

**ALINMA HOSPITALITY REIT FUND**  
**(Managed by Alinma Capital Company)**

**INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

**AND INDEPENDENT AUDITOR'S REVIEW REPORT**

Alinma Hospitality REIT Fund  
(Managed by Alinma Capital Company)

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INTERIM CONDENSED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

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**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 2025, 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 &amp; Alyahya Chartered Accountants



Saleh A. Alyahya  
Certified Public Accountant  
License number 473

Riyadh: 5 Safar 1447H  
(30 July 2025)



Alinma Hospitality REIT Fund  
(Managed by Alinma Capital Company)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

		30 June 2025 (Unaudited) SR	31 December 2024 (Audited) SR
	Notes		
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Investment properties	4	968,802,113	978,647,190
<b>CURRENT ASSETS</b>			
Financial asset at fair value through profit or loss ("FVTPL")	6	57,227,451	10,140,220
Financial assets at amortised cost	7	-	38,947,219
Bank balance		14,554,677	17,808,847
Rental income and other receivables		258,644	153,849
<b>TOTAL CURRENT ASSETS</b>		72,040,772	67,050,135
<b>TOTAL ASSETS</b>		1,040,842,885	1,045,697,325
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Accrued expenses and other current liabilities		5,461,688	5,885,442
Unearned rental income	9	12,455,299	8,415,427
<b>TOTAL LIABILITIES</b>		17,916,987	14,300,869
<b>EQUITY</b>			
Net assets attributable to unitholders		1,022,925,898	1,031,396,456
<b>TOTAL LIABILITIES AND EQUITY</b>		1,040,842,885	1,045,697,325
Redeemable units in issue (numbers)		102,002,100	102,002,100
Net assets value attributable to unitholders (SR)		10.03	10.11

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



Alinma Hospitality REIT Fund  
(Managed by Alinma Capital Company)

INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME

		<i>Unaudited</i>	
		<i>For the six-month period ended</i>	
		<i>30 June</i>	<i>30 June</i>
		<i>2025</i>	<i>2024</i>
	<i>Notes</i>	<i>SR</i>	<i>SR</i>
<b>INCOME</b>			
Revenue from investment properties	10	36,900,613	37,104,484
Income from financial assets at FVTPL	6	1,087,231	512,798
Special commission income		-	397,800
<b>TOTAL INCOME</b>		<b>37,987,844</b>	<b>38,015,082</b>
<b>OPERATING EXPENSES</b>			
Depreciation on investment properties	4	(9,845,077)	(9,845,077)
Management fees	8	(3,256,726)	(3,287,283)
Other expenses		(715,927)	(579,123)
<b>TOTAL OPERATING EXPENSES</b>		<b>(13,817,730)</b>	<b>(13,711,483)</b>
<b>NET PROFIT FOR THE PERIOD</b>		<b>24,170,114</b>	<b>24,303,599</b>
Other comprehensive income		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>24,170,114</b>	<b>24,303,599</b>

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

Alinma Hospitality REIT Fund  
(Managed by Alinma Capital Company)

INTERIM CONDENSED STATEMENT OF CASH FLOWS

	<i>Unaudited</i>	
	<i>For the six-month period ended</i>	
	<i>30 June</i>	<i>30 June</i>
	<i>2025</i>	<i>2024</i>
	<i>SR</i>	<i>SR</i>
<b>OPERATING ACTIVITIES</b>		
Net profit for the period	24,170,114	24,303,599
<i>Adjustments for:</i>		
Depreciation of investment properties	9,845,077	9,845,077
Income from financial assets at FVTPL	(1,087,231)	(512,798)
Special commission income	-	(397,800)
	32,927,960	33,238,078
<i>Changes in operating assets and liabilities:</i>		
Increase in rental income and other receivables	(104,795)	(26,232)
(Decrease) increase in accrued expenses and other current liabilities	(423,754)	3,946,826
Increase in unearned rental income	4,039,872	93,388
Net cash flows from operating activities	36,439,283	37,252,060
<b>INVESTING ACTIVITIES</b>		
Purchase of financial assets at FVTPL	(46,000,000)	-
Proceeds from financial assets at amortized cost	38,947,219	-
Proceeds from disposal of financial assets at FVTPL	-	42,780,302
Net cash flows (used in) from investing activities	(7,052,781)	42,780,302
<b>FINANCING ACTIVITIES</b>		
Dividends paid	(32,640,672)	(32,640,672)
Net cash flows used in financing activities	(32,640,672)	(32,640,672)
<b>NET DECREASE (INCREASE) IN BANK BALANCE</b>	<b>(3,254,170)</b>	<b>47,391,690</b>
Bank balance at beginning of the period	17,808,847	16,348,637
<b>BANK BALANCE AT END OF THE PERIOD</b>	<b>14,554,677</b>	<b>63,740,327</b>

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

Alinma Hospitality REIT Fund  
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INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

	<i>Unaudited</i>	
	<i>For the six-month period ended</i>	
	<i>30 June 2025</i>	<i>30 June 2024</i>
	<i>SR</i>	<i>SR</i>
<b>EQUITY AT THE BEGINNING OF THE PERIOD</b>	<b>1,031,396,456</b>	<b>1,047,830,162</b>
<b>Comprehensive income:</b>		
Net income for the period	24,170,114	24,303,599
Other comprehensive income for the period	-	-
Total comprehensive income for the period	24,170,114	24,303,599
Dividend distribution (note 12)	(32,640,672)	(32,640,672)
	(8,470,558)	(8,337,073)
<b>EQUITY AT THE END OF THE PERIOD</b>	<b>1,022,925,898</b>	<b>1,039,493,089</b>

**REDEEMABLE UNITS TRANSACTIONS**

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

	<i>Unaudited</i>	
	<i>For the six-month period ended d</i>	
	<i>30 June 2025</i>	<i>30 June 2024</i>
	<i>Units</i>	<i>Units</i>
<b>UNITS AT THE BEGINNING AND END OF THE PERIOD</b>	<b>102,002,100</b>	<b>102,002,100</b>

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



# Alinma Hospitality REIT Fund

## (Managed by Alinma Capital Company)

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

30 June 2025

#### 1 INCORPORATION AND ACTIVITIES

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

The Fund is managed by Alinma Capital Company (the "Fund Manager"), a closed joint stock company with commercial registration number 1010269764, licensed by the Capital Market Authority of the Kingdom of Saudi Arabia ("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) and the Fund commenced its formal operations from 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") and Real Estate Investment Traded Funds ("REITF") instructions 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-months period ended 30 June 2025 of the Fund 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 2024.



Alinma Hospitality REIT Fund  
(Managed by Alinma Capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)  
30 June 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.

**3.5 New standards, interpretations and amendments adopted by the Fund**

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 2024 except for the adoption of amendments to existing standards effective as of 1 January 2025. Certain amendments apply for the first time in 2025, but do not have an impact on the interim condensed financial statements of the Fund.

**Standards and amendments effective in the current period**

The Fund has adopted all amendments to standards issued by the International Accounting Standards Board ("IASB") as and when adopted by SOCPA that are mandatory for adoption in the annual periods beginning on or after 1 January 2025 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
Amendment to IAS 21 – Lack of exchangeability	IASB amended IAS 21 to add requirements to help in determining whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not exchangeable. Amendment set out a framework under which the spot exchange rate at the measurement date could be determined using an observable exchange rate without adjustment or another estimation technique.	1 January 2025

**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. In the opinion of the Fund's management, these standards, amendments to standards and interpretation are not expected to have any significant impact on the Fund's interim condensed financial statements when effective and endorsed by SOCPA. 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.

<u>Standards / amendments to standards / interpretations (continued)</u>	<u>Effective date</u>
<i>Amendment to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred indefinitely
<i>Amendments to IFRS 9 and IFRS 7 – Financial Instruments and Financial Instruments: Disclosure</i>	1 January 2026
<i>IFRS 18 – Presentation and Disclosure in Financial Statements</i>	1 January 2027
<i>IFRS 19 – Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027



Alinma Hospitality REIT Fund  
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)  
30 June 2025

**4 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 2025 (Unaudited)**

<i>Description</i>	<i>Cost SR</i>	<i>Accumulated depreciation SR</i>	<i>Net book value SR</i>
Vittori Palace Hotel (i)	451,500,000	20,949,352	430,550,648
Rafal Ascott Hotel (ii)	257,250,000	14,028,985	243,221,015
Clarion Hotel Jeddah Airport (iii)	158,670,000	7,850,602	150,819,398
Comfort inn and Suites Hotel (iv)	85,355,000	3,689,195	81,665,805
Comfort inn Olaya (v)	65,252,500	2,707,253	62,545,247
	<u>1,018,027,500</u>	<u>49,225,387</u>	<u>968,802,113</u>

**31 December 2024 (Audited)**

<i>Description</i>	<i>Cost SR</i>	<i>Accumulated depreciation SR</i>	<i>Net book value SR</i>
Vittori Palace Hotel	451,500,000	16,759,482	434,740,518
Rafal Ascott Hotel	257,250,000	11,223,188	246,026,812
Clarion Hotel Jeddah Airport	158,670,000	6,280,482	152,389,518
Comfort inn and Suites Hotel	85,355,000	2,951,356	82,403,644
Comfort inn Olaya	65,252,500	2,165,802	63,086,698
	<u>1,018,027,500</u>	<u>39,380,310</u>	<u>978,647,190</u>

- (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. The hotel is leased out to a third party at net lease amount 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 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. The hotel is leased out to a third party at net lease amount 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 with Seera Hospitality Company, for operating and managing the hotel operations in the property. The property is leased on a fixed net lease amount of SR 6.2 million from this arrangement each year.
- (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. The hotel is leased out to a third party at net lease amount of SR 4.7 million.

Alinma Hospitality REIT Fund  
(Managed by Alinma Capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)  
30 June 2025

**4 INVESTMENT PROPERTIES (continued)**

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

	<i>Land SR</i>	<i>Buildings SR</i>	<i>Total SR</i>
<b>Cost</b>			
As at 31 December 2024 and 30 June 2025	<b>254,910,061</b>	<b>763,117,439</b>	<b>1,018,027,500</b>
<b>Accumulated depreciation</b>			
Balance as at 1 January 2024	-	(19,690,155)	(19,690,155)
Depreciation charge during the year	-	(19,690,155)	(19,690,155)
As at 31 December 2024	-	(39,380,310)	(39,380,310)
Depreciation charge for the period	-	(9,845,077)	(9,845,077)
<b>As at 30 June 2025</b>	<b>-</b>	<b>(49,225,387)</b>	<b>(49,225,387)</b>
<b>Net book amount as at 30 June 2025</b>	<b>254,910,061</b>	<b>713,892,052</b>	<b>968,802,113</b>
<b>Net book amount as at 31 December 2024</b>	<b>254,910,061</b>	<b>723,737,129</b>	<b>978,647,190</b>

The acquisition of the investment properties was partially financed through the issuance of 50.86 million units amounting to SR 508.6 million. The remaining consideration of SR 509.4 million was settled through cash.

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 2025 and 31 December 2024, 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 this financing.

**5 EFFECTS ON NET ASSETS VALUE IF INVESTMENT PROPERTIES IS FAIR VALUED**

In accordance with Article 36 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 2025 and 31 December 2024, 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 2025 and 31 December 2024, the valuation of investment properties are as follows:

	<b>30 June 2025 (Unaudited)</b>		
	<b>Appraiser 1 (SR)</b>	<b>Appraiser 2 (SR)</b>	<b>Average (SR)</b>
Vittori Palace Hotel	461,330,000	458,862,000	460,096,000
Rafal Ascott Hotel	268,560,000	271,129,000	269,844,500
Clarion Hotel Jeddah Airport	171,030,000	166,210,000	168,620,000
Comfort inn and Suites Hotel	98,870,000	91,056,000	94,963,000
Comfort inn Olaya	73,290,000	75,918,000	74,604,000
	<b>1,073,080,000</b>	<b>1,063,175,000</b>	<b>1,068,127,500</b>



**Alinma Hospitality REIT Fund**  
**(Managed by Alinma Capital Company)**

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)**  
**30 June 2025**

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

	31 December 2024 (Audited)		
	Appraiser 1 (SR)	Appraiser 2 (SR)	Average (SR)
Vittori Palace Hotel	460,460,000	458,334,000	459,397,000
Rafal Ascott Hotel	268,450,000	269,573,000	269,011,500
Clarion Hotel Jeddah Airport	165,360,000	165,132,000	165,246,000
Comfort inn and Suites Hotel	98,110,000	90,897,000	94,503,500
Comfort inn Olaya	72,620,000	75,808,800	74,214,400
	<u>1,065,000,000</u>	<u>1,059,744,800</u>	<u>1,062,372,400</u>

Management has used the average of the two valuations for the purpose of 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:

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

	30 June 2025 (Unaudited) SR	31 December 2024 (Audited) SR
Average fair value of investment properties	1,068,127,500	1,062,372,400
Less: Carrying value of investment properties (note 4)	<u>(968,802,113)</u>	<u>(978,647,190)</u>
Unrealised gain based on fair value	<u>99,325,387</u>	<u>83,725,210</u>
Units in issue (numbers)	<u>102,002,100</u>	<u>102,002,100</u>
Impact per unit share based on fair value evaluation (SR)	<u>0.97</u>	<u>0.82</u>

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

	30 June 2025 (Unaudited) SR	31 December 2024 (Audited) SR
Net assets value (equity) at cost	1,022,925,898	1,031,396,456
Net impact based on fair value	<u>99,325,387</u>	<u>83,725,210</u>
Net assets based on fair value	<u>1,122,251,285</u>	<u>1,115,121,666</u>

Alinma Hospitality REIT Fund  
(Managed by Alinma Capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)  
30 June 2025

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

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

	<b>30 June 2025 (Unaudited) SR</b>	<b>31 December 2024 (Audited) SR</b>
Net assets value per unit at cost	<b>10.03</b>	10.11
Impact on net assets value based on the evaluations	<b>0.97</b>	0.82
Net assets value per unit based on fair value	<b>11.00</b>	10.93

**6 FINANCIAL ASSETS AT FVTPL**

Financial assets at FVTPL represents investment in 4,233,542 units (31 December 2024: 770,242 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.

	<b>30 June 2025 (Unaudited)</b>		<b>31 December 2024 (Audited)</b>	
	<b>Cost (SR)</b>	<b>Market value (SR)</b>	<b>Cost (SR)</b>	<b>Market value (SR)</b>
Alinma Saudi Riyal Liquidity Fund	<b>56,016,441</b>	<b>57,227,451</b>	10,016,441	10,140,220

The income from financial assets at FVTPL during the period amounted to SR 1,087,231 (30 June 2024: SR 512,798).

**7 FINANCIAL ASSETS AT AMORTISED COST**

	<b>30 June 2025 (Unaudited) SR</b>	<b>31 December 2024 (Audited) SR</b>
Murabaha deposit (i)	-	38,000,000
Accrued special commission income	-	947,219
	-	38,947,219

(i) This represents murabaha deposits placed with the Bank, with the original maturity within one year and carried an average special commission income rate of 5.89% per annum.

Alinma Hospitality REIT Fund  
(Managed by Alinma Capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)  
30 June 2025

**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 in condition that it does not exceed 0.80% of the Fund's total assets. If the result of the operation is loss, the Fund Manager will not take 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 2025, 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 period:

Name of related party	Nature of relationship	Nature of transaction	Unaudited	
			For the six-month period ended 30 June 2025 SR	30 June 2024 SR
Alinma Capital Company	Fund Manager	Management fees	(3,256,726)	(3,287,283)
		Administration fees	(75,000)	(75,000)
Alinma Saudi Riyal Liquidity Fund	Fund managed by the Fund Manager	Purchase of financial assets at FVTPL	(46,000,000)	-
		Proceeds from disposal of financial assets at FVTPL	-	42,780,302
Fund Board of Directors	Members	Board fees	(20,000)	(20,000)
Alinma Bank	Parent Company of Fund Manager	Proceeds from maturity of financial assets at amortized cost	38,947,219	-



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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)  
30 June 2025

**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:

<i>Name of related party</i>	<i>Nature of balances</i>	<b>30 June 2025 (Unaudited) SR</b>	<b>31 December 2024 (Audited) SR</b>
Alinma Capital Company	Management fees payable	<b>(3,256,726)</b>	(3,295,245)
	Administration fees payable	<b>(150,000)</b>	(287,670)
Alinma Saudi Riyal Liquidity Fund	Financial asset at FVTPL (note 6)	<b>57,227,451</b>	10,140,220
Alinma Bank	Bank balance	<b>14,554,677</b>	17,808,847
	Financial asset at amortized cost	-	38,947,219
Fund Board of Directors	Board fees	<b>(20,000)</b>	-

**8.3** As of 30 June 2025, Fund Manager held 10,000,000 units (31 December 2024: 10,000,000 units).

**9 UNEARNED RENTAL INCOME**

Unearned rental income represents 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:

	<b>30 June 2025 (Unaudited) SR</b>	<b>31 December 2024 (Audited) SR</b>
Balance at the beginning of the period/year	<b>8,415,427</b>	4,502,384
Advanced received during the period/year	<b>40,940,485</b>	78,325,882
Revenue recognized during the period/year	<b>(36,900,613)</b>	(74,412,839)
Balance at the end of the period/year	<b><u>12,455,299</u></b>	<u>8,415,427</u>

**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 4.

**11 FAIR VALUE MEASUREMENT**

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

The fair values of financial assets held at FVTPL amounting to SR 57,227,451 (31 December 2024: SR 10,140,220) 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.

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)  
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**12 DIVIDEND DISTRIBUTION**

On 1 January 2024, 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 2023 to 31 December 2023, which were paid during the period ended 30 June 2024.

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 2025 and 31 December 2024.

**14 SUBSEQUENT EVENTS**

On 1 July 2025 the Fund's Board approved to distribute dividend for the six-month period from 1 January 2025 to 30 June 2025 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 15 Muharram 1447H, corresponding to 10 July 2025.

**15 LAST VALUATION DATE**

The last valuation date of the period was 30 June 2025 (31 December 2024: The last valuation date for the period was 31 December 2024).

**16 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS**

The interim condensed financial statements were approved by the Fund Manager on 5 Safar 1447H (corresponding to 30 July 2025).