MEFIC REIT FUND

Traded Real Estate Investment Fund

(Managed by Middle East Financial Investment Company)

Interim condensed financial statements (Un-audited)

For the six-month period ended 30 June 2026

Together with the Independent Auditor's Review Report to the Unitholders

INDEX	**PAGES**

PKF Al-Bassam
Chartered Accountants

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

TO THE UNITHOLDERS OF MEFIC REIT FUND
TRADED REAL ESTATE INVESTMENT FUND
(MANAGED BY MIDDLE EAST FINANCIAL INVESTMENT COMPANY) (1 /1)
Riyadh, Kingdom of Saudi Arabia

INTRODUCTION

We have reviewed the accompanying interim condensed financial statements of MEFIC REIT FUND (the "Fund") Managed by Middle East Financial investment company ("The fund Manager") as of 30 June 2026 which comprises:

- The interim condensed statement of financial position as at 30 June 2026;
- The interim condensed statement of profit or loss and other comprehensive income for six-month period then ended;
- The interim condensed statement of changes in net assets attributable to the unit holders for the six-month period then ended;
- The interim condensed statement of cash flows for the six-month period then ended; and
- The notes to the interim condensed financial statements.

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

SCOPE OF REVIEW

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

CONCLUSION

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

PKF Al-Bassam
Chartered Accountants

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

Abdulellah Hamad Al Bassam
Certified Public Accountant
License No. 703
Riyadh: 27 Safar 1448H
Corresponding to: 10 August 2026

RIYADH
Tel. +966 11 206 5333 P.O Box 69658
Fax +966 11 206 5444 Riyadh 11557

JEDDAH
Tel. +966 12 652 5333 P.O Box 15651
Fax +966 12 652 2894 Jeddah 21454

AL KHOBAR
Tel. +966 13 893 33/8 P.O Box 4636
Fax +966 13 893 3349 Al Khobar 31952

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
As at 30 June 2026
(All amounts in Saudi Riyal unless otherwise stated)

	Note	30 June 2026 (Unaudited)	31 December 2025 (Audited)
ASSETS			
Investment properties. net	6	**540,576,000**	538,767,000
Property, plant and equipment	7	**168,823,177**	169,093,385
Right of benefit, net	8	**56,592,952**	71,546,185
Right-of-use assets, net.	10	**47,231,758**	61,887,530
Investments at fair value through profit or loss	11	**64,024,314**	63,852,000
Rental receivables, net	12	**28,066,228**	23,862,562
Other assets	13	**3,265,976**	333,652
Cash and cash equivalents		**3,827,627**	419,178
TOTAL ASSETS		**912,408,032**	929,761,492
LIABILITIES			
Borrowings	14	**311,350,988**	311,705,885
Lease liabilities related to right-of-use assets	10	**53,332,749**	74,050,279
Due to related parties	15	**21,786,821**	14,208,022
Unearned rental income		**8,091,474**	7,791,070
Accrued expenses and other liabilities		**7,449,312**	6,236,764
TOTAL LIABILITIES		**402,011,344**	413,992,020
Net assets value (equity) attributable to the Unitholders		**510,396,688**	515,769,472
Units in issue (number)		**73,276,800**	73,276,800
Net assets (equity) attributable to each unit at Book value	9	**6.97**	7.04
Net assets (equity) attributable to each unit at Fair value	9	**7.82**	7.82

The accompanying notes (1) to (23) form an integral part of these financial statements.

MEFIC REIT FUND
(Managed by Middle East Financial Investment Company)
INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
For the six-month period ended 30 June 2026
(All amounts in Saudi Riyal unless otherwise stated)

	Note	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
REVENUES			
Rental and hotel revenue		**26,941,301**	32,525,744
Gain from remeasurement of lease liabilities.	**10**	**3,893,886**	-
Dividend form investments at (FVTPL)	**11**	**1,862,564**	1,862,564
Unrealized gain on investments at (FVTPL)	**11**	**172,314**	-
Other Revenue		**606,517**	334,571
Total Revenue		**33,476,582**	34,722,879
OPERATING EXPENSES			
Depreciation of investment properties	**6**	**(1,172,247)**	(1,275,657)
Depreciation of property, plant and equipment	**7**	**(1,127,537)**	(1,127,537)
Reversal of impairment on investment properties	**6**	**2,981,247**	2,691,157
Reversal of impairment loss on property and equipment	**7**	**857,329**	1,854,007
Amortization of right-of-benefit	**8**	**(14,953,233)**	(4,715,894)
Depreciation of right-of-use assets	**10**	**(3,815,069)**	(3,815,069)
Finance cost of lease liabilities	**10**	**(1,517,059)**	(1,633,263)
Reversal of expected credit loss allowance	**12**	**387,301**	-
Other expenses	**16**	**(8,647,730)**	(4,954,843)
Fund management fees	**17**	**(848,172)**	(917,073)
Custodian fees		**(75,000)**	(75,000)
Total Operating Expenses		**(27,930,170)**	(13,969,172)
Operating income		**5,546,412**	20,753,707
Finance Cost	**14**	**(10,919,196)**	(13,041,797)
Net (Losses) income for the period		**(5,372,784)**	7,711,910
Other comprehensive income for the period		**-**	-
Total comprehensive (Losses) income for the period		**(5,372,784)**	7,711,910

Earnings per unit (EPU)			
Weighted average number of units		**73,276,800**	73,276,800
(Loss) / earnings per unit		**(0.07)**	0.11

The accompanying notes (1) to (23) form an integral part of these financial statements.

MEFIC REIT FUND
(Managed by Middle East Financial Investment Company)
INTERIM CONDENSED STATEMENT OF CHANGES IN NET ASSETS (EQUITY) ATTRIBUTABLE TO THE UNITHOLDERS
For the six-month period ended 30 June 2026
(All amounts in Saudi Riyal unless otherwise stated)

	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Net assets value (equity) attributable to the Unitholders at beginning of the period	**515,769,472**	515,412,641
Total comprehensive (Losses) income for the period	**(5,372,784)**	7,711,910
Net assets value (equity) attributable to the Unitholders at the end of the period	**510,396,688**	523,124,551

The accompanying notes (1) to (23) form an integral part of these financial statements.

(All amounts in Saudi Riyal unless otherwise stated)

	Note	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
CASH FLOW FROM OPERATING ACTIVITIES			
Net income for the period		**(5,372,784)**	7,711,910
Adjustment to reconcile net income to net cash used in operating activities:			
Depreciation of investment properties	6	**1,172,247**	1,275,657
Depreciation of property, plant and equipment	7	**1,127,537**	1,127,537
Reversal of impairment on investment properties	6	**(2,981,247)**	(2,691,157)
Reversal of impairment loss on property and equipment	7	**(857,329)**	(1,854,007)
Amortization of right of benefit	8	**14,953,233**	4,715,894
Depreciation of right-of-use assets	10	**3,815,069**	3,815,069
Finance cost of lease liabilities under right-of-use assets	10	**1,517,059**	1,633,263
Unrealized gain on investments at fair value through profit or loss	11	**(172,314)**	-
Remeasurement of lease liabilities	10	**(3,893,886)**	-
Finance cost	14	**10,919,196**	13,041,797
		20,226,781	28,775,963
Changes in operating assets & liabilities:			
Rental receivables		**(4,203,666)**	(3,413,565)
Other assets		**(2,932,324)**	-
Unearned lease revenue		**300,404**	(3,817,858)
Accrued expenses and other liabilities		**(578,607)**	1,951,463
Net cash generated from operating activities		**14,603,743**	20,814,962
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of lease liabilities	10	**(7,500,000)**	(7,500,000)
Proceeds from due to related parties		**9,369,954**	(2,681,041)
Finance costs paid	14	**(11,274,093)**	(13,371,478)
Net cash used in financing activities		**(11,195,294)**	(20,871,478)
Net change in cash at bank		**3,408,449**	(56,516)
Cash at bank at the beginning of the period		**419,178**	166,156
Cash at bank at the end of the period		**3,827,627**	109,640
Non-cash transactions:			
Reduction in right-of-use assets	10	**(10,840,703)**	-
Reduction in lease liabilities associated with right-of-use assets	10	**(14,734,589)**	(3,741,914)

The accompanying notes (1) to (23) form an integral part of these financial statements.

1. ORGANIZATION AND ACTIVITY

MEFIC REIT Fund (the "Fund") is a close-ended Shariah compliant, public-traded real estate investment fund established in the Kingdom of Saudi Arabia under the real estate investment funds regulations.

The Fund is listed in Saudi Stock Exchange Market ("Tadawul"), it has the code (4346) and its units are traded according to Capital Market Authority (CMA) regulations and legislation. The capital of the fund is SAR 732,768,000 divided into 73,276,800 units with a nominal value of 10 SAR per unit. The fund has a term of 99 years, which is extendable at the discretion of the Fund Manager following the approval of CMA.

Trading in the Fund's units began on the Saudi stock Exchange Market on 5 Rabi' al-Awwal 1440 H, corresponding to 13 November 2018, after obtaining the approval of the Capital Market Authority (CMA) in the Kingdom of Saudi Arabia.

The Fund's primary investment objective is to provide its unitholders with regular income by investing in income-generating properties assets located in Saudi Arabia and the Gulf countries.

The Fund generally objectives to acquire or invest in hotel, commercial, administrative, "office towers", and/or logistic, residential and/or mixed-use income-generating real estate assets.

The Fund is managed by Middle East Financial Investment Company (the Fund Manager") A Saudi closed joint stock Company under CR No 1010237038 and licensed by CMA under license No 06029-37 as a financial market institution.

Al-bilad Investment Company is the Fund's Custodian ("the Custodian").

The Fund's fiscal year begins on 1 January and ends on 31 December of each year in accordance with the Fund's terms and conditions.

2. REGULATING AUTHORITY

The Fund operates in accordance with Real Estate Investment Fund Regulations "REIFR" issued by the CMA. The regulations detail requirements for real estate funds and publicly traded real estate funds within the Kingdom of Saudi Arabia.

3. BASIS OF PREPARATION

3.1 statement of compliance

These interim condensed financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Report" as endorsed in the Kingdom of Saudi Arabia. These interim-condensed financial statements do not include all the information required to prepare a complete set of annually financial statements prepared in accordance with International Financial Reporting Standards. These interim condensed financial statements should be read along with the fund's financial statements for the previous year ended on December 31, 2025.

The interim period is considered as an integral part of the full fiscal year, however, the results of operations for the interim periods may not be a fair indication of the results for the full year's operations.

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

3. BASIS OF PREPARATION (CONTINUED)

3.2 Basis of measurement

These interim condensed financial statements have been prepared based on the historical cost principle, using the accounting accrual basis. except for financial investments at fair value through profit or loss.

The Fund continued to use the cost model for the year ending 31 December 2025 and for the period ending 30 June 2026.

3.3 Functional and presentation currency

Items included in these financial statements are measured using the primary currency in which the Fund operates (the "functional currency"). These financial statements are presented in Saudi Riyal ("SAR") which is the Fund's functional and presentation currency, Figures are rounded to the nearest Saudi Riyal unless otherwise stated.

3.4 Significant Accounting Judgements, Estimates and Assumptions

The preparation of interim condensed financial statements requires management to use judgments, estimates and assumptions that affect the amounts of assets, liabilities, income, expenses, accompanying disclosures and disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affecting future periods.

The uncertainty of the key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next accounting period, are described below. The Fund based its assumptions and estimates on parameters available when the interim condensed financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Fund. Such changes are reflected in the assumptions when they occur.

The significant accounting estimates used in the preparation of these condensed interim financial statements are consistent with those used and disclosed in the annual financial statements for the year ended 31 December 2025.

3.5 Going concern

The Fund Manager has 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 on the Fund's ability to continue as a going concern. Accordingly, these interim condensed financial statements have been prepared on a going concern basis.

(All amounts in Saudi Riyal unless otherwise stated)

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of these condensed interim financial statements are consistent with those used and disclosed in the Fund's annual financial statements for the year ended 31 December 2025.

4-1 NEW STANDERS

The following standards and amendments were issued but were not yet effective for the accounting period ended 30 June 2026 and have not been early adopted by the Fund. New standards and a number of amendments to standards became effective from 1 January 2026, as disclosed in the Fund's annual financial statements; however, they do not have a material impact on the Fund's condensed interim financial statements.

Amendments to standard	**Description**	**Effective from accounting period beginning on or after**	**Summary of the amendment**	**Management assessment**
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027	IFRS 18 replaces IAS 1 and establishes new requirements for the presentation and disclosure of financial statements. The changes, which primarily affect the statement of profit or loss, include requirements to classify income and expenses into three new categories: operating, investing and financing, and to present new subtotals, including operating profit or loss and profit or loss before financing and income taxes. In addition, operating expenses are required to be presented on the face of the statement of profit or loss and classified either by nature (for example, employee compensation), by function (for example, cost of sales), or using a mixed presentation approach. Entities presenting expenses by function are required to provide additional disclosures about the nature of those expenses. IFRS 18 also provides guidance on the aggregation and disaggregation of information in the financial statements, introduces new disclosure requirements for management-defined performance measures, and removes classification options for interest and dividends in the statement of cash flows.	Management is currently assessing the impact of IFRS 18. While the standard is expected to result in changes to presentation and disclosures, it is not expected to have a material impact on the recognition or measurement of the fund's assets, liabilities, income or expenses.
IFRS 19	Subsidiaries without Public Accountability	1 January 2027	IFRS 19 permits eligible subsidiaries to apply reduced disclosure requirements while continuing to apply the recognition and measurement requirements of IFRS Accounting Standards. A subsidiary is eligible if its ultimate parent prepares financial statements available for public use in accordance with IFRS Accounting Standards. The standard affects disclosure requirements only and does not impact the recognition or measurement of assets, liabilities, income or expenses.	Management will assess the applicability of IFRS 19 at the date of adoption. The standard is expected to affect disclosure requirements only and is not expected to have a material impact on the fund's financial position, financial performance or cash flows.

5. MANAGEMENT FEE, AND OTHER CHARGES

The fund manager charges the following fees as per the terms and conditions of the Fund.

5.1 Subscription fee
The subscription fee is calculated at 2% of the subscription amount, paid in advance once, and the fees will not be calculated until after the allocation. These fees are deducted and paid to the fund manager.

5.2 Management fees
The Fund shall pay the Fund Manager a management fee equivalent to 0.35% of the Fund's net asset value, which shall be paid semi-annually.

5.3 Finance Structuring Fees
The Fund shall pay the Fund Manager Finance Structuring Fees equal to 1% of the amount drawn pursuant to any bank facilities obtained in favor of the Fund.

5.4 Custody Fees
The Fund shall pay the Custodian Annual Custody Fees equal to 0.025% of the Fund’s Net Asset Value.

5.5 Transaction fees
The Fund shall pay the Fund Manager Transaction Fees equal to 1% of the purchase price or sale price of each real estate asset acquired or sold by the Fund, with the Fund Manager, in return, carrying out the required enquiries, negotiating on the sale and purchase terms and completing the transaction. These Fees shall become payable after completion of the purchase or sale process of each real estate asset, and shall apply to the Fund’s initial real estate assets.

5.6 Performance Fees
The Fund Manager is entitled to a Performance Fees of 5% of the value of the positive difference between the sale price of any Fund-owned property and the price of its acquisition. In the event the Fund Manager decides to distribute the proceeds of sale of any Fund asset, the Performance Fees shall be calculated and deducted as a provision before distributing the sale proceeds. In the event the funds are reinvested in the Fund, the Fund Manager shall not be paid any Performance Fees, and there will be no Performance Fees if an asset is sold at a price equal to or lower than its acquisition price.

(All amounts in Saudi Riyal unless otherwise stated)

6. INVESTMENT PROPERTIES, NET

The Fund owns the following investment properties:

		Net Book value as at	
Property	**Property Nature**	**30 June 2026 (Unaudited)**	31 December 2025 (audited)
Commercial Complex in Riyadh	Mall	**540,576,000**	538,767,000
		540,576,000	538,767,000

Commercial Complex in Riyadh (formerly referred to as Souq Al Sharq): The property is a retail commercial complex located in Riyadh comprising 187 retail units across 21 buildings. The complex accommodates furniture and home furnishing outlets, cafés, and other commercial activities. It is situated on the Eastern Ring Road in Al Jazirah District, Riyadh. The investment property has been pledged to local Bank as collateral against a long-term loan (Note 14).

- The Fund depreciates buildings over an estimated useful life of 40 years. Depreciation is charged on the depreciable amount, being the cost of the asset less its residual value.
- All properties of MEFIC REIT Fund are held in the name of Amar Real Estate Development and Investment Company (the “Special Purpose Vehicle” or “SPV”). The SPV holds these properties on behalf of the Fund’s beneficial ownership and does not have any controlling ownership rights or beneficial interest in such properties.
- The Fund Manager reviews the Fund’s investment properties for impairment indicators on a periodic basis. An impairment loss is recognized when the carrying amount of an investment property exceeds its recoverable amount, which is determined as the higher of fair value less costs to sell and value in use. As at 30 June 2026, based on the periodic valuation reports issued by the Fund’s independent valuers, a reversal of impairment provision on investment properties amounting to SAR 2,981,247 was recognized during the period (30 June 2025: SAR 2,691,157).

(All amounts in Saudi Riyal unless otherwise stated)

6. INVESTMENT PROPERTIES, NET (CONTINUED)

	30 June 2026 (Unaudited)		
	Land	**Buildings**	**Total**
Cost:			
At the beginning of the period	**587,870,252**	**93,779,748**	**681,650,000**
At the end of the period	**587,870,252**	**93,779,748**	**681,650,000**
Accumulated Depreciation:			
At the beginning of the period	**-**	**(16,997,581)**	**(16,997,581)**
Charged for the period	**-**	**(1,172,247)**	**(1,172,247)**
At the end of the period	**-**	**(18,169,828)**	**(18,169,828)**
Reversal / (loss) of accumulated impairment:			
At the beginning of the period	**(109,945,072)**	**(15,940,347)**	**(125,885,419)**
Reversal of impairment during the period	**-**	**2,981,247**	**2,981,247**
At the end of the period	**(109,945,072)**	**(12,959,100)**	**(122,904,172)**
Net book value	**477,925,180**	**62,650,820**	**540,576,000**

	31 December 2025 (Audited)		
	Land	Buildings	Total
Cost:			
At the beginning of the year	625,047,488	102,052,512	727,100,000
Disposals during the year	(37,177,236)	(8,272,764)	(45,450,000)
At the end of the year	587,870,252	93,779,748	681,650,000
Accumulated Depreciation:			
At the beginning of the year	-	(15,945,706)	(15,945,706)
charged for the year	-	(2,447,904)	(2,447,904)
Accumulated depreciation of disposals		1,396,029	1,396,029
At the end of the year	-	(16,997,581)	(16,997,581)
Reversal / (loss) of accumulated impairment:			
At the beginning of the year	(110,614,204)	(16,047,090)	(126,661,294)
Impairment loss during the year	(4,172,836)	(665,670)	(4,838,506)
Disposals during the year	4,841,968	772,413	5,614,381
At the end of the year	(109,945,072)	(15,940,347)	(125,885,419)
Net book value	477,925,180	60,841,820	538,767,000

The value of mortgaged and unmortgaged investment properties is as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Mortgaged investment properties (Note 14)	**540,576,000**	538,767,000
	540,576,000	538,767,000

(All amounts in Saudi Riyal unless otherwise stated)

6. INVESTMENT PROPERTIES, NET (CONTINUED)

Market values:

The fair value of investment properties as at the date of the report was determined by two independent Valuers (“White Cubes Co”) and (“Tathmen Company”) both Valuers accredited by the Saudi Authority for Accredited Valuers (Taqeem).

First Valuer			Market values	
property	**valuation method**	**Discount Rate**	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Commercial Complex in Riyadh	Income method - discounted cash flow method	9.5٪	**557,981,000**	555,500,000
			557,981,000	555,500,000

Second Valuer			Market values	
property	**valuation method**	**Discount Rate**	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Commercial Complex in Riyadh	Income method - discounted cash flow method	9٪	**523,171,000**	522,034,000
			523,171,000	522,034,000

7. PROPERTY, PLANT AND EQUIPMENT

The Fund owns the following property and equipment:

property	**Nature of the Property**	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Derenf Ajyad	Hotel	**116,026,697**	115,897,000
Derenf Kadi	Hotel	**52,796,480**	53,196,385
		168,823,177	169,093,385

Derenf Ajyad: A four-star hotel comprising 203 rooms and 11 suites, located on Ajyad Road in Makkah Al Mukarramah. The investment property has been pledged to local Bank as security against a long-term loan (Note 14).

Derenf Kadi: A three-star hotel comprising 75 rooms and 11 suites, located in the Kudai district on the Third Ring Road in Makkah Al Mukarramah. The investment property has been pledged to local Bank as security against a long-term loan (Note 14).

(All amounts in Saudi Riyal unless otherwise stated)

7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	30 June 2026 (Unaudited)		
	Land	**Buildings**	**Total**
Cost:			
At the beginning of the period	**96,097,051**	**90,202,949**	**186,300,000**
At the end of the period	**96,097,051**	**90,202,949**	**186,300,000**
Accumulated Depreciation:			
At the beginning of the period	**-**	**(16,349,286)**	**(16,349,286)**
Charged for the period	**-**	**(1,127,537)**	**(1,127,537)**
At the end of the period	**-**	**(17,476,823)**	**(17,476,823)**
Reversal / (loss) of accumulated impairment:			
At the beginning of the period	**-**	**(857,329)**	**(857,329)**
Reversal of impairment during the period	**-**	**857,329**	**857,329**
At the end of the period	**-**	**-**	**-**
Net book value	**96,097,051**	**72,726,126**	**168,823,177**

	31 December 2025 (Audited)		
	Land	Buildings	Total
Cost:			
At the beginning of the year	96,097,051	90,202,949	186,300,000
At the end of the year	96,097,051	90,202,949	186,300,000
Accumulated Depreciation:			
At the beginning of the year	-	(14,094,212)	(14,094,212)
charged for the year	-	(2,255,074)	(2,255,074)
At the end of the year	-	(16,349,286)	(16,349,286)
Reversal / (loss) of accumulated impairment:			
At the beginning of the year	-	(1,938,969)	(1,938,969)
Impairment loss during the year	-	1,081,640	1,081,640
At the end of the year	-	(857,329)	(857,329)
Net book value	96,097,051	72,996,334	169,093,385

The carrying amount of pledged property and equipment is as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Pledged buildings, property and equipment (Note 14)	**168,823,177**	169,093,385
	168,823,177	169,093,385

(All amounts in Saudi Riyal unless otherwise stated)

7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

First Valuer			Market values	
Property	**valuation method**	**Discount Rate**	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Derenf Ajyad	Income method - discounted cash flow method	8٪	**121,000,000**	120,000,000
Derenf Kadi	Income method - discounted cash flow method	8٪	**61,300,000**	61,100,000
			182,300,000	181,100,000

Second Valuer			Market values	
property	**valuation method**	**Discount Rate**	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Derenf Ajyad	Income method - discounted cash flow method	8.5٪	**113,890,000**	111,794,000
Derenf Kadi	Income method - discounted cash flow method	8.5٪	**55,340,000**	54,480,000
			169,230,000	166,274,000

8. RIGHT OF BENEFIT, NET

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Cost:		
Balance at the beginning of the period/year	**160,590,000**	160,590,000
Balance at the end of the period/year	**160,590,000**	160,590,000
Accumulated Amortization:		
Balance at the beginning of the period/year	**(89,043,815)**	(79,533,862)
Charged for the period/year	**(14,953,233)**	(9,509,953)
Balance at the end of the period/year	**(103,997,048)**	(89,043,815)
Net Book Value	**56,592,952**	71,546,185

The Fund acquired the Right of benefit for the properties described below:

Dhiyafa: a commercial building that includes 9 restaurants and a ladies club. It is located on the Northern Ring Road, Al-Nakhil District in Riyadh. Right of use for this property expires on 18 Rabii I 1462 AH corresponding to 31 March 2040.

(All amounts in Saudi Riyal unless otherwise stated)

8. RIGHT OF BENEFIT, NET (CONTINUED)

Plaza 1: a multi-use building located on a land area of 9.588 square meters. The property owns an area of 12,000 square meters that is leasable, including 51 apartments and 12 showrooms. The property is located on King Abdulaziz Road, Al Rabie District in Riyadh. he usufruct right relating to this property expires on 3 Safar 1448H, corresponding to 17 July 2026. In the event that the Fund complies with all terms and conditions of the agreement throughout its term, the usufruct period may be extended for an additional two years, during which the Fund and the property owner would share the income generated from the property.

On 25 June 2026, the Fund Board of Directors resolved not to exercise the extension option. The net carrying amount of the usufruct right as at 31 December 2025 amounted to SAR 13,919,431. Accordingly, the remaining carrying amount was amortized over the period from 1 January 2026 to 17 July 2026, resulting in an amortization expense of SAR 12,718,262 as at 30 June 2026.

As the usufruct rights do not represent a significant portion of the economic life of the underlying properties, they have been recognized as right-of-use assets. These rights are amortized over their remaining useful lives.

Market values:

The fair value of Right of benfit as at the report date was determined by two independent valuers (“White Cubes Professional Consulting Company”) and Saudi Asset Valuation and Appraisal Company (Tathmeen), both valuers accredited by the Saudi Authority for Accredited Valuers (Taqeem).

First Valuer			**Market values**	
property	**valuation method**	**Discount Rate**	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Dhiyafa	Income method - discounted cash flow method	9.5٪	**132,150,000**	119,115,000
Plaza 1	Income method - discounted cash flow method	9.5٪	**1,861,000**	21,990,000
			134,011,000	141,105,000

Second Valuer			**Market values**	
property	**valuation method**	**Discount Rate**	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Dhiyafa	Income method - discounted cash flow method	8.5٪	**89,193,000**	95,953,000
Plaza 1	Income method - discounted cash flow method	8.5٪	**216,610**	11,332,000
			89,409,610	107,285,000

(All amounts in Saudi Riyal unless otherwise stated)

9. Impact on Net Assets Attributable to Unitholders if Investment Properties, Property and Equipment, and Right-of-Use Assets Were Measured at Fair Value

According to the Real Estate Investment Funds Regulations issued by the CMA in the Kingdom of Saudi Arabia, the fund manager evaluates the fund's assets with an average of two valuations by two independent valuers. As explained in the fund's terms and conditions, the net asset value is disclosed based on market value. However, in accordance with the Fund's accounting policy, investment properties and right of benefit assets are stated at cost less accumulated depreciation and amortization and impairment, if any, in these interim condensed financial statements.

The valuation of investment properties and right of benefit assets is as follows:

30 June 2026 (Unaudited)	**Valuation 1**	**Valuation 2**	**Average**
Investment properties, net (Note 6)	**557,981,000**	**523,171,000**	**540,576,000**
Property, plant and equipment, net (Note 7)	**182,300,000**	**169,230,000**	**175,765,000**
Right-of-use assets, net (Note 8)	**134,011,000**	**89,409,610**	**111,710,305**
Total	**874,292,000**	**781,810,610**	**828,051,305**

31 December 2025 (audited)	**Valuation 1**	**Valuation 2**	**Average**
Investment properties, net (Note 6)	555,500,000	522,034,000	538,767,000
Property, plant and equipment, net (Note 7)	181,100,000	166,274,000	173,687,000
Right-of-use assets, net (Note 8)	141,105,000	107,285,000	124,195,000
Total	877,705,000	795,593,000	836,649,000

For fair value disclosure purposes, management used the average of the two independent valuations of the investment properties, property and equipment, and right-of-use assets.

The following is an analysis of the fair value of investment properties and right of benefit assets versus cost:

	30 June 2026 (Unaudited)	31 December 2025 (audited)
Estimated fair value of investment properties and right of benefit assets based on the average of the two valuations used	**828,051,305**	836,649,000
Less: book value		
- Investment properties, net (Note 6)	**540,576,000**	538,767,000
- Property, plant and equipment, net (Note 7)	**168,823,177**	169,093,385
- Right-of-use assets, net (Note 8)	**56,592,952**	71,546,185
Estimated fair value excess of book value	**62,059,176**	57,242,430
Units in issue (in number)	**73,276,800**	73,276,800
Excess unit share of estimated fair value	**0.85**	0.78

Net assets attributable to the Unitholders:

	30 June 2026 (Unaudited)	31 December 2025 (audited)
Net assets value attributable to the unitholders as per the financial statements before fair value adjustment	**510,396,688**	515,769,472
Estimated fair value excess of book value	**62,059,176**	57,242,430
Net assets value attributable to the Unitholders based on fair value of investment properties and right of benefit assets	**572,455,864**	573,011,902

(All amounts in Saudi Riyal unless otherwise stated)

9. Impact on Net Assets Attributable to Unitholders if Investment Properties, Property and Equipment, and Right-of-Use Assets Were Measured at Fair Value (CONTINUED)

Net asset value per unit:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
The book value of the assets value per unit as per the financial statements before fair value adjustment	**6.97**	7.04
Additional value per unit based on fair value	**0.85**	0.78
Market value of assets attributable to the unit	**7.82**	7.82

10. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Cost:		
Balance at the beginning of the period / year	**114,496,357**	114,496,357
Remeasurement of lease contracts during the period*	**(21,766,512)**	-
Balance at the end of the period / year	**92,729,845**	114,496,357
Accumulated amortisation:		
Balance at the beginning of the period / year	**(52,608,827)**	(44,915,455)
Remeasurement of lease contracts during the period*	**10,925,809**	-
Charge for the period / year	**(3,815,069)**	(7,693,372)
Balance at the end of the period / year	**(45,498,087)**	(52,608,827)
Net carrying amount	**47,231,758**	61,887,530

Lease liabilities relating to right-of-use assets:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	**74,050,279**	84,265,037
Remeasurement of lease liabilities during the period / year*	**(14,734,589)**	(3,741,914)
Finance costs accrued during the period / year	**1,517,059**	3,027,156
Lease payments made during the period / year	**(7,500,000)**	(9,500,000)
Net carrying amount	**53,332,749**	74,050,279

(All amounts in Saudi Riyal unless otherwise stated)

10. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

* As at 30 June 2026, the Fund's management remeasured the lease liability based on the Fund Board of Directors' decision not to exercise the extension option under the Plaza lease agreement (the property is located on King Abdulaziz Road, Al Rabie District, Riyadh). The lease term for this property expires on 3 Safar 1448H, corresponding to 17 July 2026. The remeasurement of the lease liability resulted in the recognition of other income amounting to SAR 3,464,036 during the period ended 30 June 2026.
* As at 30 June 2026, the Fund's management remeasured the lease liability relating to the Diyafah lease agreement. The remeasurement of the lease liability resulted in the recognition of other income amounting to SAR 429,850 during the period ended 30 June 2026.
The maturity of lease liabilities relating to right-of-use assets is as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Less than one year – Current portion	**5,500,000**	9,500,000
More than one year – Non-current portion	**47,832,749**	64,550,279
Net carrying amount	**53,332,749**	74,050,279

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

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Investments at fair value through profit or loss (FVTPL)	**64,024,314**	63,852,000
	64,024,314	63,852,000

These investments comprise preference shares issued by Downtown Bay Developments Limited (Cayman). Amar Real Estate Investment and Development Company (a special purpose vehicle established to hold the Fund’s assets) acquired these shares at a purchase price of SAR 1.06 per share at the investment date. The preference shares carry contractual rights, including periodic coupons at a rate of 6% per annum payable semi-annually, in addition to a preferred return of 1% of the nominal value, with repayment of the nominal value upon exercise of the redemption right in accordance with the contractual terms.

As at 30 June 2026, management engaged an independent certified valuer to perform an independent fair value assessment of these preference shares. The valuer applied the discounted cash flow (DCF) methodology to determine the present value of the expected contractual cash flows, comprising the semi-annual coupon payments, the preferred return, and the expected redemption proceeds of the nominal value, including accrued but unpaid coupons as at the reporting date.

The financial instrument has been classified within Level 3 of the fair value hierarchy under IFRS 13, Fair Value Measurement. This classification reflects a high degree of estimation uncertainty, as the valuation is based on significant unobservable inputs and assumptions, including the timing of redemption, which was estimated to occur four years from the issuance date, together with a probability-weighted approach to the distribution of repayment scenarios within the redemption window extending to December 2029. The valuer applied a discount rate of 8.1%.

- Dividend income from investments at fair value through profit or loss amounted to SAR 1,862,564 during the period ended 30 June 2026.
- Unrealized gain arising from the fair value measurement of investments at fair value through profit or loss amounted to SAR 172,314 during the period ended 30 June 2026.

(All amounts in Saudi Riyal unless otherwise stated)

12. Rental receivables, net,

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Rent receivables	**54,390,808**	89,892,329
Provision for expected credit losses	**(26,324,580)**	(66,029,767)
	28,066,228	23,862,562

The movement on the provision for expected credit losses is as follows:

	30 June 2026 (Unaudited)	31 December 2025 (audited)
Balance at the beginning of the period	**66,029,767**	68,621,077
Reversal of expected credit loss allowance during the period	**(387,301)**	-
Write-off of balances during the period	**(39,317,886)**	-
Balance at the end of the period	**26,324,580**	68,621,077

The aging of Accounts Receivable are as follows:

Number of days	**30 June 2026 (Unaudited)**	31 December 2025 (audited)
0-180 days	**2,474,528**	11,041,191
181-365 days	**7,730,731**	7,765,055
More than 365 days	**44,185,549**	71,086,083
Balance at the end of the period	**54,390,808**	89,892,329

13. OTHER ASSETS

	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Advances to suppliers	**537,569**	333,652
Amounts due from hotel operator	**2,728,407**	-
	3,265,976	333,652

14. BORROWINGS

Amar Real Estate Development and Investment Company (the "SPV") obtained Islamic financing facilities from Saudi Awwal Bank (SAB) totaling SAR 307,500,000 to finance the Fund's investment properties and property, plant and equipment. The financing carries a profit rate of three-month SAIBOR plus 2%.

As at 30 June 2026, the outstanding borrowings amounted to SAR 311,350,988 (31 December 2025: SAR 311,705,885). The outstanding balance includes accrued financing costs of SAR 3,850,988 as at 30 June 2026 (31 December 2025: SAR 4,205,885). Accordingly, the net principal balance of the financing amounted to SAR 307,500,000 as at 30 June 2026 and 31 December 2025.

The movement in borrowings during the period/year is as follows:

	30 June 2026 (Unaudited)	31 December 2025 (audited)
Balance at the beginning of the period/year	**311,705,885**	352,494,342
Financing costs during the period/year	**10,919,196**	25,560,365
Paid during the period/year	**(11,274,093)**	(66,348,822)
Balance at the end of the period/year	**311,350,988**	311,705,885

The financing facilities are secured by pledges over the Fund's investment properties, property, plant and equipment, and right-of-benefit assets, with carrying values amounting to SAR 540,576,000, SAR 168,823,177, and SAR 56,592,952, respectively, as at 30 June 2026 (Notes 6, 7 and 8)

(All amounts in Saudi Riyal unless otherwise stated)

15. Due to related parties

	30 June 2026 (Unaudited)	31 December 2025 (audited)
Middle East Financial Investment Company ("Fund manager") (Note 17)	**21,786,821**	14,208,022
	21,786,821	14,208,022

16. Other expenses

	30 June 2026 (Unaudited)	30June 2025 (unaudited)
Collection fees	**2,500,775**	445,341
Hotel expenses	**2,495,394**	2,114,667
Professional fees	**1,529,905**	55,764
Cleaning expenses	**494,909**	311,801
Trading fees	**400,000**	400,000
Others	**342475**	486339
Property management fees	**326,000**	685,511
Security and guarding expenses	**270,332**	236,400
Maintenance and repairs	**194,140**	194,020
Property valuation fees	**93,800**	25,000
	8,647,730	4,954,843

17. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

In the ordinary course of the Fund's operations, it enters into transactions with related parties. Related parties of the Fund include major unitholders, the Fund Manager, and the Fund's Board of Directors. These transactions are conducted in accordance with the Fund's terms and conditions and are carried out on agreed terms under formal agreements.

Transactions with related parties:

Related parties	**Nature of relationship**	**Nature of transaction**	**30 June 2026 (Un-audited)**	30 June 2025 (Un-audited)
Middle East Financial Investment Company (the "Fund Manager")	Fund Manager	Management fee	**(848,172)**	(917,073)
		Borrowings*	**(7,578,799)**	-

The Fund entered into a Qard Hasan (interest-free loan) agreement with Middle East Financial Investment Company in its capacity as the Fund Manager (the "Company"), pursuant to which the Company provided the Fund with additional financing facilities to support its operational requirements and the growth and development of its real estate investments.

In accordance with the terms of the agreement, the loan is non-profit-bearing and does not give rise to any financing charges or interest..

(All amounts in Saudi Riyal unless otherwise stated)

17. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (CONTINUED)

Resulting related party balances:

	Presented under:	**30 June 2026 Receivable / (Payable) (Un-audited)**	31 December 2025 Receivable / (Payable) (audited)
Middle East Financial Investment Company (the "Fund Manager") (Note 15)	Due to related parties	**(21,786,821)**	(14,208,022)
Middle East Financial Investment Company (the "Fund Manager")	Accrued expenses and other liabilities	**(1,810,616)**	(962,444)

18. CONTINGENT LIABILITIES AND COMMITMENTS

The Fund does not have any contingent liabilities or commitments at the reporting date

19. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity has access to at the measurement date;
- Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Financial assets comprise cash at bank, lease receivables, and investments at fair value through profit or loss (FVTPL). Financial liabilities comprise borrowings, amounts due to related parties, accrued expenses, and other liabilities.

The Fund's management believes that the estimated fair values of its financial assets and financial liabilities are not materially different from their carrying amounts. Accordingly, the carrying amounts are considered a reasonable approximation of their fair values as at 30 June 2026 and 31 December 2025.

The table below presents the fair values of the financial instruments disclosed:

30 June 2026	**Book value**	**Level 1**	**Level 2**	**Level 3**
Fair Value Through Profit or Loss Investments (Note 11)	**64,024,314**	**-**	**-**	**64,024,314**

There were no transfers between the different levels of the fair value hierarchy during the current period or the previous year. The significant unobservable inputs used in determining fair value are disclosed in Note 11.

20. LAST VALUATION DAY

The last evaluation day of the year was on 15 Muharram 1448 AH, corresponding to 30 June 2026.

21. SEGMENT INFORMATION

The fund manager is responsible for the entire fund's portfolio and considers the business to have one operating segment. Asset allocation decisions are based on a single, integrated investment strategy, and the fund's performance is assessed on an overall basis.

22. SUBSEQUENT EVENTS

Management is not aware of any significant subsequent events occurring after the end of the reporting period that would require adjustment to, or disclosure in, these condensed interim financial statements.

23. APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The interim condensed financial statements for the period ended 30 June 2026, were approved by the Board of Directors on 26 Safar 1448 AH, corresponding to 09 August 2026.