdom of Saudi Arabia.

PricewaterhouseCoopers

Waleed A. Alhidiri
License Number 559

7 August 2025

BONYAN REIT FUND
(Managed by Saudi Fransi Capital Company)
(All amounts in ﷲ unless otherwise stated)

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

		<i>As at</i> 30 June 2025 <i>(Un-audited)</i>	<i>As at</i> 31 December 2024 <i>(Audited)</i>
	<i>Notes</i>		
ASSETS			
Cash and cash equivalents	7	34,971,085	70,383,023
Murabaha deposits		19,864,513	37,795,683
Investments measured at fair value through profit or loss (“FVTPL”)	8	22,673,141	81,223
Rental income receivable, net	9	92,650,536	75,512,652
Prepayment and other assets		9,213,734	10,302,509
Intangible assets, net	10	1,520,820	2,256,419
Property and equipment, net	11	214,785,622	211,727,093
Investment properties, net	12	1,717,863,969	1,734,905,178
TOTAL ASSETS		2,113,543,420	2,142,963,780
LIABILITIES			
Bank borrowings	13	638,205,198	638,317,883
Deferred rental income		78,523,713	78,230,844
Management fee payable	14	3,408,672	6,960,718
Accrued expenses and other liabilities		35,268,214	55,807,699
TOTAL LIABILITIES		755,405,797	779,317,144
Equity attributable to the Unitholders		1,358,137,623	1,363,646,636
Units in issue		162,881,100	162,881,100
Equity value per unit in Saudi Riyals – Book value		8.3382	8.3720

The accompanying notes from 1 to 23 form an integral part of these condensed interim financial information.

BONYAN REIT FUND
(Managed by Saudi Fransi Capital Company)
(All amounts in ₪ unless otherwise stated)

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
(UN-AUDITED)

		<i>For the six-month period ended 30 June 2025</i>	<i>For the six-month period ended 30 June 2024</i>
	<i>Notes</i>		
Income:			
Income from properties	15	134,453,811	131,287,119
Net gain on investment measured at FVTPL	8	917,638	1,215
Other income		8,308,247	436,067
		143,679,696	131,724,401
Expenses:			
Property management expenses		(42,531,736)	(47,772,659)
Management fee	14	(3,488,774)	(3,490,199)
Other expenses		(1,100,843)	(1,192,877)
Amortisation of intangibles	10	(735,599)	(972,310)
Depreciation of property and equipment	11	(2,851,293)	(2,974,105)
Reversal of impairment loss on property and equipment	11	740,283	6,488,446
Depreciation of investment properties	12	(21,984,775)	(18,866,222)
Reversal of impairment loss on investment properties	12	4,481,782	6,493,158
		(67,470,955)	(62,286,768)
PROFIT BEFORE FINANCE COST		76,208,741	69,437,633
Profit on Murabaha deposits		518,911	1,268,971
Finance cost	13	(21,970,658)	(13,626,625)
Net finance cost		(21,451,747)	(12,357,654)
NET INCOME BEFORE ZAKAT FOR THE PERIOD		54,756,994	57,079,979
Zakat charge during the period		-	-
NET INCOME AFTER ZAKAT FOR THE PERIOD		54,756,994	57,079,979
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		54,756,994	57,079,979
EARNINGS PER UNIT			
Weighted average number of units in issue		162,881,100	162,881,100
Earnings per unit (basic and diluted)		0.3362	0.3504

The accompanying notes from 1 to 23 form an integral part of these condensed interim financial information.

BONYAN REIT FUND
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(All amounts in ﷲ unless otherwise stated)

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY ATTRIBUTABLE TO UNITHOLDERS (UN-AUDITED)

	<i>For the six-month period ended 30 June 2025</i>	<i>For the six-month period ended 30 June 2024</i>
EQUITY ATTRIBUTABLE TO THE UNITHOLDERS AT THE BEGINNING OF THE PERIOD	1,363,646,636	1,384,340,101
CHANGES FROM OPERATIONS		
Total comprehensive income for the period	54,756,994	57,079,979
Income distributions during the period (Note 16)	(60,266,007)	(53,750,763)
EQUITY ATTRIBUTABLE TO THE UNITHOLDERS AT THE END OF THE PERIOD	1,358,137,623	1,387,669,317
UNIT TRANSACTIONS		
Transactions in units during the period are summarised as follows:		
	<i>For the six-month period ended 30 June 2025 Units</i>	<i>For the six-month period ended 30 June 2024 Units</i>
UNITS AT THE START AND END OF THE PERIOD	162,881,100	162,881,100

The accompanying notes from 1 to 23 form an integral part of these condensed interim financial information.

BONYAN REIT FUND
(Managed by Saudi Fransi Capital Company)
(All amounts in ₪ unless otherwise stated)

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

		<i>For the six-month period ended 30 June 2025</i>	<i>For the six-month period ended 30 June 2024</i>
	<i>Notes</i>		
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income before zakat for the period		54,756,994	57,079,979
<i>Adjustment for:</i>			
Amortisation expense on intangibles	10	735,599	972,310
Depreciation expense on property and equipment	11	2,851,293	2,974,105
Reversal of impairment loss on property and equipment	11	(740,283)	(6,488,446)
Net loss on sale of property and equipment		-	43,651
Depreciation expense on investment properties	12	21,984,775	18,866,222
Reversal charge of impairment on investment properties	12	(4,481,782)	(6,493,158)
Net gain on sale of investment properties		-	(7,100,518)
Net gain on investments at FVTPL	8	(917,638)	(1,215)
Finance cost	13	21,970,658	13,626,625
Operating cash flows before working capital changes		96,159,616	73,479,555
Changes in operating assets			
Rental income receivable		(17,137,884)	(8,719,272)
Prepayment and other assets		1,088,775	(1,788,096)
Advances for investments		-	(101,250,000)
Changes in operating liabilities			
Deferred rental income		292,869	(9,222,356)
Management fee payable		(3,552,046)	(51,154)
Accrued expenses and other liabilities		(20,539,485)	8,708,479
NET CASH FLOW GENERATED FROM / (USED IN) OPERATING ACTIVITIES		56,311,845	(38,842,844)
CASH FLOWS FROM INVESTING ACTIVITIES			
Subscription of investments measured at FVTPL	8	(82,852,291)	-
Proceeds from redemption of investments measured at FVTPL	8	61,178,011	-
Payment for acquisition to intangible assets	10	-	(103,425)
Payment for acquisition of property and equipment	11	(5,687,574)	(6,987,614)
Proceeds from sale of property and equipment	11	518,035	-
Payment for acquisition of investment properties	12	(461,784)	(213,000,000)
Proceeds from sale of investment properties	12	-	52,755,581
Murabaha deposit placements		17,931,170	30,683,678
NET CASH FLOW USED IN INVESTING ACTIVITIES		(9,374,433)	(136,651,780)

The accompanying notes from 1 to 23 form an integral part of these condensed interim financial information.

BONYAN REIT FUND
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(All amounts in ₪ unless otherwise stated)

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) (continued)

		<i>For the six-month period ended 30 June 2025</i>	<i>For the six-month period ended 30 June 2024</i>
	Notes		
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from bank borrowings	13	-	708,532,553
Bank borrowings repaid	13	-	(453,214,575)
Finance cost paid	13	(22,083,343)	(11,054,111)
Dividends paid, net off unclaimed dividend	16	(60,266,007)	(53,750,763)
NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITY		(82,349,350)	190,513,104
NET CHANGE IN CASH AND CASH EQUIVALENTS		(35,411,938)	15,018,480
Cash and cash equivalents at the beginning of the period	7	70,383,023	55,801,228
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	7	34,971,085	70,819,708

The accompanying notes from 1 to 23 form an integral part of these condensed interim financial information.

BONYAN REIT FUND

(Managed by Saudi Fransi Capital Company)

(All amounts in ₪ unless otherwise stated)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

(UN-AUDITED)

For the six-month period ended 30 June 2025

1. THE FUND AND ITS ACTIVITIES

Bonyan REIT Fund (the “REIT” or the “Fund”) is a closed-ended Shariah compliant real estate investment traded fund. The Fund commenced its operations on 3 July 2018. The listing date of the Fund was on 25 July 2018.

The REIT is managed by Saudi Fransi Capital Company (the “Fund Manager”), a Saudi Closed Joint Stock company with Commercial Registration No.1010231217, and a Capital Market Institution licensed by the Capital Market Authority (“CMA”) under license no. 11153-37 dated 30 January 2011.

The REIT is listed on the Saudi Exchange (“Tadawul”) and the units of the REIT are traded on Tadawul in accordance with its rules and regulations. The REIT has a term of 99 years, which is extendable with the approval of the Fund Board and CMA.

The primary investment objective of the REIT is to provide its investors with regular income by investing in income generating real estate assets in Saudi Arabia, United Arab Emirates and globally, provided that the Fund’s investments outside Saudi Arabia do not exceed 25% of Fund’s assets. In addition to this, the Fund may also opportunistically invest in real estate development projects, provided that the Fund invests at least 75% of the assets of the Fund in income generating real estate assets and that the Fund does not invest in white lands.

The terms and conditions of the Fund have been approved by the CMA on 12 Sha’aban 1438H (corresponding to 8 May 2017). The terms and conditions have been updated on 15 Rabi’ II 1445H (corresponding to 30 October 2023).

AlBilad Investment Company is the Custodian for the Fund.

As the Fund is not legally permitted to own real estate properties in the Kingdom of Saudi Arabia, accordingly, the Custodian has established the following special purpose vehicles (“SPV”) and branches to hold the titles of the properties for the benefit of the Fund without any controlling interest in the assets.

Name	Commercial registration number / unified identification	Date	Location
	Number		
Bonyan Real Estate Fund Company	1010901003/ 7010921786	15 November 2017	Riyadh, Saudi Arabia
Hotel Courtyard by Marriot – Jazan (Branch of Bonyan Real Estate Fund Company)	7013468744/ 5900023484	25 June 2013	Jazan, Saudi Arabia
Residence Inn Apartments by Marriot – Jazan (Branch of Bonyan Real Estate Fund Company)	7014498807/ 5900033503	27 November 2016	Jazan Saudi Arabia
BSIF Investment (wholly owned subsidiary of Bonyan Real Estate Fund Company)	797051	26 December 2017	Dubai, United Arab Emirates

2. REGULATORY AUTHORITY

The Fund is governed by the Real Estate Investment Fund Regulations (REIFR) (the “Regulations”) issued by the Board of CMA pursuant to its Resolution Number 1 - 913 - 2006 on 19 Jamada Al-Akhirah 1427 (corresponding to 15 July 2006) and new amendment number 2-22-2021 by resolution of the Board of the CMA on 12 Rajab 1442H (corresponding to 24 February 2021) effective from 19 Ramadan 1442H (corresponding to 1 May 2021) by the New Investment Fund Regulations (“Amended Regulations”) published by the Capital Market Authority on 17 Rajab 1442H (corresponding to 1 March 2021) detailing requirements for all real estate investment funds within the Kingdom of Saudi Arabia. During the period ended 30 June 2025, CMA has issued another amendment to the regulation via amendment number 1-54-2025 issued on 23 Dhul Qidah 1446H (corresponding to 21 May 2025) which is effective subsequent to the period ended 30 June 2025, from 14 Muharram 1442H (corresponding to 9 July 2025).

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
(UN-AUDITED)

For the six-month period ended 30 June 2025

3. BASIS OF PREPARATION

3.1 Statement of Compliance

This condensed interim financial information has 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 Organisation for Chartered and Professional Accountants (“SOCPA”).

This condensed interim financial information does not include all the information and disclosures required in the annual financial statements, therefore, this should be read in conjunction with the Fund’s annual audited financial statements as at and for the year ended 31 December 2024. The results for the six-month period ended 30 June 2025 are not necessarily indicative of the results that may be expected for the financial year ended 31 December 2025.

Assets and liabilities in the condensed interim statement of financial position are presented in the order of liquidity.

3.2 Basis of measurement

This condensed interim financial information is prepared under the historical cost convention, using the accrual basis of accounting except for investment held at fair value through profit or loss (“FVTPL”) that are measured at fair value.

3.3 Functional and presentation currency

This condensed interim financial information is presented in Saudi Riyal (“ﷲ”), which is the Fund’s functional and presentation currency. All financial information presented has been rounded to the nearest ﷲ.

4. ACCOUNTING AND RISK MANAGEMENT POLICIES

The accounting and risk management policies used in the preparation of this condensed interim financial information is consistent with those used and disclosed in the financial statements for the year ended 31 December 2024.

5. ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The significant accounting estimates used in the preparation of this condensed interim financial information is consistent with those used and disclosed in the financial statements for the year ended 31 December 2024.

Going concern

The Fund Manager made an assessment of the Fund’s ability to continue as a going concern and is satisfied that the Fund has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt about the Fund’s ability to continue as a going concern. Therefore, this condensed interim financial information continues to be prepared on the going concern basis.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
For the six-month period ended 30 June 2025

6. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS

New standards, interpretations and amendments adopted by the Fund

The International Accounting Standard Board (IASB) has issued following accounting standards, amendments, which were effective from periods on or after 1 January 2025. The management has assessed that the amendments have no significant impact on the Fund's condensed interim financial information.

Standard, interpretation, amendments	Description	Effective from annual periods beginning on or after
Amendments to IAS 21 - Lack of Exchangeability	An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.	1 January 2025

New standards, interpretations and amendments not yet effective and not early adopted by the Fund

The listing of standards and interpretations issued which the Fund reasonably expects to be applicable at a future date are as follows. The Fund intends to adopt these standards when they become effective. These amendments and standards except IFRS 18 are not expected to have any significant impact on the financial statements of the Fund.

Standard, interpretation and amendments	Description	Effective from annual periods beginning on or after
Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	<p>These amendments:</p> <ul style="list-style-type: none"> clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI) 	1 January 2026

BONYAN REIT FUND

(Managed by Saudi Fransi Capital Company)

(All amounts in ₪ unless otherwise stated)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

For the six-month period ended 30 June 2025

6. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (continued)**New standards, interpretations and amendments not yet effective and not early adopted by the Fund (continued)**

Standard, interpretation and amendments	Description	Effective from annual periods beginning on or after
Annual improvements to IFRS – Volume 11	Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards: <ul style="list-style-type: none"> • IFRS 1 First-time Adoption of International Financial Reporting Standards; • IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7; • IFRS 9 Financial Instruments; • IFRS 10 Consolidated Financial Statements; and • IAS 7 Statement of Cash Flows. 	1 January 2026
IFRS 18, 'Presentation and Disclosure in Financial Statements'	This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to: <ul style="list-style-type: none"> • the structure of the statement of profit or loss; • required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management defined performance measures); and • enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. 	1 January 2027
Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.	Effective date deferred indefinitely

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NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
For the six-month period ended 30 June 2025

7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following:

	<i>As at 30 June 2025 (Un-audited)</i>	<i>As at 31 December 2024 (Audited)</i>
Bank balance	34,929,887	70,346,523
Cash in hand	41,198	36,500
	34,971,085	70,383,023

The Fund Manager has conducted a review as required under IFRS 9 and based on such an assessment, the effect of expected credit loss allowance against the carrying value of cash and cash equivalents is insignificant as the balances are held with investment grade credit rated financial institutions and therefore has not been recognised in this condensed interim financial information.

8. INVESTMENTS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

Investments as at the reporting date comprise of investments in mutual funds.

	<i>As at 30 June 2025 (Un-audited)</i>	<i>As at 31 December 2024 (Audited)</i>
<u>Financial assets measured at fair value through profit or loss (FVTPL)</u>		
Al Badr Murabaha Fund - SAR	22,594,196	3,301
Riyadh SAR Trade Fund	78,945	77,922
	22,673,141	81,223

The following is the movement in investments during the period / year;

	<i>As at 30 June 2025 (Un-audited)</i>	<i>As at 31 December 2024 (Audited)</i>
Carrying amount:		
At the beginning of the period / year	81,223	78,485
Additions during the period	82,852,291	-
Disposal during the period	(61,178,011)	-
Net gain on investment measured at FVTPL for the period / year	917,638	2,738
Balance at the end of the period / year	22,673,141	81,223

As at 30 June 2025, Bonyan REIT Fund has an investment of 1,227,245 units (31 December 2024: 184 units) in Al Badr Murabaha Fund - SAR and 32 units (31 December 2024: 32 units) in Riyadh SAR Trade Fund.

The Fund and Al Badr Murabaha Fund - SAR are managed by same Fund Manager i.e., Saudi Fransi Capital Company.

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NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
For the six-month period ended 30 June 2025

9. RENTAL INCOME RECEIVABLE, NET

Rental income receivable comprised of the following:

	<i>As at 30 June 2025 (Un-audited)</i>	<i>As at 31 December 2024 (Audited)</i>
Rental income receivable	113,350,924	96,465,726
Less: Allowance for expected credit losses	(20,700,388)	(20,953,074)
	92,650,536	75,512,652

The movement in allowance for expected credit losses is as follow:

	<i>As at 30 June 2025 (Un-audited)</i>	<i>As at 31 December 2024 (Audited)</i>
Opening balance	20,953,074	17,123,226
Charged during the period / year	-	4,391,160
Written off	(252,685)	(561,312)
Closing balance	20,700,389	20,953,074

Below is the aging analysis of gross rental income receivables:

	<i>As at 30 June 2025 (Un-audited)</i>	<i>As at 31 December 2024 (Audited)</i>
0-3 months	24,388,697	26,187,747
3-12 months	49,739,950	20,064,580
Over 365 days	39,222,277	50,213,399
Balance at the end of the period / year	113,350,924	96,465,726

10. INTANGIBLE ASSETS, NET

	<i>As at 30 June 2025 (Un-audited)</i>	<i>As at 31 December 2024 (Audited)</i>
Cost		
Balance at the beginning of the period / year	6,953,650	6,850,225
Additions during the period / year	-	103,425
Balance at the end of the period / year	6,953,650	6,953,650
Accumulated amortisation		
Balance at the beginning of the period / year	(4,697,231)	(2,734,072)
Charged during the period / year	(735,599)	(1,963,159)
Balance at the end of the period / year	(5,432,830)	(4,697,231)
Net book value end of the period / year	1,520,820	2,256,419

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(Managed by Saudi Fransi Capital Company)
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NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
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11. PROPERTY AND EQUIPMENT, NET

	<i>30 June 2025 (Un-audited)</i>				
	<i>Land</i>	<i>Building</i>	<i>Furniture and equipment</i>	<i>Capital work in progress</i>	<i>Total</i>
Cost					
Balance at the beginning of the period	24,422,702	209,770,671	20,573,916	19,156,510	273,923,799
Additions during the period	-	-	299,162	5,388,412	5,687,574
Disposal during the period	-	-	-	(518,035)	(518,035)
Balance at the end of the period	24,422,702	209,770,671	20,873,078	24,026,887	279,093,338
Accumulated depreciation					
Balance at the beginning of the period	-	(27,043,054)	(14,406,985)	-	(41,450,039)
Charged during the period	-	(1,881,895)	(969,398)	-	(2,851,293)
Balance at the end of the period	-	(28,924,949)	(15,376,383)	-	(44,301,332)
Accumulated impairment					
Balance at the beginning of the period	-	(20,746,667)	-	-	(20,746,667)
Reversal of impairment during the period*	-	740,283	-	-	740,283
	-	(20,006,384)	-	-	(20,006,384)
Net book value at the end of the period	24,422,702	160,839,338	5,496,695	24,026,887	214,785,622

BONYAN REIT FUND

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(All amounts in ₪ unless otherwise stated)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

For the six-month period ended 30 June 2025

11. PROPERTY AND EQUIPMENT, NET (continued)

	<i>31 December 2024 (Audited)</i>				
	<i>Land</i>	<i>Building</i>	<i>Furniture and equipment</i>	<i>Capital work in progress</i>	<i>Total</i>
Cost					
Balance at the beginning of the year	24,422,702	209,492,478	20,637,399	19,530,863	274,083,442
Additions during the year	-	278,193	2,297,390	11,932,756	14,508,339
Disposal during the year	-	-	(2,360,873)	(595,780)	(2,956,653)
Transfer to investment properties (note 12)	-	-	-	(11,711,329)	(11,711,329)
Balance at the end of the year	<u>24,422,702</u>	<u>209,770,671</u>	<u>20,573,916</u>	<u>19,156,510</u>	<u>273,923,799</u>
Accumulated depreciation					
Balance at the beginning of the year	-	(21,337,016)	(12,731,205)	-	(34,068,221)
Charged during the year	-	(5,706,038)	(1,836,812)	-	(7,542,850)
Disposal during the year	-	-	161,032	-	161,032
Balance at the end of the year	<u>-</u>	<u>(27,043,054)</u>	<u>(14,406,985)</u>	<u>-</u>	<u>(41,450,039)</u>
Accumulated impairment					
Balance at the beginning of the year	-	(26,186,700)	-	-	(26,186,700)
Reversal of impairment during the year*	-	5,440,033	-	-	5,440,033
	<u>-</u>	<u>(20,746,667)</u>	<u>-</u>	<u>-</u>	<u>(20,746,667)</u>
Net book value at the end of the year	<u>24,422,702</u>	<u>161,980,950</u>	<u>6,166,931</u>	<u>19,156,510</u>	<u>211,727,093</u>

*Impairment reversal on property valuation has occurred due to significant improvement in market conditions and demand, leading to an increase in the property's fair value.

The land and building under property and equipment represent the following three (2024: three) properties namely:

- The Courtyard Marriott Hotel investment, a freehold property acquired by the Fund, is located in Jazan and is classified in the Four-Star Hotel sector.
- The Residence Inn by Marriott investment, a freehold property acquired by the Fund, is located in Jazan and is classified in the Four-Star Apartment Hotel sector.
- Marriott Executive Apartments investment, a freehold property acquired by the Fund, is located in Madinah and is classified in the Five Star Apartment Hotel sector.

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(Managed by Saudi Fransi Capital Company)
(All amounts in ₪ unless otherwise stated)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
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12. INVESTMENT PROPERTIES, NET

	<i>30 June 2025 (Un-audited)</i>		
	<i>Land</i>	<i>Building</i>	<i>Total</i>
Cost			
At the beginning of the period	399,759,726	1,566,578,788	1,966,338,514
Additions during the period	-	461,784	461,784
Balance at the end of the period	399,759,726	1,567,040,572	1,966,800,298
Accumulated depreciation			
At the beginning of the period	-	(226,951,554)	(226,951,554)
Charge during the period	-	(21,984,775)	(21,984,775)
Balance at the end of the period	-	(248,936,329)	(248,936,329)
Accumulated impairment			
At the beginning of the period	-	(4,481,782)	(4,481,782)
Reversal of impairment during the period*	-	4,481,782	4,481,782
Balance at the end of the period	-	-	-
Net book value at the end of the period	399,759,726	1,318,104,243	1,717,863,969

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NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
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12. INVESTMENT PROPERTIES, NET (continued)

	<i>31 December 2024 (Audited)</i>		
	<i>Land</i>	<i>Building</i>	<i>Total</i>
Cost			
Balance at the beginning of the year	284,866,118	1,277,126,247	1,561,992,365
Additions during the year	114,893,608	340,543,028	455,436,636
Disposal during the year	-	(62,801,816)	(62,801,816)
Transfer from property and equipment (note 11)	-	11,711,329	11,711,329
Balance at the end of the year	<u>399,759,726</u>	<u>1,566,578,788</u>	<u>1,966,338,514</u>
Accumulated depreciation			
Balance at the beginning of the year	-	(192,923,239)	(192,923,239)
Charge for the year	-	(41,071,821)	(41,071,821)
Disposal during the year	-	7,043,506	7,043,506
Balance at the end of the year	<u>-</u>	<u>(226,951,554)</u>	<u>(226,951,554)</u>
Accumulated impairment			
Balance at the beginning of the year	-	(9,235,002)	(9,235,002)
Reversal of impairment during the year*	-	4,753,220	4,753,220
Balance at the end of the year	<u>-</u>	<u>(4,481,782)</u>	<u>(4,481,782)</u>
Net book value at the end of the year	<u>399,759,726</u>	<u>1,335,145,452</u>	<u>1,734,905,178</u>

*Impairment reversal on property valuation has occurred due to significant improvement in market conditions and demand, leading to an increase in the property's fair value.

The investment properties represent the following properties namely:

- The Al Rashid Mega Mall investment, a freehold property acquired by the Fund, is located in Madinah and is classified as in the Commercial sector.
- The Al Rashid Mall - Abha investment, a leasehold property acquired by the Fund under a 20-year usufruct agreement, is located in Abha and is classified as in the Commercial sector. The Fund has the right to purchase this property outright within 5 years from the signing date of the usufruct agreement for a consideration of ₪110 million. The Fund exercised this right during 2023. The amount will be paid upon transfer of title deed, as at 30 June 2025, transfer of title deed is underway and accordingly the asset and liability has not been recorded in this condensed interim financial information. The right of use under the usufruct agreement meets the definition of investment property and therefore the right of use is classified as investment property.
- The Al Rashid Mall - Jazan, a freehold property acquired by the Fund, investment is located in Jazan and is classified as in the Commercial sector.
- The Al Rashid Strip Mall investment, a freehold property acquired by the Fund, is located in Riyadh and is classified as in the Commercial sector.
- The CityWalk Residential Building investment, a freehold property acquired by the Fund, is located in Dubai and is classified as in the Residential sector. This property has been fully disposed of during the year ended 31 December 2024.
- The Al Rafiah Village investment, a freehold property acquired by the Fund, is located in Riyadh and is classified as in the Residential sector.

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12. INVESTMENT PROPERTIES, NET (continued)

The investment properties represent the following properties namely: (continued)

- The Al Maather Villas Complex investment, a freehold property acquired by the Fund, is located in Riyadh and is classified as in the Residential sector.
- The Sahafa Office Tower, a freehold property acquired by the Fund in April 2021 and is located in Sahafa District on al-Olaya Street in Riyadh and is classified in the Office sector.
- The Al Ghadeer Office Tower, a freehold property acquired by the Fund in January 2022 is located in Al-Ghadeer District on Al Sail Al Kabeer Road in Riyadh and is classified in the Office sector.
- The 1991 Centre, a freehold property acquired by the Fund in May 2024 located in Hittin District in Riyadh and the building will be used for commercial usage.
- The Al Olaya Tower, a freehold property acquired by the Fund in August 2024 located in Al-Sahafa District on Olaya Street in Riyadh and is classified in the Office sector.

13. BANK BORROWING

	<i>As at 30 June 2025 (Un-audited)</i>	<i>As at 31 December 2024 (Audited)</i>
Borrowings		
Balance at beginning the of the period / year	637,001,303	240,260,000
Addition during the period / year	-	850,001,303
Paid during the period / year	-	(453,260,000)
Balance at the end of the period / year	637,001,303	637,001,303
Accrued finance cost		
Balance at the beginning of the period / year	1,316,580	182,650
Charge for the period / year	21,970,658	33,791,158
Paid during the period / year	(22,083,343)	(32,657,228)
	1,203,895	1,316,580
Net book value	638,205,198	638,317,883

The borrowings from bank represents Islamic financing obtained from local banks. The Fund obtained financing at Saudi Interbank Offer Rate ("SIBOR") plus agreed margin. The profit mark-up / bank commission is payable on monthly / quarterly basis and the principal is due for payment from July 2025 to March 2031.

The title deed of following properties has been mortgaged and is being held as a collateral against the bank borrowing:

- Al Rashid Mall - Jazan,
- The Courtyard Marriott Hotel - Jazan,
- The Residence Inn by Marriott - Jazan,
- Al Rashid Mega Mall – Madinah,
- Marriott Executive Apartments – Madinah,
- Al Rafiah Village – Riyadh,
- Al Sahafa Tower– Riyadh,
- Al Ghadeer Tower– Riyadh and
- Al Olaya Tower - Riyadh

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14. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Related parties include Fund Manager, Banque Saudi Fransi (the “Bank” and a shareholder of the Fund Manager), Saudi Bonyan Company (being the property manager of the investment properties and property and equipment), the Fund Board of Directors and affiliates of the Fund Manager. The Fund is managed by the Fund Manager and the Unitholders of the Fund, including Abdul Rahman Saad Al Rashid & Sons Company (being a substantial unitholder).

In the ordinary course of its activities, the Fund transacts business with related parties.

Transactions with related parties during the periods and balances at reporting date are as follow:

Related Party	Nature of transaction	Amount of transactions income / (expense)		Balances receivables / (payables)	
		For the six-month period ended	For the six-month period ended	As at	As at
		30 June 2025	30 June 2024	30 June 2025	31 December 2024
		(Un-audited)	(Un-audited)	(Un-audited)	(Audited)
Saudi Fransi Capital Company (Fund Manager)	Asset management fees (Refer note “a” below)	(3,488,774)	(3,490,199)	(3,408,672)	(6,960,718)
Banque Saudi Fransi	Cash and cash equivalents	-	-	20,740,836	43,234,530
Board of Directors	Board fees to independent board members	(50,000)	(100,000)	(50,000)	-
Al Badr Murabaha Fund – SAR (Managed by Fund Manager)	Investments (Refer note “b” below)	-	-	22,594,196	3,301
	Unrealised gain on investments measured at FVTPL	340,142	177	-	-
	Realised gain on investments measured at FVTPL	568,225	-	-	-
Saudi Bonyan Company (Property Manager and a subsidiary of major unitholder ARTAR)	Property Management Fees	(5,921,579)	(5,342,935)	(6,185,796)	(1,862,373)
	Property operating expenses	(35,234,629)	(47,772,659)	(5,089,418)	(4,183,050)

(a) As per the terms and conditions of the Fund, the Fund is liable to pay the Fund Manager a management fee being 0.5% plus applicable taxes of the net asset value of the Fund. The fee is payable on a quarterly basis.

(b) As at 30 June 2025, the Fund has an investment of 1,227,245 units (31 December 2024: 184 units) in Al Badr Murabaha Fund - SAR. The Fund and Al Badr Murabaha Fund – SAR are managed by the same Fund Manager.

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15. INCOME FROM PROPERTIES

	<i>30 June 2025 (Un-audited)</i>	<i>30 June 2024 (Un-audited)</i>
Income from investment properties		
Lease rental income on investment properties excluding hotels	115,962,306	97,809,465
Other income – ancillary services	3,999,414	6,052,725
Capital gain on disposal of investment properties	-	7,100,517
Revenue from hotel operations		
Rooms revenue	12,673,057	16,277,143
Food and beverage revenue	1,590,152	3,566,981
Others	228,882	480,288
	14,492,091	20,324,412
Net income from investment properties	134,453,811	131,287,119

Other income (ancillary services) comprises of service charges and recovery of utility charges from the tenants of commercial properties (malls).

Future rental commitments (to be received) at period end, under the operating leases is as follows:

	<i>As at 30 June 2025 (Un-audited)</i>	<i>As at 30 June 2024 (Un-audited)</i>
Not later than one year	175,028,375	149,308,572
Later than one year and less than five years	316,082,706	110,356,972
Later than five years	121,302,376	301,256,379
	612,413,457	560,921,923

16. DIVIDEND DISTRIBUTION

In accordance with the approved terms and conditions of the Fund, on 27 May 2025, the Fund's Board of Directors approved to distribute dividends with regards to the period from 1 November 2024 till 30 April 2025 amounting to ₪0.37 per unit which amounted to ₪60.27 million (2024: 0.33 per unit amounting to ₪53.75 million).

17. FAIR VALUE OF ASSETS AND LIABILITIES

The fair value of investment properties and property and equipment as at 30 June 2025 is ₪2,808.4 million (31 December 2024: ₪2,745.3 million) carried at level 3. The investment in mutual funds carried at FVTPL is ₪22,673,141 (31 December 2024: ₪81,223) and is carried at level 1. The Fund believes that the fair value of all other financial assets and liabilities approximately equal their carrying value.

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18. EFFECT ON EQUITY VALUE IF INVESTMENT PROPERTIES AND PROPERTY AND EQUIPMENT ARE FAIR VALUED

The Fund opted to use the cost method for its investment properties and property and equipment (hotel investments) in these financial statements. In accordance with Article 36 of the Real Estate Investment Funds Regulations issued by CMA in the Kingdom of Saudi Arabia, Fund Manager evaluates the Fund's assets based on an average of two evaluations prepared by independent valuers. Accordingly, the fair value below is disclosed for information purposes and has not been accounted for in the Fund's books unless in case of impairment.

The valuation of the investment properties and property and equipment (the "properties") is carried out by Barcode and Abaad (31 December 2024: Barcode and Abaad). These two valuers are licensed by the Saudi Authority for Accredited Valuers ("TAQEEM").

The Fund Manager has used the average of the two valuations for the purposes of disclosing the fair value of the investment properties and property and equipment. The properties were valued taking into consideration of a number of factors, including the area and type of properties, and valuation techniques using significant unobservable inputs, including the land plus cost method, residual value method and the discounted cash flow method.

Below is an analysis of the investment properties fair value versus cost:

	<i>As at 30 June 2025 (Un-audited)</i>	<i>As at 31 December 2024 (Audited)</i>
Estimated fair value of investment properties	2,578,480,619	2,515,736,296
Book value of investment properties	(1,717,863,969)	(1,734,905,178)
Estimated fair value of property and equipment	229,889,489	229,642,363
Book value of property and equipment	(214,785,622)	(211,727,093)
Estimated fair value surplus relative to book value	875,720,517	798,746,388
Units in issue (numbers)	162,881,100	162,881,100
Per unit value impact from excess of investment properties and property and equipment's estimated fair value over book value	5.3764	4.9039
Equity value	<i>As at 30 June 2025 (Un-audited)</i>	<i>As at 31 December 2024 (Audited)</i>
Equity value as per the condensed interim statement of financial position	1,358,137,623	1,363,646,636
Estimated fair value surplus relative to book value	875,720,517	798,746,388
Equity based on fair valuation of investment properties and property and equipment	2,233,858,140	2,162,393,024
Equity value per unit		
Equity value per unit as per the condensed interim statement of financial position	8.3382	8.3720
Per unit value impact from excess of investment properties and property and equipment's estimated fair value over book value	5.3764	4.9039
Equity value per unit based on fair valuation of investment properties and property and equipment	13.7146	13.2759

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19. SEGMENT REPORTING

The Fund's primary business is conducted in Saudi Arabia and the United Arab Emirates. The Funds reportable segment are as follows;

Commercial Centers: This includes unit of investment properties such as malls.

Residential: This includes units of private houses such as individual apartments.

Hospitality: This includes hospitality service providing entity, which is related to Marriot properties.

Office: This includes rental of office space, which is related to Al Ghadeer & Al Sahafa office buildings.

The Fund's total assets investment properties, properties and equipment and liabilities as at 30 June 2025 and 31 December 2024, its total operating income and expense, and the results for the six-month period ended, by operating segment, are as follows:

	<i>30 June 2025 (Un-audited)</i>					
	<i>Commercial Centres</i>	<i>Residential</i>	<i>Hospitality</i>	<i>Office</i>	<i>Others</i>	<i>Total</i>
Total assets	1,001,405,791	194,550,225	210,525,381	647,161,180	59,900,843	2,113,543,420
Investment properties, net	917,776,970	175,334,568	-	624,465,690	286,741	1,717,863,969
Property and equipment, net	25,752,283	2,948,926	186,003,663	80,750	-	214,785,622
Total liabilities	170,192,504	3,012,125	20,410,570	41,646,885	520,143,713	755,405,797
Total income	85,062,736	11,196,350	17,177,668	21,535,968	9,225,885	144,198,607
Inter-segment income	570,467	-	-	-	-	570,467
Net income from external customers	84,492,269	11,196,350	17,177,668	21,535,968	9,225,885	143,628,140
Total expenses	43,178,002	4,898,231	13,345,910	5,952,657	21,496,347	88,871,147
Inter-segment operating expense	-	-	(570,467)	-	-	(570,467)
Expenses excluding depreciation and impairment	27,162,873	2,875,449	12,083,058	1,157,634	25,978,129	69,257,143
Depreciation of investment properties	397,409	450,750	2,003,134	-	-	2,851,293
Depreciation of property and equipment	15,617,719	1,572,032	-	4,795,024	-	21,984,775
Impairments charge /(reversal) of investment properties	-	-	-	-	(4,481,782)	(4,481,782)
Impairments charge /(reversal) for property and equipment	-	-	(740,283)	-	-	(740,283)
Net income/(loss) for the period	41,314,268	6,298,119	3,831,758	15,583,311	(12,270,462)	54,756,994

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19. SEGMENT REPORTING (continued)

31 December 2024 (Audited)

	<i>Commercial Centres</i>	<i>Residential</i>	<i>Hospitality</i>	<i>Office</i>	<i>Others</i>	<i>Total</i>
Total assets	1,012,419,054	185,466,468	209,426,994	629,208,099	106,443,165	2,142,963,780
Investment properties, net	932,965,906	176,873,600	-	624,778,681	286,991	1,734,905,178
Property and equipment, net	21,295,116	3,327,489	187,104,488	-	-	211,727,093
Total liabilities	174,701,788	5,289,015	21,741,695	37,085,244	540,499,402	779,317,144
Total income	171,494,774	35,670,588	36,354,141	15,660,618	2,275,877	261,455,998
Inter-segment income	1,356,338	-	-	-	-	1,356,338
Net income from external customers	170,138,436	35,670,588	36,354,141	15,660,618	2,275,877	260,099,660
Total expenses	87,993,698	7,477,324	26,383,655	8,780,698	42,383,752	173,019,127
Inter-segment operating expense	-	-	(1,356,339)	-	-	(1,356,339)
Expenses excluding depreciation and impairment	56,945,060	10,131,305	22,924,501	856,752	42,383,752	133,241,370
Depreciation of investment properties	31,048,637	3,531,864	-	6,491,320	-	41,071,821
Depreciation of property and equipment	-	-	7,542,850	-	-	7,542,850
Impairments charge / (reversal) of investment properties	-	(6,185,845)	-	1,432,625	-	(4,753,220)
Impairments charge / (reversal) for property and equipment	-	-	(5,440,033)	-	-	(5,440,033)
Net income / (loss) for the year	82,144,738	28,193,264	11,326,825	6,879,920	(40,107,875)	88,436,872

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20. SUBSEQUENT EVENTS

As of the date of approval of this condensed interim financial information, there have been no significant subsequent events requiring disclosure to or adjustment in this condensed interim financial information.

21. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at 31 December 2024 against the Fund or the Fund Manager which could have an impact on the condensed interim financial information of the Fund.

22. LAST VALUATION DAY

The last valuation day for the purpose of preparation of this condensed interim financial information for the six-month period ended was 30 June 2025 (2024: 31 December 2024).

23. APPROVAL OF THE CONDENSED INTERIM FINANCIAL INFORMATION

This condensed interim financial information was approved and authorised for issue by the Fund Board on 5 August 2025 (corresponding to 11 Safar 1447H)