EMAAR THE ECONOMIC CITY
(A SAUDI JOINT STOCK COMPANY)

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REVIEW REPORT

FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2026

EMAAR THE ECONOMIC CITY
(A SAUDI JOINT STOCK COMPANY)
UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2026

Index **Pages**

Independent Auditor's Review Report	1 – 2
Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	3
Interim Condensed Consolidated Statement of Financial Position	4 – 5
Interim Condensed Consolidated Statement of Changes in Equity	6
Interim Condensed Consolidated Statement of Cash Flows	7 – 8
Notes to the Interim Condensed Consolidated Financial Statements	9 – 45

Ernst & Young Professional Services (Professional LLC)
Paid-up capital (﷼5,500,000 – Five million five hundred thousand Saudi Riyal)

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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF EMAAR THE ECONOMIC CITY (A SAUDI JOINT STOCK COMPANY)

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Emaar The Economic City (the "Company") and its subsidiaries (collectively referred to as "the Group") as at 30 September 2026, and the related interim condensed consolidated statement of profit or loss and other comprehensive income for the three-month and nine-month periods ended 30 September 2026, and the related interim condensed consolidated statements of changes in equity and cash flows for the nine-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, *"Interim Financial Reporting"* ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"* as endorsed in the Kingdom of Saudi Arabia. A review of 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.

Material uncertainty related to going concern

We draw attention to Note 1 of the interim condensed consolidated financial statements, which indicates that the Group incurred a net loss of SR 444 million for the nine-month period ended 30 September 2026 (30 September 2025: SR 351 million (restated)).Moreover, the current liabilities exceeded current assets by SR 755 million as of 30 September 2026 (31 December 2025: current assets exceeded the current liabilities by SR 134 million (restated)) and the Group reported a net operating cash inflow of SR 78 million (September 2025: SR 168 million deficit (restated)).The Group's ability to achieve sustainable profitability and continue its operations without significant curtailment is highly dependent on the successful execution of management's plans, including obtaining additional funding from shareholders and the sale of properties to generate sufficient cash flows. These events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Other matter

The consolidated financial statements for the year ended 31 December 2025 and the interim condensed consolidated financial statements for the three-month and nine-month periods ended 30 September 2025 were audited and reviewed by another auditor who expressed an unmodified audit opinion and review conclusion on 8 April 2026 (corresponding to 20 Shawal 1447H) and 19 November 2025 (corresponding to 28 Jamad Al-Ula 1447H), respectively.

INDEPENDENT AUDITOR'S REVIEW REPORT ON
THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TO THE SHAREHOLDERS OF EMAAR THE ECONOMIC CITY
(A SAUDI JOINT STOCK COMPANY) (continued)

Conclusion

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

for Ernst & Young Professional Services

Ahmed Ibrahim Reda
Certified Public Accountant
License No. (356)

Jeddah : 20 Jumada Al-Ula 1448H
(31 October 2026G)

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سجل تجاري ٤٠٣٠٢٧٦٦٤٤
CR. 4030276644
شركة إرنست ويونغ للخدمات المهنية
(مهنية ذات مسؤولية محدودة)
Ernst & Young Professional Services
(Professional LLC)

Sadq Doc ID : d2a8e6e7-da0c-4857-9de3-7b2013b020d3
Reference Number : EEC-2026-5398

EMAAR THE ECONOMIC CITY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

For the three-month and nine-month periods ended 30 September 2026

(Expressed in thousands of Saudi Arabian Riyals (﷼), unless otherwise stated)

	Notes	Three-month period ended 30 September		Nine-month period ended 30 September	
		2026	2025	**2026**	2025
			(refer note 22)		*Restated (refer note 22)*
		(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
		﷼	﷼	﷼	﷼
Revenue	5	**144,706**	358,459	**429,000**	680,598
Cost of revenue		**(148,025)**	(163,842)	**(413,916)**	(428,249)
GROSS (LOSS) / PROFIT		**(3,319)**	194,617	**15,084**	252,349
Selling and marketing expenses		**(12,512)**	(13,454)	**(32,472)**	(29,947)
General and administrative expenses		**(142,829)**	(114,088)	**(302,895)**	(270,746)
Impairment reversal / (loss) on financial assets and contract assets		**11,605**	(44,820)	**(32,046)**	(31,469)
Amortization of unearned interest		**1,598**	885	**5,223**	6,397
Other operating income	8c	**2,150**	450	**181,493**	21,038
OPERATING (LOSS) / PROFIT		**(143,307)**	23,590	**(165,613)**	(52,378)
Finance income		**1,097**	2,971	**4,259**	5,239
Gain on extinguishment of financial liabilities		**-**	-	**-**	242,839
Finance costs		**(81,482)**	(134,497)	**(215,881)**	(421,826)
Share of loss of equity accounted investees	11	**(11,512)**	(22,433)	**(48,013)**	(111,566)
LOSS BEFORE ZAKAT		**(235,204)**	(130,369)	**(425,248)**	(337,692)
Zakat	13	**(6,000)**	(4,500)	**(18,666)**	(13,500)
LOSS FOR THE PERIOD		**(241,204)**	(134,869)	**(443,914)**	(351,192)
OTHER COMPREHENSIVE INCOME / (LOSS)					
Items that will be reclassified to interim condensed consolidated statement of profit or loss in subsequent periods:					
Share of other comprehensive income / (loss) of equity accounted investees	11	**4,283**	(5,691)	**9,143**	(12,764)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		**(236,921)**	(140,560)	**(434,771)**	(363,956)
Loss per share:					
Basic and diluted loss per share attributable to equity holders of the Company	6	**(0.27)**	(0.26)	**(0.50)**	(0.67)

Chairman of the Board of Directors | **Chief Executive Officer** | **Chief Financial Officer**

The accompanying notes from 1 to 25 form an integral part of these interim condensed consolidated financial statements.

Sadq Doc ID : d2a8e6e7-da0c-4857-9de3-7b2013b020d3
Reference Number : EEC-2026-5398

EMAAR THE ECONOMIC CITY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2026

(Expressed in thousands of Saudi Arabian Riyals (﷼), unless otherwise stated)

	Notes	**30 September 2026** *(Unaudited)* ﷼	31 December 2025 *Restated (refer note 22) (Audited)* ﷼
ASSETS			
Non-current assets			
Property and equipment	7	**5,197,477**	5,113,965
Right-of-use assets		**24,213**	33,422
Investment properties	8	**4,567,407**	4,667,119
Intangible assets		**2,346**	2,723
Investment in equity accounted investees	11	**2,462,383**	2,501,253
Development properties	9	**370,425**	370,425
Unbilled revenue and receivables	14	**692,731**	595,958
Employees' receivable - home ownership scheme		**43,083**	45,630
Total non-current assets		**13,360,065**	13,330,495
Current assets			
Development properties	9	**788,693**	813,988
Unbilled revenue and receivables	14	**306,461**	192,499
Current portion of employees' receivable - home ownership scheme		**3,440**	3,397
Trade receivables and other current assets	10	**772,593**	794,259
Restricted cash		**3,745**	4,421
Cash and cash equivalents		**287,850**	472,897
Total current assets		**2,162,782**	2,281,461
Total assets		**15,522,847**	15,611,956
EQUITY AND LIABILITIES			
EQUITY			
Share capital	1	**8,829,299**	8,829,299
Share premium		**502,919**	502,919
Reserve	23	**11,536**	11,536
Accumulated losses		**(502,325)**	(67,554)
Total equity		**8,841,429**	9,276,200
LIABILITIES			
Non-current liabilities			
Loan and borrowings	12	**3,639,034**	4,014,431
Lease liabilities		**751**	10,997
Employee benefit obligations		**57,103**	49,597
Zakat liability	13.3	**66,891**	113,199
Total non-current liabilities		**3,763,779**	4,188,224

Chairman of the Board of Directors | **Chief Executive Officer** | **Chief Financial Officer**

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(continued)
As at 30 September 2026
(Expressed in thousands of Saudi Arabian Riyals (﷼), unless otherwise stated)

	Notes	**30 September 2026**	31 December 2025 *Restated (refer note 22)*
		(Unaudited)	*(Audited)*
		﷼	﷼
Current liabilities			
Lease liabilities - current portion		**57,767**	62,266
Loan and borrowings	12	**1,081,318**	535,266
Trade and other payables		**994,230**	923,365
Contract liabilities		**632,519**	527,906
Other provisions	17	**84,895**	30,229
Zakat provision	13	**66,910**	68,500
Total current liabilities		**2,917,639**	2,147,532
Total liabilities		**6,681,418**	6,335,756
Total equity and liabilities		**15,522,847**	15,611,956

Chairman of the Board of Directors | **Chief Executive Officer** | **Chief Financial Officer**

The accompanying notes from 1 to 25 form an integral part of these interim condensed consolidated financial statements.

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Reference Number : EEC-2026-5398

EMAAR THE ECONOMIC CITY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the nine-month period ended 30 September 2026
(Expressed in thousands of Saudi Arabian Riyals (﷼), unless otherwise stated)

	Share capital ﷼	Share premium ﷼	Reserve ﷼ *(Refer note 23)*	(Accumulated loss) / Retained earnings ﷼	Total equity ﷼
Balance as at 1 January 2025 (audited)	5,232,599	-	11,536	22,776	5,266,911
Loss for the period (restated)	-	-	-	(351,192)	(351,192)
Other comprehensive loss for the period	-	-	-	(12,764)	(12,764)
Total comprehensive loss for the period (restated)	-	-	-	(363,956)	(363,956)
Balance as at 30 September 2025 (unaudited) (restated)	5,232,599	-	11,536	(341,180)	4,902,955
Balance as at 1 January 2026 (as previously stated)	**8,829,299**	**502,919**	**11,536**	**2,401**	**9,346,155**
Effect of restatement (refer note 22)	-	-	-	**(69,955)**	**(69,955)**
Balance as at 1 January 2026 (restated)	**8,829,299**	**502,919**	**11,536**	**(67,554)**	**9,276,200**
Loss for the period	-	-	-	(443,914)	(443,914)
Other comprehensive income for the period	-	-	-	9,143	9,143
Total comprehensive loss for the period	-	-	-	(434,771)	(434,771)
Balance as at 30 September 2026 (unaudited)	**8,829,299**	**502,919**	**11,536**	**(502,325)**	**8,841,429**

Chairman of the Board of Directors | **Chief Executive Officer** | **Chief Financial Officer**

The accompanying notes from 1 to 25 form an integral part of these interim condensed consolidated financial statements.

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EMAAR THE ECONOMIC CITY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the nine-month period ended 30 September 2026
(Expressed in thousands of Saudi Arabian Riyals (﷼), unless otherwise stated)

	Notes	**For the nine-month period ended 30 September 2026**	For the nine-month period ended 30 September 2025 *Restated (refer note 22)*
		(Unaudited)	*(Unaudited)*
		﷼	﷼
Operating activities			
Loss before Zakat		**(425,248)**	(337,692)
Adjustments for:			
Depreciation on property and equipment	7	**158,772**	153,790
Depreciation on investment properties	8	**41,117**	36,855
Depreciation on right-of-use asset		**9,209**	9,209
Impairment loss on financial and contract assets		**32,046**	31,469
Amortisation of intangible assets		**477**	802
Finance costs		**215,881**	421,826
Gain on extinguishment of financial liabilities		**-**	(242,839)
Share of results of equity accounted investees	11	**48,013**	111,566
Finance income		**(4,259)**	(5,239)
Gain on disposal of investment properties	8	**(179,451)**	(4,753)
Gain on sale of land to associate		**-**	(63,662)
Impairment reversal on investment properties	8	**(848)**	(671)
Reversal of provisions no longer required		**-**	(13,982)
Legal provision		**55,811**	-
Interest (income) / loss on unwinding of employees' receivable – home ownership scheme		**(1,165)**	(753)
Interest income on unwinding of unbilled revenue		**(4,058)**	(5,644)
Impairment reversal on development properties		**(4,165)**	(4,680)
Provision for employee benefit obligation		**9,196**	8,254
		(48,672)	93,856
Changes in operating assets and liabilities:			
Development properties		**29,460**	46,161
Unbilled revenue and receivables		**48,464**	(203,644)
Employees' receivable – home ownership scheme		**3,668**	6,919
Trade receivables and other current assets		**(26,849)**	(147,265)
Restricted cash balances received		**676**	(714)
Trade and other payables		**59,753**	82,661
Contract liabilities		**104,614**	61,019
Other provisions		**(1,146)**	(3,241)
Cash generated from / (used in) operations		**169,968**	(64,248)
Finance cost paid		**(32,876)**	(46,657)
Zakat paid	13.2	**(54,856)**	(51,937)
Employees' terminal benefits paid		**(3,796)**	(4,816)
Net cash generated from / (used in) operating activities		**78,440**	(167,658)

Chairman of the Board of Directors | **Chief Executive Officer** | **Chief Financial Officer**

The accompanying notes from 1 to 25 form an integral part of these interim condensed consolidated financial statements.

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EMAAR THE ECONOMIC CITY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
For the nine-month period ended 30 September 2026
(Expressed in thousands of Saudi Arabian Riyals (﷼), unless otherwise stated)

	Notes	**For the nine-month period ended 30 September 2026**	For the nine-month period ended 30 September 2025
		(Unaudited)	*Restated (refer note 22) (Unaudited)*
		﷼	﷼
Investing activities			
Finance income received		**4,259**	5,239
Additions to intangible assets		**(99)**	(518)
Additions to property and equipment	7	**(240,356)**	(31,342)
Additions to investment properties	8	**(7,157)**	(9,407)
Proceeds from sale of investment properties		**7,382**	5,324
Net cash used in investing activities		**(235,971)**	(30,704)
Financing activities			
Proceeds from loans and borrowings		**-**	401,490
Repayments of loans and borrowings	12	**(12,015)**	**-**
Interest element of lease repayments		**(3,041)**	**-**
Payment of principal portion of lease liabilities		**(12,460)**	(2,854)
Net cash (used in) / generated from financing activities		**(27,516)**	398,636
Net (decrease) / increase in cash and cash equivalents		**(185,047)**	200,274
Cash and cash equivalents at the beginning of the period		**472,897**	252,367
Cash and cash equivalents at the end of the period		**287,850**	452,641
Non-cash supplementary information:			
Gain on sale of land to associate		**-**	63,662
Borrowing cost capitalized		**1,928**	12,182
Disposal of investment property		**263,559**	**-**

Chairman of the Board of Directors | **Chief Executive Officer** | **Chief Financial Officer**

The accompanying notes from 1 to 25 form an integral part of these interim condensed consolidated financial statements.

1. CORPORATE INFORMATION

Emaar The Economic City (the "Company" or the "EEC") is a Saudi Joint Stock Company incorporated and operating in the Kingdom of Saudi Arabia ("KSA") under Ministerial Decision No. 2533, dated 03 Ramadan 1427H, corresponding to 21 September 2006. The Company obtained its initial Commercial Registration No. 4030164269 (Unified number 7001503056) on 8 Ramadan 1427H, corresponding to 26 September 2006.

The registered office of the Company has been shifted to Rabigh with a revised Commercial Registration No. 4602005884, dated 6 Rabi Awal 1436H, corresponding to 28 December 2014.

As of 30 September 2026 and 31 December 2025, the Company's authorized and issued share capital was Saudi Riyals 8,829.3 million consisting of 882.93 million shares of Saudi Riyals 10 each (2025: 882.93 million shares of Saudi Riyals 10 each), allocated as follows:

	Nine-month period ended 30 September 2026		For the year ended 31 December 2025	
	No. of shares' 000	**Capital**	No. of shares' 000	Capital
Issued for cash	**680,000**	**6,800,000**	680,000	6,800,000
Issued for consideration in kind	**170,000**	**1,700,000**	170,000	1,700,000
Issue of shares following the conversion of long-term loan into equity	**643,003**	**6,430,033**	643,003	6,430,033
Decrease in share capital	**(610,073)**	**(6,100,734)**	(610,073)	(6,100,734)
	882,930	**8,829,299**	882,930	8,829,299

The Company's 55.55% shareholding is owned by PIF (the "Parent Company"), which holds a controlling interest in the Company and has the ability to exercise control over its strategic and operational decisions.

These interim condensed consolidated financial statements comprise the financial statements of the Company and its subsidiaries (together referred to as the 'Group'). The Group is engaged in the development of real estate in the economic or other zones and other development activities including infrastructure, promotion, marketing and sale of land within development areas, transfer/lease of land, development of buildings/housing units, and construction on behalf of other parties. The main activity of the Group is the development of the King Abdullah Economic City ("KAEC").

These interim condensed consolidated financial statements include the results, assets and liabilities of the following registered branches of the Group:

Branch	CR Number
Jeddah	4030164269
Riyadh	1010937549
Rabigh	4602006934

The Company has the following subsidiaries as at 30 September 2026. The Company and its subsidiaries are incorporated in the Kingdom of Saudi Arabia. The subsidiaries have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group.

1. CORPORATE INFORMATION (continued)

Name	Country of incorporation	Year of incorporation	**Effective ownership as at 30 September 2026**	Effective ownership as at 31 December 2025	Nature of activities
Economic Cities Investments Company Limited ("ECIC")	Kingdom of Saudi Arabia	2010	**100%**	100%	Buying, selling and management of real estate properties and operations of educational and technical institutions.
Industrial Zones Development Company Limited ("IZDCL")	Kingdom of Saudi Arabia	2011	**100%**	100%	Sale/lease, investment, development of real estate development in industrial valley in KAEC.
Economic Cities Real Estate Properties Operation and Management Company ("REOM")	Kingdom of Saudi Arabia	2013	**100%**	100%	Own, purchase, sale, invest, and lease of commercial properties.
Economic Cities Pioneer Real Estate Management Company ("REM")	Kingdom of Saudi Arabia	2013	**100%**	100%	Construction, management, development, operation, lease of residential properties.
Economic Cities Real Estate Development Company ("RED")	Kingdom of Saudi Arabia	2013	**100%**	100%	Own, purchase, sale, investment, development and marketing of real estate development in KAEC.
Emaar Knowledge Company Limited ("EKC")	Kingdom of Saudi Arabia	2015	**100%**	100%	Construct and operate business educational institute in KAEC.

1. CORPORATE INFORMATION (continued)

Going concern

The Group incurred a total loss of SR 444 million for the nine-month period ended 30 September 2026 (30 September 2025: SR 351 million (restated)) and as of that date, its current liabilities exceeded current assets by SR 755 million (31 December 2025: current assets exceeded current liabilities by SR 134 million (restated)) and the Group reported a net operating cash inflow of SR 78 million (September 2025: SR 168 million deficit (restated)). The Group had incurred significant losses in prior years, which were extinguished in 2024 through capital reduction.

Moreover, the Group's liquidity forecasts indicate that its ability to meet obligations as they fall due and maintain adequate liquidity throughout the assessment period is dependent upon the successful execution of several significant assumptions and planned mitigating actions. These include:

i. Successful completion and execution of significant deals which are currently under negotiation.
ii. Successful execution of asset divestment plan and other asset monetization plan included within management's cash flow forecasts.
iii. Realization of forecasted operating cash inflows from the Group's operating assets and business activities.
iv. Exercise of the loan conversion option under Shareholder’s Loan Agreement – Facility B granted by Public Investment Fund(SHL2) or granting an extension of at least six months to the loan repayment date beyond its original maturity date, and
v. Continued covenant compliance, and where necessary, the grant of covenant waivers by lenders.

Historically, the Group was also in breach of certain covenants related to its long-term borrowing facilities. During the year ended 31 December 2025, the Group successfully restructured its outstanding debt and was in compliance with most covenants related to its long-term borrowing facilities, except for certain non-financial covenants for which waiver were obtained from lenders till 23 October 2026. Moreover, for these non-financial covenants, management had formally applied for further waiver from the lender and expects that such waivers will be obtained (refer to note 12). Accordingly, no covenant breaches or related events of default have been identified as at the reporting date.

While management believes these assumptions are reasonable and achievable based on the status of ongoing negotiations, historical support received from key stakeholders, available funding arrangements and progress made on identified transactions, the successful outcome of these matters remains dependent on future events and circumstances that are not wholly within the Group's control. Consequently, these matters represent a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

King Abdullah Economic City (“KAEC” or the “City”) was announced in 2005, and development began in 2006. The City is intended to be a hub for various economic sectors, including industry, logistics, and tourism. It is planned to include residential areas, commercial centres, and other amenities, such as schools, hospitals, and recreational facilities. KAEC has faced challenges related to investment and development, besides logistical and infrastructure challenges. Building a city from scratch on a large scale is a complex undertaking. Although, over the years, the Group has done massive development in the City including the Industrial Valley, six distinctive residential districts, multiple fully developed and functional facilities like luxury hotels, 18-hole championship golf course, resorts, beaches, a cinema, yacht club, karting centre, lagoon campsite, art centre, retail, schools, college, medical facilities, labour village etc. However, the scale and long-term nature of the City's development make it financially challenging to generate sufficient cash inflows in the short to medium term to fully fund the continued infrastructure expansion.

1. CORPORATE INFORMATION (continued)

Going concern (continued)

The Group had in the past significantly reduced its development activities pursuant to the continued overall lower economic activity in KAEC. Debt financing has been utilized to fund the development activities in KAEC and working capital requirements of the Group. The projected operating cash flows of the Group, for the next twelve-months from the approval of these interim condensed consolidated financial statements, are insufficient to meet the repayment of debt and other obligations therefore the successful execution of management's plans to generate sufficient cash flows from additional funding from shareholders and the sale of properties is important to meet both the Group's obligations when they become due and to continue its operations without significant curtailment.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

As at 30 Sep 2026	Within 1 year	1-2 years	2-5 years	Over 5 years	Total contractual cash flows
Loans and borrowings	***1,127,398**	**21,964**	**1,651,125**	**3,617,892**	**6,418,379**
Trade and other payables	**920,775**	**-**	**-**	**-**	**920,775**
Zakat liability	**73,455**	**61,745**	**5,146**	**-**	**140,346**
Lease liabilities	**60,030**	**774**	**-**	**-**	**60,804**
Total	**2,181,658**	**84,483**	**1,656,271**	**3,617,892**	**7,540,304**

** Loans and borrowings shown as payable within one year include the SR 835.19 million PIF shareholder-loan obligation due on 30 April 2027. Conversion is at PIF's option and subject to applicable approvals; no binding conversion or maturity-extension commitment has been obtained. The maturity profile reflects contractual payments rather than the assumed conversion or extension in management's forecast.*

In assessing the appropriateness of applying the going concern basis in the preparation of these interim condensed consolidated financial statements, the Group's management has developed a plan which covers a period of at least twelve-months from approval of interim condensed consolidated financial statements to enable the Group to meet both its obligations as they become due and to continue its operations, without significant curtailment, as a going concern in both the short and long term.

Despite the successful completion of the Capital Optimization Plan in 2025, events or conditions exist that indicate a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. In particular, material uncertainties remain regarding the Group's ability to achieve sustainable profitability. As a result, the Group may be unable to realize its assets and discharge its liabilities in the normal course of business.

Management's assessment indicates that property sales alone would not fully satisfy the Group's cash requirements. Additional shareholder funding is a potential response to a shortfall, but its availability, amount and timing remain subject to shareholder agreement and are not assured.

The plan comprises the Group's liquidity and forecasts cash flows taking into account reasonably possible outcomes over a twelve-months period from approval of interim condensed consolidated financial statements. As per the forecasted cash flows, there is a repayment of New Money Facility amounting to SR 255.74 million and accrued interest of SR 36.45 million against Tranche A in the next 12 months, as part of the newly restructured syndicated loan in line with the Board approved business transformation plan.

1. CORPORATE INFORMATION (continued)

Going concern (continued)

During 2025, the Group and PIF signed SHL2 for SR 1,000 million, of which SR 500 million was drawn in 2025 and SR 500 million remained undrawn at 30 September 2026. The 24 September 2026 amendment reinstated the undrawn balance and extended availability to 28 February 2027. Specified conditions for the second SR 250 million drawdown were waived and management submitted a drawdown notice. The final SR 250 million drawdown remains conditional on completion of certain conditions precedent together with applicable contractual requirements. The proceeds are designated for eligible development capital expenditure and are not unrestricted funding for general corporate purposes or debt servicing. Failure to satisfy the conditions and draw the funds before expiry, or delays in receipt, could create liquidity pressure.

Moreover, the planned development CAPEX is intended to activate key areas of the City, which management expects will have a positive multiplier effect on the Group's operating performance. Activation of the City is anticipated to:

- Enhance the overall attractiveness of KAEC to investors and tenants;
- Support the origination of new land sale transactions; and
- Increase footfall within the City, thereby driving higher demand for operating, leasing, and service-based activities.

As a result, management expects an improvement in operating revenues and cash flows from operations over the medium term, supporting the Group's liquidity position.

In parallel, the Group has initiated measures to accelerate the collection of overdue receivables, including enhanced credit controls and focused collection efforts. These actions are expected to further support near-term liquidity and partially bridge the operating funding gap.

Management believes that the below plan will provide sufficient liquidity to fund development activities, support ongoing operations, and meet obligations as they fall due.

- Utilization of the undrawn SHL2 facility,
- Incremental cash inflows from new land sales and enhanced operational activities, and
- Improved collections of outstanding balances.

Management prepared a detailed cash-flow forecast covering 1 October 2026 to 31 December 2027. The base case shows positive forecast closing cash balances but depends on receipt of the remaining SHL2 funding for eligible capital expenditure, non-cash settlement or extension of the shareholder loan due on 30 April 2027, completion and collection of significant property transactions and improved operating collections. These assumptions include conditional funding and uncommitted transactions and therefore do not represent liquidity supported solely by committed sources. Management considers the going concern basis appropriate, while recognising the material uncertainty arising from these dependencies and reasonably possible downside outcomes.

The liquidity forecast excludes cash repayment of the SR 835.19 million shareholder-loan obligation due on 30 April 2027, assuming conversion into equity or extension of its maturity. The conversion option is exercisable by PIF and remains subject to applicable regulatory and shareholder approvals. No formal conversion notice or binding conversion or maturity-extension commitment has been obtained. Historical shareholder support and Board approval of the forecast do not constitute such a commitment. Unless conversion or a binding extension is completed, the contractual repayment obligation remains payable when due.

1. CORPORATE INFORMATION (continued)

Going concern (continued)

Management considers conversion to be a reasonable expectation based on various factors including PIF's 55.55% controlling interest in the Company, the conversion of approximately SR 4.1 billion of shareholder debt into equity during 2025, the additional SR 1.0 billion shareholder facility provided in 2025, PIF's participation in the Group's wider capital optimization and debt restructuring arrangements, and the approval of the Group's forecast by the Board of Directors, including PIF-appointed directors. These factors provide evidence of historical and continuing shareholder support but do not constitute a legally enforceable commitment by PIF to convert the outstanding loan.

Repayment of the shareholder loan at its contractual maturity would create a significant liquidity shortfall even if the remaining shareholder-facility drawdowns are received. Concurrent non-receipt of those drawdowns or delay or non-completion of forecast sales would increase the shortfall. The forecast includes major deals which are not supported by binding offers or sale agreements. Quarter-end balances do not establish that sufficient unrestricted cash is available throughout the period. Potential responses include alternative funding, renegotiated repayment terms, accelerated asset monetization, operational collections, new deals and expenditure deferral; their availability and timely execution are not assured. Expenditure deferral may affect associated collections and shareholder-funding eligibility, and forecast disposal proceeds cannot also be treated as entirely additional mitigation.

Accordingly, although management considers the going concern basis of accounting appropriate, the absence of a binding commitment from shareholder to exercise the conversion option, together with the Group's dependence on successfully execution of asset divestment and other asset monetization plan, completion of significant forecast deals, additional shareholder funding and lender support, represents a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. The interim condensed consolidated financial statements do not include adjustments that would be required if the Group were unable to continue as a going concern.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with the International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia ("KSA") and other standards and pronouncements that are issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA"). The Group has prepared the interim condensed consolidated financial statements on the basis that it will continue to operate as a going concern.

The interim condensed consolidated financial statements do not include all the information and disclosures required for the full set of annual financial statements. They should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2025.

However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements. In addition, the results for the nine-months period ended 30 September 2026 are not necessarily indicative of the results that may be expected for the year ending 31 December 2026.

2.2 Material accounting policies

The accounting policies adopted by the Group for the preparation of these interim condensed consolidated financial statements are consistent with those followed in preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but not yet effective.

2.3 Basis of measurement

These interim condensed consolidated financial statements have been prepared under the historical cost basis, unless stated otherwise.

2.4 Functional and presentation currency

The Group's interim condensed consolidated financial statements are presented in Saudi Arabian Riyals, which is also the Group's functional currency.

3. MATERIAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, costs, assets and liabilities and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future period.

These estimates and assumptions are based upon experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the periods in which the estimates are revised or in the revision period and future periods if the changed estimates affect both current and future period.

The significant judgments made by management in applying the Group's accounting policies and the key assumptions concerning the future and other key sources of estimation uncertainty were the same as those described in the annual consolidated financial statements for the year ended 31 December 2025, except during the period, the management reassessed the potential impact of evolving regional geopolitical developments, ongoing economic slowdown, and heightened market uncertainties on the Group's operations and asset valuations. As part of this reassessment, management performed an updated impairment assessment considering the latest macroeconomic conditions, geopolitical developments in the region, including implications arising from the ongoing conflict, and the continued application of significant judgment in forecasting future performance and cash flows.

Based on the updated assessment performed, management concluded that there is significant headroom between the recoverable amounts and carrying values of the relevant cash-generating units and assets, and accordingly no material impairment impact has been identified in these interim condensed consolidated financial statements for the period ended 30 September 2026.

Management continues to closely monitor these developments and maintains a robust operational framework to manage associated risks. However, given the evolving nature of the regional and global economic environment, management will continue to assess any potential long-term impact on the Group's business, operations, and asset valuations at future reporting dates.

4. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ISSUED

Standards, interpretations and amendments issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's interim condensed consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective:

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the International Accounting Standards Board ("IASB") issued IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1 Presentation of Financial Statements and becomes effective for annual reporting periods beginning on or after 1 January 2027. The new standard introduces new requirements and updates to the statement of profit or loss, with the main objective of improving comparability in the statement of profit or loss and enhancing transparency over management-defined performance measures.

The key new concepts introduced by IFRS 18 include:

- A revised structure of the statement of profit or loss, requiring classification of income and expenses into 5 defined categories based on the entity's main business activities and presentation of mandatory subtotals;
- Enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general; and
- Required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures).

The Group is in the process of assessing the estimated impact that the initial application of IFRS 18 will have on its financial statements.

Structure of the Statement of Profit or Loss

The standard is expected to result in changes to the presentation of certain line items and subtotals in the statement of profit or loss namely operating, investing, financing, zakat/income tax and discontinued operations. This classification depends on the main business activities of the entity.

Based on the Group's preliminary assessment, and the nature of its main business activities, performed to date, the Group expects changes to the current structure of Statement of Profit or Loss to result in:

- The Group's share of results of its associates is currently presented outside operating profit. Under IFRS 18 it will be classified within the new investing category and, accordingly, will be excluded from operating profit and included within profit or loss before financing and income taxes.

4. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ISSUED (continued)

Standards, interpretations and amendments issued but not yet effective (continued)

IFRS 18 Presentation and Disclosure in Financial Statements (continued)

Structure of the Statement of Profit or Loss (continued)

- Interest expense on the Group's end-of-service benefit obligation will be classified and presented within the financing category.
- Interest expense on lease liabilities will continue to be classified within the financing category; no change is expected.
- Bank charges relating to the Group's operating banking activities will be classified within the operating category instead of financing activities.
- The Company expects the Zakat to be presented in income tax category of IFRS 18 hence, there is no change from existing presentation under IAS 1.

1- Aggregation and disaggregation

The new aggregation and disaggregation requirements will lead into changes to present the most useful structured summary. The Company is assessing how items are aggregated and disaggregated in the primary financial statements and the notes on the basis of similar and dissimilar characteristics. Certain profit or loss line items description and aggregations may change to provide useful structured summaries and disclose of additional material information would be included in the notes. The Company also expects expanded disclosure requirements relating to the aggregation and disaggregation of information. The Company is also assessing line items currently labelled as "other" and will use more informative labels that describes the aggregated items as precisely as possible.

2- Management Performance Measures "MPMs"

Management-defined Performance Measures (MPMs) is a subtotal of income and expenses that entity uses in public communication outside the financial statements that communicates management's view of an aspect of the financial performance of the entity as a whole. Where applicable, these measures may require quantitative reconciliation to IFRS-defined subtotals together with expanded explanatory disclosures.

The Group is in the process of identifying which measures used in its public communications (including investor presentations, earnings releases) will meet the definition of an MPM under IFRS 18 and accordingly, the Group will comply with the IFRS 18 disclosure requirements in this regard.

3- Consequential amendments

The Group is also evaluating the consequential amendments arising from IFRS 18, including amendments to IAS 7 Statement of Cash Flows and IAS 34 Interim Financial Reporting. The Group currently uses profit for the year / period as a starting point of the reconciliation to cash flows from operating activities. Certain adjusting items included in the reconciliation will change as a result of the new starting point.

The consequential amendments also provide specific guidance on the classification of interest and dividend cash flows. The Group will classify cash flows from interest paid as financing activities rather than operating activities under IFRS 18. Cash flows from interest received and dividends paid will continue to be classified as investing and financing activities, respectively.

The Group assessment remains ongoing and further refinements to the expected impact may arise as implementation activities progress and additional industry and regulatory guidance becomes available.

4. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ISSUED (continued)

Standards, interpretations and amendments issued but not yet effective (continued)

IFRS 19 Subsidiaries without Public Accountability: Disclosures
In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting periods, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards as endorsed in "KSA".

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted. As the Group's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.

Translation to a Hyperinflation Presentation Currency- Amendments to IAS 21
In November 2025, the IASB issued Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21. The amendments require translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate. If an entity's functional currency is the currency of a non-hyperinflationary economy, but its presentation currency is the currency of a hyperinflationary economy, its results and financial position are translated into the presentation currency by translating all amounts (i.e., assets, liabilities, equity items, income and expenses) and all comparatives at the closing rate at the date of the most recent statement of financial position. An entity whose functional currency and presentation currency are the currency of a hyperinflationary economy, restates the comparative amounts of a foreign operation, whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, in accordance with paragraph 34 of IAS 29, to the foreign operation's comparative figures. The amendments also introduce certain additional disclosure requirements.

The amendments apply for annual reporting periods beginning on or after 1 January 2027 and earlier application is permitted. The Group does not anticipate that the amendments will have a material effect on the Group's interim condensed consolidated financial statements.

IFRS 20 – Regulatory Assets and Regulatory Liabilities
On 27 May 2026, the IASB issued IFRS 20 Regulatory Assets and Regulatory Liabilities. IFRS 20 sets out the requirements for the recognition, measurement, presentation and disclosure of regulatory assets, regulatory liabilities, regulatory income and regulatory expense. IFRS 20 introduces requirements that will result in information that supplements the information an entity already provides by applying IFRS accounting standards, such as IFRS 15. Such information enables users of financial statements to understand the total allowed compensation for regulatory goods or services supplied in each reporting periods and the related rights and obligations. Narrow-scope amendments have been made to a number of accounting standards, including IFRS 1, IFRS 3 Business Combinations and IFRS 18 Presentation and Disclosure in Financial Statements.

IFRS 20, and the consequential amendments to the other accounting standards, is effective for reporting periods beginning on or after 1 January 2029 and is applied either retrospectively in accordance with IAS 8 or using the modified retrospective approach which includes certain transition reliefs from the application of IAS 8. Early adoption is permitted and has to be disclosed. The Group is currently assessing implications on the interim condensed consolidated financial statements of the Group on adoption of IFRS 20 and the consequential amendments

5. REVENUE

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2026	2025	**2026**	2025
	(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
Types of revenue from contracts with customers:				
Sale of development properties	**46,931**	259,693	**88,358**	391,288
Utilities and other related services ("City operations")	**33,795**	37,663	**152,687**	107,162
Accommodation	**7,884**	11,084	**28,686**	38,627
Tuition and other fees ("Education")	**29,957**	22,160	**82,147**	60,175
Food and beverages and other related services	**3,020**	3,098	**8,140**	10,423
Leisure services	**1,592**	1,444	**5,401**	5,602
Total	**123,179**	335,142	**365,419**	613,277
Timing of revenue recognition				
Over time	**119,307**	331,797	**356,427**	602,596
Point-in-time (*)	**3,872**	3,345	**8,992**	10,681
Revenue from contract with customers	**123,179**	335,142	**365,419**	613,277
Lease rental income				
Industrial	**13,181**	18,517	**48,945**	51,732
Residential	**8,346**	4,800	**14,636**	15,589
Total lease rental income	**21,527**	23,317	**63,581**	67,321
Total revenue	**144,706**	358,459	**429,000**	680,598

(*) Revenue from point-in-time includes food and beverage services.

6. LOSS PER SHARE

Loss per share has been calculated by dividing the loss for the period attributable to the owners of the Company by the weighted average number of shares outstanding during the period. The Company does not have any dilutive potential share and therefore diluted loss per share is the same as basic loss per share.

6. LOSS PER SHARE (continued)

The loss per share calculation is given below:

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2026	2025	**2026**	2025
		Restated (refer note 22)		*Restated (refer note 22)*
	(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
Loss for the period attributable to owners of the Company (Saudi Riyals '000')	**(241,204)**	(134,869)	**(443,914)**	(351,192)
Weighted average number of ordinary shares (in thousands)	**882,930**	523,259	**882,930**	523,259
Loss per share (Saudi Riyals) – Basic and Diluted	**(0.27)**	(0.26)	**(0.50)**	(0.67)

* During the year 2025, the Company increased its share capital from SR 5,232,599,090 to SR 8,829,299,050.

7. PROPERTY AND EQUIPMENT

	For the nine-month period ended 30 September 2026	For the year ended 31 December 2025
	(Unaudited)	*(Audited)*
Cost:		
At the beginning of the period/year	**7,498,821**	7,382,387
Additions during the period/year	**242,284**	118,718
Disposal	-	(2,284)
At the end of the period/year	**7,741,105**	7,498,821
Accumulated depreciation and impairment:		
At the beginning of the period/year	**2,384,856**	2,389,007
Depreciation charge for the period/year	**158,772**	205,160
Impairment reversal	-	(207,027)
Disposal	-	(2,284)
At the end of the period/year	**2,543,628**	2,384,856
Net book value at the end of the period / year	**5,197,477**	5,113,965

a) During the period ended 30 September 2026, SR 1.93 million (2025: SR 16.36 million) was capitalized as borrowing cost on certain ongoing infrastructure projects.

7. PROPERTY AND EQUIPMENT (CONTINUED)

b) In performing its impairment assessment, management considered whether the prolonged development period represented an indicator of impairment. The Group has relied on the impairment assessment performed as of 31 December 2025 and updated its assessment for changes in facts and circumstances during the period. Management believes that the recoverable value of the Group's properties and infrastructure assets has not significantly changed from the assessment performed for the purpose of the Group's last audited consolidated financial statements for the year ended 31 December 2025. Based on the latest approved development plans, forecast utilisation of the related infrastructure and updated impairment assessment performed, management concluded that the carrying amount of these assets remains recoverable and accordingly no impairment charge was recognised during the nine-month period ended 30 September 2026.

8. INVESTMENT PROPERTIES

	For the nine-month period ended 30 September 2026 *(Unaudited)*	For the year ended 31 December 2025 *(Audited)*
Cost:		
At the beginning of the period / year	**5,094,474**	5,088,838
Additions during the period / year	**7,157**	12,065
Disposals during the period / year (see note (c) below)	**(69,719)**	(6,429)
At the end of the period/year	**5,031,912**	5,094,474
Accumulated depreciation and impairment:		
At the beginning of the period / year	**427,355**	489,290
Depreciation charge for the period / year	**41,117**	48,220
Reversal of impairment	**(848)**	(109,483)
Disposals during the period / year (see note (c) below)	**(3,119)**	(672)
At the end of the period / year	**464,505**	427,355
Net book value at the end of the period / year	**4,567,407**	4,667,119

a) Included within investment properties as at 30 September 2026 is capital work in progress amounting to SR 1,025 million (31 December 2025: SR 1,018 million) which represents assets under construction relating to commercial centre expansion and infrastructure development work on the land parcels.

b) As at 30 September 2026 the Group's investment properties with a carrying amount of SR 923 million (31 December 2025: SR 923 million) were mortgaged as collateral against loans and borrowings.

c) During the period ended 30 September 2026, the Group sold 1,317,794 sqm of land classified as investment property for consideration of SR 263.56 million. The carrying amount of the sold land was SR 60.88 million, resulting in a gross gain on disposal of SR 202.68 million. As the consideration is receivable over four years, the transaction was adjusted for the significant financing component, resulting in a gain of SR 177.83 million, which has been recognized within other income in the interim condensed consolidated statement of profit or loss.

8. INVESTMENT PROPERTIES (continued)

d) Following is the fair value and carrying amount of investment properties held for various purposes:

	Fair value		Carrying amount	
	30 September 2026	31 December 2025	**30 September 2026**	31 December 2025
Rental income	**9,553,959**	9,564,252	**1,838,422**	1,877,252
Currently undetermined future use	**30,554,099**	30,933,224	**2,728,985**	2,789,867
	40,108,058	40,497,476	**4,567,407**	4,667,119

e) As at 30 September 2026 and 31 December 2025, the Group has no contractual obligation for future repairs and maintenance which are not recognized as liability.

The Group has relied on the impairment assessment performed as of 31 December 2025. Management of the Group believes that the recoverable value of the Group's properties did not significantly change from the assessment performed for the purpose of the Group's last audited consolidated financial statements for the year ended 31 December 2025, up to the nine-month period ended 30 September 2026.

9. DEVELOPMENT PROPERTIES

	30 September 2026 *(Unaudited)*	31 December 2025 *(Audited)*
Costs incurred to-date	**1,350,317**	1,505,987
Less: cost relating to sale of development properties*	**(29,518)**	(155,728)
	1,320,799	1,350,259
Less: provision for development properties	**(161,681)**	(165,846)
Total	**1,159,118**	1,184,413
Current portion of development properties	**788,693**	813,988
Non-current portion of development properties	**370,425**	370,425
Total	**1,159,118**	1,184,413

*Cost relating to sale of development properties is recognised as expense within cost of revenue.

10. TRADE RECEIVABLES AND OTHER CURRENT ASSETS

	30 September 2026 *(Unaudited)*	31 December 2025 *(Audited)*
Financial assets		
Trade receivables	**869,328**	804,068
Less: impairment on trade receivables	**(397,012)**	(369,014)
Amounts due from related parties	**17,992**	12,869
	490,308	447,923
Others financial assets - net	**43,477**	85,232
	533,785	533,155
Non-financial assets		
Prepayments	**26,454**	23,579
Advances to suppliers	**73,691**	95,914
VAT receivable	**131,439**	132,326
Other non-financial assets	**7,224**	9,285
	238,808	261,104
Trade receivables and other current assets	**772,593**	794,259

11. INVESTMENT IN EQUITY ACCOUNTED INVESTEES

The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The entities are incorporated in the Kingdom of Saudi Arabia which is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

	Effective ownership interest (%)			
	30 September 2026	31 December 2025	**30 September 2026**	31 December 2025 *Restated (refer note 22)*
			(Unaudited)	(Audited)
Investment in Ports Development Company "PDC" (see note (a) below)	**50%**	50%	**2,332,868**	2,366,547
Investment in Biyoutat Progressive Company for Real Estate Investment & Development ("Biyoutat") (see note (b) below)	**20%**	20%	**45,790**	45,790
Investment in Albilad Tourism Fund (see note (c) below)	**41.15%**	41.15%	**83,725**	88,916
			2,462,383	2,501,253

11. INVESTMENT IN EQUITY ACCOUNTED INVESTEES (continued)

a) Investment in PDC - Joint Venture

PDC is a closed joint stock company and is principally engaged in the development, finance, operation and maintenance of the King Abdullah Port through its own and third parties' resources.

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
At the beginning of the period / year	**2,366,547**	2,456,361
Share of loss for the period / year	**(42,822)**	(79,743)
Share of other comprehensive income / (loss) for the period / year	**9,143**	(10,071)
At the end of the period / year	**2,332,868**	2,366,547

On 20 December 2023, National Container Terminal ("NCT") declared Force Majeure ("FM"), followed by a detailed report on 31 December 2023, citing the suspension of services by its principal customer, MSC, due to disruptions in the Red Sea arising from regional conflicts. As MSC accounts for approximately 90% of NCT's throughput, primarily through transshipment containers, the suspension and rerouting of services significantly impacted NCT's operations and its ability to meet certain obligations under the Concession Agreement ("CA"), particularly the Minimum Charge Guarantee ("MCG"). Subsequently, PDC reached a settlement agreement with NCT under which NCT would pay 50% of the MCG that would otherwise have been payable to the Granter in the absence of the disruption. This settlement has resulted in a significant reduction in PDC's revenue and cash flows for 2026.

As a result of this development, an objective indication of impairment existed in the Group's financial statements. Accordingly, an impairment assessment was conducted to evaluate the recoverable amount of the related assets. The assessment concluded that no impairment was required, as the recoverable amount remained well above the carrying value, with sufficient headroom.

b) Investment in Biyoutat - Associate

Biyoutat is a limited liability company which was incorporated in 2016. It is principally engaged to build, own and manage a residential compound at KAEC. The Company has not yet started its operations. Hence, the share of results of Biyoutat for the period are insignificant for the Group.

11. INVESTMENT IN EQUITY ACCOUNTED INVESTEES (continued)

c) Investment in Albilad Tourism Fund - Associate

During 2023, the Group invested in the Albilad Toursim Fund (the "Fund"). The Group entered into a property sale agreement to sell a prime beachfront land plot, in Murooj Golf Community District in KAEC, as an in-kind contribution to the Fund.

In return for the land sale, the Group acquired units in the Fund amounting to SR 269.2 million, representing 41.15% of the Fund's equity. The Fund's term is 12 years and is extendable up to 3 additional years. The Group has performed an assessment of the criteria to determine whether the Group has control over the Fund and concluded that the Group does not have control, but significant influence over the Fund. Accordingly, the Fund is being accounted as equity investment in the condensed consolidated interim financial statements for the nine-month period ended 30 September 2026.

	30 September 2026	31 December 2025 *Restated (refer note 22)*
	(Unaudited)	*(Audited)*
Opening balance of investment	**88,916**	209,655
Elimination of share of profit on contribution of land (*)	**-**	(45,715)
	88,916	163,940
Share of loss for the period	**(5,191)**	(75,024)
Closing investment	**83,725**	88,916

(*) The amount pertains to profit derived by the Group on contribution of land to the Fund.

12. LOANS AND BORROWINGS

	30 September 2026 ***(Unaudited)***	31 December 2025 *(Audited)*
Facility from local banks	**-**	3,317,894
Accrued commission	**-**	561,516
Short term loan	**-**	150,000
Repayment of loan	**-**	(78,968)
Gain on extinguishment of financial liabilities	**-**	(269,307)
	-	3,681,135
Restructured to a syndicated facility (Note (a) below)	**-**	(3,681,135)
Facility from local banks	**-**	3,484,389
Accrued commission before restructuring	**-**	196,746
Restructured syndicated facility	**3,770,611**	3,681,135
Accrued commission after restructuring	**145,370**	161,424
Repayment of loan	**(12,015)**	(19,542)
Payment of accrued commission	**-**	(52,406)
Total restructured facility	**3,903,966**	3,770,611
Current portion	**(264,932)**	(278,411)
Non-current portion	**3,639,034**	3,492,200
Facility from a shareholder (Note (b) below)	**256,855**	958,252
Accrued commission	**12,885**	505,220
Novated from MoF	**-**	2,911,604
Converted to equity	**-**	(4,118,221)
	269,740	256,855
Current portion	**(269,740)**	(256,855)
Non-current portion	**-**	-
Facility from a shareholder (Note (c) below)	**500,000**	500,000
Accrued commission	**46,646**	22,231
	546,646	522,231
Current portion	**(546,646)**	-
Non-current portion	**-**	522,231
Total long-term borrowings	**4,720,352**	4,549,697
Current portion of borrowings	**(1,081,318)**	(535,266)
Non-current portion of long-term borrowings	**3,639,034**	4,014,431

12. LOANS AND BORROWINGS (continued)

For certain covenants, management had formally applied for extensions from the lenders. The Group has obtained extension letters from the lenders approving these covenant extensions and is applicable till 23 October 2026. Accordingly, no covenant breaches or related events of default have been identified as at the reporting date. As per cash flow forecast and budget, the Group does not expect to comply with certain covenants within 12 months after the reporting date for which the covenant waiver has already been requested from the lenders. The Group is expecting to receive the covenant waiver extension by end of November 2026.

a) On 27 April 2025, the Group entered a binding Murabaha Syndicated facility agreement with local banks. The facility is split into tranche A (SR 400 million) and tranche B (SR 2,992 million) with a profit rate based on SAIBOR plus a fixed margin, due to the possibility of extending the maturity date for the tranche B facility, the different rates and the capitalisation of tranche B. As part of the restructuring, a New money facility loan has been made available to the Group by the Banks under binding agreements, with a total commitment of SR 287 million.

   The new rescheduled term is until 31 December 2033 with repayment instalments due on an annual basis from 31 December 2029 until 31 December 2033, with the possibility based on the agreement of the Banks and the Company to extend the tranche B facility maturity date until 31 December 2036.

   On 11 March 2026, the Group has applied for an extension of the maturity of New money facility, which has been approved by the lenders. Pursuant to the amended terms the loan facility is repayable as a single bullet payment on 30 June 2027.

b) During the year 2025, the Group completed a debt-to-equity conversion with Public Investment Fund ("PIF"), whereby the outstanding shareholder loan was settled through the issuance of shares following shareholder approval on 22 December 2025. As at 30 September 2026, there is no remaining principal outstanding under the facility, and only accrued markup remains payable, representing finance costs relating to the period from 01 January 2025 up to the date of conversion approval.

c) During the year 2025, the Group entered into a binding agreement with the PIF to make available a SR 1,000 million, payable in April 2027, with a potential conversion into equity that remains subject to regulatory and shareholders' approvals. Accordingly, the conversion arrangement is not yet legally enforceable. The loan facility will be used to finance critical strategic capital expenditures of the Group to enable revenue generation. As of 30 September 2026, SR 500 million funds have been drawn from this facility.

13. ZAKAT

Movement in provision

The movement in the Zakat provision is as follows:

	30 September 2026 ***(Unaudited)***	31 December 2025 *(Audited)*
At the beginning of the period / year	**68,500**	48,209
Charge for the period / year	**18,666**	22,188
Transfer to liability (see note 13.2)	**(20,074)**	-
	(1,408)	22,188
Payments during the period / year	**(182)**	(1,897)
At the end of the period / year	**66,910**	68,500

13.1 Components of zakat base

The Company and its fully owned Saudi Arabian subsidiaries file zakat declarations on a consolidated basis in accordance with the regulations of the ZATCA. The significant components of the zakat base under zakat and income tax regulation are principally comprised of shareholders' equity, provisions at the beginning of period, loans and borrowings and estimated income subject to zakat, less deductions for the net book value of property and equipment, investment properties and certain other items. Zakat is payable at 2.58% of approximate zakat base (excluding adjusted net income for the period) and at 2.5% of the adjusted net profit for the period.

13.2 Status of final assessments

There have been no changes to the status of open zakat assessments as of 30 September 2026, as disclosed in the Group's consolidated financial statements for the year ended 31 December 2025, except for the final assessment received for the year 2014, which resulted in a transfer of SR 20 million from zakat provision to zakat liability.

ZATCA finalized the review of the Company's accounts for the year 2024 and claimed additional Zakat and Withholding Tax liabilities of SR 275,715. The Company settled the Zakat and Withholding Tax due.

The Company has filed the consolidated Zakat returns for the year 2025. ZATCA has not yet finalized the review of the Zakat return for the year to date.

During the nine-month period ended 30 September 2026, SR 55 million was paid from the zakat liability which is included in trade and other payables.

13.3 Zakat Liability

Non-current portion is based on an instalment plan agreed with ZATCA.

14. CONTRACT ASSETS AND UNBILLED REVENUE

a. Contract assets against sale of development property:

	30 September 2026 *(Unaudited)*	31 December 2025 *(Audited)*
Contract assets against sale of development property	**930,129**	741,046
Less: impairment on contract assets	**(67,709)**	(84,337)
Less: current portion of contract assets	**(169,689)**	(60,751)
Non-current portion of contract assets*	**692,731**	595,958

** Non-current portion of unbilled revenue has been adjusted with the impact of significant financing component.*

b. Unbilled revenue against leasing:

	30 September 2026 *(Unaudited)*	31 December 2025 *(Audited)*
Unbilled revenue against leasing	**150,887**	145,707
Less: impairment on unbilled revenue against leasing	**(14,115)**	(13,959)
Unbilled revenue against leasing - current portion	**136,772**	131,748

Total contract assets and unbilled revenue:

	30 September 2026 *(Unaudited)*	31 December 2025 *(Audited)*
Contract assets and unbilled revenue	**999,192**	788,457
Less: current portion of contract assets	**(306,461)**	(192,499)
Non-current portion of contract assets	**692,731**	595,958

c. Movement in impairment on contract asset against sale of development property

	30 September 2026 *(Unaudited)*	31 December 2025 *(Audited)*
At the beginning of the year	**84,337**	26,097
(Reversal) / Charge for the period/year	**(16,628)**	58,240
At the end of the period/year	**67,709**	84,337

14. CONTRACT ASSETS AND UNBILLED REVENUE (continued)

d. Movement in impairment on unbilled revenue against leasing

	30 September 2026 ***(Unaudited)***	31 December 2025 *(Audited)*
At the beginning of the year	**13,959**	12,486
Charge for the period/year	**156**	1,473
At the end of the period/year	**14,115**	13,959

Rental income from operating leases is recognised on a straight-line basis over the lease term. Where rental income recognised exceeds the amounts billed to tenants at the reporting date, the excess is recorded as unbilled revenue.

The Group assesses credit risk associated with tenants and recognises an allowance for expected credit losses where required.

Contract assets primarily relate to the Group's right to consideration for performance completed to date in respect of the sale of development properties where the right to bill the customer has not yet arisen as at the reporting date. Contract assets are transferred to trade receivables when the Group's right to consideration becomes unconditional, which generally occurs when an invoice is issued to the customer.

In respect of the sale of development properties, the Group obtains collateral from customers in the form of promissory notes or bank guarantees. The minimum collateral obtained generally corresponds to the fair value of the property sold, as legal title to the property is transferred to the customer only upon receipt of the full contract consideration. The fair value of the underlying property is considered in estimating the loss given default (LGD) when determining expected credit losses (ECL) on contract assets.

15. RELATED PARTY TRANSACTIONS

Related parties comprise the shareholders having control, key management personnel of the Group, entities controlled, jointly controlled or significantly influenced by such parties.

The Government of the Kingdom of Saudi Arabia controls the Public Investment Fund (PIF), which exercises control over the Group through its increased shareholding of 55.55% following the debt to equity conversion approved by the shareholders. As a result, the Government of Saudi Arabia, semi-Government and other entities with Government ownership or control, including, but not limited to ministries, regulatory bodies and authorities are related parties of the Group. In accordance with the exemption in IAS 24, the management has adopted a partial exemption for disclosure of transactions and balances for government-related entities as required under IAS 24.

The related parties, other than subsidiaries and associates, include the following:

Name	Relationship
Ports Development Company	Joint Venture
Biyoutat Progressive Company for Real Estate Investment & Development	Associate
RIXOS – AlBilad Tourism Fund	Associate
Public Investment Fund (PIF)	The Parent Company
Various Government related entities	

15. RELATED PARTY TRANSACTIONS (continued)

In addition to Notes 11 and 12, following are the details of major related party transactions during the period and the related balances at period / year end:

Related party	Nature of transactions	Amount of transactions for the three-month period ended		Amount of transactions for the nine-month period ended		Balance as at	
		30 September 2026	30 September 2025	**30 September 2026**	30 September 2025	**30 September 2026**	31 December 2025
Amounts due from related parties							
Government related entities	Lease, service and utility charges	**276,180**	193,411	**90,942**	203,833	**17,274**	12,168
RIXOS Albilad Tourism Fund	Contribution of land to the fund	**-**	5,013	**-**	77,118	**-**	**-**
Biyoutat Progressive Company for Real Estate Investment & Development	Lease, Service and Utility Charges	-	-	-	-	**402**	402
Ports Development Company	Lease, Service and Utility Charges	-	-	-	-	**180**	180
Key Management Personnel							
	Sale of Properties, Utilities and Service Charges	-	-	-	38	-	-
Board of Directors							
	Lease, Service and Utility Charges	**5**	5	**14**	14	**136**	119

15. RELATED PARTY TRANSACTIONS (continued)

Related party	Nature of transactions	Amount of transactions for the three-month period ended		Amount of transactions for the nine-month period ended		Balance as at	
		30 September 2026	30 September 2025	**30 September 2026**	30 September 2025	**30 September 2026**	31 December 2025
Amounts due to related parties							
Government related entities	Services received	**91,561**	11,510	**199,634**	30,652	**9,251**	9,396
Public Investment Fund	Loan	**-**	-	**-**	500,000	**500,000**	500,000
	Accrued interest	**8,199**	65,230	**24,415**	212,784	**303,501**	279,086
Key Management Personnel							
	Remuneration	**18,086**	6,443	**34,037**	18,584	-	-
	Lease, Service and Utility Charges		-	**-**	-	-	-
Board of Directors							
	Remuneration and meeting fees	**1,275**	1,378	**3,825**	4,132	**3,825**	5,510
	Advances	-	-	-	-	**-**	16

15. RELATED PARTY TRANSACTIONS (continued)

Compensation of key management personnel of the Group

	Amounts of transactions for the three-month period ended		Amounts of transactions for the nine-month period ended	
	30 September 2026	30 September 2025	**30 September 2026**	30 September 2025
	(Unaudited)		*(Unaudited)*	
Short-term employee benefits	**3,725**	3,676	**11,174**	9,956
Non-monetary benefits	**57**	35	**172**	52
Post-employment benefits	**4,932**	2,425	**12,706**	7,656
Bonus	**9,065**	-	**9,065**	-
Other employment benefits	**307**	307	**920**	920
	18,086	6,443	**34,037**	18,584

Key management personnel comprise Chief Executive Officer and heads of departments. Compensation of the Group's key management personnel includes salaries, non-cash benefits and contributions to a post-employment defined benefit plan.

16. CONTINGENT LIABILITIES AND COMMITMENTS

There have been no changes in contingent liabilities and commitments, as at 30 September 2026, as disclosed in the Group's consolidated financial statements for the year ended 31 December 2025, except as mentioned below:

(a) The Group has outstanding commitments related to future expenditure for the development of KAEC in the coming few years related to property and equipment, investment properties and development properties amounts to SR 755.12 million, SR 80.48 million and SR 9.11 million respectively (31 December 2025: SR 365.11 million, SR 12.02 million and SR 17.2 million respectively).

(b) The Group's share in the capital commitments of the joint venture is SR 8.08 million (31 December 2025: SR 9.82 million).

(c) The Group is involved in various claims, disputes and legal proceedings arising in the ordinary course of its business. Based on the information currently available and after considering the advice of its external legal counsel, management has assessed the potential financial exposure arising from these matters. Where an outflow of economic resources is considered probable and can be reliably estimated, an appropriate provision has been recognised in these interim condensed consolidated financial statements. For other matters, where an outflow is not considered probable or the amount cannot presently be reliably measured, no provision has been recognised.

17. OTHER PROVISIONS

During the quarter, the Group recognised additional legal provisions in respect of certain material ongoing legal cases, based on management's best estimates of the potential financial exposure arising from these matters.

The provisions were recognised following management's assessment of the facts, independent external legal counsel advice and circumstances of each case, the available legal information, the status of ongoing proceedings, and the estimated likelihood and potential financial impact of adverse outcomes. The estimates reflect management's judgement based on the information available as at 30 September 2026 and are subject to uncertainty, as the ultimate outcomes of the legal proceedings may differ from the amounts provided.

Management will continue to monitor the progress of these cases and reassess the adequacy of the recognised provisions, with any necessary adjustments recognised in accordance with the applicable financial reporting framework.

18. SEGMENT REPORTING

Basis of segmentation

For management purposes, the Group has five strategic divisions, which are its operating segments. These divisions offer different products and/or services and are managed separately. Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors (BOD) and CEO, (together chief operating decision maker, CODM). The CODM assesses the financial performance and position of the Group and makes strategic decisions including resource allocation.

The CODM primarily uses a measure of profit / loss before tax to assess the performance of the operating segments. However, the CODM also receives information about the segments' revenue on a quarterly basis.

The profit / loss before tax of the Group's operating segments reported to the CODM are measured in a manner consistent with that in condensed interim consolidated statement of profit or loss and other comprehensive income. Therefore, a reconciliation is not presented separately.

Finance income and costs are not allocated to operating segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

Reportable segments	Operations
Residential business	Includes revenue from sale/lease rental income of land and units for residential purposes.
Industrial development	Includes revenue from sale/lease rental income of land and units for commercial purposes and situated in industrial zone.
Hospitality and leisure	Includes room rent, food and beverages and other related services from operations of hotels, resorts and other leisure clubs.
Education services	Includes revenue from tuition and other fees from schools and colleges operated by the Group.
City operations	Includes revenue from utilities and other city management services by the Group in KAEC.

18. SEGMENT REPORTING (continued)

Interim condensed consolidated statement of profit or loss and other comprehensive income:

	Residential Business	Industrial Development	Hospitality and Leisure	Education	City Operations	Total Segment	Adjustments and Eliminations	Consolidated
For the nine-month period ended: **30 September 2026** ***(Unaudited)***								
Revenue								
External customers	**122,283**	**96,596**	**42,113**	**82,348**	**85,660**	**429,000**	**-**	**429,000**
Inter-segment	**-**	**-**	**12,818**	**-**	**-**	**12,818**	**(12,818)**	**-**
	122,283	**96,596**	**54,931**	**82,348**	**85,660**	**441,818**	**(12,818)**	**429,000**
Results								**-**
Cost of development properties and services recognised as an expense	**(36,323)**	**(214)**	**(41,668)**	**(28,887)**	**(107,036)**	**(214,128)**	**(9,022)**	**(223,150)**
Impairment loss on financial assets	**-**	**-**	**-**	**(2,769)**	**-**	**(2,769)**	**(29,277)**	**(32,046)**
Finance costs	**(28)**	**-**	**(1,196)**	**(1,236)**	**(1)**	**(2,461)**	**(213,420)**	**(215,881)**
Finance income	**-**	**-**	**-**	**-**	**-**	**-**	**4,259**	**4,259**
Depreciation	**(38,525)**	**(24,506)**	**(43,240)**	**(9,219)**	**(7,907)**	**(123,397)**	**(85,701)**	**(209,098)**
Amortisation	**-**	**-**	**-**	**-**	**-**	**-**	**(477)**	**(477)**
Share of results of equity accounted investee	**-**	**-**	**-**	**-**	**-**	**-**	**(48,013)**	**(48,013)**
Other expenses – net	**(18,213)**	**(13,463)**	**(12,392)**	**(40,921)**	**(5,774)**	**(90,763)**	**(39,079)**	**(129,842)**
Loss before zakat	**29,194**	**58,413**	**(43,565)**	**(684)**	**(35,058)**	**8,300**	**(433,548)**	**(425,248)**
Zakat	**-**	**-**	**-**	**-**	**-**	**-**	**(18,666)**	**(18,666)**
Loss for the period	**29,194**	**58,413**	**(43,565)**	**(684)**	**(35,058)**	**8,300**	**(452,214)**	**(443,914)**

18. SEGMENT REPORTING (continued)

Interim condensed consolidated statement of profit or loss and other comprehensive income:

	Residential Business	Industrial Development	Hospitality and Leisure	Education	City Operations	Total Segment	Adjustments and Eliminations	Consolidated
For the three-month period ended: **30 September 2026** ***(Unaudited)***								
Revenue								
External customers	**32,817**	**54,901**	**9,771**	**29,957**	**17,260**	**144,706**	**-**	**144,706**
Inter-segment	**(21)**	**-**	**4,298**	**-**	**-**	**4,277**	**(4,277)**	**-**
	32,796	**54,901**	**14,069**	**29,957**	**17,260**	**148,983**	**(4,277)**	**144,706**
Results								**-**
Cost of development properties and services recognised as an expense	**(12,437)**	**(143)**	**(15,660)**	**(12,139)**	**(39,978)**	**(80,343)**	**(3,074)**	**(83,417)**
Impairment reversal on financial assets	**(6,629)**	**14,789**	**-**	**(2,409)**	**35,131**	**40,882**	**(29,277)**	**11,605**
Finance costs	**(10)**	**-**	**(439)**	**(634)**	**(1)**	**(1,084)**	**(80,398)**	**(81,482)**
Finance income	**-**	**-**	**-**	**-**	**-**	**-**	**1,097**	**1,097**
Depreciation	**(12,839)**	**(7,993)**	**(14,403)**	**(2,068)**	**(2,665)**	**(39,968)**	**(29,664)**	**(69,632)**
Amortisation	**-**	**-**	**-**	**-**	**-**	**-**	**(118)**	**(118)**
Share of results of equity accounted investee	**-**	**-**	**-**	**-**	**-**	**-**	**(11,512)**	**(11,512)**
Other expenses – net	**(184,862)**	**(5,317)**	**(5,155)**	**(5,285)**	**(1,961)**	**(202,580)**	**56,143**	**(146,437)**
Loss before zakat	**(183,981)**	**56,237**	**(21,588)**	**7,422**	**7,786**	**(134,124)**	**(101,080)**	**(235,204)**
Zakat	**-**	**-**	**-**	**-**	**-**	**-**	**(6,000)**	**(6,000)**
Loss for the period	**(183,981)**	**56,237**	**(21,588)**	**7,422**	**7,786**	**(134,124)**	**(107,080)**	**(241,204)**

18. SEGMENT REPORTING (continued)

Interim condensed consolidated statement of profit or loss and other comprehensive income (continued):

	Residential Business	Industrial Development	Hospitality and Leisure	Education	City Operations	Total Segment	Adjustments and Eliminations	Consolidated
For the nine-month period ended: 30 September 2025 *(Unaudited)*								
Revenue								
External customers	97,995	261,349	138,333	60,661	35,706	594,044	86,554	680,598
Inter-segment	3,879	-	20,529	-	54,020	78,428	(78,428)	-
	101,874	261,349	158,862	60,661	89,726	672,472	8,126	680,598
Results								
Cost of inventories and services recognised as an expense	(54,210)	(20,788)	(55,298)	(27,596)	(87,940)	(245,832)	(2,075)	(247,907)
Impairment loss on financial assets	(10,538)	(14,676)	(4,385)	(1,870)	-	(31,469)	-	(31,469)
Gain on extinguishment of liabilities						-		
Finance cost	(111)	-	(1,030)	(659)	-	(1,800)	(420,026)	(421,826)
Finance income	-	-	-	-	-	-	5,239	5,239
Depreciation	(27,052)	(19,688)	(45,710)	(10,672)	(10,313)	(113,435)	(86,419)	(199,854)
Amortisation	(158)	-	-	-	-	(158)	(644)	(802)
Share of results of equity accounted investee	-	-	-	-	-	-	(111,566)	(111,566)
Other (expenses) / income	(15,464)	(217)	(10,581)	(37,701)	(6,432)	(70,395)	60,290	(10,105)
Loss before zakat	(5,659)	205,980	41,858	(17,837)	(14,959)	209,383	(547,075)	(337,692)
Zakat	-	-	-	-	-	-	(13,500)	(13,500)
Loss for the period	(5,659)	205,980	41,858	(17,837)	(14,959)	209,383	(560,575)	(351,192)

18. SEGMENT REPORTING (continued)

Interim condensed consolidated statement of profit or loss and other comprehensive income (continued):

	Residential Business	Industrial Development	Hospitality and Leisure	Education	City Operations	Total Segment	Adjustments and Eliminations	Consolidated
For the three-month period ended: 30 September 2025 *(Unaudited)*								
Revenue								
External customers	100,233	200,341	20,747	22,160	13,784	357,265	1,194	358,459
Inter-segment	1,246	-	5,989	-	17,831	25,066	(25,066)	-
	101,479	200,341	26,736	22,160	31,615	382,331	(23,872)	358,459
Results								
Cost of inventories and services recognised as an expense	(6,878)	(6,414)	(28,796)	(26,197)	(37,439)	(105,724)	(32,399)	(138,123)
Impairment loss on financial assets	(50,997)	(71,016)	(21,219)	(10,949)	-	(154,183)	109,363	(44,820)
Gain on extinguishment of liabilities	-	-	-	-	-		-	-
Finance cost	(29)	-	(294)	(281)	-	(604)	(133,893)	(134,497)
Finance income	-	-	-	-	-	-	2,971	2,971
Depreciation	(8,960)	(8,733)	(15,230)	(3,570)	(4,714)	(41,207)	(30,546)	(71,753)
Amortisation	(31)	-	-	-	-	(31)	(253)	(284)
Share of results of equity accounted investee	-	-	-	-	-	-	(22,433)	(22,433)
Other (expenses) / income	(5,989)	2,621	8,286	8,835	3,537	17,290	(97,179)	(79,889)
Loss before zakat	28,595	116,799	(30,517)	(10,002)	(7,001)	97,872	(228,243)	(130,369)
Zakat	-	-	-	-	-	-	(4,500)	(4,500)
Loss for the period	28,595	116,799	(30,517)	(10,002)	(7,001)	97,872	(232,743)	(134,869)

19. LIQUIDITY RISK

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at an amount close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available through committed credit facilities to meet any future commitments. The cash flows, funding requirements and liquidity of Group companies are monitored on a centralised basis, under the control of Group Treasury. The objective of this centralised system is to optimise the efficiency and effectiveness of the Management of the Group's capital resources. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank borrowings. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and borrowing facilities, by continuously monitoring forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

30 September 2026 *(Unaudited)*	**Less than 12 months**	**More than 12 months**	**Total**	**Carrying value**
Loans	**1,127,398**	**5,290,981**	**6,418,379**	**4,720,352**
Zakat liability	**73,455**	**66,891**	**140,346**	**140,346**
Lease liabilities	**60,030**	**774**	**60,804**	**58,518**
Trade and other payables	**920,775**	**-**	**920,775**	**920,775**
	2,181,658	**5,358,646**	**7,540,304**	**5,839,991**

31 December 2025 *(Audited)*	Less than 12 months	More than 12 months	Total	Carrying value
Loans	570,495	5,907,971	6,478,466	4,549,697
Zakat liability	61,745	113,199	174,944	174,944
Lease liabilities	64,412	11,987	76,399	73,263
Trade and other payables	861,620	-	861,620	861,620
	1,558,272	6,033,157	7,591,429	5,659,524

20. FAIR VALUE OF ASSETS AND LIABILITIES

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.

The principal or the most advantageous market must be accessible by the Group.

20. FAIR VALUE OF ASSETS AND LIABILITIES (continued)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability falls into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest input level that is significant to the entire measurement. The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers among the levels during the period.

As at the reporting date, management believes that, in lieu of the tenor and interest rate profile (where applicable), the carrying value of Group’s financial assets and liabilities approximate their fair values and are measured at amortized cost.

21. GEOPOLITICAL DEVELOPMENTS

During the current period, geopolitical tensions in parts of the Middle East have increased. Public communications from government and regulatory authorities have continued to emphasize the resilience of the economy and the continuation of business operations across key sectors, supported by established business continuity and risk management frameworks.

The Group has assessed the potential implications of these events on its operations, financial position and performance. Based on information currently available, including the continuation of core business activities, it is not practicable to reliably estimate the full financial effect of these geopolitical events on future periods. Management has also considered the impact of these events on the Group's ability to continue as a going concern and has concluded that the going concern basis of preparation remains appropriate (also see note 1).

22. PRIOR YEAR ADJUSTMENTS

The Group identified, in the course of preparing its interim condensed consolidated financial statements for the six-month period ended 30 June 2026, a prior-period adjustment relating to its investment in Al Bilad Tourism Fund (the "Fund"), an associate accounted for using the equity method, and corrected it retrospectively in those interim condensed consolidated financial statements. These interim condensed consolidated financial statements for the nine-month period ended 30 September 2026 extend that restatement to the comparative information for the three-month and nine-month periods ended 30 September 2025. A fire occurred on 22 June 2025 at the Rixos Resort Project under development by the Fund; the Group did not recognized its share of the resulting fire-related loss in its comparative interim results, although the damage existed at 30 June 2025 however management did not have sufficient information to reliably determine extent of loss arising from damage of the property. Furthermore, the Group did not recognized its share of other expenses, principally pre-opening expenses unrelated to the fire, recognized by the Fund in Q4 2025, because the Group's equity accounting was based on the Fund's management accounts, which did not include those amounts.

Accordingly, the Group retrospectively restated the comparative information under IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. The nine-month period ended 30 September 2025 was adjusted by SAR 49.380 million for the Group's share of the fire-related loss. The statement of financial position at 31 December 2025 was adjusted by a cumulative SAR 69.955 million, comprising SAR 49.380 million for the fire-related loss and SAR 20.575 million for the Group's share of Q4 2025 expenses.

The restatement affects investment in equity-accounted investees, share of loss of equity-accounted investees, accumulated losses, loss before Zakat, the related non-cash adjustment in the statement of cash flows and basic and diluted loss per share. The restatement has no effect on the total cash flows. The three-month comparative period ended 30 September 2025 is unaffected because the fire-related loss arose in six-month period ended 30 June 2025, and the SAR 20.575 million Q4 expenses arose after 30 September 2025.

These are condensed interim financial statements prepared under IAS 34, which specify the comparative periods to be presented. The above stated restatement has no effect on the statement of financial position at 1 January 2025 as the fire occurred on 22 June 2025 and the other expenses arose in Q4 2025. Therefore, third balance sheet as at 1 January 2025 has not been presented in these interim condensed consolidated financial statements.

Impact on Statement of financial position

	At 31 December 2025		
	As previously Stated ﷼	***Effects of correction of error*** ﷼	***As restated*** ﷼
Assets			
Non - current assets			
Investment in equity accounted investees	2,571,208	(69,955)	**2,501,253**
Equity			
Retained earnings / (accumulated losses)	2,401	(69,955)	**(67,554)**

22. PRIOR YEAR ADJUSTMENTS (continued)

The comparative statement of financial position as at 31 December 2025 reflects the full adjustment of SR 69.95 million, comprising the Group's share of the fire-related loss of SR 49.38 million and its share of other expenses of SR 20.57 million recognized by Al Bilad during Q4 of 2025.

Impact on statement of profit or loss and other comprehensive income

	For the nine-month period ended 30 September 2025		
	As previously Stated ﷼	***Effects of correction of error*** ﷼	***As restated*** ﷼
Share of loss of equity accounted investees	(62,186)	(49,380)	**(111,566)**
Loss before Zakat	(288,312)	(49,380)	**(337,692)**
Basic and diluted loss per share (SR)	(0.58)	(0.09)	(0.67)

The comparative nine-month period ended 30 September 2025 reflect only the fire-related loss adjustment of SAR 49.38 million, as the remaining SAR 20.57 million relates to expenses recognized by Al Bilad Tourism Fund during Q4 of 2025.

Impact on statement of cash flows

	For the nine-month period ended 30 September 2025		
	As previously Stated ﷼	***Effects of correction of error*** ﷼	***As restated*** ﷼
Loss before Zakat	(288,312)	(49,380)	**(337,692)**
Share of loss of equity accounted investees	62,186	49,380	**111,566**

23. RESERVE

This balance represents the total amounts appropriated from net income for prior years as statutory reserves in accordance with the requirements of the previous Companies Law and the company's By-Law prior to alignment with the new Companies Law. The utilization of these reserves is subject to the decisions of the shareholders' assembly.

24. EVENTS AFTER THE REPORTING PERIOD

No matter has occurred up to and including the date of the approval of these interim condensed consolidated financial statements by the Board of Directors which could materially affect these interim condensed consolidated financial statements and the related disclosures for the nine-month period ended 30 September 2026 except as disclosed under going concern disclosure in note 1.

25. DATE OF APPROVAL AND AUTHORISATION FOR ISSUE

The interim condensed consolidated financial statements were approved and authorized for issue by the Board of Directors on 31 October 2026, corresponding to 20 Jumada Al-Ula 1448H.