AL AZIZIAH REIT FUND
A CLOSED-ENDED REAL ESTATE INVESTMENT FUND TRADED
(MANAGED BY AL WASATAH AL MALIAH COMPANY “WASATAH CAPITAL”)

INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)
WITH THE INDEPENDENT AUDITOR'S LIMITED REVIEW REPORT

FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2026

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

To the unit holders
Al Aziziah REIT Fund
Closed-ended real estate investment fund traded
(Managed by Al Wasatah Al Maliah Company "Wasatah Capital")

Introduction

We have reviewed the Interim condensed statement of financial position of **Al Aziziah REIT Fund (a closed-ended publicly traded real estate investment fund) (the "Fund")**, managed by Wasatah Capital Company (the "Fund Manager"), as at 30 June 2026, and the Interim condensed statement of profit or loss and other comprehensive income, the Interim condensed statement of changes in net assets attributable to the unitholders, and the Interim condensed statement of cash flows for the six-months period then ended, and other explanatory notes. Fund management is responsible for the preparation and presentation of this Interim condensed financial information in accordance with International Accounting Standard (IAS 34) "Interim Financial Reporting," as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this Interim condensed financial Information based on our review.

Scope of review

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

Other Matter

The Fund's interim condensed financial information for the six-months period ended 30 June 2025 was reviewed by another independent auditor, who expressed an unmodified conclusion on those financial statements dated 16 Safar 1447H (corresponding to 10 August 2025).

RSM Allied Accountants Professional Services

Abdullah Bin Ahmed Al Faddaghi
License No. 706
Riyadh, Kingdom of Saudi Arabia
22 Safar 1448 AH (corresponding to 5 August 2026 AD)

AL AZIZIAH REIT FUND
CLOSED-ENDED REAL ESTATE INVESTMENT TRADED FUND
(MANAGED BY AL WASATAH AL MALIAH COMPANY “WASATAH CAPITAL”)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 30 JUNE 2026

	Note	30 June 2026 (Unaudited) SAR	31 December 2025 (Audited) SAR
Assets			
Cash and cash equivalents	7	**13,058,350**	6,763,775
Lease receivables, net	8	**-**	43,500
Advances and other debit balances, net		**559,297**	1,852,740
Investment properties, net	9	**368,764,565**	387,478,336
Total Assets		**382,382,212**	396,138,351
Liabilities			
Unearned lease revenues		**6,881,107**	2,581,314
Short term loans	11	**149,891,640**	149,891,640
Accrued expenses and other credit balances		**1,312,117**	938,786
Due to related parties	12- B	**710,437**	620,144
Total Liabilities		**158,795,301**	154,031,884
Unitholders’ Equity			
Net assets attributable to the Unitholders		**223,586,911**	242,106,467
Units issued (number)	1	**57,240,000**	57,240,000
Book value of net assets attributable to unitholders	10 - 3	**3.91**	4.23
Fair value of net assets attributable to unitholders	10 - 3	**5.04**	5.30

The accompanying notes form an integral part of this Interim condensed financial information.

AL AZIZIAH REIT FUND
CLOSED-ENDED REAL ESTATE INVESTMENT TRADED FUND
(MANAGED BY AL WASATAH AL MALIAH COMPANY "WASATAH CAPITAL")

INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS, AND OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2026

		For the six-months period ended 30 June	
		2026	2025
		(Unaudited)	(Unaudited)
Profit or loss	Note	**SAR**	SAR
Revenues			
Income from operating lease contracts		**12,725,207**	10,258,660
Realized gains from sale of financial investments at fair value through profit or loss		**-**	131,878
Unrealized gains from revaluation of financial investments at fair value through profit or loss		**-**	32,454
Murabaha Deposit Income	7	**232,681**	-
Other income		**-**	2,008
Total Revenue		**12,957,888**	10,425,000
Expenses			
Finance cost	11	**(5,128,311)**	(5,496,357)
Depreciation of investment properties	9	**(4,853,181)**	(4,813,292)
Write-off of other debit balances		**-**	(1,997,997)
Fund management fees	6,12	**(1,194,176)**	-
Property management fee		**(353,006)**	(556,221)
Legal and professional fees		**(124,625)**	(49,625)
Edaa fees		**(200,000)**	-
Rental collection fees		**(148,500)**	(198,400)
Custody fees	6,12	**(77,500)**	(87,500)
Reversal of Expected Credit Loss Allowance	8	**57,500**	-
(Impairment Loss) / Reversal of Impairment Loss on Investment Properties	9	**(13,860,590)**	3,804,476
Trading Fees		**(38,834)**	(35,185)
Board of Directors' Meeting Attendance Fees	6,12	**(10,000)**	(20,000)
Other expenses		**(394,621)**	(458,727)
Total Expenses		**(26,325,844)**	(9,908,828)
Net (Loss) / Profit for the Period		**(13,367,956)**	516,172
Other Comprehensive Income for the Period		**-**	-
Total Comprehensive (Loss) / Income for the Period		**(13,367,956)**	516,172

The accompanying notes form an integral part of this Interim condensed financial information.

INTERIM CONDENSED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (UNAUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2026

	For the six-months period ended 30 June	
	2026 (Unaudited) SAR	2025 (Unaudited) SAR
Net Assets Attributable to Unitholders at the Beginning of the Period	**242,106,467**	243,035,922
Total Comprehensive (Loss) / Income for the Period	**(13,367,956)**	516,172
Cash Distributions during the Period (Note 16)	**(5,151,600)**	-
Net Assets Attributable to Unitholders at the End of the Period	**223,586,911**	243,552,094

Unit transactions

The following is a summary of unit transactions during the period:

	2026 (Unaudited) Units	2025 (Unaudited) Units
Units issued as at the beginning of the period	**57,240,000**	57,240,000
Units issued as at the end of the period	**57,240,000**	57,240,000

The accompanying notes form an integral part of this Interim condensed financial information.

INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2026

	For the six-months period ended 30 June	
	2026 (Unaudited) SAR	2025 (Unaudited) SAR
Cash Flows from Operating Activities		
Net (Loss) / Profit for the Period	**(13,367,956)**	516,172
Adjustments to Reconcile Net (Loss) / Profit for the Period to Net Cash Generated from / (Used in) Operating Activities:		
Realized Gain on Disposal of Financial Assets at Fair Value through Profit or Loss (FVTPL)	**-**	(131,878)
Write-off of Other Receivables	**-**	1,997,997
Unrealized Gain on Revaluation of Financial Assets at Fair Value through Profit or Loss (FVTPL)	**-**	(32,454)
Finance Costs	**5,128,311**	5,496,357
Depreciation of Investment Properties	**4,853,181**	4,813,292
Impairment Loss / (Reversal of Impairment Loss) on Investment Properties	**13,860,590**	(3,804,476)
	10,474,126	8,855,010
Changes in operating assets & liabilities:		
Lease receivables, net	**43,500**	(51,000)
Advances and other receivables, net	**1,293,443**	176,453
Unearned lease revenues	**4,299,793**	9,036,340
Accrued expenses and other payables	**373,331**	(16,012,026)
Due to related parties	**90,293**	-
Paid from financing costs	**(5,128,311)**	(5,496,357)
Net cash generated from / (used in) operating activities	**11,446,175**	(3,491,580)
Cash Flows from investing activities:		
Payments for Purchase of Financial Assets at Fair Value through Profit or Loss	**-**	(3,500,000)
Proceeds from Sale of Financial Assets at Fair Value through Profit or Loss	**-**	11,759,533
Net cash generated from investing activities	**-**	8,259,533
Cash Flows from Financing Activities:		
Dividends Paid	**(5,151,600)**	-
Net Cash Used in Financing Activities	**(5,151,600)**	-
Net change in cash and cash equivalents	**6,294,575**	4,767,953
Cash and cash equivalents at beginning of the Period	**6,763,775**	1,428,042
Cash and cash equivalents at end of the Period	**13,058,350**	6,195,995

The accompanying notes form an integral part of this Interim condensed financial information.

1- FUND AND ITS ACTIVITIES

Al Aziziah REIT Fund is a closed-ended real estate investment traded fund listed on the Main Market (TASI) and is compliant with Shariah standards approved by the Shariah Supervisory Committee. The Fund was established in accordance with the applicable laws and regulations in the Kingdom and is subject to the regulations and instructions of the Capital Market Authority and the provisions of the Real Estate Investment Funds Regulations issued by the Board of the Capital Market Authority.

On 18 January 2018, the Fund was listed on the Saudi Stock Exchange ("Tadawul") under symbol (4337), and its units are traded in accordance with the rules and regulations of the Capital Market Authority.

On 29 July 2025, the Capital Market Authority approved the appointment of Wasatah Capital as the Fund Manager effective from 22 October 2025. During the year, the Board of Directors approved changing the Fund's name from "SICO Saudi REIT Fund" to " Al Aziziah REIT Fund."

Fund Term:

The Fund has a term of 99 years commencing from the date of listing of the Fund's units on the market (Tadawul) and making them available for trading on 18 January 2018. The term is renewable for a similar period at the discretion of the Fund Manager, subject to the approval of the Fund's Board of Directors and subsequently obtaining the approval of the Capital Market Authority.

Trading in the Fund's units commenced on the Saudi Stock Exchange (Tadawul) on 1 Jumada Al-Awwal 1439H, corresponding to 18 January 2018, after obtaining the approval of the Capital Market Authority in the Kingdom of Saudi Arabia.

Fund subscriptions during the initial offering period and fund size coverage:

The Fund's targeted size during the initial public offering period had a minimum offering size of SAR 171,172,000 and a maximum offering size of SAR 400,680,000. The Fund's size as at 31 December 2025 amounted to SAR 572,400,000, divided into 57,240,000 units with a nominal value of SAR 10 per unit.

Fund objectives:

The Fund's primary objective is to provide current income to investors by investing at least 75% of the total value of the Fund's assets, based on the latest audited financial statements, in developed, income-generating real estate assets located within the Kingdom of Saudi Arabia.

The Fund may also invest in real estate properties outside the Kingdom of Saudi Arabia, provided that such investments do not exceed 25% of the Fund's total assets.

The Fund raised SAR 572,400,000 through the subscription of 57,240,000 units, resulting in total issued units of 57,240,000 units.

Custodian and Fund management:

Albilad Investment Company, a Saudi closed joint stock company, acts as the custodian for the Fund and its assets under license number (08100-37). The Fund is managed by Wasatah Capital (the "Fund Manager"), a Saudi closed joint stock company registered in the Commercial Register of the Kingdom of Saudi Arabia under number 7001506356, and licensed as a Capital Market Institution by the Capital Market Authority under license number (08125-37).

Mashaaer REIT Real Estate Company is a special purpose entity established to hold the Fund's assets and is owned by Albilad Investment Company (the Custodian).

Fund address:

The Fund's manager's address is as follows:

Address: Wasatah Capital, Al Olaya Road – Short Address (RHGA7459), Riyadh 12283, Kingdom of Saudi Arabia.

2- REGULATORY AUTHORITY

The Fund is subject to the Real Estate Investment Funds Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. 1-193-2006 dated 19 Jumada Al-Thani 1427H, corresponding to 15 July 2006, based on the Capital Market Law issued by Royal Decree No. M/30 dated 2 Jumada Al-Thani 1424H, corresponding to 31 July 2003. The Regulations were amended (the "Amended Regulations") pursuant to the Resolution of the Board of the Capital Market Authority No. 1-135-2025 dated 3 Jumada Al-Thani 1447H, corresponding to 24 November 2025.

3- BASIS OF PREPARATION OF INTERIM CONDENSED FINANCIAL INFORMATION

3-1 Statement of compliance

The 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 endorsed by the Saudi Organization for Chartered and Professional Accountants, and should be read in conjunction with the Fund's latest financial statements for the year ended 31 December 2025. This condensed interim financial information does not include all the information normally required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards. However, selected accounting policies and explanatory notes have been included to explain significant events and transactions relevant to understanding the changes in the Fund's financial position and financial performance since 31 December 2025. In addition, the results of operations for the six-months period ended 30 June 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

3-2 Basis of measurement

The condensed interim financial information has been prepared under the historical cost convention, except for items for which International Financial Reporting Standards as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants require the use of another measurement basis, and using the accrual basis of accounting and the going concern concept. The Fund does not present current and non-current assets and liabilities separately in the condensed interim statement of financial position; instead, the Fund presents assets and liabilities in order of liquidity, as the Fund Manager believes that such presentation provides information that is more relevant and reliable to users of the financial statements, in accordance with the requirements of International Accounting Standard (IAS) (1).

3-3 Functional and presentation currency

This condensed interim financial information is presented in Saudi Riyals, which is the Fund's functional currency and the currency of presentation and disclosure.

4- SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the condensed interim financial information requires management to make judgements, 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. The significant estimates made by management in applying the Fund's accounting policies and the significant judgements involving estimation uncertainty were consistent with those disclosed in the latest annual financial statements.

5- NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS

New standards, interpretations and amendments applied by the fund

Standard, Interpretation and Amendments	Description	Effective For Periods Beginning on or after
Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments.	These amendments: • clarify the requirements relating to the timing of recognition and derecognition of certain financial assets and financial liabilities, with a new exception for certain 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 criterion; • add new disclosures for certain instruments with contractual terms that could change cash flows (such as certain instruments with features linked to the achievement of environmental, social and governance targets); and • update the disclosures for equity instruments designated at fair value through other comprehensive income.	1 January 2026

5- NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (CONTINEUD)

New standards, interpretations and amendments applied by the fund (CONTINEUD)

Standard, Interpretation and Amendments	Description	Effective For Periods Beginning on or after
Annual Improvements to IFRS Accounting Standards — Volume 11	Annual Improvements are limited to amendments that either clarify the wording of a Standard, or correct relatively minor unintended consequences, oversights, or conflicts between the requirements of the Standards. The 2024 amendments relate to the following Standards: • IFRS 1 First-time Adoption of International Financial Reporting Standards; • IFRS 7 Financial Instruments: Disclosures, and the 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

New Standards, Interpretations and Amendments Not Yet Effective and Not Early Adopted

The following is a list of issued standards and interpretations that the Fund expects to apply in the future. The Fund intends to adopt these standards when they become effective. These amendments and standards, except for IFRS 18, are not expected to have a material impact on the Fund's interim condensed financial information.

Standard, Interpretation and Amendments	Description	Effective For Periods Beginning on or after
IFRS 18 – Presentation and Disclosure in Financial Statements	IFRS 18 provides guidance on items in the statement of profit or loss classified into five categories: operating, investing, financing, income taxes, and discontinued operations. It also defines a subset of measures related to an entity's financial performance as "management-defined performance measures." Totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes shall be described in a manner that represents the characteristics of the item. It also requires foreign exchange differences to be classified in the same category as the income and expenses from the items that gave rise to the foreign exchange differences.	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 recognition of a gain or loss for transactions between an investor and its associate or joint venture applies only 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." The gain or loss resulting from the sale or contribution to an associate or joint venture of assets that constitute a business, as defined in IFRS 3, is recognized in full.	Effective date deferred indefinitely

5- NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (CONTINEUD)

New Standards, Interpretations and Amendments Not Yet Effective and Not Early Adopted (CONTINEUD)

Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates relating to Translation to a Hyperinflationary Presentation Currency	These amendments clarify how entities translate financial statements from a non-hyperinflationary currency into a hyperinflationary presentation currency.	1 January 2027

IFRS 18 "Presentation and Disclosure in Financial Statements" replaces IAS 1 "Presentation of Financial Statements" and is effective for annual reporting periods beginning on or after 1 January 2027. The Fund has not early adopted IFRS 18 in preparing this interim condensed financial information.

The Fund Manager is currently assessing the expected impact of the initial application of the Standard on the Fund's financial statements. Its preliminary assessment is set out below across the four key areas introduced by the Standard. The assessment may be subject to change as the Fund finalizes its transition project before the effective date.

A) Structure of the Statement of Profit or Loss

IFRS 18 requires income and expenses to be classified into five categories: operating, investing, financing, income taxes and discontinued operations, and introduces two new mandatory subtotals: operating profit or loss and profit or loss before financing and income taxes. Classification is generally based on the entity's main business activities. The Fund has identified its main business activity as investing in income-generating real estate assets in the education and training sector, with the objective of generating rental and finance lease income and benefiting from capital appreciation. Under IFRS 18, entities whose main business activity is investing in such assets are required to classify the related income and expenses within the operating category rather than the investing category. Accordingly, income from investment properties, finance lease income, net gains and losses arising from the disposal of investment properties, and other related operating expenses of the Fund, such as management fees and custody fees, are expected to continue to be presented within operating profit or loss. Finance costs on the Fund's bank borrowings are expected to continue to be presented within the financing category, while special commission income earned on bank balances is expected to be presented within the investing category, consistent with its nature.

The Fund does not expect the application of IFRS 18 to change total comprehensive income or total unitholders' equity. The main impact is expected to relate to the presentation, labelling and subtotals within the statement of profit or loss rather than recognition or measurement.

B) Management-Defined Performance Measures

Management-defined performance measures are subtotals of income and expenses that are not specified by IFRS Accounting Standards and are used in public communications outside the financial statements to communicate management's view of an aspect of the Fund's financial performance. Such measures are required to be reconciled to the most directly comparable subtotal specified by IFRS Accounting Standards.

The Fund reviewed its external communications, including investor reports and Fund fact sheets, and did not identify any performance measures that meet the definition of a management-defined performance measure under IFRS 18. Accordingly, no disclosures for the reconciliation of management-defined performance measures are currently expected to be required upon adoption of the Standard. The Fund will continue to monitor its external communications up to the effective date, as any measure used during the initial period may still meet the definition.

5- NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS(CONTINEUD)

C) Aggregation and Disaggregation Principles

IFRS 18 introduces enhanced principles for the aggregation and disaggregation of information in the primary financial statements and notes, based on shared or differing characteristics, together with more specific requirements regarding the labelling and description of items and the use of non-specific descriptions such as "other."

The Fund is assessing its statement of financial position, statement of comprehensive income and related notes in accordance with these principles. Based on the assessment performed to date, the Fund expects the application of IFRS 18 to result in more detailed presentation and disclosure of certain items, including income from investment properties, finance lease income and related fair value movements; however, no material impact is expected.

D) Consequential Amendments to IAS 7

IFRS 18 introduces consequential amendments to the statement of cash flows under IAS 7, including the removal of certain classification options for interest and dividends received or paid and requiring operating profit or loss (rather than profit or loss) to be used as the starting point for the indirect method in the statement of cash flows.

The Fund is currently assessing the impact of these amendments on its statement of cash flows. Given that income from investment properties and related real estate investment activities already form part of the Fund's main/operating activities, no material change in the classification of the Fund's operating cash flows is currently expected. However, the presentation of finance costs paid, currently classified within financing activities, and special commission income received, currently classified within investing activities, together with the reconciliation from operating profit or loss, may change as a result of these amendments.

6- MANAGEMENT FEES AND OTHER EXPENSES

6-1 Management Fees

The Fund Manager is entitled to management fees at a rate of 1% per annum of the Fund's net asset value, payable quarterly. Management fees are calculated on a daily basis throughout the Fund's term and settled at the end of each quarter from the Fund's net asset value.

6-2 Administrative Fees

Administrative fees are calculated at a rate of 0.05% of the Fund's net asset value, calculated on a daily basis after deducting fixed expenses, and payable at the end of each quarter.

6-3 Custody fees

The Fund pays the Custodian an annual fee of SAR 155,000, payable monthly at an amount of SAR 12,917. Custody fees are calculated on a daily basis and settled within 15 days from the date of receiving the invoice from the Fund's assets.

6-4 Financing Structuring Fees

The Fund shall pay the Fund Manager a fee of up to 1.5% of each amount obtained as financing for the Fund or any special purpose entity during the Fund's term.

6-5 Capital Structuring Fees

The Fund shall pay the Fund Manager a one-time capital structuring fee of 0.25% of the total subscription amounts raised during the initial offering after allocation of units. Such fees shall be deducted from the Fund's income during the first year. In the event of raising any additional subscription amounts, whether in cash through the issuance of rights issues or in-kind contributions, the capital structuring fee shall be 1.5% of the total subscription amounts and shall be paid immediately upon completion of any capital raising transaction.

6-6 Board of Directors' Remuneration

Each independent Board member shall receive an amount not exceeding SAR 20,000 per meeting, annually for each independent member. In addition to the above, the Fund shall be subject, directly and indirectly, to other expenses, including but not limited to legal fees, insurance costs, bank financing commissions, advertisements related to the Fund's activities, if any, government fees imposed on the Fund and its activities, if any, and unitholders' meeting expenses. The Fund shall not be charged any other expenses or fees unless approved by the Fund's Board of Directors.

7- CASH AND CASH EQUIVALENTS

	30 June 2026 (Unaudited) SAR	31 December 2025 (Audited) SAR
Cash at local banks	**123,821**	2,163,775
Murabaha deposits (maturity period less than 90 days)*	**12,934,529**	4,600,000
	13,058,350	6,763,775

*Murabaha deposits represent amounts deposited and invested pursuant to an agreement entered into with a local bank, whereby the bank invests the amounts deposited by the Fund as part of customer deposits, the purposes of which are not inconsistent with the applicable laws and regulations and are compliant with Islamic Shariah. These deposits are subject to Murabaha rates ranging from 3.4% to 4.6% (31 December 2025: Murabaha rates ranging from 4.1% to 4.4%). The actual return on these deposits for the six-months period ended 30 June 2026 amounted to SAR 232,681 (six-months period ended 30 June 2025: Nil).

8- LEASE RECEIVABLES, NET

	30 June 2026 (Unaudited) SAR	31 December 2025 (Audited) SAR
Lease receivable	**208,258**	309,258
(Less): provision for expected credit losses *	**(208,258)**	(265,758)
Balance as at the end of the period / year	**-**	43,500

(*) The movement on Expected credit losses provision is as follows:

	30 June 2026 (Unaudited) SAR	31 December 2025 (Audited) SAR
Balance at the Beginning of the Period / Year	265,758	-
Charge Recognized during the Period / Year	-	265,758
Reversal during the Period / Year	(57,500)	-
Balance at the End of the Period / Year	208,258	265,758

9- INVESTMENT PROPERTIES, NET

The following is the movement in investment properties:

	Lands SAR	**Buildings SAR**	**Total SAR**
Cost			
Balance as at the beginning of the Period	**381,549,835**	**339,722,456**	**721,272,291**
Balance as at the end of the Period	**381,549,835**	**339,722,456**	**721,272,291**
Accumulated depreciation			
Balance as at the beginning of the Period	**-**	**(68,680,961)**	**(68,680,961)**
Charged during the Period	**-**	**(4,853,181)**	**(4,853,181)**
Balance as at the end of the Period	**-**	**(73,534,142)**	**(73,534,142)**
Less: accumulated impairment in value:			
Balance as at the beginning of the Period	**(170,974,992)**	**(94,138,002)**	**(265,112,994)**
Charge for the Period	**(9,872,226)**	**(3,988,364)**	**(13,860,590)**
Balance as at the end of the Period	**(180,847,218)**	**(98,126,366)**	**(278,973,584)**
Net Book Value as at 30 June 2026 (Unaudited)	**200,702,617**	**168,061,948**	**368,764,565**

The following is the movement in investment properties:

	Lands SAR	Buildings SAR	Total SAR
Cost			
Balance as at the beginning of the year	381,549,835	339,722,456	721,272,291
Balance as at the end of the year	381,549,835	339,722,456	721,272,291
Accumulated depreciation			
Balance as at the beginning of the year	-	(58,974,598)	(58,974,598)
Charged during the year	-	(9,706,363)	(9,706,363)
Balance as at the end of the year	-	(68,680,961)	(68,680,961)
Less: accumulated impairment in value:			
Balance as at the beginning of the year	(174,686,477)	(99,512,809)	(274,199,286)
Reversal during the year	3,711,485	5,374,807	9,086,292
Balance as at the end of the year	(170,974,992)	(94,138,002)	(265,112,994)
Net book value as at 31 December 2025 (Audited)	210,574,843	176,903,493	387,478,336

9- INVESTMENT PROPERTIES, NET (CONTINEUD)

The land ownership deeds are registered in the name of Mashaaer REIT Real Estate Company, a special purpose entity established to hold the Fund's assets and owned by Albilad Investment Company (the Custodian) (Note 1).

The following provides details of the investment properties owned by the Fund:

- **I-Offices Building – Al Rabie District, Riyadh:** The property comprises an office building located in Al Rabie District in Riyadh. The property is situated on a land area of 6,156 square meters, with a total built-up area of 23,220 square meters.

- **Iskan Hotel 4 – Al Aziziah District, Makkah Al Mukarramah:** The property is a hospitality tower consisting of 23 floors, located in Al Aziziah District, Makkah Al Mukarramah. The property is situated on a land area of 1,288 square meters, with a total built-up area of 18,053 square meters.

- **Iskan Hotel 5 – Prince Abdullah Al Faisal Scheme, Makkah Al Mukarramah:** The property is a hospitality tower consisting of 20 floors, located in Prince Abdullah Al Faisal Scheme, Makkah Al Mukarramah. The property is situated on a land area of 1,383 square meters, with a total built-up area of 19,905 square meters.

- **Iskan Hotel 6 – Al Aziziah District, Makkah Al Mukarramah:** The property is a hospitality tower consisting of 18 floors, located in Al Aziziah District, Makkah Al Mukarramah. The property is situated on a land area of 1,458 square meters, with a total built-up area of 15,201 square meters.

Market Values:

The fair value of the investment properties is determined by two independent valuers: Qiam Valuation Company, holding license number 1210000052, and Esnad Real Estate Valuation Company, holding license number 1210000934. Both valuers are accredited by the Saudi Authority for Accredited Valuers (Taqeem). For further details regarding fair value, please refer to Notes (10,13).

The following is an analysis of the net book value of investment properties (land and buildings):

Property	**Nature of Property**	**30 June 2026 (Unaudited) SAR**	31 December 2025 (Audited) SAR
I-Offices Building – Al Rabee District, Riyadh	Offices	**134,167,065**	135,560,836
Iskan Hotel 4 – Al Aziziah District, Makkah Al Mukarramah	Hospitality Tower	**99,601,000**	102,618,000
Iskan Hotel 6 – Al Aziziah District, Makkah Al Mukarramah	Hospitality Tower	**68,547,500**	72,949,000
Iskan Hotel 5 – Prince Abdullah Al Faisal Scheme, Makkah Al Mukarramah	Hospitality Tower	**66,449,000**	76,350,500
		368,764,565	387,478,336

The investment properties were valued at market value as follows:

First valuer (Qiam Valuation Company)

Property	**Evaluation method**	**30 June 2026 (Unaudited) SAR**	31 December 2025 (Audited) SAR
I-Offices Building – Al Rabee District, Riyadh	Discounted cash flows method	**188,554,000**	188,978,000
Iskan Hotel 4 – Al Aziziah District, Makkah Al Mukarramah	Discounted cash flows method	**100,985,000**	101,712,000
Iskan Hotel 6 – Al Aziziah District, Makkah Al Mukarramah	Discounted cash flows method	**71,703,000**	74,463,000
Iskan Hotel 5 – Prince Abdullah Al Faisal Scheme, Makkah Al Mukarramah	Discounted cash flows method	**71,121,000**	77,313,000
		432,363,000	442,466,000

9- INVESTMENT PROPERTIES, NET (CONTINEUD)

Second valuer (Esnad Real Estate Valuation Company)

Property	Evaluation method	**30 June 2026 (Unaudited) SAR**	31 December 2025 (Audited) SAR
I-Offices Building – Al Rabee District, Riyadh	Discounted cash flows method	**209,037,000**	204,323,000
Iskan Hotel 4 – Al Aziziah District, Makkah Al Mukarramah	Discounted cash flows method	**98,217,000**	103,524,000
Iskan Hotel 6 – Al Aziziah District, Makkah Al Mukarramah	Discounted cash flows method	**65,392,000**	71,435,000
Iskan Hotel 5 – Prince Abdullah Al Faisal Scheme, Makkah Al Mukarramah	Discounted cash flows method	**61,777,000**	75,388,000
		434,423,000	454,670,000

- Land No. 277/1 of Plan No. 1/21/7C, located in Al Aziziah District, Eastern Side, Makkah Al Mukarramah, together with all existing and future constructions thereon, has been mortgaged in favour of Riyad Bank and is owned by Mashaaer REIT Real Estate Company as security for the repayment of the loan amount (Note 11).

- Land No. 166 of Plan No. 1/15/23/B, located in Prince Abdullah Al Faisal Scheme, Makkah Al Mukarramah, together with all existing and future constructions thereon, has been mortgaged in favour of Riyad Bank and is owned by Mashaaer REIT Real Estate Company as security for the repayment of the loan amount (Note 11).

- Land Nos. 3/12 and 3/11 of Plan No. 1/21/2/C, located in Al Aziziah District, Makkah Al Mukarramah, together with all existing and future constructions thereon, have been mortgaged in favour of Riyad Bank and are owned by Mashaaer REIT Real Estate Company as security for the repayment of the loan amount (Note 11).

- Plots Nos. 2 and 3 of Plan No. 3090, located in Al Rabee District, Riyadh, together with all existing and future constructions thereon, have been mortgaged in favour of Riyad Bank and are owned by Mashaaer REIT Real Estate Company as security for the repayment of the loan amount (Note 11).

10- IMPACT OF NET ASSETS ATTRIBUTABLE TO THE UNITHOLDERS IF INVESTMENT PROPERTIES ARE MEASURED AT FAIR VALUE

In accordance with the Real Estate Investment Funds Regulations issued by the Capital Market Authority in the Kingdom of Saudi Arabia, the Fund Manager relies on the average of two independent valuations to determine the value of the Fund's assets. As stated in the Fund's terms and conditions, the Fund's disclosed net asset value is calculated based on market value. However, under the Fund's accounting policy, investment properties are stated in the financial statements at cost less accumulated depreciation and impairment, if any.

The fair value of the investment properties is determined by two independent valuers: Qiam Valuation Company, holding license number 1210000052, and Esnad Real Estate Valuation Company and Partner, holding license number 1210000934.

The valuation models applied are in accordance with the valuation standards issued by the Royal Institution of Chartered Surveyors (RICS), in addition to the International Valuation Standards recently issued by the International Valuation Standards Council (IVSC), as adopted by the Saudi Authority for Accredited Valuers (Taqeem).

The Fund Manager used two independent valuations to determine the fair value of the investment properties. The investment properties were valued using the income approach through the discounted cash flow method, and the valuation technique used is classified within Level 3 of the fair value hierarchy.

10- IMPACT OF NET ASSETS ATTRIBUTABLE TO THE UNITHOLDERS IF INVESTMENT PROPERTIES ARE MEASURED AT FAIR VALUE (CONTINEUD)

As at 30 June 2026, the value of the investment properties based on the valuations performed by the two independent valuers amounted to:

	First evaluation SAR	**Second evaluation SAR**	**Average SAR**
Investment properties, net (Note 9)	**432,363,000**	**434,423,000**	**433,393,000**
Total	**432,363,000**	**434,423,000**	**433,393,000**

As at 31 December 2025, the value of the investment properties based on the valuations performed by the two independent valuers amounted to:

	First evaluation SAR	Second evaluation SAR	Average SAR
Investment properties, net (Note 9)	442,466,000	454,670,000	448,568,000
Total	442,466,000	454,670,000	448,568,000

10-1 The following is a statement of the unrealized gains on investment properties, which have been determined based on property valuation (fair value), as follows:

	30 June 2026 (Unaudited) SAR	31 December 2025 (Audited) SAR
Average fair value of investment properties	**433,393,000**	448,568,000
Less: Net book value of investment properties, net (Note 9)	**(368,764,565)**	(387,478,336)
Unrealised gains based on the valuation of investment properties	**64,628,435**	61,089,664
Issued units (number)	**57,240,000**	57,240,000
Unitholders' share of unrealised gains based on the valuation of investment properties	**1.13**	1.07

10-2 The following is an analysis of the net asset value using the fair value of investment properties, as follows:

	30 June 2026 (Unaudited) SAR	31 December 2025 (Audited) SAR
Net asset value at cost as presented in these condensed interim financial information	**223,586,911**	242,106,467
Unrealised gains based on the valuation of investment properties (Note 10-1)	**64,628,435**	61,089,664
Net asset value at fair value	**288,215,346**	303,196,131

10-3 The following is a statement of the net asset value per unit using the fair value of the investment properties, as follows:

	30 June 2026 (Unaudited) SAR	31 December 2025 (Audited) SAR
Book value of net assets attributable to each unit	**3.91**	4.23
Unrealised gains based on the valuation of investment properties (Note 10-1)	**1.13**	1.07
Fair value of net asset value attributable to each unit	**5.04**	5.3

11- SHORT TERM LOANS

The Fund obtained short-term financing from Riyad Bank amounting to SAR 149.89 million, which is renewed on a quarterly basis. The financing cost is calculated in accordance with the terms and relevant loan renewal documentation.
The effective rate of return during the year, based on the renewal documentation, ranged from 7.18% to 7.20%.
Under the Fund's Terms and Conditions, the Fund is permitted to obtain financing to fund the acquisition of real estate properties in line with the Fund's investment objectives. The title deeds of the Fund's properties have been pledged as collateral against these facilities (Note 9).

During the period ended 30 June 2026, the Fund was charged financing costs amounting to SAR 5,128,311 (30 June 2025: SAR 5,496,357)

12- TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties of the Fund include the unitholders, the Fund Manager, the developer, the Board of Directors members, and other funds managed by the Fund Manager. In the normal course of business, the Fund enters into transactions with other related parties. Transactions with related parties are subject to the limits prescribed by the regulations issued by the Capital Market Authority.
A) Below are the significant transactions and balances with related parties during the period:

Related parties	Nature of Relationship	Nature of Transaction	**Volume of transactions during the period ended 30 June** **2026 SAR**		2025 SAR	
			Debit	**Credit**	Debit	Credit
Al Wasatah Al Maliah Co (Wasatah capital)	Fund manager	Fund management fees	**-**	**1,194,176**	-	-
		VAT	**-**	**179,126**	-	-
		Paid from management fees	**1,226,966**	**-**	-	-
		Expenses paid on behalf	**-**	**3,499**	-	-
		Paid from expenses paid on behalf	**43,931**	**-**	-	-
SICO Capital	Previous Fund manager	Administrative fees	**-**	**-**	-	61,263
Riyad Capital*	Previous Custodian	Custody fee	**-**	**-**	-	87,500
Al Bilad Investment Company	Custodian	Custody fee	**-**	**77,500**	-	-
		VAT	**-**	**15,467**	-	-
		Paid from custody fees	**118,578**	**-**	-	-
Board Members	Fund Board	Attendance allowances	**-**	**10,000**	-	20,000
		Paid from attendance allowances	**-**	**-**	-	-

B) The balances of due to related parties are as follows:

Related party	**30 June 2026 (Unaudited) SAR**	31 December 2025 (Audited) SAR
Al Wasatah Al Maliah Co (Wasatah capital)	**656,687**	550,783
Al Bilad Investment Company	**38,750**	64,361
Board Members	**15,000**	5,000
	710,437	620,144

13- FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between knowledgeable and willing parties at the measurement date. Financial instruments comprise financial assets and financial liabilities.

The Fund uses the following fair value hierarchy for determining and disclosing the fair value of investment properties:

Level 1: Quoted prices in an active market for identical assets (i.e., unadjusted).

Level 2: Quoted prices in active markets for similar assets and liabilities, or other valuation techniques for which all significant inputs are based on observable market data.

Level 3: Valuation techniques for which significant inputs are not based on observable market data.

The fair value measurement of investment properties classified within Level 3 as at 30 June 2026 (Unaudited) is as follows:

		Fair Value		
	Book value SAR	**Level (1) SAR**	**Level (2) SAR**	**Level (3) SAR**
Investment properties, net (Note 9)	**368,764,565**	**-**	**-**	**433,393,000**

The fair value measurement of investment properties classified within Level 3 as at 31 December 2025 (Audited) is as follows:

		Fair Value		
	Book value SAR	Level (1) SAR	Level (2) SAR	Level (3) SAR
Investment properties, net (Note 9)	387,478,336	-	-	448,568,000

For assets that are not measured at fair value but for which fair value is disclosed, the investment properties were valued using the discounted cash flow (DCF) method based on significant unobservable inputs. Accordingly, they have been classified within Level 3 of the fair value hierarchy. The significant unobservable inputs include the following:

Discount rates: Reflecting current market assessments of the uncertainty regarding the amount and timing of cash flows (the rates used by the valuers ranged from 8.65% to 9.5%).

Capitalization rates: Based on the actual location, size and quality of the properties, taking into account market data as at the valuation date (the rate used by the valuers was 6%).

Future rental cash flows: Based on the actual location, type and quality of the properties, supported by the terms of existing lease agreements or other contracts, or external evidence such as current market rentals for comparable properties.

Estimated vacancy rates: Based on current and expected future market conditions following the expiry of existing lease agreements.

Maintenance costs: Including investments required to maintain the property's functionality throughout its estimated useful life.

Terminal value: Based on assumptions relating to maintenance costs, vacancy rates and market rental rates.

Other financial instruments include items such as cash and cash equivalents, lease receivables, and amounts due to related parties. These are short-term financial assets and liabilities whose carrying amounts approximate their fair values due to their short-term nature and the high credit quality of the counterparties.

14- RECLASSIFICATION OF COMPARATIVE FIGURES

Certain comparative figures have been reclassified and regrouped to conform with the current presentation period, as follows:

14-1 Statement of Profit or Loss for the six-months period ended 30 June 2025

Account	Balance before reclassification SAR	Reclassification SAR	Balance after reclassification SAR
Other expenses	3,403,655	(2,944,928)	458,727
Write-off of other receivables	-	1,997,997	1,997,997
Property management fees	-	556,221	556,221
Collection fees	-	198,400	198,400
Custody fees	-	87,500	87,500
Legal and professional fees	-	49,625	49,625
Trading fees	-	35,185	35,185
Board of Directors' attendance allowances	-	20,000	20,000

15- SEGMENT INFORMATION

The Fund Manager is responsible for the Fund's entire portfolio and considers the Fund to operate as a single operating segment. Asset allocation decisions are based on a single, integrated investment strategy, and the Fund's performance is evaluated on an overall basis.

16- DIVIDEND DISTRIBUTIONS

On 27 Ramadan 1447H (corresponding to 16 March 2026), the Fund's Board of Directors approved the distribution of dividends amounting to Saudi Riyals 0.09 per unit, with a total amount of Saudi Riyals 5,151,600 to the unitholders, for the period from 1 January 2026 to 31 March 2026. The distribution was made on 3 Dhul Hijjah 1447H (corresponding to 20 May 2026).

17- VALUATION DATE

The last valuation date for the purpose of preparing this condensed interim financial information was 30 June 2026.

18- SIGNIFICANT EVENTS DURING THE PERIOD

During 2026, geopolitical instability in the Middle East region increased, which may have an impact on all countries in the region. The Fund Manager is closely monitoring these geopolitical developments and has concluded that these events represent subsequent events that do not require any adjustments to the condensed interim financial information. Although the Fund's condensed interim financial position has not been affected at present, the Fund Manager continues to assess the possibility of potential future impacts on its operations.

19- SUBSEQUENT EVENTS

In the opinion of management, there were no significant subsequent events after 30 June 2026 and up to the date of approval of the condensed interim financial information that may have a material impact on the condensed interim financial information as of 30 June 2026.

20- APPROVAL OF FINANCIAL STATEMENTS

This condensed interim financial information was approved by the Fund's Board of Directors on 22 Safar 1448H, corresponding to 5 August 2026.