ALINMA RETAIL 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

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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 Retail REIT Fund
(Managed by Alinma Capital Company)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Alinma Retail 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. Alyahya
Certified Public Accountant
License number 473

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(9 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	5.1	**1,332,271,749**	1,419,872,793
Current assets			
Financial asset at fair value through profit or loss ("FVTPL")	7	**21,897,296**	26,273,269
Rental income and other receivables	8	**20,304,727**	3,869,813
Bank balance		**26,606,379**	10,776,624
Total current assets		**68,808,402**	40,919,706
Total assets		**1,401,080,151**	1,460,792,499
Liabilities and equity			
Non-current liabilities			
Non-current portion of lease liabilities	5.2	**5,044,900**	5,569,332
Long term borrowings	9	**654,841,127**	654,671,996
Total non-current liabilities		**659,886,027**	660,241,328
Current liabilities			
Contract liabilities		**16,426,823**	17,578,843
Accrued expenses and other payables		**17,132,552**	8,908,464
Current portion of lease liabilities	5.2	**650,000**	650,000
Total current liabilities		**34,209,375**	27,137,307
Total liabilities		**694,095,402**	687,378,635
Equity			
Net assets attributable to unitholders		**706,984,749**	773,413,864
Total liabilities and equity		**1,401,080,151**	1,460,792,499
Units in issue (numbers)		**113,910,000**	118,000,000
Net assets value per unit (SR)		**6.21**	6.55
Per unit fair value (SR)	6	**7.37**	7.61

The accompanying notes 1 to 17 form an integral part of these interim condensed financial statements.

Interim condensed statement of profit or loss and other comprehensive income

	Notes	*Unaudited* *For the six-month period ended* *30 June 2026* ***SR***	*30 June 2025* *SR*
Revenue			
Revenue from investment properties		**53,725,776**	51,650,679
Loss on disposal of investment property	5	**(16,934,609)**	-
		36,791,167	51,650,679
Operating expenses			
Depreciation on investment properties	5.1	**(18,694,664)**	(19,218,685)
Property manager fee and related expenses		**(6,992,274)**	(5,928,201)
Management fees	10	**(2,770,964)**	(1,520,934)
Other operating expenses		**(1,083,978)**	(1,345,225)
Charge for (reversal of) expected credit loss	8	**(5,282,242)**	5,725,300
Total operating expenses		**(34,824,122)**	(22,287,745)
Operating profit for the period		**1,967,045**	29,362,934
Finance cost		**(20,584,767)**	(20,466,303)
Income from financial asset at FVTPL	7	**346,444**	1,532,220
Special commission income		**-**	21,724
Other income		**40,994**	435
(Loss) income for the period before impairment		**(18,230,284)**	10,451,010
Charge for impairment on investment properties	5.1	**(8,745,376)**	(7,270,587)
Net (loss) income for the period		**(26,975,660)**	3,180,423
Other comprehensive income		**-**	-
Total comprehensive (loss) income for the period		**(26,975,660)**	3,180,423

The accompanying notes 1 to 17 form an integral part of these interim condensed financial statements.

Interim condensed statement of cash flows

	Notes	*Unaudited* *For the six-month period ended* *30 June 2026* *SR*	*30 June 2025* *SR*
Operating activities			
Net (loss) income for the period		**(26,975,660)**	3,180,423
Adjustments for:			
Depreciation on investment properties	5.1	**18,694,664**	19,218,685
Charge for (reversal of) charge for expected credit loss	8	**5,282,242**	(5,725,300)
Income from financial assets at FVTPL	7	**(346,444)**	(1,532,220)
Special commission income		**-**	(21,724)
Finance costs		**20,584,767**	20,466,303
Charge for impairment on investment properties	5.1	**8,745,376**	7,270,587
Loss on disposal of investment property	5	**16,934,609**	-
		42,919,554	42,856,754
Changes in operating assets and liabilities:			
Increase in rental income and other receivables		**(21,717,156)**	(21,751,099)
(Decrease) increase in contract liabilities		**(1,152,020)**	1,688,815
Increase (decrease) in accrued expenses and other payables		**8,224,088**	(4,781,634)
Net cash flows from operating activities		**28,274,466**	18,012,836
Investing activities			
Proceeds from redemption of financial assets at FVTPL		**34,722,417**	9,674,104
Purchase of financial assets at FVTPL		**(30,000,000)**	-
Proceeds from disposal of investment property		**50,000,000**	-
Additions to investment properties		**(6,773,605)**	(402,092,405)
Proceeds from maturity of financial assets at amortized cost		**-**	16,107,691
Special commission income received		**-**	21,724
Dividend received		**-**	681,157
Net cash flows from (used in) investing activities		**47,948,812**	(375,607,729)
Financing activities			
Acquisition of treasury units	14	**(19,393,455)**	-
Dividend distribution	13	**(20,060,000)**	(20,060,000)
Finance cost paid		**(20,290,068)**	(20,331,824)
Payment of lease liabilities	5.2	**(650,000)**	(650,000)
Proceeds against long-term borrowings	9	**-**	399,000,000
Net cash flows (used in) from financing activities		**(60,393,523)**	357,958,176
Net increase in bank balance		**15,829,755**	363,283
Bank balance at the beginning of the period		**10,776,624**	3,738,566
Bank balance at the end of the period		**26,606,379**	4,101,849

The accompanying notes 1 to 17 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	*30 June 2025*
	SR	*SR*
Equity at the beginning of the period	**773,413,864**	835,720,617
Comprehensive income:		
Net (loss) income for the period	**(26,975,660)**	3,180,423
Other comprehensive income for the period	**-**	-
Total comprehensive (loss) income for the period	**(26,975,660)**	3,180,423
Dividend distribution (note 13)	**(20,060,000)**	(20,060,000)
Acquisition of treasury units (note 14)	**(19,393,455)**	-
	(66,429,115)	(16,879,577)
Equity at the end of the period	**706,984,749**	818,841,040

Units transactions

Transactions in units for the period are summarized as follows:

	Unaudited	
	For the six-month period ended d	
	30 June 2026	*30 June 2025*
	Units	*Units*
Units at the beginning of the period	**118,000,000**	118,000,000
Units bought back and held in treasury (note 14)	**(4,090,000)**	-
Units at the end of the period	**113,910,000**	118,000,000

1 INCORPORATION AND ACTIVITIES

Alinma Retail REIT Fund (the "Fund") is a closed-ended real estate investment fund established on 24 Dhul Qa'dah 1439H (corresponding to 6 August 2018). The units of Fund are listed on the Saudi Stock Exchange ("Tadawul"). The Fund has a term of 99 years, which is extendable on the discretion of the Fund Manager following the approval of the Capital Market Authority of the Kingdom of Saudi Arabia ("CMA").

The Capital of the Fund is SR 1,180,000,000 divided into 118,000,000 units of SR 10 each. The Fund has a term of 99 years, which is extendable on the discretion of the Fund Manager following the approval of the Capital Market Authority ("CMA"). The Fund Manager on 28 January 2026 called a meeting of the Fund's unitholders to approve a buy-back program under which the Fund may repurchase up to 10 million units, representing 8.47% of the Fund's issued units, to be held as treasury units. The purpose of their purchase is to use the units as in-kind consideration to acquire new assets, or to sell them in the future. The buy-back, if approved, is to be completed within 12 months from the date of the special fund resolution, financed through one or more of proceeds from the sale of low-yield assets, the Fund's credit facilities, and/or excess cash flows of the Fund, provided distributions are not affected. The resolution also sought authorization for the Board to change the purpose of the purchase to cancellation of units. Purchases are to be conducted through the Saudi Exchange, and treasury units acquired carry no voting rights or distribution entitlements.

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.

While the Fund's primary objective is to invest in developed real estate assets which are ready for use, it may also opportunistically invest in real estate development projects in a value not exceeding 25% of the Fund's total asset value with the aim of achieving an increase in value per unit; provided that:

(i) at least 75% of the Fund's total assets are invested in developed real estate assets which generate periodic income and;
(ii) the Fund shall not invest in white land.

In addition, the Fund can also invest up to 25% of the total value of the Fund according to the latest audited financial statements in each of the following, provided that all of these investments are Shariah compliant:

(i) Units of Real estate Traded Funds publicly offered in the Saudi Stock Exchange and licensed by CMA,
(ii) Units of private real estate funds licensed by CMA,
(iii) Real estate investments outside the Kingdom of Saudi Arabia,
(iv) Cash liquidity / holding of cash,
(v) Money market funds publicly offered and licensed by CMA,
(vi) Shares of Real estate companies listed on the Saudi Stock Exchange and licensed by CMA, and;
(vii) Usufruct rights.

The objective of the Fund is to provide annual periodic income so that, at least 90% of the Fund's net profits are distributed to unitholders semi- annually

Wabel Fund Company, a limited liability company with commercial registration number 1010929653, has been established and approved by CMA as a special purpose vehicle ("SPV") for the beneficial interest of the Fund. The SPV owns all the properties of the Fund and is liable for its contractual liabilities on behalf of the Fund.

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") and Real Estate Investment Traded Funds ("REITF") (the "Regulations") issued by the CMA. The regulations detail the requirements for real estate funds and traded real estate funds within the Kingdom of Saudi Arabia.

3 BASIS OF PREPARATION

3.1 Statement of compliance

These interim condensed financial statements for the six-month 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 endorsed by the Saudi Organisation 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 doubt significant doubt over this assumption. The Fund Manager has 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.

These interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Fund's annual financial statements for the year ended 31 December 2025.

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 following:

4.1 *Treasury units*

Own equity instruments that are reacquired (treasury units) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Fund's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the share premium.

4.2 *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.

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

4.2 *Standards and amendments effective in the current period (continued)*

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

4.3 *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

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

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

The Fund Manager is in the process of assessing the estimated impact that the initial application of IFRS 18 will have on the Fund's financial statements.

a) Structure of the Statement of Profit or Loss

IFRS 18 requires entities to classify all income and expenses into categories in the statement of profit or loss – namely operating, investing financing, zakat income tax and discontinued operations. Classification of income and expenses depends on the main business activities of an entity. The Fund Manager has determined that leasing of owned properties constitutes the main business activity for the Fund.

Based on the information currently available, the Fund Manager expects changes to the current structure of the statement of profit or loss of the Fund mainly resulting from the following:

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

4.3 Standards and amendments issued and not yet effective

a) Structure of the Statement of Profit or Loss (continued)

- Given that the Fund's primary activity is leasing of real estate properties, the Fund Manager expects that the leasing of real estate properties (primarily investment properties accounted for under IAS 40 Investment Property) is expected to be considered part of the Fund's primary operating activity. Accordingly, income and expenses arising from these investment properties (e.g., rental income, depreciation, impairment loss and directly attributable costs) are expected to be classified within the operating category.
- Under the Fund's current accounting policy, special commission income is generally included under operating income and special commission expense is classified as finance cost and presented in the 'finance costs' subtotal below operating profit, where the related costs are not capitalized. IFRS 18 provides specific guidance on the income and expenses classified in the investing and financing categories, hence, presentation and classification of special commission income and expenses are expected to change in line with relevant guidance in IFRS 18.

Despite the above changes, no impact on net assets value or net income and total comprehensive income is anticipated as a result of adoption of IFRS 18. The operating profit subtotal might differ from the current operating profit subtotal presented by the Fund.

b) Management-defined performance measures

Management-defined performance measures (MPMs) are subtotals of income and expenses used in public communications outside the financial statements that communicate to users management's view of an aspect of the financial performance of the entity as a whole. The Fund will be required to disclose specific information about MPMs in a single note in the financial statements. The Fund Manager is in process to determine which public communications of the Fund should be considered when identifying MPMs. MPMs relate to the same reporting period as the financial statements. Therefore, MPMs disclosed by the Fund following adoption of IFRS 18 will be determined based on public communications issued by the Fund relating to the 2027 interim reporting period.

c) Principles of aggregation and disaggregation

IFRS 18 provides enhanced principles on how to group information in the financial statements (i.e. the primary financial statements and the notes). It also introduces guidance on labelling and describing items presented in the primary financial statements or disclosed in the notes.

The Fund Manager is assessing the grouping of items on the basis of similar and dissimilar characteristics. Based on this assessment, it will present line items in the primary financial statements that provide useful structured summaries and disclose additional material information in the notes. The Fund is also assessing line items currently labelled as 'other' and will use more informative labels.

d) Consequential amendments

IFRS 18 introduces consequential amendments to IAS 7, which require entities to use the newly defined operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. As the Fund is not subject to tax / zakat, it currently uses net profit for the year / period as the starting point of the reconciliation to cash flows from operating activities. Certain adjusting items included in the reconciliation may change as a result of the new starting point.

The consequential amendments also provide specific guidance on the classification of special commission and dividend cash flows. The Fund is expected to classify cash flows from special commission paid as financing activities rather than operating activities under this guidance. Cash flows from special commission and dividends received and from dividends paid will continue to be classified as investing activities and financing activities, respectively.

5 INVESTMENT PROPERTIES AND LEASE LIABILITY

5.1 Investment properties

5.1.1 The composition of the investment properties as of the reporting date is summarized below:

	Cost	*Accumulated depreciation*	*Accumulated Impairment (note 5.1.3)*	*Net book value*
30 June 2026	***SR***	***SR***	***SR***	***SR***
Hafar Al-Batin Mall (i)	**491,751,244**	**(107,001,363)**	**(139,405,767)**	**245,344,114**
Dawadmi Mall (ii)	**177,397,224**	**(62,769,098)**	**(39,624,215)**	**75,003,911**
Signature Mall (iii)	**55,165,100**	**(3,807,238)**	**-**	**51,357,862**
Safir Office Building (iv)	**84,000,000**	**(3,646,102)**	**-**	**80,353,898**
Jawharat Hittin Office Building (v)	**118,252,175**	**(5,009,148)**	**-**	**113,243,027**
Jazl Office Building (vi)	**386,400,000**	**(10,310,166)**	**-**	**376,089,834**
Bin Jalawi Building (vii)	**399,000,000**	**(8,120,897)**	**-**	**390,879,103**
	1,711,965,743	**(200,664,012)**	**(179,029,982)**	**1,332,271,749**
31 December 2025	*SR*	*SR*	*SR*	*SR*
Hafar Al-Batin Mall (i)	485,063,828	(100,847,817)	(137,214,113)	247,001,898
Tabuk Mall (5.1.8)	221,873,667	(41,089,148)	(107,539,066)	73,245,453
Dawadmi Mall (ii)	177,313,210	(59,355,474)	(38,411,393)	79,546,343
Signature Building (iii)	55,165,100	(3,262,551)	-	51,902,549
Safir Office Building (iv)	84,000,000	(2,915,266)	-	81,084,734
Jawharat Hittin Office Building (v)	118,250,000	(4,014,878)	-	114,235,122
Jazl Office Building (vi)	386,400,000	(7,211,561)	-	379,188,439
Bin Jalawi Building (vii)	399,000,000	(5,331,745)	-	393,668,255
	1,927,065,805	(224,028,440)	(283,164,572)	1,419,872,793

(i) **Hafar Al-Batin Mall:** This property is a fully constructed commercial facility on a freehold land, located in Al Rayan District, Hafar Al-Batin, KSA.

(ii) **Dawadmi Mall:** This property is fully constructed commercial facility on leasehold land, located in Dawadmi, KSA.

(iii) **Signature Mall**: This property is a fully constructed commercial facility on freehold land, located in Al Shuhada District, Riyadh, KSA.

(iv) **Safir Office Building:** This property is a fully constructed commercial facility on a freehold land, located in Al Qirawan District, Riyadh, KSA.

(v) **Jawharat Hittin Office Building:** This property is fully constructed commercial facility on a freehold land, located in Al Hittin district, Riyadh, KSA

(vi) **Jazl Office Building:** This property is a fully constructed commercial facility on a freehold land, located in Yasmeen District, Riyadh, KSA.

(vii) **Bin Jalawi Building:** This property is a fully constructed commercial facility on a freehold land located in Al Qirawan District, Riyadh, KSA

5 INVESTMENT PROPERTIES AND LEASE LIABILITY (continued)

5.1.2 Useful life

The useful life of Hafer A1-Batin Mall, Signature Mall are assessed at 25 years from date of acquisition.

The useful life of Dawadmi Mall (leasehold) is assessed at 19 years from inception of lease.

The useful life of Siafar Office Building, Bin Jalawi Building, Jawharat Hittin Office Building and Jazl Office Building is assessed at 40 years from the date of acquisition.

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

	Land and buildings SR	*Right-of-use asset SR*	*Total SR*
Cost			
Balances as at 1 January 2025	1,510,693,567	8,594,560	**1,519,288,127**
Additions during the year (note 5.1.7)	407,777,678	-	**407,777,678**
Balances as at 31 December 2025 (audited)	1,918,471,245	8,594,560	**1,927,065,805**
Additions during the period	6,773,605	-	**6,773,605**
Disposal during the period (note 5.1.8)	(221,873,667)	-	**(221,873,667)**
Balances as at 30 June 2026 (unaudited)	1,703,371,183	8,594,560	**1,711,965,743**
Accumulated depreciation			
Balances as at 1 January 2025	183,607,232	2,869,657	**186,476,889**
Depreciation charge during the year	37,073,493	478,058	**37,551,551**
Balances as at 31 December 2025 (audited)	220,680,725	3,347,715	**224,028,440**
Depreciation charge during the period	18,457,600	237,064	**18,694,664**
Disposal during the period (note 5.1.8)	(42,059,092)	-	**(42,059,092)**
Balances as at 30 June 2026 (unaudited)	197,079,233	3,584,779	**200,664,012**
Accumulated impairment			
Balances as at 1 January 2025	258,307,899	-	**258,307,899**
Impairment charged during the year	24,856,673	-	**24,856,673**
Balances as at 31 December 2025 (audited)	283,164,572	-	**283,164,572**
Impairment charge during the period (5.1.5)	8,745,376	-	**8,745,376**
Disposal during the period (note 5.1.8)	(112,879,966)	-	**(112,879,966)**
Balances as at 30 June 2026 (unaudited)	179,029,982	-	**179,029,982**
***Net book amount as at 30 June 2026* (unaudited)**	**1,327,261,968**	**5,009,781**	**1,332,271,749**
Net book amount as at 31 December 2025 (audited)	1,414,625,948	5,246,845	1,419,872,793

(i) Included above within land and buildings is land amounted to SR 503,099,450 (31 December 2025: SR 596,918,116).

(ii) During the year, depreciation charged to the statement of profit or loss and other comprehensive income amounted to SR 18,694,664 (30 June 2025: SR 19,218,685).

5 INVESTMENT PROPERTIES AND LEASE LIABILITY (continued)

5.1.4 Freehold and leasehold properties

Freehold and leasehold properties comprises of the lands acquired or leased on which the buildings are built. The Fund acquired freehold properties in Riyadh and Hafar Al-Batin with an aggregate area of 167,069 square meters (31 December 2025: 188,495 square meter). Additionally, the Fund leased land in Dawadmi with an area of 72,678 square meter (2025: 72,678 square meter).

5.1.5 Impairment of investment properties

During the period ended 30 June 2026, the investment properties were tested for impairment and the management recognised a net charge of SR 8,745,376 (30 June 2025: SR 7,270,587) to adjust the value of its investment properties to its recoverable amount based on the average fair value as at the reporting period, determined by the independent evaluators as shown in note 6.

5.1.6 Ownership of investment properties

The title deeds of the investment properties (except for Dawadmi Mall) are pledged against the financing. The SPV owns these properties for the beneficial interest of the Fund and does not possess any controlling interest or any stake in the properties.

5.1.7 Additions during the year

Bin Jalawi Building is fully constructed commercial facility on freehold land, located in Al Qairawan District, Riyadh, KSA. The Fund Manager acquired this building for an amount of SR 399 million, with an area of 14,880 square meters.

5.1.8 Disposal of Tabuk Mall

On 7 May 2026, the Board of Directors approved the sale of Tabuk Mall property, following which the transfer of real estate ownership was completed. Tabuk Mall had a gross carrying amount of SR 221.9 million, against which accumulated depreciation of SR 42 million and accumulated impairment of SR 112.9 million had been recognised, resulting in a net carrying value of SR 66.9 million at the date of disposal. The property was disposed of for a consideration of SR 50 million, resulting in a net loss on disposal of SR 16.9 million.

5.2 Lease liability

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

	30 June 2026 (Unaudited) SR	31 December 2025 (Audited) SR
Balance at the beginning of the period/year	**6,219,332**	6,605,052
Finance charges	**125,568**	264,280
Payment of lease liabilities	**(650,000)**	(650,000)
Balance at end of the period/year	**5,694,900**	6,219,332
Current portion of lease liabilities	**650,000**	650,000
Non-current portion of lease liabilities	**5,044,900**	5,569,332

6 EFFECTS ON NET ASSET VALUE IF INVESTMENTS IN REAL ESTATE PROPERTIES ARE FAIR VALUED

In accordance with Article 37 of the REIFR issued by CMA in the Kingdom of Saudi Arabia, 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, the fair value measurement of the investment properties was determined by two selected independent valuers, accredited by the Saudi Authority for Accredited Valuers (Taqeem"), i.e., Abaad Real Estate Valuation Company (Appraiser I), and Nokhba Real Estate Evaluation Company (Appraiser 2) (31 December 2025: Abaad Real Estate Valuation Company (Appraiser I), and Esnad Real Estate Valuation Company (Appraiser 2)). The valuers are independent, not related to the Fund, who hold recognized and relevant professional qualifications and have recent experience in the location and category of the investment properties being valued.

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***
Freehold properties:			
Hafar Al-Batin Mall	**241,500,000**	**249,188,227**	**245,344,114**
Signature Mall	**70,800,000**	**74,962,667**	**72,881,334**
Safir Office Building	**114,000,000**	**108,683,036**	**111,341,518**
Jawharat Hittin Office Building	**134,800,000**	**135,275,345**	**135,037,673**
Jazl Office Building	**394,300,000**	**407,717,266**	**401,008,633**
Bin Jalawi Building	**413,820,000**	**446,138,091**	**429,979,046**
Leasehold properties:			
Dawadmi Mall*	**68,800,000**	**69,818,022**	**69,309,011**
	1,438,020,000	**1,491,782,654**	**1,464,901,329**

		31 December 2025 (Audited)	
	Appraiser 1 *SR*	*Appraiser 2* *SR*	*Average* *SR*
Freehold properties:			
Hafar Al-Batin Mall	245,700,000	248,303,796	247,001,898
Tabuk Mall	76,600,000	69,890,905	73,245,453
Signature Mall	70,700,000	75,228,365	72,964,183
Safir Office Building	113,200,000	109,271,807	111,235,904
Jawhara Hittin Office Building	135,000,000	136,241,098	135,620,549
Jazl Office Building	394,000,000	408,300,362	401,150,181
Bin Jalawi Building	413,820,000	447,229,341	430,524,671
Leasehold properties:			
Dawadmi Mall*	77,200,000	69,454,021	73,327,011
	1,526,220,000	1,563,919,695	1,545,069,850

* The fair value of Dawadmi Mall is provided net of lease liabilities, determined by incorporating both expected future cash inflows and the impact of future lease payments. As of 30 June 2026, the gross fair value of the said investment property amounted to SR 75,003,911 (31 December 2025: SR 79,546,343) and the related lease liabilities amounted to SR 5,694,900 (31 December 2025: SR 6,219,332), accordingly net fair value amounted to SR 69,309,011 (31 December 2025: SR 73,327,011).

6 EFFECTS ON NET ASSET VALUE IF INVESTMENTS IN REAL ESTATE PROPERTIES ARE FAIR VALUED (continued)

Management has used the average of the two valuations for the purpose of disclosing the fair value of the investment properties and assessing impairment. The investment properties were valued taking into consideration number of factors, including the area space per square and type of property. Below is an analysis of the investment properties' fair value against cost.

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

	30 June 2026 (Unaudited) SR	31 December 2025 (Audited) SR
Average fair value of investment properties	**1,464,901,329**	1,545,069,850
Less: Carrying value of investment properties (note 5)	**(1,332,271,749)**	(1,419,872,793)
Unrealised gain based on fair value	**132,629,580**	125,197,057
Units in issue (numbers) (note a)	**113,910,000**	118,000,000
Impact per unit share based on fair value (SR)	**1.16**	1.06

(a) During the period ended 30 June 2026, the fund bought back 4,090,000 of the Fund's own units for a total consideration of SR 19,393,455.

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

	30 June 2026 (Unaudited) SR	31 December 2025 (Audited) SR
Net assets value (equity) at cost	**706,984,749**	773,413,864
Net impact based on fair value	**132,629,580**	125,197,057
Net assets based on fair value	**839,614,329**	898,610,921

iii. The net asset value per unit, 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 per unit at cost	**6.21**	6.55
Impact on net assets value based on the valuations	**1.16**	1.06
Net assets value per unit based on fair value	**7.37**	7.61

7 FINANCIAL ASSETS AT FVTPL

Financial assets at FVTPL represents investment of 1,534,777 units (31 December 2025: 619,916 units) in Alinma Saudi Riyal Liquidity Fund and nil units (31 December 2025: 2,128,616 units) in Alinma Hospitality REIT Fund, an open-ended mutual fund managed by Fund Manager.

	30 June 2026 (Unaudited)		31 December 2025 (Audited)	
	Cost (SR)	**Fair value (SR)**	Cost (SR)	Fair value (SR)
Alinma Saudi Riyal Liquidity Fund	**21,732,446**	**21,897,296**	8,313,078	8,605,756
Alinma Hospitality REIT Fund	**-**	**-**	15,888,147	17,667,513
	21,732,446	**21,897,296**	24,201,225	26,273,269

The income from financial assets at FVTPL during the period amounted to SR 346,444 (30 June 2025: SR 1,532,220) which includes dividend income amounting to SR 615,900 (30 June 2025: SR 681,157) and net loss from changes in fair value of underlying instruments amounted to SR 269,456 (30 June 2025: gain of SR 851,063).

8 RENTAL INCOME AND OTHER RECEIVABLES

	30 June 2026 (Unaudited) SR	31 December 2025 (Audited) SR
Rental income receivable (8.1)	**51,702,473**	30,148,869
Less: Allowance for expected credit losses (8.2)	**(31,710,394)**	(26,428,152)
Rental income receivable, net	**19,992,079**	3,720,717
Advance to property manager	**1,627,382**	1,627,382
Prepayments	**312,648**	149,096
Less: Provision against receivables	**(1,627,382)**	(1,627,382)
	20,304,727	3,869,813

8.1 This represents rental income receivable from leasing of the investment properties in accordance with the terms of the corresponding tenancy agreements. The rental income receivables are current in nature.

8.2 Following is the movement of allowance for expected credit losses as at the reporting date:

	30 June 2026 (Unaudited) SR	31 December 2025 (Audited) SR
At the beginning of the period/ year	**26,428,152**	41,650,320
Charge (reversal) during the period/year	**5,282,242**	(5,425,603)
Write off during the period/year	**-**	(9,796,565)
At the end of the period/year	**31,710,394**	26,428,152

9 LONG-TERM BORROWING

On 7 November 2022, the SPV, on behalf of the Fund, entered into an financing agreement ("agreement") with Alinma Bank (the "Bank") amounting to SR 750 million to finance acquisition of properties. As of 30 June 2026, SR 93.6 million (2025: SR 93.6 million) represents the unused portion of the facility.

The agreement bears a commission rate of three-month SAIBOR + 1.3% per annum, payable annually. The principal amount is scheduled to be paid in full at the end of the term of agreement on 30 November 2030.

The agreement is secured against the pledge of all title deeds of the investment properties (except Dawadmi Mall) (note 5).

The agreement is subject to covenant, whereby the Fund is required to meet certain requirements. The Fund Manager aims to ensure that it meets financial covenants attached to the borrowings. Breaches in meeting the financial covenants would allow the Bank to immediate repayment. As of 30 June 2026, and 31 December 2025 the Fund is in compliance with these required covenants.

During the period ended 30 June 2026, the Fund incurred financial costs amounting to SR 20.6 million (30 June 2025: SR 20.5 million).

The movement in the long-term borrowings is as follows:

	30 June 2026 (Unaudited) SR	31 December 2025 (Audited) SR
Principal:		
Balance at the beginning of the period/year	**656,349,291**	257,349,291
Additions during the period/year	**-**	399,000,000
Balance at the end of the year	**656,349,291**	656,349,291
Debt arrangement fees:		
Balance at the beginning of the period/year	**(1,677,295)**	-
Amortisation of debt arrangement fee	**169,131**	317,705
Additions during the period/year	**-**	(1,995,000)
	(1,508,164)	(1,677,295)
Balance at the end of the period/year	**654,841,127**	654,671,996

10 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. The Fund Manager and entities / persons related to Fund Manager are considered as related parties of the Fund. In the ordinary course of its activities, the Fund transacts business with its related parties. All the related party transactions are approved by the Fund's Board of Directors.

a) Management fees

In consideration for managing the assets of the Fund, the Fund Manager in accordance with the terms and conditions of the Fund charges the Fund a management fee equal to 0.75 % of the net asset value per annum, provided that the management fee does not exceed 12% of net cash flow from operating activities calculated and payable on quarterly basis.

10 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

b) Board of Directors remuneration

Each independent member of the Board of Directors is allowed a remuneration of SR 5,000 per board meeting. The board remuneration fee charged during the period amounted to SR 23,596 (30 June 2025: SR 18,596).

10.1 Related party transaction

The following are the details of the transactions with related parties during the period:

			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	**(2,770,964)**	(1,520,934)
Alinma Saudi Riyal Liquidity Fund	Fund managed by the Fund Manager	Proceeds from redemption of financial assets at FVTPL	**16,911,239**	9,674,104
		Purchase of financial assets at FVTPL	**(30,000,000)**	-
Alinma Hospitality REIT Fund	Fund managed by the Fund Manager	Proceeds from redemption of financial assets at FVTPL	**17,811,178**	-
Fund Board of Directors	Members	Board remuneration	**(23,596)**	(18,596)
Alinma Bank	Parent Company of Fund Manager	Drawdown of long-term borrowings	-	399,000,000

10.2 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	**(5,258,169)**	(3,863,521)
	Administration fees payables	-	(564,257)
Alinma Saudi Riyal Liquidity Fund	Financial asset at FVTPL (note 6)	**21,897,296**	8,605,756
Alinma Hospitality REIT Fund	Financial asset at FVTPL (note 6)	-	17,667,513
Alinma Bank	Bank balance	**26,606,379**	10,776,624
	Long-term borrowings	**654,841,127**	654,671,996

As at 30 June 2026, board members of the Fund held 200,100 units (31 December 2025: 1,508,172 units). During the period ended 30 June 2026, the fund bought back 4,090,000 of the Fund's own units for a total consideration of SR 19,393,455.

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 lease liabilities, other liabilities and long-term borrowings.

The fair values of financial assets held at FVTPL amounting to SR 21,897,296 are classified under level 2 (31 December 2025: SR 17,667,513 classified as level 1 and SR 8,605,756 as level 2).

Due to the short-term nature of most of the financial instruments, their carrying amounts approximates their fair values. For the borrowings, the fair value is not materially different from its carrying value since the special commission rate is repriced based on the market rate periodically. There were no transfers between various levels of fair value hierarchy during the current or prior period.

11.2 Non-financial assets

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

Property name	*30 June 2026 Level 3*	*31 December 2025 Level 3*
	SR	*SR*
Hafar Al-Batin Mall	**245,344,114**	247,001,898
Dawadmi Mall	**75,003,911**	79,546,343
Signature Mall	**72,881,334**	72,964,183
Safir Office Building	**111,341,518**	111,235,904
Jawhara Hittin Building	**135,037,673**	135,620,549
Jazl Office building	**401,008,633**	401,150,181
Bin Jalawi Building	**429,979,046**	430,524,671
Tabuk Mall	**-**	73,245,453
	1,470,596,229	1,551,289,182

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. Changes in assumptions about these factors could affect the fair value of items disclosed in these interim condensed 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 Nokhba Real Estate Evaluation Company (2025: 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").

There was no change in the Fund's valuation process, valuation techniques and types of inputs used in the fair value measurement during the period.

12 COMMITMENT AND CONTINGENCIES

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

13 DIVIDENDS DISTRIBUTION

During the period ended 30 June 2026, in accordance with the terms and conditions of the Fund, the Fund's Board has declared and paid dividend of SR 0.17 per unit (30 June 2025: SR 0.17 per unit) totalling to SR 20,060,000 (30 June 2025: SR 20,060,000).

14 TREASURY UNITS

During the six-month period ended 30 June 2026, the unitholders approved the Fund's buy-back program as treasury units and the Fund's management bought back 4,090,000 of the Fund's own units from the exchange for a total consideration of SR 19,393,455 which are held as treasury units, for the purpose of acquiring new assets or reselling the units in the future. These units are classified as treasury units and are deducted from equity. No gain or loss has been recognised in the interim condensed statement of comprehensive income in respect of this transaction.

15 LAST VALUATION DAY

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

16 SUBSEQUENT EVENTS

On 1 July 2026 the Fund's Board approved to distribute dividends for the six-month period from 1 January 2026 to 30 June 2026 of SR 0.19 per unit amounting to SR 21,642,900 to its unitholders.

17 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The interim condensed financial statements were approved by the Fund Manager on 26 Safar 1448H (corresponding to 09 August 2026).