Manazel Al Mamlaka (under liquidation)

Audited Financial Statements
for the year ended 31 December 2025

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Investment manager	The First Investor P.Q.S.C.
Board of directors	Haithem Al Katerji Majdi Abdulla Mahmoud Jadallah
Liquidator	The First Investor P.Q.S.C.
Independent Auditor	RSM Cayman Ltd. Zephyr House, 122 Mary Street, George Town PO Box 10311, Grand Cayman KY1-1003 Cayman Islands
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Independent Auditor's Report

To the Board of Directors
Manazel Al Mamlaka (under liquidation)

Opinion

We have audited the financial statements of Manazel Al Mamlaka (under liquidation) (the Fund), which comprise the statement of financial position as at 31 December 2025, and the statements of comprehensive income, changes in net assets attributable to holders of participating shares and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

This report is made solely for the Board of Directors, as a body. Our audit work has been undertaken so that we might state to the Board of Directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Board of Directors as a body, for our audit work, for this report, or for the opinions we have formed.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the Cayman Islands Institute of Professional Accountants' *Code of Ethics for Professional Accountants* (CIIPA Code) and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants* (IESBA Code), both the ethical requirements that are relevant to our audit of the financial statements in the Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with both the CIIPA Code and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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RSM Cayman Ltd. is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

Emphasis of Matter

We draw attention to note 2 to the financial statements, which describes that the financial statements have been prepared on a basis other than going concern because the Board of Directors has resolved to voluntarily liquidate the Fund on 28 July 2025. Our opinion is not modified in respect of this matter.

We draw attention to note 11 to the financial statements, which describes the restatement of the comparative information to correctly reflect that the net assets attributable to holders of participating shares are classified as equity in accordance with IAS 32: Financial Instruments - Presentation. Our opinion is not modified in respect of this matter.

Other matter

The financial statements of the Fund for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those financial statements on 21 May 2026.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

RSM Cayman LTD.

Grand Cayman, Cayman Islands
31 July 2026

Manazel Al Mamlaka (under liquidation)
Statement of financial position as at 31 December 2025 (in SAR)

	Note	2025	2024
Assets			
Bank balances	4	14,022,488	-
Wakala investment at fair value through profit or loss (FVTPL)	5	8,600,669	39,673,713
Total assets		**22,623,157**	**39,673,713**
Liabilities			
Distribution payable	7	14,055,110	-
Accurals and other liabilities		138,171	257,992
Due to related party		-	1,189,000
Total liabilities		**14,193,281**	**1,446,992**
Net assets attributable to holders of participating shares		**8,429,876**	**38,226,721**
Equity			
Share capital	6	16,743	16,743
Share premium	6	125,160,307	163,938,059
Accumulated losses		(116,747,174)	(125,728,081)
		8,429,876	**38,226,721**

These financial statements were approved for issue by the Board of Directors on 31 July 2026 and signed on its behalf by:

Haithem Al Kateri
Director

Majdi Abdulla Mahmoud Jadallah
Director

Notes on pages 10 to 20 form an integral part of these financial statements.
The report of the independent auditor is set out on pages 3 to 5.

Manazel Al Mamlaka (under liquidation)
Statement of comprehensive income for the year ended 31 December 2025 (in SAR)

	Note	2025	2024
Income			
Fair value changes on wakala investment at FVTPL	5	8,962,707	(3,858,347)
Other income		88,653	6,204
		9,051,360	**(3,852,143)**
Expenses			
Professional and legal fees		(68,284)	(228,533)
Bank charges		(2,169)	(2,721)
Loss on foreign exchange		-	(486,369)
		(70,453)	**(717,623)**
Increase / (Decrease) in net assets attributable to holders of participating shares		**8,980,907**	**(4,569,766)**

These financial statements were approved for issue by the Board of Directors on 31 July 2026 and signed on its behalf by:

Haithem Al Katerji
Director

Majdi Abdulla Mahmoud Jadallah
Director

Notes on pages 10 to 20 form an integral part of these financial statements.
The report of the independent auditor is set out on pages 3 to 5.

Manazel Al Mamlaka (under liquidation)

Statement of changes in net assets attributable to holders of participating shares

for the year ended 31 December 2025 (in SAR)

	Share capital	Share premium	Accumulated losses	Total
As at 1 January 2024	**16,743**	**163,938,059**	**(121,158,315)**	**42,796,487**
Decrease in net assets attributable to holders of participating shares	-	-	(4,569,766)	(4,569,766)
As at 31 December 2024	**16,743**	**163,938,059**	**(125,728,081)**	**38,226,721**
Increase in net assets attributable to holders of participating shares	-	-	8,980,907	8,980,907
Distribution (note 7)	-	(38,777,752)	-	(38,777,752)
As at 31 December 2025	**16,743**	**125,160,307**	**(116,747,174)**	**8,429,876**

	Note	2025	2024
Cash flows from operating activities:			
Increase / (Decrease) in net assets attributable to holders of participating shares		8,980,907	(4,569,766)
Adjustments:			
Fair value changes on wakala investment at FVTPL	5	(8,962,707)	3,858,347
Changes in operating assets and liabilities			
Due from related party		-	22,659,551
Profit receivable		-	1,717,790
Due to related party		(1,189,000)	(78,617,388)
Accurals and other liabilities		(119,821)	68,055
Proceeds from disposal of Wakala investment at FVTPL	5	40,035,751	-
Net cash generated from / (used in) operating activities		**38,745,130**	**(54,883,411)**
Cash flows from financing activities:			
Distribution paid	7	(24,722,642)	-
Net cash used in financing activities		**(24,722,642)**	**-**
Net increase / (decrease) in cash and cash equivalents		**14,022,488**	**(54,883,411)**
Cash and cash equivalents at the beginning of the year		-	54,883,411
Cash and cash equivalents at the end of year	4	**14,022,488**	**-**

1. Legal Status and activities

Manazel Al Mamlaka (the Fund), is an Exempted Company incorporated with Limited Liability in the Cayman Islands on 20 February 2012. The Fund was registered with the Cayman Islands Monetary Authority as a private fund under the Private Funds Act (as revised) on 5 August 2020. The Fund's registered office is at Maples Corporate Services Limited, P.O. Box No.309, Ugland House, Grand Cayman KY1-1104, Cayman Islands.

The Fund has been established to indirectly invest in income-producing residential compounds in the Kingdom of Saudi Arabia through a Shariah-compliant investment structure. This was implemented through a Wakala arrangement with Al Mejdaf Real Estate W.L.L., a special purpose entity incorporated in the State of Qatar which in turn invested in Manazel Compounds Real Estate L.L.C. ("MCRE") and Manazel Management Real Estate L.L.C. ("MMRE") in the form of share capital and shareholder loans, which holds income producing compound properties in the Kingdom of Saudi Arabia. MMRE disposed off its underlying property in March 2022.

The Fund's initial term was three (3) years from the First Closing Date i.e. 30 November 2015. As permitted by the Information Memorandum, the Directors resolved to extend the term of the Fund till 1 November 2022 and 30 November 2024 on 1 November 2021 and 7 January 2024, respectively. It was further extended until the Fund was placed under voluntary liquidation. On 28 July 2025, the Board of Directors of the Fund resolved to approve the orderly liquidation of the Fund.

The financial statements of the Fund for the year ended 31 December 2025 were authorised for issue by the Board of Directors on 31 July 2026.

2. Material Accounting Policy Information

The material accounting policies adopted in the preparation of the Fund's financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1. Basis of preparation

On 19 May, 2025, MCRE entered into a sale agreement with an external party for the disposal of the Radium Compound, a key underlying asset of the Fund. Following the sale, on 21 May 2025, the outstanding long-term financing facility associated with the asset was fully settled by MCRE. Consequently at the meeting of Board of Directors of the Fund held on 28 July 2025, it was resolved to approve the orderly liquidation of the Fund and the dissolution of associated subsidiaries and affiliated entities. Accordingly, the Fund's financial statements have been prepared on a basis other than going concern, whereby assets have been stated at net realisable values and liabilities at expected settlement amounts. No provision has been made for future termination costs unless such costs were committed at the reporting date.

These financial statements have been prepared in accordance with IFRS Accounting Standards (IFRS) as issued by the International Accounting Standard Board (IASB).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

2.1.1. Standards, amendments and interpretations that are effective for the Fund's accounting periods beginning on or after 1 January 2025

The Fund has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Accounting Standards Board ('IASB') that are mandatory for the current reporting period. There was no material impact to the financial statements as a results of the adoption of these standards.

2.1.2. Standards, amendments and interpretations issued but not yet effective nor early adopted

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosures)	Effective for annual periods beginning on or after 1 January 2026
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosures) clarify that financial assets and financial liabilities are recognised and derecognised at settlement date except for regular way purchases or sales of financial assets and financial liabilities meeting conditions for new exception. The new exception permits companies to elect to derecognise certain financial liabilities settled via electronic payment systems earlier than the settlement date. They also provide guidelines to assess contractual cash flow characteristics of financial assets, which apply to all contingent cash flows, including those arising from environmental, social, and governance (ESG)-linked features. Additionally, these amendments introduce new disclosure requirements and update others.	
IFRS 18 – Presentation and Disclosure in Financial Statements	Effective for annual reporting periods beginning on or after 1 January 2027
IFRS 18 replaces IAS 1, which sets out presentation and base disclosure requirements for financial statements. The changes, which mostly affect the income statement, include the requirement to classify income and expenses into three new categories - operating, investing and financing - and present subtotals for operating profit or loss and profit or loss before financing and income taxes. Further, operating expenses are presented directly on the face of the income statement - classified either by nature (e.g. employee compensation), by function (e.g. cost of sales) or using a mixed presentation. Expenses presented by function require more detailed disclosures about their nature. IFRS 18 also provides enhanced guidance for aggregation and disaggregation of information in the financial statements, introduces new disclosure requirements for management-defined performance measures (MPMs) and eliminates classification options for interest and dividends in the statement of cash flows.	

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The Directors of the Fund have evaluated the potential impact of the abovementioned new standards and amendments and assessed that no material impact is expected on the financial statements.

2.2. Foreign currency translations

a) Functional and presentation currency

The Fund's investments, transactions, contributions received and distributions paid to shareholders are denominated in Saudi Arabian Riyal (SAR). The performance of the Fund is measured and reported to the investors in SAR. Accordingly, the Management considers SAR as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in SAR, which is also the Fund's functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the statement of financial position date.

Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

2.3. Financial assets at fair value through profit or loss

a) Classification

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The financial assets are managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions.

Wakala investment at fair value through profit or loss
Wakala investment is an Islamic Shariah compliant investment structure constituted by the Fund whereby the Fund ("Muwakkil) appoints an agent ("Wakil") and entrusts a specified sum of money to invest in a specified business activity. The profit or loss generated from the business activity is returned back to Muwakkil after deducting a specified sum of agency fee if any prescribed in the Wakala agreement.

The Wakala investment is classified as financial asset at fair value through profit or loss and is initially recognised at fair value and transaction costs are immediately expensed.

b) Recognition, derecognition and measurement

Regular purchases and sales of investments are recognised on the trade date – the date on which the Fund commits to purchase or sell the investment. Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all the risks and rewards of ownership.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the statement of comprehensive income within Fair value changes on wakala investment in the period in which they arise.

Distribution income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income within distribution income when the Fund's right to receive payments is established and it is probable that the economic benefits associated with the distribution will flow to the Fund, and the amount of the distribution can be measured reliably.

c) Fair value estimation

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 of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The fair value of financial assets and liabilities that are not traded in an active market (for example, private equity funds) is determined using valuation techniques.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that, reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which included a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

The Fund is required to classify all assets and liabilities, measured at fair value using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgment is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include adjusted net assets value method or the use of observable inputs that require significant adjustments based on unobservable inputs.

d) Transfers between levels of the fair value hierarchy

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period. During the year there was no transfers between levels of the fair value hierarchy.

2.4. Offsetting

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Fund or the counterparty.

2.5. Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise bank balances. For the purposes of the statement of cash flows, cash and cash equivalents consist of bank balances.

2.6. Management shares and participating shares

Management shares and participating shares represent the portion of authorised capital as defined in the Fund’s Information Memorandum .

Management Shares carry the sole right to vote at general meetings. However, they do not entitle the holder to participate in the Fund's profits and losses. Upon winding up of the Fund, the holder of the Management shares is entitled to receive its paid-in capital per Management share. Management shares are classified as financial liabilities and recorded under accounts payable upon payment of their par value.

Participating shares are non-voting shares and entitle the holder to participate in dividends legally available for distribution. These shares may not be sold, transferred, assigned, exchanged, pledged, encumbered or disposed of without the prior written consent of the Directors. Upon winding up of the Fund, after the payment of the par value on the Management shares, the assets available for distribution are to be distributed to the holders of the Participating shares pari passu in proportion to the Net Asset Value of Participating Shares held, subject to a deduction for any money due and owing on such shares.

Provided that the option to redeem the participating share lies solely with the Fund management without any contractual obligation, these shares are presented as equity in the statement of financial position.

2.7. Distributions

Distributions by the Fund shall be made to investors on a pro rata basis in accordance with their respective shareholdings in the Fund. Distributions will be based on cash proceeds actually received by the Fund from distributions made by Manazel Compounds and available for distribution. The Fund does not intend to make distributions in kind to investors.

2.8. Accrued expenses

Accrued expenses are obligations to pay for services that have been acquired in the ordinary course of business from service providers. Accrued expenses are recognised initially at fair value and subsequently measured at amortised cost using the effective profit method.

2.9. Taxation

The Fund is domiciled in the Cayman Islands. Under the current laws of Cayman Islands, there are no income, estate, corporation, capital gains or other taxes payable by the Fund.

3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. In the process of applying the Fund's accounting policies, management has made the following judgments that have the most significant effect on the amounts recognised in the financial statements.

3.1. Provisions

Provisions are recognised when the Fund has a present (legal or constructive) obligation as a result of a past event, it is probable the Fund will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

3.2. Classification of financial assets

On acquisition of a financial asset, the Fund decides whether it should be classified as "at fair value through profit or loss", "at fair value through other comprehensive income" or "at amortised cost". IFRS 9 requires all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the Fund's business model for managing the assets of the instrument's contractual cash flow characteristics. The Fund follows the guidance of IFRS 9 on classifying its financial assets.

The Fund determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The business model reflects how the Fund manages the assets in order to generate cash flows. That is, whether the Fund's objective is solely to collect the contractual cash flows from the asset or is to collect both the contractual cash flows and cash flows arising from the sales of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'held from trading' business model and measured at FVTPL.

3.3. Fair value measurement

Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective. The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include adjusted net asset value method or the use of observable inputs that require significant adjustments based on unobservable inputs.

4. Bank balances

	Note	2025	2024
Bank balances	4.1	14,022,488	-
		14,022,488	-

4.1. Represents interest free demand deposits with Dukhan Bank QPSC (the Investment manger's parent) which have no fixed maturity and can be withdrawn at any time. As at 31 December 2025 and 2024, the call account deposits are denominated in SAR, QAR and USD and is not subject to any restrictions on use.

5. Wakala investment at fair value through profit or loss (FVTPL)

The Wakala investment represents the Fund's Shari'ah-compliant indirect investment in income-producing compounds in the Kingdom of Saudi Arabia through a Wakala agreement with Al Mejdaf Real Estate W.L.L., Qatar, dated 10 June 2014.

Under the Wakala agreement, the Fund (the "Principal" or "Muwakkil") appointed Al Mejdaf Real Estate W.L.L. (the "Agent" or "Wakeel") to invest, on its behalf, in income-producing compounds in the Kingdom of Saudi Arabia through equity and/or debt instruments issued by Manazel Compounds Real Estate L.L.C. and Manazel Management Real Estate L.L.C. (collectively, the "Property Holding Companies"), entities incorporated in the Kingdom of Saudi Arabia. In accordance with the Wakala agreement, all profits and losses arising from the investment accrue to the Fund without deduction of an agency fee, as the Wakeel was established solely to facilitate the Fund's investment objectives. The Wakala agreement may be terminated upon completion of the underlying investments, by written notice from either party, upon breach by the other party, or on such other date as may be mutually agreed in writing.

Movement of investment during the year is as follows:

	2025	2024
Opening fair value	39,673,713	43,532,060
Fair value changes	8,962,707	(3,858,347)
Capital repayments	(40,035,751)	-
Closing fair value	**8,600,669**	**39,673,713**

On 19 May 2025, MCRE entered into a sale agreement with an external party for the disposal of Radium Compound, a key underlying asset of the investee company and fully settled the outstanding long-term financing facility associated with the asset. Consequently, the Fund received capital repayments amounting to SAR 40.04 million on 31 July 2025 and the remaining balance of SAR 8.60 million as at 31 December 2025 was partially settled on 17 June 2026 to the extent of SAR 6.27 million with the last installment of SAR 2.32 million expected to be settled once MCRE and MMRE are liquidated.

Fair value hierarchy

The following tables detail the Fund's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy as follows:

2025	Level 1	Level 2	Level 3	Total fair value
Wakala investment at FVTPL	-	-	8,600,669	8,600,669
	-	**-**	**8,600,669**	**8,600,669**
2024				
Wakala investment at FVTPL	-	-	39,673,713	39,673,713
	-	**-**	**39,673,713**	**39,673,713**

There were no transfers between levels during 2025 and 2024.

Movement in level 3 financial instruments is as presented above.

Valuation technique for fair value measurements categorised within level 3

For 2025, the fair value of the Level 3 investment has been determined based on the estimated net proceeds expected to be realised from the investment based on the amount resolved to be distributed by the underlying investee company's Board of directors and subsequent receipts. As of 31 December 2024, the fair value of the Level 3 investment has been determined using the asset approach and the net asset value ("NAV") method, whereby the underlying assets and liabilities of the Property Holding Companies are measured and/or adjusted to their respective fair values and then used to determine the fair value of the investment based on the Fund's proportionate share of the net equity of the Property Holding Companies.

6. Share capital

The Fund's authorised share capital is SAR 185,000 consisting of 100 voting shares (the "Management shares") of par value of SAR 1 each and 18,490,000 non-voting participating shares (the "Participating shares") of par value of SAR 0.01 each.

6.1. Management shares

The 100 Management shares has been issued to the Fund's investment manager, The First Investor P.Q.S.C. ("Investment Manager"). Management shares confer the right to receive notice of, and to attend and vote at any general meeting of the Fund. However, they do not entitle the holder to participate in the Funds' profits and losses. Upon winding up of the Fund, the holder of the Management shares is entitled to receive its paid-in capital of SAR 1 per Management share. Management shares are classified as financial liabilities and recorded under accounts payable.

6.2. Participating shares

	2025		2024	
	Number of shares	Amount	Number of shares	Amount
Authorised shares of SAR 0.01 each	18,490,000	184,900	18,490,000	184,900
Number of shares issued and fully paid	1,674,338	16,743	1,674,338	16,743
	1,674,338	**16,743**	**1,674,338**	**16,743**
Net assets attributable to holders of participating shares		8,429,876		38,226,721
Net assets value per share (in SAR)		**5.035**		**22.830**

Participating shares are non-voting participating shares held by the investors of the Fund. The holder of a participating share does not have the right to receive notice of, attend at or vote as a member at any general meeting of the Fund.

Participating shares confer upon the holders the right in a winding up to participate in the surplus assets of the Fund and also right to receive dividends subject to restrictions set out in the Information memorandum of the Fund.

During the years ended 31 December 2025 and 31 December 2024, there were no issuance and redemption of participating shares.

7. Distribution

In October 2025, distributions amounting to SAR 38,777,752 were resolved to be paid to the participating shareholders of the Fund (2024: Nil). The Board of Directors authorised this distribution from the Share Premium account in accordance with the provisions of the Companies Act and the Fund's Articles of Association. Out of the total distributions declared, an amount of SAR 14,055,110 remained payable as at 31 December 2025 (2024: nil).

8. Related party balances and transactions

The Fund considers the Investment manager and its Parent, members of Board, investee companies, and members of their immediate families, as well as entities under common control, to be related parties to the Fund.

8.1. The balances with related parties are as follows:

	Shareholders	Investment manager	Investment manager's Parent	Other related parties	Total
31 December 2025					
Bank balances	-	-	14,022,488	-	**14,022,488**
Wakala investment at FVTPL	-	-	-	8,600,669	**8,600,669**
Distribution payable	14,055,110	-	-	-	**14,055,110**
Management shares	-	1	-	-	**1**
31 December 2024					
Wakala investment at FVTPL	-	-	-	39,673,713	**39,673,713**
Due to related party	-	-	-	1,189,000	**1,189,000**
Management shares	-	1	-	-	**1**

8.2. The following are the details of transactions with related parties during the year:

	Shareholders	Investment manager's Parent	Other related parties	Total
2025				
Fair value gain on financial asset at FVTPL	-	-	8,962,707	**8,962,707**
Distributions	38,777,752	-	-	**38,777,752**
Repayments	-	-	1,189,000	**1,189,000**
2024				
Fair value loss on financial asset at FVTPL	-	-	3,858,347	**3,858,347**
Repayments	-	-	18,863,016	**18,863,016**
Payment on behalf of related party	-	-	37,094,821	**37,094,821**

9. Financial Risk Management

9.1. Financial instruments by category

Assets and liabilities per the statement of financial position	Class	2025	2024
Assets			
Wakala investment at FVTPL	Financial assets at FVTPL	8,600,669	39,673,713
Bank balances	Financial assets at amortised cost	14,022,488	-
		22,623,157	39,673,713
Liabilities			
Distribution payable	Financial liabilities at amortised cost	14,055,110	-
Accurals and other liabilities	Financial liabilities at amortised cost	138,171	257,992
		14,193,281	257,992

9.2. Financial Risk factors

In the normal course of business, the Fund uses primary financial instruments such as bank balance, financial assets at fair value through profit and loss and accrual and other liabilities, and as a result, is exposed to the risks indicated below:

9.2.1. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks; foreign currency risk, price risk and profit rate risk.

(a) Foreign currency risk

Foreign currency risk is the risk that the value of the financial instrument will fluctuate due to changes in the foreign exchange rate. The Fund's exposure to foreign currency risk primarily arises from its monetary assets which consists of call deposits denominated in US Dollars and Qatari Riyals. Management is of the opinion that the Fund's exposure to foreign currency risk is not significant.

(b) Price risk

The Fund's investment is susceptible to market price risk arising from uncertainties about future values of the investment. To manage the market price risk, the Board of Directors review the performance of the investment on a quarterly basis.

A 10% increase / decrease in the value of the Investment would increase / decrease the income of the Fund by USD 860,067 (2024: USD 3,967,371).

(c) Cash flow and fair value interest risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Fund does not have any financial instruments that are subject to interest rate risk.

9.2.2. Credit risk

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Fund. All financial assets are subject to credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

The carrying amounts as reported in the statement of financial position:

	Maximum exposure	
	2025	2024
Bank balances	14,022,488	-
	14,022,488	**-**

The Fund has no significant credit risk exposure. Bank balances are held with an F1 rated financial institution as rated by Fitch.

9.2.3. Concentration risk

Concentration risk is the risk of potential loss in value of an investment portfolio or a financial institution when an individual or group of exposures move together in an unfavorable direction. As at 31 December 2025, the Fund's wakala investment at fair value through profit or loss amounted to SAR 8,600,669 (2024: SAR 39,673,713), which will not be diversified among other asset classes. Accordingly, the Fund's portfolio may be subject to more rapid change in value than would be the case if Fund was required to maintain a wide diversification.

9.2.4. Liquidity risk

Liquidity risk is the risk that the Fund will not be able to meet its financial obligations as they fall due. The Fund's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

The cash flows, funding requirements and liquidity of the Fund are monitored by the Management. The objective of this centralised system is to optimise the efficiency and effectiveness of the management of the Fund's capital resources.

The amounts in the table are the contractual undiscounted cash flows expected for balances with a maturity of less than 12 months and more than 12 months as the effect of discounting is not considered significant.

	2025		2024	
	Less than 12 months	Remaining contractual maturities	Less than 12 months	Remaining contractual maturities
Distribution payable	14,055,110	**14,055,110**	-	**-**
Accurals and other liabilities	138,171	**138,171**	257,992	**257,992**
Due to related party	-	**-**	1,189,000	**1,189,000**
	14,193,281	**14,193,281**	**1,446,992**	**1,446,992**

10. Contingent assets and liabilities

There are no contingent assets and liabilities that require disclosure in the financial statements (2024: nil).

11. Comparative information

The comparative information was restated to correctly reflect that the net assets attributable to holders of participating shares is classified as equity in accordance with IAS 32: Financial Instruments - Presentation.

12. Events after reporting period

(i) Subsequent to 31 December 2025, the Fund settled an amount of SAR 4,792,857 out of the total distribution payable of SAR 14,055,110 as at the reporting date. The remaining balance due to unitholders will be settled upon completion of the required KYC procedures.

(ii) The Fund's Agent / Wakeel received additional capital repayments of SAR 9,063,371 on 17 June 2026, of which SAR 6,272,384 pertains to the Fund's share. The Fund expects to receive this distribution within 2026.

Apart from the events disclosed above, no other matter or circumstance has arisen subsequent to the period end that has significantly affected, or may significantly affect, the Fund's operations or its financial position as at the date of this report.