

**AL-ANDALUS PROPERTY COMPANY**  
(A Saudi Joint Stock Company)  
**Condensed Consolidated Interim**  
**Financial Statements (Unaudited)**  
**For the three-month period ended 31 March 2025**  
Together with the  
**Independent Auditor's review report**

**Al-Andalus Property Company**

(Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT****For the three-month period ended 31 March 2025**

(All amounts are expressed in Saudi Riyal (ﷲ) unless otherwise stated)

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## KPMG Professional Services Company

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P.O. Box 92876  
Riyadh 11663  
Kingdom of Saudi Arabia  
Commercial Registration No 1010425494

Headquarters in Riyadh

## شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية

واجهة روشن، طريق المطار  
صندوق بريد 92876  
الرياض 11663  
المملكة العربية السعودية  
سجل تجاري رقم 1010425494

المركز الرئيسي في الرياض

# Independent auditor's report on review of condensed consolidated interim financial statements

To the Shareholders of Al-Andalus Property Company (Saudi Joint stock Company)

## Introduction

We have reviewed the accompanying 31 March 2025 condensed consolidated interim financial statements of Al-Andalus Property Company (the "Company") and its subsidiaries (the "Group") which comprises:

- the condensed consolidated statement of financial position as at 31 March 2025,
- the condensed consolidated statement of profit or loss and other comprehensive income for the three-month periods ended 31 March 2025;
- the condensed consolidated statement of changes in equity for the three-month period ended 31 March 2025;
- the condensed consolidated statement of cash flows for the three-month period ended 31 March 2025; and
- the notes to the condensed consolidated interim financial statements.

Management is responsible for the preparation and presentation of these condensed (consolidated) interim financial statements in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed (consolidated) interim financial statements based on our review.

## Scope of Review

We conducted our review in accordance with the 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 condensed (consolidated) interim 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.

# Independent auditor's report on review of condensed consolidated interim financial statements (continued)

To the Shareholders of Al-Andalus Property Company (Saudi Joint stock Company)

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 March 2025 condensed consolidated interim financial statements of Al-Andalus Property Company and its subsidiaries are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

## For KPMG Professional Services



Khalil Ibrahim Al Sedais

License No. 371

Riyadh, 13 Dhu al-Qidah 1446

Corresponding to: 11 May 2025

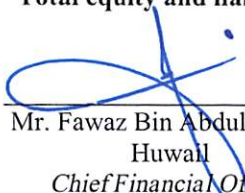
**Al-Andalus Property Company**

(A Saudi Joint Stock Company)


**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
(UNAUDITED)****As at 31 March 2025**

(All amounts are expressed in Saudi Riyal (ﷲ) unless otherwise stated)

	Note	31 March 2025 (Unaudited)	31 December 2024 (Audited)
<b><u>ASSETS</u></b>			
<b>Non-current assets</b>			
Property and equipment	7	139,439,640	135,247,719
Investment properties	6	1,308,278,830	1,374,172,184
Equity accounted investees	8	563,311,895	570,715,454
<b>Total non-current assets</b>		<b>2,011,030,365</b>	<b>2,080,135,357</b>
<b>Current assets</b>			
Receivables from operating lease		82,169,651	62,191,934
Prepayments and other receivables		29,688,404	27,187,933
Due from related parties	12	15,740,878	5,127,082
Cash and cash equivalents		57,881,329	45,880,615
Other investments	9	14,075,375	40,343,803
<b>Total current assets</b>		<b>199,555,637</b>	<b>180,731,367</b>
<b>Total assets</b>		<b>2,210,586,002</b>	<b>2,260,866,724</b>
<b><u>Equity</u></b>			
Share capital		933,333,330	933,333,330
Retained earnings		59,124,642	83,292,053
<b>Equity attributable to the Company's Shareholders</b>		<b>992,457,972</b>	<b>1,016,625,383</b>
Non-controlling interests		140,184,710	142,964,360
<b>Total equity</b>		<b>1,132,642,682</b>	<b>1,159,589,743</b>
<b><u>Liabilities</u></b>			
Employees' benefits – defined benefits obligations		13,229,460	12,604,414
Lease liabilities		69,026,961	114,959,440
Islamic finance facilities	10	839,287,124	839,034,552
<b>Total non-current liabilities</b>		<b>921,543,545</b>	<b>966,598,406</b>
Advances from lessees and deferred revenue		57,977,073	53,052,606
Lease liabilities - current portion		10,647,750	17,302,750
Islamic finance facilities - current portion	10	14,366,097	14,366,097
Due to related parties	12	20,780,505	16,335,472
Zakat provision		4,398,974	4,145,569
Accruals and other payables		48,229,376	29,476,081
<b>Total current liabilities</b>		<b>156,399,775</b>	<b>134,678,575</b>
<b>Total liabilities</b>		<b>1,077,943,320</b>	<b>1,101,276,981</b>
<b>Total equity and liabilities</b>		<b>2,210,586,002</b>	<b>2,260,866,724</b>

  
Mr. Fawaz Bin Abdulaziz bin  
Huwail  
Chief Financial Officer

  
Eng. Faisal Bin  
Abdulrahman Alnasser  
Chief Executive Officer

  
Mr. Omar Bin Hamad AlMashal  
Authorized Board Member

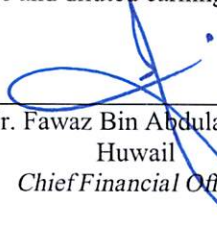
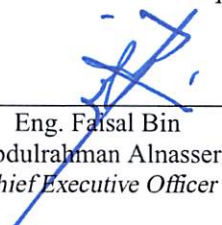
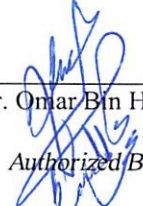
The accompanying notes 1 to 18 form an integral part of these condensed consolidated interim financial statements.

**Al-Andalus Property Company**

(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)****For the three-month period ended 31 March 2025**

(All amounts are expressed in Saudi Riyal (ﷲ) unless otherwise stated)

	Note	For the three-month period ended 31 March	
		2025 (Unaudited)	2024 (Unaudited)
Revenue	13	56,407,863	52,996,472
Cost of revenue	13	(22,469,634)	(20,776,593)
<b>Gross profit</b>		<b>33,938,229</b>	<b>32,219,879</b>
General and administrative expenses		(14,377,259)	(11,251,752)
Marketing expenses		(812,480)	(485,002)
Impairment of receivables from operating lease		(435,610)	(3,000,000)
Share of (loss) / profit from equity accounted investees	8	(4,903,559)	5,226,977
Other income		762,670	931,492
<b>Operating profit</b>		<b>14,171,991</b>	<b>23,641,594</b>
Finance cost		(16,583,880)	(15,145,904)
Gain on disposal of subsidiary	15	3,956,055	-
<b>Profit before Zakat</b>		<b>1,544,166</b>	<b>8,495,690</b>
Zakat		(424,774)	(1,126,406)
<b>Profit for the period</b>		<b>1,119,392</b>	<b>7,369,284</b>
<b>Attributable to:</b>			
Shareholders of the Company		(834,078)	4,715,381
Non-controlling interests		1,953,470	2,653,903
		<b>1,119,392</b>	<b>7,369,284</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to statement of profit or loss:		-	-
<b>Total comprehensive income</b>		<b>1,119,392</b>	<b>7,369,284</b>
<b>Total comprehensive income attributable to:</b>			
Shareholders of the Company		(834,078)	4,715,381
Non-controlling interests		1,953,470	2,653,903
		<b>1,119,392</b>	<b>7,369,284</b>
<b>Earnings per share</b>			
Basic and diluted earnings per share	11	(0.01)	0.05
 Mr. Fawaz Bin Abdulaziz bin Huwail Chief Financial Officer		 Eng. Faisal Bin Abdulrahman Alnasser Chief Executive Officer	
		 Mr. Omar Bin Hamad AlMashal Authorized Board Member	

The accompanying notes 1 to 18 form an integral part of these condensed consolidated interim financial statements.



**Al-Andalus Property Company**

(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)****For the three-month period ended 31 March 2025**

(All amounts are expressed in Saudi Riyal (ﷲ) unless otherwise stated)

	Share capital	Statutory reserve	Retained earnings	Equity attributable to the Company's Shareholders	Non-controlling interests	Total
<b>Balance as at 1 January 2025 - (audited)</b>	<b>933,333,330</b>	<b>-</b>	<b>83,292,053</b>	<b>1,016,625,383</b>	<b>142,964,360</b>	<b>1,159,589,743</b>
( Loss ) / Profit for the period	-	-	(834,078)	(834,078)	1,953,470	1,119,392
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>(834,078)</b>	<b>(834,078)</b>	<b>1,953,470</b>	<b>1,119,392</b>
Disposal of subsidiary with NCI	-	-	-	-	(4,733,120)	(4,733,120)
Dividends during the period (Note 16)	-	-	(23,333,333)	(23,333,333)	-	(23,333,333)
<b>Balance as at 31 March 2025 (unaudited)</b>	<b>933,333,330</b>	<b>-</b>	<b>59,124,642</b>	<b>992,457,972</b>	<b>140,184,710</b>	<b>1,132,642,682</b>
 Balance as at 1 January 2024 - (audited)	 933,333,330	 100,624,786	 37,950,256	 1,071,908,372	 156,601,357	 1,228,509,729
Profit for the period	-	-	4,715,381	4,715,381	2,653,903	7,369,284
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	4,715,381	4,715,381	2,653,903	7,369,284
Dividends during the period (Note 16)	-	-	(23,333,333)	(23,333,333)	(10,749,063)	(34,082,396)
<b>Balance as at 31 March 2024 (unaudited)</b>	<b>933,333,330</b>	<b>100,624,786</b>	<b>19,332,304</b>	<b>1,053,290,420</b>	<b>148,506,197</b>	<b>1,201,796,617</b>

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Eng. Faisal Bin  
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Authorized Board Member

The accompanying notes 1 to 18 form an integral part of these condensed consolidated interim financial statements.

**Al-Andalus Property Company**  
(A Saudi Joint Stock Company)  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**  
**For the three-month period ended 31 March 2025**

(All amounts are expressed in Saudi Riyal (ﷲ) unless otherwise stated)

	For the three-month period ended 31 March	
	2025 (Unaudited)	2024 (Unaudited)
<b><u>Operating activities</u></b>		
Profit for the period before Zakat	1,544,166	8,495,690
<b>Adjustments:</b>		
Depreciation:		
- Investment properties	8,304,103	8,109,714
- Property and equipment	1,349,913	1,316,240
Interest on lease liabilities	1,980,008	2,801,610
Share of ( loss ) / profit from equity accounted investees	4,903,559	(5,226,977)
Impairment loss on receivables from operating lease	435,610	3,000,000
Employees' benefits – defined benefit obligations	658,878	516,456
Gain from investment in financial instruments at FVTPL	-	(359,315)
Gain on disposal of subsidiary	(3,956,055)	-
Finance cost	14,603,872	12,344,294
	29,824,054	30,997,712
<b>Changes in:</b>		
Receivables from operating leases	(23,532,146)	(16,309,464)
Prepayments and other receivables	(1,727,627)	(10,598,934)
Related parties' balances, net	(6,150,906)	4,176,730
Advances from lessees and deferred revenue	7,110,736	9,475,246
Accruals and other payables	(4,212,764)	1,044,269
Dividends received from equity-accounted investees	2,500,000	-
<b>Cash generated from operating activities</b>	3,811,347	18,785,559
Employees' benefits - defined benefit obligation paid	(33,832)	(89,566)
Zakat paid	-	(257,459)
<b>Net cash generated from operating activities</b>	3,777,515	18,438,534
<b><u>Investing activities</u></b>		
Additions to property and equipment	(5,876,455)	(1,532,878)
Additions to investment properties	(1,449,480)	(20,227,292)
Proceed from other investments, net	26,268,428	(35,043,064)
Proceeds from disposal of subsidiary, net of cash disposed of	7,232,006	-
<b>Net cash (used in) / generated from investing activities</b>	26,174,499	(56,803,234)
<b><u>Financing activities</u></b>		
Proceeds from Islamic finance facilities	-	20,000,000
Payment of interest for Islamic finance facilities	(14,351,300)	(12,322,715)
Payment of lease liabilities	(3,600,000)	(3,600,000)
Dividends paid	-	(23,333,333)
Dividends paid to the non-controlling interests	-	(10,749,063)
<b>Net cash used in financing activities</b>	(17,951,300)	(30,005,111)
<b>Net change in cash and cash equivalents during the period</b>	12,000,714	(68,369,811)
<b>Cash and cash equivalents at the beginning of the period</b>	45,880,615	176,940,865
<b>Cash and cash equivalents at closing of the period</b>	57,881,329	108,571,054
<b><u>Material non-cash transactions:</u></b>		
Accrual dividends	23,333,333	-

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Chief Financial Officer

Eng. Faisal Bin Abdulrahman  
Alnasser  
Chief Executive Officer

Mr. Omar Bin Hamad AlMashal  
Authorized Board Member

The accompanying notes 1 through 18 form an integral part of these interim condensed consolidated financial statements.



# **Al-Andalus Property Company**

(A Saudi Joint Stock Company)

## **NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**

**For the three-month period ended 31 March 2025**

(All amounts are expressed in Saudi Riyal (ﷲ) unless otherwise stated)

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### **1 Reporting Entity**

Al-Andalus Property Company (the “Company”) is a Saudi joint stock company established pursuant to the Ministerial Resolution No. 2509 dated 03/09/1427H corresponding to 26/09/2006 approving the declaration of the establishment of the Company. The Company is registered in Riyadh under the Commercial Registration No. 1010224110 dated 17/09/1427H corresponding to 10/10/2006.

The main activities of the Company include construction, ownership and management of centers, commercial and residential complexes in addition to general contracting of residential, commercial buildings, educational, recreational, health institutions, roads, dams, water and sewage projects, electrical and mechanical works. The activities also include maintenance and operation of real estate properties, buildings and commercial complexes as well as ownership, development and investment of lands and properties for the benefit of the Company and based on its purposes.

The Company’s share capital is SR 933,333,330 divided into 93,333,333 shares with a nominal value of SR 10 each.

The head office of the Company is located in Riyadh, Al Wadi District, Northern Ring Road, Al-Andalus Property Company Building.

The Company’s financial year starts on 1 January and ends on 31 December of each Gregorian year.

Al-Andalus Property Company is referred to as (the “Company”) or collectively with its subsidiaries disclosed in Note 3 as (the “Group”).

### **2 Basis of preparation**

#### **2.1 Statement of compliance**

These condensed interim consolidated financial statements (the “Interim Financial Statements”) for the three-month period ended 31 March 2025 have been prepared in accordance with the requirements of IAS 34 “Interim Financial Reporting” as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization for Chartered and Professional Accountants (“SOCPA”) and should be read in conjunction with the Group’s last annual consolidated financial statements for the year ended 31 December 2024 (Prior Year Financial Statements).

These interim financial statements do not include all the information and disclosures required in the annual financial statements in accordance with requirements of International Financial Reporting Standards (IFRS Accounting Standards) issued by International Accounting Standards Board (“IASB”) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”). However, these interim financial statements include certain disclosures to explain some significant events and transactions to understand the changes in the Group’s financial position and performance since the last annual consolidated financial statements.

The performance for the three-month period ended on 31 March 2025, do not necessarily reflect the results that could be anticipated for the year ending on 31 December 2025.

#### **2.2 Basis of measurement**

The Interim financial statements have been prepared on a historical cost basis, except:

- Defined benefit obligation - employees’ benefits which are measured at present value using the projected unit credit method.
- Financial instruments at fair value through profit or loss

#### **2.3 Functional and presentation currency**

These condensed consolidated financial statements are presented in Saudi Riyals (ﷲ), which is the main functional currency of the company.

**Al-Andalus Property Company**

(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)****For the three-month period ended 31 March 2025**

(All amounts are expressed in Saudi Riyal (ﷲ) unless otherwise stated)

**3 Basis of consolidation of the interim financial statements**

The interim financial statements include the financial statements of the company and its subsidiaries listed below as at and for the period ended 31 March 2025:

<u>Subsidiary's name</u>	<u>Country of Incorporation</u>	<u>% of shareholding</u>	
		<u>2025</u>	<u>2024</u>
Al-Ahli REIT Fund 1	Kingdom of Saudi Arabia	<b>68.73%</b>	68.73%
Manafea Al Andalus Company for Real Estate Development - (Refer note 15)	Kingdom of Saudi Arabia	-	70%

Details of subsidiaries are as follows:

**1. Al-Ahli REIT Fund 1**

Al-Ahli REIT Fund 1 was formed in accordance with Capital Market Authority dated 11 Rabi' I 1438H (corresponding to 29 November 2017). The principal activities of the Fund are to make investments in investment properties. Currently, Al-Andalus managed the properties in the Fund through the master transfer agreement. Any change in the management of Fund's properties will require a majority of the unit holder voting, the Fund's investments represent the below properties:

<u>Name of property</u>	<u>Location</u>
Alandalus Mall	Jeddah
Al-Andalus Mall Hotel	Jeddah
Salama Tower	Jeddah
QBIC Plaza	Riyadh

**2. Manafea Al Andalus Company for Real Estate Development**

Manafea Al Andalus Company for Real Estate Development was formed as a limited liability company in the Kingdom of Saudi Arabia and operates under Commercial Registration No 1010700657 dated 22 Rajab 1438H (corresponding to 19 April 2017). The principal activities of Manafea include leasing, managing properties owned or leasing (residential and nonresidential), commission- based properties management activities, developments activities, and investment properties.

<u>Name of property</u>	<u>Location</u>
Al Marwah Plaza	Jeddah

The subsidiary has been disposed of during the period (Refer to note 15).

**4 Amendments to standards and interpretations**

The accounting policies adopted in the preparation of these interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in 2025, but these do not have an impact on the interim financial statements of the Group.

**Al-Andalus Property Company**

(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)****For the three-month period ended 31 March 2025**

(All amounts are expressed in Saudi Riyal (ﷲ) unless otherwise stated)

**5 Significant accounting judgments, estimates and assumptions**

The preparation of the interim financial statements requires management to use judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The significant estimates made by the management when applying the Group's accounting policies and the significant sources of uncertainties of the estimates were similar to those applied in the preparation in the Group's annual consolidated financial statements as at and for the year ended 31 December 2024.

**6 Investment properties**

	<b>31 March 2025 (Unaudited)</b>	31 December 2024 (Audited)
<b><u>Cost:</u></b>		
Balance at the beginning of the period/ year	<b>1,684,810,243</b>	1,599,523,703
Additions during the period/ year	<b>1,449,480</b>	85,286,540
Derecognised on sale of subsidiary (Note 15)	<b>(89,150,015)</b>	-
Balance at the end of the period / year	<b><u>1,597,109,708</u></b>	<u>1,684,810,243</u>
<b><u>Accumulated depreciation:</u></b>		
Balance at the beginning of the period/ year	<b>(310,638,059)</b>	(275,506,183)
Depreciation charged during the period / year	<b>(8,304,103)</b>	(35,131,876)
Derecognised accumulated depreciation and Impairment on sale of subsidiary (Note 15)	<b>30,111,284</b>	-
Balance at the end of the period / year	<b><u>(288,830,878)</u></b>	<u>(310,638,059)</u>
<b>Net carrying amount</b>	<b><u>1,308,278,830</u></b>	<u>1,374,172,184</u>

The Group has pledged Al-Andalus Mall against Islamic financing facility that is obtained from local Bank (note 10). Also, the group pledged Yassmin Al-Andalus Tower against Islamic finance facility that obtained from local Bank (refer note 10).

The lands and the buildings classified as investment properties were evaluated by external valuers to determine their fair value as at 31 December 2024. The fair values of the investment properties amounted to ﷲ 2.37 billion as at that date. The key assumptions used in determining the fair value of the investment properties were discount rates, occupancy rate and exit yield rate and the valuation approaches used are the income approach (discounted cash flows) and sales comparable method.

The evaluation was carried out by the external valuers accredited by the Saudi Authority for Accredited Valuers (TAQEEM), [(Esnad: TAQEEM record No. 1210000934), (QIAM: TAQEEM record No. 1210000052) (ValuStart: TAQEEM record No. 1210000320/1210001039)].

The management believes that the fair values of investment properties as at 31 March 2025 do not materially differ from the fair values determined as at 31 December 2024.

**Al-Andalus Property Company**

(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)****For the three-month period ended 31 March 2025**

(All amounts are expressed in Saudi Riyal (ﷲ) unless otherwise stated)

**7 Property and equipment**

As of 31 March 2025, the cost of property and equipment amounted to ﷲ 225.6 million (31 December 2024: ﷲ 220.1 million) and the accumulated depreciation amounted to ﷲ 86.2 million (31 December 2024: ﷲ 84.8 million).

The Group has pledged Al-Andalus Mall Hotel against Islamic finance facility obtained from local Bank (refer note 10).

**8 Investment in equity-accounted investees**

The details of equity-accounted investments are summarized as follows:

	<u>Country of Incorporation</u>	<u>% of shareholding</u>		<b>31 March 2025</b>	31 December
		<b>31 March 2025</b>	31 December 2024	<b>(Unaudited)</b>	2024 (Audited)
Alaswaq					
Almutatawerah	Kingdom of				
Company **	Saudi Arabia	<b>50%</b>	50%	<b>104,284,466</b>	101,469,385
Hayat Real Estate	Kingdom of				
Company	Saudi Arabia	<b>25%</b>	25%	<b>199,666,624</b>	197,525,907
Soroooh Al Marakiz	Kingdom of				
Company*	Saudi Arabia	<b>25%</b>	25%	<b>49,031,249</b>	49,031,249
West Jeddah Hospital	Kingdom of				
Company **	Saudi Arabia	<b>50%</b>	50%	<b>103,494,963</b>	115,613,544
Al-Jawhra Al-Kubra	Kingdom of				
Company	Saudi Arabia	<b>25%</b>	25%	<b>50,766,416</b>	50,954,583
Massat Property	Kingdom of				
Company *	Saudi Arabia	<b>25%</b>	25%	<b>56,068,177</b>	56,120,786
				<b>563,311,895</b>	570,715,454

\* These companies have not commenced commercial operations yet.

\*\* The Group owns 50% of the shareholding of these associates and does not have control or common control over these associates.

The movement in investments in equity-accounted investees is as follows:

	<b>31 March 2025</b>	31 December
	<b>(Unaudited)</b>	(Unaudited)
Balance at the beginning of the period/ year	<b>570,715,454</b>	527,085,565
Addition during the period / year	-	101,788,000
Share of (losses) / profit from equity accounted investees for the period/ year	<b>(4,903,559)</b>	(33,907,930)
Dividends received during the period/year	<b>(2,500,000)</b>	(24,250,181)
Balance at the end of the period / year	<b>563,311,895</b>	570,715,454



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**8 Investment in equity-accounted investees (continued)**

The Group's share of (loss) / profit of equity-accounted investees for the period is as follows:

	<b>For the three-month period ended</b>	
	<b>31 March 2025</b>	<b>31 March 2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Alaswaq Almutatawerah Company	<b>2,815,081</b>	1,705,290
Hayat Real Estate Company	<b>4,640,717</b>	5,884,355
West Jeddah Hospital Company	<b>(12,118,581)</b>	(3,075,192)
Al-Jawhra Al-Kubra Company	<b>(188,167)</b>	712,524
Massat Property Company	<b>(52,609)</b>	-
	<b>(4,903,559)</b>	5,226,977

The companies' financial information as at and for the period ended 31 March 2025, is derived from the management reports of these companies.

**9 Other Investments**

\* These investments represent investments in mutual funds "Al-Ahli Investment Fund" cost ﷲ 7 Million which represent also the Fair Value (31 December 2024 Nil).

\*\* The time deposits balance as of 31 March 2025 ﷲ 7.07 Millon (31 December 2024, ﷲ 40.3 Millon), Time deposits represent deposits with "Alkhair Capital Fund" with maturity of less than three months.

**10 Islamic Finance facilities**

Movement in Islamic finance facilities during the period is as follows:

	<b>31 March 2025</b>	<b>31 December 2024</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Balance at the beginning of the year	<b>853,400,649</b>	803,809,841
Additions during the year	-	54,000,000
Additions of finance cost during the year	<b>14,603,872</b>	54,789,689
Payments during the year	<b>(14,351,300)</b>	(59,198,881)
Balance at the end of the year	<b>853,653,221</b>	853,400,649
Non-current portion	<b>839,287,124</b>	839,034,552
Current portion	<b>14,366,097</b>	14,366,097

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**10 Islamic Finance facilities (continued)**

During 2019, the Group obtained an Islamic financing facility amounting to ﷲ 650 million from local bank. The facility agreement included adherence to specific financial covenants for the local bank. The Group pledged the properties (Al-Andalus Mall and Hotel), in favor of a Real Estate Company, a fully owned subsidiary of the local bank, as a guarantee against the financing. The tenor of the Islamic financing facility is 15 years. The Islamic financing facility provides a 5-year grace period during which only profit payments must be made. Following the grace period, the principal amount shall be repaid over 10 years on a quarterly basis. Further, an amendment to the Islamic financing agreement was signed and the type of facility was changed from Ijara to Murabaha. The tenure of the financing was revised and the outstanding financing balance became payable in July 2026. Accordingly, the financing balance was disclosed as non-current. The facility limit was increased to ﷲ 760 million instead of ﷲ 650 million. An additional amount of the facility of ﷲ 54 million was utilized during 2024.

During 2023, the Group obtained an Islamic finance facility from the local bank to finance the acquisition transaction of Yassmin Al-Andalus Tower in Al-Yasmeen district, Riyadh city. The term of the facility is 7 years, and payments must be made after one year from the date of withdrawal in the form of incremental annual installments for a period of 7 years, with the last installment due on the date of termination. The Group pledged Yassmin Al-Andalus Tower having a carrying value of ﷲ 197.4 million as at reporting date, classified within investment properties to the local bank as a guarantee against the financing. The Group also approved to waive the rental returns and transfer them directly to the Group account at the local bank.

The financing is subject to commission rates based on SIBOR plus an agreed commission rate. The increase in the finance cost is attributable to the increase in the interest rates accrued during the period. The above facility agreements contain covenants, which among other things, require certain financial ratios to be maintained, otherwise the loan will be repayable on demand.

**11 Earnings per share**

Basic and diluted earnings per share is calculated by dividing the profit for the period attributable to the shareholders of the company by the weighted average number of ordinary shares outstanding during the period.

	<b>For the three-month period ended</b>	
	<b>31 March 2025</b>	<b>31 March 2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
(Losses) /Profit for the period	<b>(834,078)</b>	4,715,381
Weighted average number of outstanding ordinary shares	<b>93,333,333</b>	93,333,333
Basic and diluted earnings per share (ﷲ)	<b>(0.01)</b>	0.05

The diluted earnings per share is equal to the basic earnings per share for the periods ended 31 March 2025, and 31 March 2024 as there are no instruments with diluted impact on earnings per share.

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**12 Transactions and balances with related parties**

For the purpose of these condensed consolidated financial statements, parties are considered to be related to the Group, if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, and vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or entities. The transactions with related parties are made on terms approved by the Board of the Directors of the Group. The Group and its related parties transact with each other in the ordinary course of business. The transactions and the balances between the company and its subsidiaries and those between the subsidiaries have been eliminated in preparing these condensed consolidated financial statements.

The details of transactions with related parties are mentioned below:

<b>Related party name</b>	<b>Relationship</b>	<b>Nature of the transaction</b>	<b>31 March 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
Hayat Real Estate Company	Associate	Operating income and expenses paid on behalf	<b>3,245,625</b>	10,937,393
Al-Ahli Capital	Fund manager of a subsidiary	Operating Services	<b>4,445,033</b>	15,677,973
Al-Jawhara Company	Associate	Operating income and expenses paid on behalf	<b>12,946,250</b>	-

The details of balances with related parties are mentioned below:

	<b>31 March 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
<b>Due from related parties</b>		
Hayat Real Estate Company	<b>2,794,628</b>	5,127,082
Al-Jawhara Company	<b>12,946,250</b>	-
	<b>15,740,878</b>	5,127,082
<b>Due to related parties</b>		
Al-Ahli Capital	<b>20,780,505</b>	16,335,472

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**13 Segments Reporting**

The Group's activities include a number of segments as follows: -

<u>Reportable segments</u>	<u>Activity</u>
Retail and operation sector	This includes rented out commercial units of certain investment properties utilized as malls and for operation of the malls.
Hospitality sector	This includes investment properties used for providing hospitality services (Al-Andalus Mall Hotel).
Office sector	This includes rent for commercial units from investment properties (Salama Tower, QBIC Plaza, Yassmin Al-Andalus Tower).

The Group reviews internal reports for each sector on a quarterly basis at a minimum.

The information related to each reportable sector is as follows: Net sector profit before zakat is used to measure performance as the Group's management believes that this information is the most relevant in assessing the results of the relevant sector compared to other companies operating in the same industry.

	<u>Retail sector</u>	<u>Hospitality sector</u>	<u>Office sector</u>	<u>Unallocated</u>	<u>Total</u>
<b><u>For the three-month period ended 31 March 2025</u></b>					
<b><u>(Unaudited)</u></b>					
Revenue	37,860,290	4,409,192	14,138,381	-	56,407,863
Cost of revenue	(13,058,264)	(5,173,358)	(4,238,012)	-	(22,469,634)
Share of (loss) / profit from equity-accounted investees	-	-	-	(4,903,559)	(4,903,559)
Expenses	(15,055,404)	-	(11,073,939)	(5,644,276)	(31,773,619)
Impairment of receivables from operating lease	(435,610)	-	-	-	(435,610)
Other income	-	-	-	4,718,725	4,718,725
Profit before Zakat	<u>9,311,012</u>	<u>(764,166)</u>	<u>(1,173,570)</u>	<u>(5,829,110)</u>	<u>1,544,166</u>
<b><u>As at 31 March 2025</u></b>					
Total assets	<u>714,057,338</u>	<u>129,820,363</u>	<u>677,170,820</u>	<u>689,537,481</u>	<u>2,210,586,002</u>
Total liabilities	<u>390,526,613</u>	<u>4,266,845</u>	<u>672,649,451</u>	<u>10,500,411</u>	<u>1,077,943,320</u>

The Group's executive management reviews the internal management reports of each division at least quarterly. Group revenue are generated from contracts with customers by providing commercial unit rental services and hospitality services. Control over housing units rental services is transferred over time, while control over hospitality services is transferred at a point in time.

**Information about geographic regions**

All of the Group operating sectors operate within the borders of the Kingdom of Saudi Arabia.



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**13 Reporting Segments (Continued)**

For the three-month period ended 31 March 2024  
(Unaudited)

	Retail sector	Hospitality sector	Office sector	Unallocated	Total
Revenue	36,932,439	4,671,661	11,392,372	-	52,996,472
Cost of revenue	(11,059,075)	(5,834,870)	(3,882,648)	-	(20,776,593)
Share of profit from equity accounted investees	-	-	-	5,226,977	5,226,977
Expenses	(9,061,010)	-	(12,344,294)	(5,477,354)	(26,882,658)
Impairment of receivables from operating lease	(3,000,000)	-	-	-	(3,000,000)
Other income	-	-	-	931,492	931,492
Profit before Zakat	13,812,354	(1,163,209)	(4,834,570)	681,115	8,495,690
<b><u>As at 31 December 2024</u></b>					
Total assets	720,911,961	125,363,510	680,571,257	734,019,996	2,260,866,724
Total liabilities	429,334,614	3,709,517	656,451,933	11,780,917	1,101,276,981

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**14 DETERMINATION OF FAIR VALUES, CLASSIFICATION AND RISK MANAGEMENT**

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 and at prevailing market conditions regardless of the fact that price is directly identified or estimated using other valuation technique.

All assets and liabilities whether these are measured at fair value or not, are disclosed in the financial statements in accordance with the hierarchical levels of fair value measurements as stated below are classified into the respective hierarchy based on the lowest level of input which is considered significant for measuring the fair value as a whole.

**Level 1:** Declared (unadjusted) and quoted market prices in active markets for the same or identical instruments.

**Level 2:** valuation techniques that use inputs that are directly or indirectly observable or tracked for an instrument other than declared / quoted prices mentioned in level 1.

**Level 3:** valuation techniques for which significant inputs are used that are unobservable or not tracked for an instruments.

The Group is exposed to risks as a result of using financial instruments. The following explains the Company's objectives, policies and operations to manage these risks and methods used to measure them in addition to quantitative information related to these risks in the accompanying financial statements.

There were no significant changes that may expose the Group to financial instrument risks through its objectives, policies and operations to manage these risks and methods used that are different from what have been used in prior periods unless otherwise indicated.

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**15 Disposal of Subsidiary**

On February 27, 2025, the board of directors of the group approved to sale the total interest owned (70%) in the subsidiary “Manafea Al-Andalus Company” and the contract has been signed between the Group and the buyer “Saudi Tourism Development Company” on February 27, 2025, for a total value of ﷲ 15 Million, the parties agreed that the sales effective transaction date and the shares shall be sold based on the balances of subsidiary as at 1<sup>st</sup> January 2025. The deal has resulted in a gain of ﷲ 3.9 million.

	<b>As at 1<sup>st</sup> January 2025</b>
Consideration received	<b>15,000,000</b>
Net Value of net assets of subsidiary	<b>(11,043,945)</b>
<b>Net gain on disposal of subsidiary</b>	<b>3,956,055</b>
Net assets of subsidiary sold at the date of disposal	<b>15,777,065</b>
Less: Value of NCI at the date of disposal	<b>(4,733,120)</b>
Net Value of net assets of subsidiary	<b>11,043,945</b>

**Financial Information at the date of disposal for subsidiary as follows:**

	<b>As at 1<sup>st</sup> January 2025</b>
<b><u>ASSETS</u></b>	
Property and equipment	334,621
Investment properties (Note 6)	59,038,731
Receivables from operating lease	3,118,819
Prepayments and other receivables	4,227,156
<b>Cash and cash equivalents</b>	<b>2,767,994</b>
<b>Total assets</b>	<b>69,487,321</b>
<b><u>Liabilities</u></b>	
Lease liabilities	50,967,487
Advances from lessees and deferred revenue	2,186,269
Accruals and other payables	367,274
Due to related parties	17,857
Zakat provision	171,369
<b>Total liabilities</b>	<b>53,710,256</b>
<b>Net Assets</b>	<b>15,777,065</b>

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**15 Disposal of Subsidiary (Continued)**

**Effect of disposal on the cash flow:**

Investment property	59,038,731
Receivables from operating lease	3,118,819
Prepayments and other receivables	4,227,156
Property and equipment	334,621
Due to related parties	(17,857)
Advance From lease	(2,186,269)
Accruals and other payables	(367,274)
Zakat payable	(171,369)
Obligation under operation lease	(50,967,487)
Other debit balance	(5,000,000)
Profit from disposal	3,956,055
Non-controlling interest	(4,733,120)
Disposal of subsidiary, net of cash disposed of	<u>7,232,006</u>
Consideration in received	15,000,000
Other debit balance	(5,000,000)
Cash and cash equivalent disposed	(2,767,994)
Proceed from disposal of subsidiary, net of cash disposed of	<u>7,232,006</u>

**16 Dividends**

On March 23, 2025, the Board of Directors decided pursuant to the authorization of the general assembly to distribute interim dividends of ﷲ 23.3 million (ﷲ 0.25 per share) and such dividends were paid on 29 April 2025. (31 March 2024: ﷲ 23,3 million, ﷲ 0.25 per share).

**17 Subsequent events**

There have been no subsequent events after the reporting date that might require disclosure in or adjustment in these interim financial statements.

**18 Approval of interim financial statements**

These interim condensed consolidated financial statements have been approved for issuance by the Board of Directors on 11 May 2025 (corresponding to 13 Dhu al-Qidah 1446H).