MEFIC REIT FUND

Traded Real Estate Investment Fund

(Managed by Middle East Financial Investment Company)

Interim condensed financial statements (Un-audited)

For the six-month period ended 30 June 2025

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

PKF Al Bassam
Chartered Accountants

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

TO THE UNITHOLDERS OF MEFIC REIT FUND
RIYADH, KINGDOM OF SAUDI ARABIA

INTRODUCTION

We have reviewed the accompanying condensed interim statement of financial position of MEFIC REIT FUND ("The Fund") as of Managed by Middle East Financial investment company ("The fund Manager") as at 30 June 2025, and the related interim statement of Comprehensive income, changes in net assets (Equity) attributable to the unit holders and cash flows for the six month period then ended, and a summary of the significant information on accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

SCOPE OF REVIEW

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

CONCLUSION

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

For PKF Al-Bassam
Chartered Accountants

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

Abdulellah Al Bassam
Certified Public Accountant
License No. 703
Riyadh: 17 Safar 1447H
Corresponding to: 11 August 2025M

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

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

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

(All amounts in Saudi Riyal unless otherwise stated)

	Note	30 June 2025 (Unaudited)	31 December 2024 (Audited)
ASSETS			
Investment properties. net	6	756,901,789	754,759,819
Right of benefit, net	7	76,340,244	81,056,138
Right-of-use assets		65,765,833	69,580,902
Investments at fair value through profit or loss		63,852,000	63,852,000
Accounts receivables, net	9	23,259,623	19,846,058
VAT and other assets		1,517,688	1,311,519
Cash and cash equivalents		109,640	166,156
TOTAL ASSETS		**987,746,817**	990,572,592
LIABILITIES			
Borrowings	10	352,164,661	352,494,342
Lease liabilities		78,398,300	84,265,037
Accounts payables	11	16,423,454	18,539,800
Unearned rental income		11,036,669	14,854,527
Accrued expenses and other liabilities		6,599,182	5,006,245
TOTAL LIABILITIES		**464,622,266**	475,159,949
Net assets value (equity) attributable to the Unitholders		**523,124,551**	515,412,641
Units in issue (number)		**73,276,800**	73,276,800
Net assets (equity) attributable to each unit at Book value		**7.1390**	7.0338
Net assets (equity) attributable to each unit at Fair value	8	**8.0396**	7.4537

MEFIC REIT FUND
(Managed by Middle East Financial Investment Company)
INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
For the six-month period ended 30 June 2025
(All amounts in Saudi Riyal unless otherwise stated)

	Note	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
REVENUES			
Revenue		**32,525,744**	35,829,272
Total Revenue		**32,525,744**	35,829,272
OPERATING EXPENSES			
Depreciation of investment properties	6	**(2,403,194)**	(3,106,858)
Reversal of impairment on investment properties	6	**4,545,164**	12,159,876
Amortization of right-of-benefit	7	**(4,715,894)**	(4,715,894)
Depreciation of right-of-use assets		**(3,815,069)**	(3,815,069)
Finance cost of lease liabilities		**(1,633,263)**	(1,754,752)
Provision for expected credit losses	9	**-**	(7,341,276)
Other expenses		**(4,954,843)**	(10,595,582)
Fund management fees	12	**(917,073)**	(892,131)
Custodian fees		**(75,000)**	(124,643)
Total Operating Expenses		**(13,969,172)**	(20,186,329)
Operating income		**18,556,572**	15,642,943
Finance Cost		**(13,041,797)**	(14,194,254)
Dividend form investments FVPL		**1,913,833**	
Other Revenue		**283,302**	18,110
Net income for the period		**7,711,910**	1,466,799
Other comprehensive income for the period		**-**	-
Total comprehensive income for the period		**7,711,910**	1,466,799

The accompanying notes (1) to (18) form an integral part of these financial statements.

INTERIM STATEMENT OF CHANGES IN NET ASSETS (EQUITY) ATTRIBUTABLE TO THE UNITHOLDERS (UNAUDITED)
For the six-month period ended 30 June 2025
(All amounts in Saudi Riyal unless otherwise stated)

	Note	**30 June 2025** (Unaudited)	30 June 2024 (Unaudited)
Net assets value (equity) attributable to the Unitholders at beginning of the period		**515,412,641**	513,157,547
Total comprehensive income for the period		**7,711,910**	1,466,799
Dividends	14	**-**	(5,860,798)
Net assets value (equity) attributable to the Unitholders at the end of the period		**523,124,551**	508,763,548

(All amounts in Saudi Riyal unless otherwise stated)

	Note	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
CASH FLOW FROM OPERATING ACTIVITIES			
Net income for the period		**7,711,910**	1,466,799
Adjustment to reconcile net income to net cash used in operating activities:			
Depreciation of investment properties	6	**2,403,194**	3,106,858
Reversal of impairment on investment properties	6	**(4,545,164)**	(12,159,876)
Amortization of right of benefit	7	**4,715,894**	4,715,894
Depreciation of right-of-use assets		**3,815,069**	3,815,069
Finance cost of lease liabilities under right-of-use assets		**1,633,263**	1,754,752
Provision for expected credit losses	9	-	7,341,276
Finance cost		**13,041,797**	14,194,254
		28,775,963	24,235,026
Changes in operating assets & liabilities:			
Lease receivables		**(3,413,565)**	(5,994,178)
Trade payables paid		**(2,681,041)**	(1,000,000)
Unearned lease revenue		**(3,817,858)**	1,467,321
Accrued expenses and other liabilities		**1,951,463**	2,353,667
Net cash generated from operating activities		**20,814,962**	21,061,836
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of lease liabilities		**(7,500,000)**	(4,750,000)
Finance costs paid		**(13,371,478)**	(14,456,554)
Dividends paid	14	**-**	(5,860,798)
Net cash used in financing activities		**(20,871,478)**	(25,067,352)
Net change in cash at bank		**(56,516)**	(4,005,516)
Cash at bank at the beginning of the period		**166,156**	8,310,894
Cash at bank at the end of the period		**109,640**	4,305,378

The accompanying notes (1) to (18) form an integral part of these financial statements.

1. ORGANIZATION AND ACTIVITY

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

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

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

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

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

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

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

2. REGULATING AUTHORITY

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

3. BASIS OF PREPARATION

3.1 statement of compliance

These interim condensed financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Report" as endorsed in the Kingdom of Saudi Arabia. These interim-condensed financial statements do not include all the information required to prepare a complete set of annually financial statements prepared in accordance with International Financial Reporting Standards. These interim condensed financial statements should be read along with the company's financial statements for the previous year ended on December 31, 2024.

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

3. BASIS OF PREPARATION (CONTINUED)

3.2 Basis of measurement

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

The Fund continued to use the cost model for the year ending 31 December 2023 and for the period ending 30 June 2024.

3.3 Functional and presentation currency

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

3.4 Significant Accounting Judgements, Estimates and Assumptions

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

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

In the context of applying the fund's accounting policies, management has made the following estimates and judgments that are considered material to the interim condensed financial statements:

- Useful lives and residual values of investment properties and the right of benefit.
- Impairment of investment properties and the right of benefit.
- Lease discount rate
- Provision for expected credit losses

3.5 Going concern

The Fund Manager has made an assessment of the Fund's ability to continue as a going concern and is satisfied that the Fund has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt on the Fund's ability to continue as a going concern. Accordingly, these interim condensed financial statements have been prepared on a going concern basis.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in preparing these interim condensed financial statements are consistent with those used and disclosed in the fund's annual financial statements for the year ending 31 December 2024.

There are numerous other amendments and interpretations that have been issued but have not become effective as at the date of issuance of the fund's interim condensed financial statements. the fund's board of directors believes that this will not have a significant impact on the fund's interim condensed financial statements. the fund intends to adopt these amendments and interpretations, if applicable.

5. MANAGEMENT FEE, AND OTHER CHARGES

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

5.1 Subscription fee

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

5.2 Management fees

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

5.3 Finance Structuring Fees

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

5.4 Custody Fees

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

5.5 Transaction fees

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

5.6 Performance Fees

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

(All amounts in Saudi Riyal unless otherwise stated)

6. INVESTMENT PROPERTIES, NET

The Fund owns the following investment properties:

		Net Book value as at	
Property	**Property Nature**	**30 June 2025 (Unaudited)**	31 December 2024 (audited)
Commercial Complex in Riyadh	Mall	**545,908,500**	545,950,000
Drnef Ajyad	Hotel	**117,397,000**	116,270,625
Drnef Kudai	Hotel	**53,596,289**	53,996,194
Commercial And Administrative Building in Jeddah **(Note 6.1)**	Mall - Offices	**40,000,000**	38,543,000
		756,901,789	754,759,819

Commercial Complex in Riyadh (previously referred to as Souq Sharq): A commercial retail plaza in Riyadh that contains 187 stores, the mall consists of 21 buildings working in the field of furniture, furnishings, café, and others. It is located on the Eastern Ring Road in Riyadh - Al-Jazirah District. The investment property was mortgaged in the name of a local bank against a long-term loan (Note. 10).

Drnef Ajyad: A four-star hotel. 203 rooms and 11 suites is located on Ajyad Road in Makkah. The investment property was mortgaged to Riyadh Bank against a long-term loan (Note. 10).

Drenf Kudai: A three-star hotel consisting of 75 rooms and 11 suites located in the Kudai area on the Third Ring Road in Makkah, the investment property was mortgaged to Riyadh bank against a long-term loan (Note. 10).

Commercial and administrative building in Jeddah (previously referred to as Tihama): It is currently used for commercial and office activities. It consists of 10 retail plaza and 6 office floors. It is located on Al-Andalus Road in Al-Hamra District in Jeddah. The investment property was mortgaged to Riyadh bank against a long-term loan (Note. 10).

- The Fund has a policy of charging depreciation on buildings that are more than 40 years old. Depreciation is charged to the depreciable value, I.e., cost minus residual value.

- All properties of MEFIC REIT are held in the name of Amar Real Estate Development and Investment Company (“Special Purpose vehicle”). The SPV holds these properties for the beneficial ownership of the Fund and does not have any controlling interest or any stake in these properties.

- The fund manager reviews its investment properties to check for impairment. An impairment loss is made for the amount by which the carrying amount exceeds the recoverable amount of the investment property, being the higher of the assets' fair value less costs to sell and value in use. As at 30 June 2025, and according to the periodic valuation reports submitted by the independent valuers of the Fund, there was a reversal of impairment provision on investment property during the period at a value SAR 4,545,164 (30 June 2024: SAR 12,159,876).

(All amounts in Saudi Riyal unless otherwise stated)

6. INVESTMENT PROPERTIES, NET (CONTINUED)

	30 June 2025 (Un-Audited)		
	Land	**Buildings**	**Total**
Cost:			
At the beginning of the period	731,078,622	182,321,378	913,400,000
At the end of the period	721,144,539	192,255,461	913,400,000
Accumulated Depreciation:			
At the beginning of the period	-	(30,039,918)	(30,039,918)
Charged for the period	-	(2,403,194)	(2,403,194)
At the end of the period	-	(32,443,112)	(32,443,112)
Reversal / (loss) of accumulated impairment:			
At the beginning of the period	-	(128,600,263)	(128,600,263)
Reversal of impairment during the period	-	4,545,164	4,545,164
At the end of the period	-	(124,055,099)	(124,055,099)
Net book value	**721,144,539**	**35,757,250.00**	**756,901,789**

	31 December 2024 (Audited)		
	Land	Buildings	Total
Cost:			
At the beginning of the year	731,078,622	248,548,596	979,627,218
Disposals during the year	-	(66,227,218)	(66,227,218)
At the end of the year	731,078,622	182,321,378	913,400,000
Accumulated Depreciation:			
At the beginning of the year	-	(30,862,843)	(30,862,843)
charged for the year	-	(5,948,399)	(5,948,399)
Accumulated depreciation of disposals		6,771,324	6,771,324
At the end of the year	-	(30,039,918)	(30,039,918)
Reversal / (loss) of accumulated impairment:			
At the beginning of the year	-	(141,835,634)	(141,835,634)
Reversal of impairment during year	-	13,235,371	13,235,371
At the end of the year	-	(128,600,263)	(128,600,263)
Net book value	731,078,622	23,681,197	754,759,819

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

	30 June 2025 (Un-Audited)	31 December 2024 (Audited)
Mortgaged investment properties (Note 10)	**756,901,789**	754,759,819
Unmortgaged investment properties	**-**	-
	756,901,789	754,759,819

(All amounts in Saudi Riyal unless otherwise stated)

6. INVESTMENT PROPERTIES, NET (CONTINUED)

Market values:

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

First Valuer		Market values	
property	valuation method	30 June 2025 (Un-Audited)	31 December 2024 (Audited)
Commercial Complex in Riyadh	Income method - discounted cash flow method	**569,617,000**	570,000,000
Drnef Ajyad	Income method - discounted cash flow method	**123,000,000**	123,000,000
Drnef Kudai	Income method - discounted cash flow method	**66,000,000**	66,000,000
Commercial and administrative building in Jeddah(Note 6.1)	Income method - discounted cash flow method	**39,000,000**	39,000,000
		797,617,000	798,000,000

Second Valuer		Market values	
property	valuation method	30 June 2025 (Un-Audited)	31 December 2024 (Audited)
Commercial Complex in Riyadh	Income method - discounted cash flow method	**522,200,000**	521,900,000
Drnef Ajyad	Income method (residual value)	**111,794,000**	109,541,250
Drnef Kudai	Income method (Residual value)	**54,480,000**	53,360,000
Commercial and administrative building in Jeddah (Note 6.1)	Income method - discounted cash flow method	**46,625,000**	38,086,000
		735,099,000	722,887,250

On 24 July 2025, The Fund Manager entered into an Earnest Money Agreement (the "Agreement") for the intended Sale of the Commercial and administrative building in Jeddah, following approvals from both the Fund's Board of Directors and the Shariah Supervisory Committee. The Fund Manager has signed the Agreement and has received an earnest payment amounting to 2.5% of the agreed sale price. The final sale agreement, full payment and title transfer are expected to be executed within sixty (60) days. Should the purchaser fail to complete the transaction within this period, the earnest money shall be forfeited (non-refundable). The agreed sale price for the Property is SAR 40,000,000 (exclusive of real estate transfer tax and brokerage fees). So acceptable fair value of Commercial and administrative building in Jeddah is SAR 40,000,000 which included in determination of The Impact On Net Asset Value Attributable To Unitholders If Investment Property And Right Of Use/Benefit Assets Are Measured At Fair Value (note 8)

(All amounts in Saudi Riyal unless otherwise stated)

7. RIGHT OF BENEFIT, NET

	30 June 2025 (Un-Audited)	31 December 2024 (Audited)
Cost:		
Balance at the beginning of the period/year	**160,590,000**	160,590,000
Balance at the end of the period/year	**160,590,000**	160,590,000
Accumulated Amortization:		
Balance at the beginning of the period/year	**(79,533,862)**	(70,023,909)
Charged for the period/year	**(4,715,894)**	(9,509,953)
Balance at the end of the period/year	**(84,249,756)**	(79,533,862)
Net Book Value	**76,340,244**	81,056,138

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

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

Plaza 1: a multi-use building located on a land area of 9.588 square meters. The property owns an area of 12,000 square meters that is leasable, including 51 apartments and 12 exhibitions. The property is located on King Abdulaziz Road, Al Rabie District in Riyadh. Right of use of this property on 24 Safar 1450 AH corresponding to 16 July 2028.

Since right of use do not represent a large part of the operating life of property, they are recognized as right of benefit assets. These rights are amortized over the useful lives.

Market values:

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

First Valuer		**Market values**	
property	**valuation method**	**30 June 2025 (Un-audited)**	31 December 2024 (audited)
Dhiyafa	Income method - discounted cash flow method	**131,500,000**	131,500,000
Plaza 1	Income method - discounted cash flow method	**31,000,000**	31,000,000
		162,500,000	162,500,000

Second Valuer		**Market values**	
Property	**valuation method**	**30 June 2025 (Un-audited)**	31 December 2024 (audited)
Dhiyafa	Income method - discounted cash flow method	**99,321,000**	101,491,000
Plaza 1	Income method - discounted cash flow method	**9,557,000**	14,299,000
		108,878,000	115,790,000

(All amounts in Saudi Riyal unless otherwise stated)

8. THE IMPACT ON NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS IF INVESTMENT PROPERTY AND RIGHT OF USE/BENEFIT ASSETS ARE MEASURED AT FAIR VALUE

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

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

30 June 2025 (Un-audited)	**Valuation 1**	**Valuation 2**	**Average**
Investment properties, net (Note 6)	**797,617,000**	**735,099,000**	**766,358,000**
Intangible assets - right of use, net (Note 7)	**162,500,000**	**108,878,000**	**135,689,000**
Sub Total	**960,117,000**	**843,977,000**	**902,047,000**
Less FV as per valuators for:			
Commercial and administrative building in Jeddah	**(39,000,000)**	**(46,625,000)**	**(42,812,500)**
add FV approved selling price as per selling contract for:			
Commercial and administrative building in Jeddah	**40,000,000**	**40,000,000**	**40,000,000**
Total	**961,117,000**	**837,352,000**	**899,234,500**

31 December 2024 (audited)	Valuation 1	Valuation 2	Average
investment properties, net (Note 6)	798,000,000	722,887,250	760,443,625
Right of benefit, net (Note 7)	162,500,000	115,790,000	139,145,000
Total	960,500,000	838,677,250	899,588,625

Management used the average of the two valuations for the purpose of disclosing fair value of investment properties and right of benefit assets, except for the commercial buildings in Jeddah.

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

	30 June 2025 (Un-audited)	31 December 2024 (audited)
Estimated fair value of investment properties and right of benefit assets based on the average of the two valuations used	**899,234,500**	866,588,625
Less: book value		
- Investment properties, net (Note 6)	**(756,901,789)**	(754,759,819)
- right of benefit, net (Note 7)	**(76,340,244)**	(81,056,138)
Estimated fair value excess of book value	**65,992,467**	30,772,668
Units in issue (in number)	**73,276,800**	73,276,800
Excess unit share of estimated fair value	**0.9006**	0.4200

Net assets attributable to the Unitholders:

	30 June 2025 (Un-audited)	31 December 2024 (audited)
Net assets value attributable to the unitholders as per the financial statements before fair value adjustment	**523,124,551**	515,412,641
Estimated fair value excess of book value	**65,992,467**	30,772,668
Net assets value attributable to the Unitholders based on fair value of investment properties and right of benefit assets	**589,117,018**	546,185,309

(All amounts in Saudi Riyal unless otherwise stated)

8. THE IMPACT ON NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS IF INVESTMENT PROPERTY AND RIGHT OF USE/BENEFIT ASSETS ARE MEASURED AT FAIR VALUE (CONTINUED)

Net asset value per unit:

	30 June 2025 (Un-audited)	31 December 2024 (audited)
The book value of the assets value per unit as per the financial statements before fair value adjustment	**7.1390**	7.0338
Additional value per unit based on fair value	**0.9006**	0.4200
Market value of assets attributable to the unit	**8.0396**	7.4537

9. ACCOUNTS RECEIVABLE, NET

	30 June 2025 (Un-audited)	31 December 2024 (audited)
Rent receivables	**91,880,700**	88,467,135
Provision for expected credit losses	**(68,621,077)**	(68,621,077)
	23,259,623	19,846,058

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

	30 June 2025 (Un-audited)	31 December 2024 (audited)
Balance at the beginning of the year	**68,621,077**	79,283,804
write off during the period/year	-	(10,662,727)
Balance at the end of the year	**68,621,077**	68,621,077

The aging of Accounts Receivable are as follows:

	30 June 2025 (Un-audited)			31 December 2024 (audited)		
	EAD	**ECL**	**Coverage ratio**	EAD	ECL	Coverage ratio
Not yet Due	**-**	**-**		-	-	
00-90 days	**9,651,142**	**471,172**	**4.88%**	6,064,191	296,056	4.88%
91-180 days	**4,984,784**	**254,371**	**5.10%**	6,240,177	318,433	5.10%
181-270 days	**2,687,195**	**163,839**	**6.10%**	2,069,593	126,184	6.10%
271-365 days	**3,681,511**	**468,443**	**12.72%**	3,518,664	447,722	12.72%
More than 1 year	**70,876,068**	**67,263,252**	**94.90%**	70,574,510	67,432,683	95.55%
	91,880,700	**68,621,077**		88,467,135	68,621,077	

(All amounts in Saudi Riyal unless otherwise stated)

10. BORROWINGS

Amar Real Estate Company (the SPV) has secured Islamic finance facilities from Saudi Al Awwal Bank in the amount of SAR 400,000,000 for the purpose of financing the investment properties of the Fund. The borrowing carries a profit rate at SAIBOR plus 2%, the borrowing is payable on 21 Rabi Ath-thani 1453 AH, corresponding to 10 August 2031.

The borrowings are guaranteed by a mortgage on All investment properties amounting to SAR 756,901,789 as at 30 June 2025 (31 December 2024: SAR 754,759,819), (Note 6).

11. ACCOUNTS PAYABLES

	30 June 2025 (Un-audited)	31 December 2024 (audited)
Middle East Financial Investment Company ("Fund manager") (Note 12)	**16,423,453**	17,197,628
Buodel Ajyad Hotel - current account	**-**	1,342,171
	16,423,453	18,539,798

12. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

In the course of the Fund's normal business, it conducts related party transactions. The related parties to the fund include the unit holders and the fund manager. Related party transactions are carried out in accordance with the terms and conditions of the fund. All related party transactions are carried out according to agreed terms under a formal agreement.

Transactions with related parties:

Related parties	**Nature of relationship**	**Nature of transaction**	**30 June 2025 (Un-audited)**	30 June 2024 (Un-audited)
Middle East Financial Investment Company (the “Fund Manager”)	Fund Manager	Management fee	**917,073**	892,131

Resulting related party balances:

	30 June 2025 Receivable / (Payable) (Un-audited)	31 December 2024 Receivable / (Payable) (audited)
Middle East Financial Investment Company (the “Fund Manager”) (Note 11)	**(16,423,453)**	(17,197,628)
Middle East Financial Investment Company (the “Fund Manager”) – Management fee	**(1,122,617)**	(2,605,872)

13. CONTINGENT LIABILITIES AND COMMITMENTS

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

14. FAIR VALUE OF FINANCIAL INSTRUMENT

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

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

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

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

Financial assets consist of cash and cash equivalents. Financial liabilities consist of fund management fees payable, commission payable, accrued expenses and other liabilities.

The estimated fair value of the Fund's financial assets and liabilities is not considered to be significantly different from their carrying values. As at 30 June 2025 and 31 December 2024.

15. LAST VALUATION DAY

The last evaluation day of the year was on 5 Muharram 1447 AH, corresponding to 30 June 2025.

16. SEGMENT INFORMATION

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

17. SUBSEQUENT EVENTS

On 21 July 2025 (26 Muhram 1447 AH), the Fund Manager entered into an Earnest Money Agreement (the "Agreement") for the intended Sale of the Commercial and administrative building in Jeddah, following approvals from both the Fund's Board of Directors and the Shariah Supervisory Committee. The Fund Manager has signed the Agreement and has received an earnest payment amounting to 2.5% of the agreed sale price. The final sale agreement, full payment, and title transfer are expected to be executed within sixty (60) days. Should the purchaser fail to complete the transaction within this period, the earnest money shall be forfeited (non-refundable). The agreed sale price for the Property is SAR 40,000,000 (exclusive of real estate transfer tax and brokerage fees).

18. APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The interim condensed financial statements for the period ended 30 June 2025, were approved by the Board of Directors on 17 Safar 1447 AH, corresponding to 11 August 2025.