ALINMA HOSPITALITY REIT FUND
(Managed by Alinma Capital Company)

INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

AND INDEPENDENT AUDITOR'S REVIEW REPORT

Alinma Hospitality REIT Fund
(Managed by Alinma Capital Company)

INTERIM CONDENSED FINANCIAL STATEMENTS
For the six-month period ended 30 June 2025

LYCA

Alluhaid & Alyahya Chartered Accountants
A Limited Liability Company
Paid up capital SR 100,000 - CR:1010468314
Kingdom of Saudi Arabia Riyadh King Fahd Road
Muhammadiyah District, Grand Tower 12 th Floor

Independent auditor's review report on the interim condensed financial statements
To the Unitholders of Alinma Hospitality REIT Fund
(Managed by Alinma Capital Company)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Alinma Hospitality REIT Fund ("the Fund") being managed by Alinma Capital Company (the "Fund Manager") as at 30 June 2026, and the related interim condensed statements of profit or loss and other comprehensive income, cash flows, and changes in equity for the six-month period then ended, and other explanatory notes. The 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 Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity," that is endorsed in the Kingdom of Saudi Arabia. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing 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.

for Alluhaid & Alyahya Chartered Accountants

Saleh A. Al Yahya
Certified Public Accountant
License number 473

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(6 August 2026)

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Interim condensed statement of financial position

	Notes	***30 June 2026 (Unaudited) SR***	*31 December 2025 (Audited) SR*
Assets			
Non-current assets			
Investment properties	5	**949,111,958**	958,957,035
Total non-current assets		**949,111,958**	958,957,035
Current assets			
Rental income receivable and other receivables		**4,950,948**	162,516
Financial assets at fair value through profit or loss ("FVTPL")	7	**53,264,404**	39,336,353
Bank balance		**16,504,584**	26,429,394
Total current assets		**74,719,936**	65,928,263
Total assets		**1,023,831,894**	1,024,885,298
Liabilities and equity			
LIABILITIES			
Contract liabilities	9	**11,966,158**	4,502,383
Accrued expenses and other current liabilities		**5,075,089**	5,306,677
Total liabilities		**17,041,247**	9,809,060
Equity			
Net assets attributable to unitholders		**1,006,790,647**	1,015,076,238
Total liabilities and equity		**1,023,831,894**	1,024,885,298
Redeemable units in issue (numbers)		**102,002,100**	102,002,100
Net assets value attributable to unitholders (SR)		**9.87**	9.95

Interim condensed statement of profit or loss and other comprehensive income

		Unaudited	
		For the six-month period ended	
		30 June 2026	*30 June 2025*
	Notes	*SR*	*SR*
Income			
Revenue from investment properties	10	**36,900,613**	36,900,613
Income from financial assets at FVTPL	7	**1,128,051**	1,087,231
Special commission income		**39,614**	-
Total income		**38,068,278**	37,987,844
Operating expenses			
Depreciation on investment properties	5	**(9,845,077)**	(9,845,077)
Management fees	8	**(3,266,949)**	(3,256,726)
Other operating expenses		**(601,163)**	(715,927)
Total operating expenses		**(13,713,189)**	(13,817,730)
Net profit for the period		**24,355,089**	24,170,114
Other comprehensive income		**-**	-
Total comprehensive income for the period		**24,355,089**	24,170,114

The accompanying notes from 1 to 16 form an integral part of these interim condensed financial statements.

Interim condensed statement of cash flows

	Unaudited	
	For the six-month period ended	
	30 June 2026 SR	*30 June 2025 SR*
Operating activities		
Net profit for the period	**24,355,089**	24,170,114
Adjustments for:		
Depreciation of investment properties	**9,845,077**	9,845,077
Income from financial assets at FVTPL	**(1,128,051)**	(1,087,231)
Special commission income	**(39,614)**	-
	33,032,501	32,927,960
Changes in operating assets and liabilities:		
Increase in rental income and other receivables	**(4,788,432)**	(104,795)
Decrease in accrued expenses and other current liabilities	**(231,588)**	(423,754)
Increase in contract liabilities	**7,463,775**	4,039,872
Net cash flows from operating activities	**35,476,256**	36,439,283
Investing activities		
Purchase of financial assets at FVTPL	**(19,500,000)**	(46,000,000)
Proceeds from disposal of financial assets at FVTPL	**6,700,000**	-
Purchase of murabaha deposits	**(14,000,000)**	-
Proceeds from maturity of murabaha deposits	**14,039,614**	38,947,219
Net cash flows used in investing activities	**(12,760,386)**	(7,052,781)
Financing activities		
Dividends paid	**(32,640,680)**	(32,640,672)
Net cash flows used in financing activities	**(32,640,680)**	(32,640,672)
Net decrease in bank balance	**(9,924,810)**	(3,254,170)
Bank balance at beginning of the period	**26,429,394**	17,808,847
Bank balance at end of the period	**16,504,584**	14,554,677

The accompanying notes from 1 to 16 form an integral part of these interim condensed financial statements.

Interim condensed statement of changes in equity

	Unaudited For the six-month period ended 30 June 2026 SR	*Unaudited* For the six-month period ended 30 June 2025 SR
Equity at the beginning of the period	**1,015,076,238**	1,031,396,456
Comprehensive income:		
Net income for the period	**24,355,089**	24,170,114
Other comprehensive income for the period	-	-
Total comprehensive income for the period	**24,355,089**	24,170,114
Dividend distribution (note 12)	**(32,640,680)**	(32,640,672)
	(8,285,591)	(8,470,558)
Equity at the end of the period	**1,006,790,647**	1,022,925,898

Redeemable units transactions

Transactions in redeemable units for the period are summarized as follows:

	Unaudited For the six-month period ended d 30 June 2026 Units	*Unaudited* For the six-month period ended d 30 June 2025 Units
Units at the beginning and end of the period	**102,002,100**	102,002,100

1 INCORPORATION AND ACTIVITIES

Alinma Hospitality REIT Fund (the "Fund") is a publicly traded closed-ended Shariah compliant fund established by agreement between Alinma Capital Company (the "Fund Manager"), a subsidiary of Alinma Bank (the "Bank") and investors (the "unitholders"), in accordance with regulations issued by the Capital Market Authority of the Kingdom of Saudi Arabia (the "CMA").

The Fund is managed by Alinma Capital Company (the "Fund Manager"), a closed joint stock company with commercial registration number 1010269764, licensed by the CMA under license number 09134-37.

The Fund's objective aims to generate sustainable and growing cash dividend for the unitholders and develop the Fund assets via direct investment in income generating and constructed developed real estate properties. The Fund intends to invest heavily on the hotel sector, hospitality, and tourist accommodation. The Fund may invest partly in real estate development projects, provided that the Fund's assets invested in income-generating assets are not less than (75%).

The CMA granted approval for the establishment of the Fund on 23 Rabi' al-Awwal 1444H (corresponding to 19 October 2022). On 22 Rabi Al-Akhir 1444H (Corresponding to 16 November 2022) the Fund completed its unit offering, and the units of the Fund were listed on the Saudi stock exchange ("Tadawul") on 8 Rajab 1444H (corresponding to 30 January 2023).

As per terms and conditions of the Fund, the initial term of the Fund is 99 years which is extendable on the discretion of the Fund Manager for a similar term with the approval of unitholders, the Fund's Board and the CMA.

Real Estate Hotel Development Company, a limited liability company with commercial registration number 1010734462, has been established and approved by CMA as a special purpose vehicle ("SPV") for the beneficial interests of the Fund. The SPV owns all the properties of the Fund and is liable for its contractual liabilities.

The Fund has appointed NOMW capital (the "Custodian") to act as its custodian. The fees of the custodian are paid by the Fund.

2 REGULATING AUTHORITY

The Fund operates in accordance with Real Estate Investment Fund Regulations ("REIFR") issued by the CMA. The regulations detail the requirements for Real Estate Investment Traded Fund within the Kingdom of Saudi Arabia.

3 BASIS OF PREPARATION

3.1 Statement of compliance

These interim condensed financial statements for the six-months period ended 30 June 2026 have been prepared in accordance with International Accounting Standard 34 – Interim Financial Reporting ("IAS 34") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by Saudi Organization for Chartered and Professional Accountants ("SOCPA").

The Fund Manager has prepared the interim condensed financial statements on the basis that the Fund will continue to operate as a going concern. The Fund Manager considers that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Fund has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The interim condensed financial statements do not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Fund's annual financial statements as at 31 December 2025.

3 BASIS OF PREPARATION (continued)

3.2 *Basis of measurement*
These interim condensed financial statements have been prepared under historical cost convention, except for the financial assets at FVTPL which are measured at fair value.

3.3 *Functional and presentation currency*
These interim condensed financial statements are presented in Saudi Arabian Riyals ("SR"), which is the Fund's functional and presentation currency. All financial information presented has been rounded to the nearest SR.

3.4 *Use of judgements, estimates and assumptions*
In preparing these interim condensed financial statements, the Fund Manager has made judgments, estimates, and assumptions that affect the application of the Fund's accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The significant judgments made by the Fund Manager in applying the Fund's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual audited financial statements.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Fund's annual financial statements for the year ended 31 December 2025 except for the adoption of amendments to existing standards effective as of 1 January 2026.

Standards and amendments effective in the current period
In the current period, the Fund has adopted all amendments to standards issued by the International Accounting Standards Board ("IASB") and endorsed by SOCPA that are mandatory for adoption in the annual periods beginning on or after 1 January 2026 and are applicable to the Fund. The management has assessed that the amendments have no significant impact on the Fund's interim condensed financial statements.

Standard / interpretation	Description	Effective date
Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments	The amendments clarify the requirements for the classification and measurement of financial assets and financial liabilities under IFRS 9. They provide guidance on the derecognition of financial liabilities settled through electronic payment systems, clarify the assessment of contractual cash flow characteristics for financial assets (including those with environmental, social and governance (ESG)-linked features and non-recourse arrangements), and introduce additional disclosure requirements in IFRS 7 to enhance transparency regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features.	1 January 2026
Annual improvements to the IFRS Accounting Standards	The Annual Improvements introduce minor amendments to various IFRS Accounting Standards to clarify wording, resolve inconsistencies, and improve the consistency of requirements without significantly changing existing accounting principles. These amendments are intended to enhance the clarity and application of the standards in practice.	1 January 2026

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Standards and amendments issued and not yet effective

The following standards, amendments, and interpretations were in issue at the date of authorization of these interim condensed financial statements but are not yet effective. The Fund has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. The Fund intends to adopt these standards, if applicable, when they become effective and endorsed by SOCPA.

Standards / amendments to standards / interpretations (continued)	Effective date
IFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	1 January 2027

Management of the Fund does not expect that the adoption of the above-mentioned standards will have a material impact on the Fund's interim condensed financial statements in future periods, except for the IFRS 18 which is detailed below:

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The Fund Manager has not early adopted the new accounting standard in preparing these interim condensed financial statements. IFRS 18 introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Fund Manager is still in the process of evaluating the effects of the initial application of IFRS 18, particularly with respect to the structure of the Fund's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Fund Manager is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as "other". Given that the Fund's primary activity is to invest in income generating and constructed developed real estate properties, therefore the leasing of real estate properties (primarily investment properties accounted for under IAS 40 Investment Property) is regarded as part of the Fund's main operating activities. As a result, the related income and expenses including rental income, depreciation where applicable, and directly attributable costs which would otherwise fall under the investing category, are instead classified within operating activities. The income from financial assets at FVTPL and special commission income from financial assets at amortized cost are expected to be classified within the investing activities. This reclassification, arising from the adoption of IFRS 18, is not expected to affect net asset value, net income, or total comprehensive income.

5 INVESTMENT PROPERTIES

The Fund has the policy of charging depreciation on building over 26 - 33 years. The depreciation is charged on depreciable amount, i.e., cost less residual value. The composition of the investment properties as of the reporting date is summarized below:

30 June 2026 (Unaudited)

Description	*Cost* *SR*	*Accumulated depreciation* *SR*	*Net book value* *SR*
Vittori Palace Hotel (i)	**451,500,000**	**29,329,093**	**422,170,907**
Rafal Ascott Hotel (ii)	**257,250,000**	**19,640,579**	**237,609,421**
Clarion Hotel Jeddah Airport (iii)	**158,670,000**	**10,158,562**	**148,511,438**
Comfort inn and Suites Hotel (iv)	**85,355,000**	**4,968,485**	**80,386,515**
Comfort inn Olaya (v)	**65,252,500**	**4,818,823**	**60,433,677**
	1,018,027,500	**68,915,542**	**949,111,958**

5 INVESTMENT PROPERTIES (continued)

31 December 2025 (Audited)

Description	*Cost SR*	*Accumulated depreciation SR*	*Net book value SR*
Vittori Palace Hotel	451,500,000	25,139,223	426,360,777
Rafal Ascott Hotel	257,250,000	16,834,782	240,415,218
Clarion Hotel Jeddah Airport	158,670,000	9,420,723	149,249,277
Comfort inn and Suites Hotel	85,355,000	4,427,034	80,927,966
Comfort inn Olaya	65,252,500	3,248,703	62,003,797
	1,018,027,500	59,070,465	958,957,035

(i) **Vittori Palace Hotel:** The property is a fully constructed commercial facility on a freehold land, located at Khuzam Street – King Abdullah District, Riyadh, Kingdom of Saudi Arabia. The property has been leased out for the term of 5 years ending on 9 January 2028 to a third party at annual net lease rental of SR 33 million.

(ii) **Rafal Ascott Hotel:** The property is a fully constructed commercial facility on a freehold land, located at Olaya Street – Al-Sahafa District, Riyadh, Kingdom of Saudi Arabia. The SPV, on behalf of the Fund, has entered into an operational agreement of 5 years ending on 17 February 2027 with Al-Maskan Al-Hadri Real Estate Development Company, for operating and managing the hotel operations. The property is leased on a fixed net lease amount of SR 18.8 million from this arrangement each year.

(iii) **Clarion Hotel Jeddah Airport**: The property is a fully constructed commercial facility on a freehold land, located at Prince Majed Street – Nozha District, Jeddah, Kingdom of Saudi Arabia. The property has been leased out for the term of 5 years ending on 21 December 2027 to a third party at annual net lease rental of SR 11.5 million.

(iv) **Comfort inn and Suites Hotel:** The property is a fully constructed commercial facility on a freehold land, located at King Abdulaziz Road – Al Zahra District, Jeddah, Kingdom of Saudi Arabia. The SPV, on behalf of the Fund, has entered into an operational agreement of 5 years ending on 21 December 2027 with Seera Hospitality Company, for operating and managing the hotel operations in the property. The Fund is generating an annual fixed net lease rental of SR 6.2 million.

(v) **Comfort inn Olaya:** The property is a fully constructed commercial facility on a freehold land, located at Wadi Al-Awsat Street – Olaya District, Riyadh, Kingdom of Saudi Arabia. The property has been leased out for the term of 5 years ending on 26 March 2027 to a third party at annual net lease rental of SR 4.7 million.

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

	Freehold land SR	*Buildings SR*	***Total SR***
Cost			
Balance at the beginning and at the end of the year	254,910,061	763,117,439	1,018,027,500
Accumulated depreciation			
Balance as at 1 January 2025	-	(39,380,310)	(39,380,310)
Depreciation charge during the year	-	(19,690,155)	(19,690,155)
As at 31 December 2025	-	(59,070,465)	(59,070,465)
Depreciation charge for the period	-	**(9,845,077)**	**(9,845,077)**
As at 30 June 2026	-	**(68,915,542)**	**(68,915,542)**
Net book amount as at 30 June 2026	**254,910,061**	**694,201,897**	**949,111,958**
Net book amount as at 31 December 2025	254,910,061	704,046,974	958,957,035

5 INVESTMENT PROPERTIES (continued)

The title deeds of the investment properties are registered under the Fund's SPV. The SPV has entered into a credit facility agreement amounting to SR 1,000,000,000 having a tenure of 10 years. As at 30 June 2026 and 31 December 2025, no drawdowns have been made. The title deeds of the Clarion Hotel Jeddah Airport and the Comfort Inn and Suites Hotel have been pledged as collateral against the financing facility.

6 EFFECTS ON NET ASSETS VALUE IF INVESTMENT PROPERTIES IS FAIR VALUED

In accordance with Article 37 of the REIFR issued by CMA, the Fund Manager evaluates the fair value of the Fund's real estate assets based on two evaluations prepared by independent evaluators. However, investment properties are carried at cost less depreciation and impairment, if any, in these interim condensed financial statements.

As at 30 June 2026 and 31 December 2025, the fair value of the investment properties is determined by two selected appraisers for each property, i.e., Abaad Real Estate Valuation Company (Appraiser 1) and Esnad Real Estate Valuation Company (Appraiser 2).

As at 30 June 2026 and 31 December 2025, the valuation of investment properties are as follows:

	30 June 2026 (Unaudited)		
	Appraiser 1 (SR)	**Appraiser 2 (SR)**	**Average (SR)**
Vittori Palace Hotel	**475,130,000**	**461,348,000**	**468,239,000**
Rafal Ascott Hotel	**275,380,000**	**275,504,000**	**275,442,000**
Clarion Hotel Jeddah Airport	**174,860,000**	**168,724,000**	**171,792,000**
Comfort inn and Suites Hotel	**99,980,000**	**94,093,000**	**97,036,500**
Comfort inn Olaya	**75,140,000**	**76,684,000**	**75,912,000**
	1,100,490,000	**1,076,353,000**	**1,088,421,500**

	31 December 2025 (Audited)		
	Appraiser 1 (SR)	Appraiser 2 (SR)	Average (SR)
Vittori Palace Hotel	465,670,000	461,338,000	463,504,000
Rafal Ascott Hotel	274,460,000	271,129,000	272,794,500
Clarion Hotel Jeddah Airport	169,890,000	168,720,000	169,305,000
Comfort inn and Suites Hotel	99,240,000	92,562,000	95,901,000
Comfort inn Olaya	73,330,000	75,918,000	74,624,000
	1,082,590,000	1,069,667,000	1,076,128,500

Management has used the average of the two valuations for the purpose of impairment and disclosing the fair value of the investment properties.

The investment properties were valued taking into consideration number of factors, including the area and type of the property. Below is an analysis of the investment property's fair value against cost:

6 EFFECTS ON NET ASSETS VALUE IF INVESTMENT PROPERTIES IS FAIR VALUED (continued)

i. The unrealized gain on investment properties based on the fair value is set out below:

	30 June 2026 (Unaudited) SR	31 December 2025 (Audited) SR
Average fair value of investment properties	**1,088,421,500**	1,076,128,500
Less: Carrying value of investment properties (note 4)	**(949,111,958)**	(958,957,035)
Unrealised gain based on fair value	**139,309,542**	117,171,465
Units in issue (numbers)	**102,002,100**	102,002,100
Impact per unit share based on fair value (SR)	**1.37**	1.15

ii. The net asset value using the fair values of the investment properties is set out below:

	30 June 2026 (Unaudited) SR	31 December 2025 (Audited) SR
Net assets value (equity) at cost	**1,006,790,647**	1,015,076,238
Net impact based on fair value	**139,309,542**	117,171,465
Net assets based on fair value	**1,146,100,189**	1,132,247,703

iii The net asset value per unit, using fair values of the investment properties is set out below:

	30 June 2026 (Unaudited) SR	31 December 2025 (Audited) SR
Net assets value per unit at cost	**9.87**	**9.95**
Impact on net assets value based on the evaluations	**1.37**	**1.15**
Net assets value per unit based on fair value	**11.24**	**11.10**

7 FINANCIAL ASSETS AT FVTPL

Financial assets at FVTPL represents investment in 3,733,309 units (31 December 2025: 2,830,804 units) of Alinma Saudi Riyal Liquidity Fund, an open-ended mutual fund managed by the Fund Manager. The primary objective of the investee Fund is to invest in Shariah compliant Murabaha contract.

	30 June 2026 (Unaudited)		31 December 2025 (Audited)	
	Cost (SR)	**Fair value (SR)**	Cost (SR)	Fair value (SR)
Alinma Saudi Riyal Liquidity Fund	**52,151,584**	**53,264,404**	37,456,197	39,336,353

The income from financial assets at FVTPL during the period amounted to SR 1,128,051 (30 June 2025: SR 1,087,231) which represents gain on disposal and changes in fair value of underlying instrument.

8 RELATED PARTY TRANSACTIONS AND BALANCES

In ordinary course of activities, the Fund transacts business with related parties. The related party transactions are governed by limit set by the terms and conditions. All related party transactions are disclosed to the Fund Board of Directors.

Related parties of the Fund include the Fund Manager, the Bank, entities related to the Bank and the Fund Manager and any party that has the ability to control other party or exercise considerable influence over the party in making financial or operational decisions.

a) Management fee

In consideration for managing the assets of the Fund, in accordance with the terms and conditions, the Fund pays a management fee to the Fund Manager equal to 9% of the net operational income capped at 0.80% of the Fund's total assets. If the result of the operation is loss, the Fund Manager is not entitled to any management fees for that year. The management fees is settled on semi-annual basis.

b) Administration fees

In consideration for administration of the Fund, in accordance with the terms and conditions, the Fund is obliged to pay the Fund manager a total administration fees of SR 150,000 per annum.

c) Board of Directors remuneration

Each independent member of the Board of Directors is allowed a remuneration of SR 10,000 per board meeting with maximum fees of SR 20,000 in one year. During the period ended 30 June 2026, the Fund has charged SR 20,000 as board fees (30 June 2024: SR 20,000).

8.1 Related party transactions

The following are the details of the significant transactions with related parties during the six-month period ended:

			Unaudited *For the six-month period ended*	
Name of related party	*Nature of relationship*	*Nature of transaction*	***30 June 2026 SR***	*30 June 2025 SR*
Alinma Capital Company	Fund Manager	Management fees	**(3,266,949)**	(3,256,726)
		Administration fees	**(75,000)**	(75,000)
Alinma Saudi Riyal Liquidity Fund	Fund managed by the Fund Manager	Subscription of units	**(19,500,000)**	(46,000,000)
		Redemption of units	**(6,700,000)**	-
Fund Board of Directors	Members	Board fees	**(20,000)**	(20,000)
Alinma Bank	Parent Company of Fund Manager	Purchase of murabaha deposits	**(14,000,000)**	-
		Proceeds from maturity of murabaha deposits	**14,039,614**	38,947,219

8 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

8.2 Related party balances

Period/year end balances (payable) arising from transactions with related parties are as follows:

Name of related party	*Nature of balances*	***30 June 2026 (Unaudited) SR***	*31 December 2025 (Audited) SR*
Alinma Capital Company	Management fees payable	**(3,266,949)**	(3,315,020)
	Administration fees payables	**(300,000)**	(225,000)
Alinma Saudi Riyal Liquidity Fund	Financial assets at FVTPL (note 7)	**53,264,404**	39,336,353
Alinma Bank	Bank balance	**16,504,584**	6,429,394
	Short-term deposits	**-**	20,000,000

8.3 As of 30 June 2026, Fund Manager held 10,000,000 units (31 December 2025: 10,000,000 units).

9 CONTRACT LIABILITIES

Contract liabilities represent rental income received in advance during the period/year but not yet recognized as revenue. The movement in unearned rental income for the period/year is as follows:

	30 June 2026 (Unaudited) SR	*31 December 2025 (Audited) SR*
Balance at the beginning of the period/year	**4,502,383**	8,415,427
Advanced received during the period/year	**44,364,388**	70,499,795
Revenue recognized during the period/year	**(36,900,613)**	(74,412,839)
Balance at the end of the period/year	**11,966,158**	4,502,383

10 REVENUE FROM INVESTMENT PROPERTIES

The Fund's revenue from investment properties is concentrated within one operating segment and geographical region of the Kingdom of Saudi Arabia, comprised of operating lease income generated from 5 investment properties as disclosed in note 5.

11 FAIR VALUE MEASUREMENT

11.1 Financial instruments

Financial assets consist of bank balance, rental income receivable and financial assets at FVTPL. Financial liabilities consist of contract liabilities and other current liabilities.

The fair values of financial assets held at FVTPL amounting to SR 53,264,404 (31 December 2025: SR 39,336,353) are classified under level 2.

Management believes that the fair value of other financial assets and liabilities classified at amortised cost at the reporting date approximate their carrying values owing to their short-term tenure and the fact that these are readily liquid. These are all classified within level 2 of the fair value hierarchy. There were no transfers between various levels of fair value hierarchy during the current or prior period.

11 FAIR VALUE MEASUREMENT (continued)

11.2 *Non-financial assets*

The following table shows the fair value of investment properties disclosed as at period/year end:

Property name	***30 June 2026 Level 3 SR***	*31 December 2025 Level 3 SR*
Vittori Palace Hotel	**468,239,000**	463,504,000
Rafal Ascott Hotel	**275,442,000**	272,794,500
Clarion Hotel Jeddah Airport	**171,792,000**	169,305,000
Comfort Inn and Suites Hotel	**97,036,500**	95,901,000
Comfort Inn Olaya	**75,912,000**	74,624,000
	1,088,421,500	1,076,128,500

When the fair value of items disclosed in these financial statements cannot be derived from active markets, their fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. The key assumptions are listed below.

Changes in assumptions about these factors could affect the fair value of items disclosed in these financial statements and the level where the items are disclosed in the fair value hierarchy.

The fair values of investment properties were assessed by Abaad Real Estate Valuation Company and Esnad Real Estate Valuation Company as disclosed in note 6. They are accredited independent valuers with a recognised and relevant professional qualification and with recent experience in the location and category of the investment properties being valued.

The valuation models have been applied in accordance with the Royal Institution of Chartered Surveyors ("RICS") Valuation Standards, in addition to recently published International Valuation Standards issued by International Valuation Standards Council ("IVSC") and applied by Saudi Authority for Accredited Valuers ("TAQEEM").

12 DIVIDEND DISTRIBUTION

On 4 January 2026, in accordance with the terms and conditions of the Fund, the Fund's Board declared dividends of SR 0.32 per unit amounting to SR 32,640,680 for the six-month period from 1 July 2025 to 31 December 2025, which were paid during the period ended 30 June 2026.

On 2 January 2025, in accordance with the terms and conditions of the Fund, the Fund's Board declared dividends of SR 0.32 per unit amounting to SR 32,640,672 for the six-month period from 1 July 2024 to 31 December 2024, which were paid during the period ended 30 June 2025.

13 COMMITMENT AND CONTINGENCIES

There were no commitments and contingencies as at 30 June 2026 and 31 December 2025.

14 SUBSEQUENT EVENTS

On 1 July 2026 the Fund's Board declared to distribute dividend for the six-month period from 1 January 2026 to 30 June 2026 of SR 0.32 per unit amounting to SR 32,640,672 to its unitholders. Cash distribution entitlements to unitholders shall be based on the unitholder register on the end of 24 Muharram 1448H, corresponding to 9 July 2026.

15 LAST VALUATION DATE

The last valuation date of the period was 30 June 2026 (31 December 2025: The last valuation date for the year was 31 December 2025).

16 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The interim condensed financial statements were approved by the Fund Manager on 23 Safar 1448H (corresponding 06 August 2026).