Deyaar Development (P.J.S.C)

Review report and unaudited interim condensed consolidated financial statements

30 June 2026

Content ***Pages***

KPMG Lower Gulf Limited
The Offices 5 at One Central
Level 4, Office No: 04.01
Sheikh Zayed Road, P.O. Box 3800
Dubai, United Arab Emirates
Tel. +971 (4) 4030300, www.kpmg.com/ae

Independent Auditors' Report on Review of Interim Condensed Consolidated Financial Statements

To the Shareholders of Deyaar Development PJSC

Introduction

We have reviewed the accompanying 30 June 2026 interim condensed consolidated financial statements of Deyaar Development PJSC ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprises:

- the interim condensed consolidated statement of financial position as at 30 June 2026;
- the interim condensed consolidated statement of profit or loss for the three-month and six-month periods ended 30 June 2026;
- the interim condensed consolidated statement of comprehensive income for the three-month and six-month periods ended 30 June 2026;
- the interim condensed consolidated statement of changes in equity for the six-month period ended 30 June 2026;
- the interim condensed consolidated statement of cash flows for the six-month period ended 30 June 2026; and
- notes to the interim condensed consolidated financial statements.

Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34, 'Interim Financial Reporting'. 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 the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim condensed consolidated 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 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.

Other Matter – Comparative Information

The interim condensed consolidated financial statements of the Group for the three-month and six-month periods ended 30 June 2025, were reviewed by another auditor who expressed an unmodified conclusion on those interim condensed consolidated financial statements on 30 July 2025 and the consolidated financial statements of the Group for the year ended 31 December 2025 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 11 February 2026.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2026 interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34, '*Interim Financial Reporting*'.

KPMG Lower Gulf Limited

Anwar Abid
Registration No.: 5909
Dubai, United Arab Emirates

KPMG Lower Gulf Limited
P.O. Box: 3800, Dubai, UAE
Tel: +971 4 403 0300, License No.: 113869

Date: 03 AUG 2026

Deyaar Development (P.J.S.C)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Note	30 June 2026 AED'000 *(Unaudited)*	31 December 2025 AED'000 *(Audited)*
ASSETS			
Non-current assets			
Property and equipment	*6*	**540,145**	547,219
Right of use assets	*7*	**7,069**	9,557
Investment properties	*8*	**956,349**	963,092
Investments in a joint venture and an associate		**979,137**	1,487,966
Trade, contract and other receivables	*9*	**369,965**	463,465
Deferred tax asset		**500**	6,597
Equity investments at fair value through other comprehensive income	*25*	**499,034**	13,957
		3,352,199	3,491,853
Current assets			
Properties held for development and sale	*10*	**1,037,761**	1,089,084
Inventories		**3,712**	2,010
Trade, contract and other receivables	*9*	**1,270,699**	1,222,493
Due from related parties	*11*	**2,508**	10,532
Cash and bank balances	*12*	**2,312,139**	2,211,582
		4,626,819	4,535,701
Total assets		**7,979,018**	8,027,554
EQUITY			
Share capital	*13*	**4,375,838**	4,375,838
Legal reserve		**166,651**	166,651
Equity investment fair valuation reserve		**(27,355)**	(6,270)
Retained earnings		**1,151,073**	1,093,238
Equity attributable to equity holders of the parent		**5,666,207**	5,629,457
Non-controlling interests		**62,859**	41,190
Total equity		**5,729,066**	5,670,647
LIABILITIES			
Non-current liabilities			
Borrowings	*14*	**306,803**	343,841
Trade and other payables	*16*	**792**	1,585
Retentions payable		**66,459**	47,127
Lease liabilities	*17*	**3,250**	10,011
Deferred tax liability		**5,283**	10,064
Provision for employees' end of service benefits		**18,726**	17,667
		401,313	430,295
Current liabilities			
Borrowings	*14*	**65,057**	60,000
Advances from customers	*15*	**681,739**	792,757
Trade and other payables	*16*	**962,592**	944,627
Income tax payable	*24*	**93,966**	57,886
Retentions payable		**24,631**	43,376
Lease liabilities	*17*	**16,368**	21,014
Provision for claims		**3,364**	4,136
Due to related parties	*11*	**922**	2,816
		1,848,639	1,926,612
Total liabilities		**2,249,952**	2,356,907
TOTAL EQUITY AND LIABILITIES		**7,979,018**	8,027,554

The interim condensed consolidated financial statements were approved on behalf of Board of Directors on 03 August 2026 by:

....
Saeed Mohamed Al Qatami
Chief Executive Officer

....
Bassam El Ghawi
Chief Financial Officer

The notes on pages 8 to 25 form an integral part of these interim condensed consolidated financial statements.
The independent auditors' review report set out on page 1 to 2.

Deyaar Development (P.J.S.C)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the three-month and six-month periods ended 30 June 2026

		Six-month ended		Three-month ended	
	Note	**30 June 2026 AED'000**	30 June 2025 AED'000	**30 June 2026 AED'000**	30 June 2025 AED'000
		(Unaudited)		(Unaudited)	
Revenue	*18*	**952,578**	925,429	**505,494**	492,412
Direct costs	*19*	**(623,988)**	(640,305)	**(337,283)**	(339,838)
General, administrative and selling expenses		**(89,928)**	(98,933)	**(44,588)**	(47,229)
Other income		**46,997**	22,847	**32,806**	11,309
Finance cost		**(20,184)**	(18,790)	**(9,241)**	(8,880)
Finance income		**25,574**	16,049	**14,154**	6,902
Net fair value gains	*26*	**174**	11,113	**3,882**	11,113
Share of results from a joint venture and an associate		**44,863**	49,204	**23,118**	21,007
Profit for the period before tax		**336,086**	266,614	**188,342**	146,796
Income tax expense	*24*	**(37,790)**	(18,051)	**(20,203)**	(9,755)
Profit for the period after tax		**298,296**	248,563	**168,139**	137,041
Owners of the Company		**276,627**	250,963	**163,681**	137,936
Non-controlling interests		**21,669**	(2,400)	**4,458**	(895)
		298,296	248,563	**168,139**	137,041
Earnings per share – basic and diluted	*23*	**Fils 6.32**	Fils 5.74	**Fils 3.74**	Fils 3.15

The notes on pages 8 to 25 form an integral part of these interim condensed consolidated financial statements.
The independent auditors' review report set out on page 1 to 2.

Deyaar Development (P.J.S.C)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three-month and six-month periods ended 30 June 2026

	Six-month ended		Three-month ended	
	30 June 2026 AED'000	30 June 2025 AED'000	**30 June 2026 AED'000**	30 June 2025 AED'000
	(Unaudited)		(Unaudited)	
Profit for the period after tax	**298,296**	248,563	**168,139**	137,041
Other comprehensive income				
Items that will not be subsequently reclassified to profit or loss				
Equity investment at fair value through other comprehensive income– net change in fair value and taxes	**(21,085)**	1,939	**(17,758)**	3,131
Total comprehensive income for the period	**277,211**	250,502	**150,381**	140,172
Attributable to:				
Owners of the Company	**255,542**	252,902	**145,923**	141,067
Non-controlling interests	**21,669**	(2,400)	**4,458**	(895)
Total comprehensive income for the period	**277,211**	250,502	**150,381**	140,172

The notes on pages 8 to 25 form an integral part of these interim condensed consolidated financial statements.
The independent auditors' review report set out on page 1 to 2.

Deyaar Development (P.J.S.C)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six-month period ended 30 June 2026

	Attributable to the equity holders of the parent						
	Share Capital AED'000	**Legal reserve AED'000**	**Equity investments fair valuation reserve AED'000**	**Retained Earnings AED'000**	**Total AED'000**	**Non-controlling interests AED'000**	**Total equity AED'000**
Balance at 1 January 2025	4,375,838	105,897	(9,357)	765,243	5,237,621	27,376	5,264,997
Total comprehensive income for the period (unaudited)							
Profit for the period	-	-	-	250,963	250,963	(2,400)	248,563
Other comprehensive income for the period	-	-	1,939	-	1,939	-	1,939
Total comprehensive income for the period (unaudited)	-	-	1,939	250,963	252,902	(2,400)	250,502
Capital contribution during the period	-	-	-	-	-	19,150	19,150
Dividend payment to shareholders (Refer Note 13)	-	-	-	(218,792)	(218,792)	-	(218,792)
Balance at 30 June 2025 (unaudited)	4,375,838	105,897	(7,418)	797,414	5,271,731	44,126	5,315,857
Balance at 1 January 2026	4,375,838	166,651	(6,270)	1,093,238	5,629,457	41,190	5,670,647
Total comprehensive income for the period (unaudited)							
Profit for the period	-	-	-	276,627	276,627	21,669	298,296
Other comprehensive loss for the period	-	-	(21,085)	-	(21,085)	-	(21,085)
Total comprehensive income for the period (unaudited)	-	-	(21,085)	276,627	255,542	21,669	277,211
Dividend payment to shareholders (Refer Note 13)	-	-	-	(218,792)	(218,792)	-	(218,792)
Balance at 30 June 2026 (unaudited)	**4,375,838**	**166,651**	**(27,355)**	**1,151,073**	**5,666,207**	**62,859**	**5,729,066**

The notes on pages 8 to 25 form an integral part of these interim condensed consolidated financial statements.

Deyaar Development (P.J.S.C)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six-month period ended 30 June 2026

		Six-month period ended	
		30 June 2026	30 June 2025
	Note	**AED'000**	AED'000
		(Unaudited)	*(Unaudited)*
Cash flows from operating activities			
Profit for the period before tax		**336,086**	266,614
Adjustments for:			
Depreciation on property and equipment		**12,352**	9,457
Depreciation on right of use asset	*7*	**2,488**	-
Provision for employees' end of service benefits		**2,115**	2,046
Reversal of provision against properties held for development and sale		**-**	(124)
(Provision for)/reversal of expected credit losses on trade, contract asset and other receivables excluding related party provision		**925**	643
Finance income		**(25,574)**	(16,049)
Finance costs		**20,184**	18,790
Other operating income		**-**	-
Change in valuation of investment properties		**7,417**	(11,113)
Share of results from a joint venture and an associate		**(44,863)**	(49,204)
Fair value gain on classification of an associate to FVOCI		**(7,591)**	-
Operating cash flows before changes in working capital		**303,539**	221,060
Changes in working capital:			
Property held for development and sale (net of project cost accruals)		**51,341**	(182,385)
Trade and other receivables		**44,994**	(308,699)
Due from related parties		**8,033**	1,770
Advance for purchase of properties		-	90,000
Inventories		**(1,702)**	652
Retentions payable		**(1,058)**	9,335
Advances from customers		**(111,018)**	199,131
Trade and other payables		**16,908**	219,020
Due to related parties		**(1,894)**	(193)
Operating cash flows after changes in working capital		**309,143**	249,691
Payment of employees' end of service benefits		**(1,055)**	(3,348)
Payment of income tax		**(280)**	-
Net cash generated from operating activities		**307,808**	246,343
Cash flows from investing activities			
Additions to property and equipment		**(5,278)**	(4,615)
Addition to investment properties		**(692)**	(364)
Dividend from a joint venture and an associate		**55,000**	57,000
Repayment of contributed capital from joint venture		**-**	-
Net movement in term deposits with an original maturity greater than three months		**100,000**	12,782
Finance income received		**26,585**	18,704
Net cash generated from investing activities		**175,615**	83,507
Cash flows from financing activities			
Repayment of lease liabilities	*17*	**(12,200)**	(7,738)
Repayments of borrowings	*14*	**(178,570)**	(30,000)
Drawdown of borrowings	*14*	**146,589**	20,698
Finance costs paid		**(19,893)**	(18,065)
Dividends paid	*13*	**(218,792)**	(218,792)
Net cash used in financing activities		**(282,866)**	(253,897)
Net increase in cash and cash equivalents		**200,557**	75,953
Cash and cash equivalents, beginning of the period		**2,096,546**	1,563,455
CASH AND CASH EQUIVALENTS, END OF THE PERIOD	*12*	**2,297,103**	1,639,408

The notes on pages 8 to 25 form an integral part of these interim condensed consolidated financial statements.
The independent auditors' review report set out on page 1 to 2.

1. Legal status and activities

Deyaar Development (P.J.S.C) (the "Company") was incorporated and registered as a Public Joint Stock Company in the Emirate of Dubai, UAE on 10 July 2007. The registered address of the Company is P. O. Box 30833, Dubai, United Arab Emirates ("UAE"). The Company is listed on Dubai Financial Market, Dubai, UAE (Ticker: DEYAAR).

The ultimate controlling shareholder of the Group is Dubai Islamic Bank (the "Ultimate Controlling Party").

The principal activities of the Company and its subsidiaries (together, "the Group") are property investment and development, leasing, facilities and property management services and hospitality related activities.

2. Basis of preparation and accounting policies

2.1 Basis of preparation

These interim condensed consolidated financial statements for the six-month period ended 30 June 2026 have been prepared in accordance with IAS 34: *Interim Financial Reporting* and UAE Federal Decree Law No. (32) of 2021. 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 full year annual consolidated financial statements prepared in accordance with IFRS Accounting Standards and should be read in conjunction with the Group's annual consolidated financial statements as at and for the year ended 31 December 2025. The same accounting policies, methods of computation, significant accounting judgments and estimates and assumptions are followed in these interim condensed consolidated financial statements as compared with the most recent annual consolidated financial statements, except for the new standards, amendments and significant estimates and judgements adopted during the current period as explained below in note 2.2. In addition, the results for the six-month period ended 30 June 2026 are not necessarily indicative of the results that may be expected for the full financial year ending 31 December 2026.

Certain comparative figures have been reclassified to conform to the presentation adopted in these interim condensed consolidated financial statements. The reclassification does not have any material effect on the interim condensed consolidated statement of profit or loss, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows.

2.2 Material accounting policies

The material accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of new standards effective as of 1 January 2026. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

2. Basis of preparation and accounting policies (continued)

2.2 Material accounting policies (continued)

(a) New and revised IFRSs and interpretations that are effective for the current period

The following new amendments to IFRSs, which became effective for annual periods beginning on or after 1 January 2026, have been adopted in these condensed consolidated interim financial statements:

New and revised IFRSs	***Effective for annual periods beginning on or after***
Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	1 January 2026
Annual Improvements to IFRS Accounting Standards (IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS7)	1 January 2026

These amendments had no material impact on the interim condensed consolidated financial statements of the Group.

(b) New and revised IFRSs in issue but not yet effective and not early adopted

The Group has not early adopted the following new and revised standards that have been issued but are not yet effective, as at 30 June 2026 are disclosed below:

New and revised IFRSs	***Effective for annual periods beginning on or after***
IFRS 18 Presentation and Disclosures in Finance Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027

The adoption of these new standards will have no material impact on the consolidated financial statements in the period of initial application, except for IFRS 18 which is expected to have an impact in the presentation and disclosure of financial performance in the Group's consolidated financial statements when adopted and where management is assessing the full impact.

*IFRS 18 - *Presentation and Disclosure in Financial Statements - The IASB issued IFRS 18 Presentation and Disclosure in Financial Statements* in April 2024. IFRS 18 aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows and is effective from 1 January 2027. The standard replaces IAS 1 Presentation of Financial Statements and will affect the presentation and disclosure of financial performance in the Group's consolidated financial statements when adopted.

3. Estimates and judgements

The preparation of interim condensed consolidated financial statements on the basis described above requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which for the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

3. Estimates and judgements

Fair Value Measurement

All financial assets and liabilities are stated at amortised cost or historical cost except for FVOCI investments and investment properties which are measured at fair value. The fair values of other financial assets and liabilities are not materially different from their carrying values at the reporting date.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Standards, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques 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 a liability are categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Investment Properties

The Group follows the fair value model under IAS 40 where investment property owned for the purpose of generating rental income or capital appreciation, or both, are fair valued based on valuation carried out by an independent registered valuer or the internal valuation performed by the Group’s finance department.

The fair values have been determined by taking into consideration market comparable and/or the discounted cash flows/income approach where the Group has on-going lease arrangements and operations. In this regard, the Group’s current lease arrangements, which are entered into on an arm’s length basis and which are comparable to those for similar properties in the same location, have been taken into account.

In case where the Group does not have any on-going lease arrangements, fair values have been determined, where relevant, having regard to recent market transactions for similar properties in the same location as the Group’s investment properties. These values are adjusted for differences in key attributes such as property size.

The key assumptions on which management has based its cash flow projections when determining the fair value of the assets are as follows:

- Discount rate based on the Group’s weighted average cost of capital with a risk premium reflecting the relative risks in the markets in which the businesses operate.
- Growth rate based on long-term rate of growth.

3. Estimates and judgements (continued)

Investment Properties (continued)

Management of the Group has reviewed the assumption and methodology used by the independent registered valuer and Group's finance department and in their opinion these assumptions and methodology seems reasonable as at the reporting date considering the current economic and real estate outlook in UAE.

Regional Geopolitical Developments

The Group continues to monitor the impact of ongoing geopolitical uncertainty, particularly on its property development and hospitality segments. Management has assessed potential effects on cash flows and real estate asset valuations; however, given the evolving situation and resulting uncertainties, management continues to believe that there is no significant impact as at the reporting date. The Group's business continuity and risk management frameworks remain in place to support its response.

Loss of Significant Influence

The Group assesses at each reporting date whether it continues to exercise significant influence over its equity-accounted investments, which represents the power to participate in the financial and operating policy decisions of the investee without holding control or joint control over those policies. In determining whether significant influence has been lost, management evaluates key primary factors and judgments, including the loss, resignation, or lack of voting power of the Group's representatives on the Board of Directors or equivalent governing body, the expiration or amendment of shareholder agreements, as well as the inability of the Group to participate in or veto decisions regarding key real estate operational strategies and budgeting. Upon the loss of significant influence, the Group derecognizes the equity-accounted investment and measures the retained interest at its day-one fair value, recognizing any resulting gain or loss from this derecognition transaction directly in profit or loss.

Classification of Retained Equity Investments

Upon the loss of significant influence over an equity-accounted investment, the Group exercises judgment under IFRS 9 to determine the appropriate classification of its retained interest. Under IFRS 9, investments in equity instruments are measured at fair value through profit or loss (FVTPL) by default. However, an entity is permitted to make an irrevocable election at initial recognition to present subsequent changes in fair value in other comprehensive income (FVOCI), provided the investment is not held for trading. Management exercised significant judgment in evaluating that the retained equity investment is held as a long-term, strategic asset rather than for short-term profit-taking or trading purposes. Accordingly, the Group made the irrevocable designation to classify this retained interest as a financial asset at fair value through other comprehensive income (FVOCI).

Equity Investments at Fair Value through Other Comprehensive Income ("FVOCI")

The Group measures its non-controlling interest in unlisted equity investments at fair value at each reporting date. Given that these investments are not traded in an active market, their fair value is classified within Level 3 of the fair value hierarchy and is determined by management with the assistance of independent professional valuers. Since the underlying assets of the investee consist of real estate holdings, investment properties, and development projects, the valuation relies on unobservable inputs and estimation uncertainty. These critical estimates encompass projected construction costs to complete, expected future market rental rates, occupancy timelines, capitalization rates, and discount rates adjusted for localized risks within the sector. Changes in any of these underlying real estate assumptions could impact the determined fair value of the equity investments, with all subsequent re-measurement valuation adjustments recognized directly in the equity valuation reserve through other comprehensive income.

4. Financial risk management

The Group's activities potentially expose it to a variety of financial risks as follows:

- Market risk (including currency risk, price risk, cash flow and fair value interest rate risk)
- Credit risk and liquidity risk.

The interim condensed consolidated financial statements does not include all financial risk management information and disclosures required in the annual consolidated financial statement, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2025. The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2025.

5. Segment information

Operating segment

The Board of Directors is the Group's chief operating decision maker. The Board considers the business of the Group as a whole for the purpose of decision making.

Management has determined the operating segments based on segments identified for the purpose of allocating resources and assessing performance. The Group is organised into three major operating segments: property development (includes sale of properties and leasing activities), properties and facilities management and hospitality related activities.

Management monitors the operating results of its operating segments for the purpose of making strategic decisions about performance assessment. Segment performance is evaluated based on operating profit or loss.

	Property development activities AED'000	**Properties and facilities management AED'000**	**Hospitality AED'000**	**Total AED'000**
Six-month period ended 30 June 2026 (unaudited)				
Segment revenues – external	**821,876**	**87,995**	**42,707**	**952,578**
Segment profit*	**274,258**	**13,140**	**10,898**	**298,296**
Three-month period ended 30 June 2026 (unaudited)				
Segment revenues – external	**448,766**	**44,731**	**11,997**	**505,494**
Segment profit/(loss)*	**159,881**	**8,447**	**(189)**	**168,139**
As at 30 June 2026 (unaudited)				
Segment assets	**6,650,541**	**482,471**	**846,006**	**7,979,018**
Segment liabilities	**2,028,505**	**199,899**	**21,548**	**2,249,952**

	Property development activities AED'000	Properties and facilities management AED'000	Hospitality AED'000	Total AED'000
Six-month period ended 30 June 2025 (unaudited)				
Segment revenues – external	782,619	83,111	59,699	925,429
Segment profit*	221,018	8,483	19,062	248,563
Three-month period ended 30 June 2025				
Segment revenues – external	423,949	43,871	24,182	492,002
Segment profit*	125,916	5,629	5,496	137,041
As at 31 December 2025 (audited)				
Segment assets	6,690,384	461,945	875,225	8,027,554
Segment liabilities	2,098,674	236,917	21,316	2,356,907

*Share of profit from JV and associate is included in the property development activities segment.

5. Segment information (continued)

Geographic information
The Group is currently operating only in the UAE, hence the operating results, assets and liabilities presented in the interim condensed consolidated financial statements relate to its operations in the UAE.

6. Property and equipment

The property and equipment balance includes buildings, leasehold improvements, furniture and fixtures, office equipment, motor vehicles and capital work in progress. It also includes Intangible assets with a carrying value of AED 7.4 million *(31 December 2025- audited: AED 7.5 million)*

Land and buildings with a carrying value of AED 251 million (*31 December 2025- audited*: AED 254.6 million) are mortgaged under Islamic finance obligations (Note 14).

During the current period, the Group has not reclassified any unit from property and equipment to properties held for development and sale (*31 December 2025- audited: AED 1.4 million*) (Note 10).

The Group has a policy of depreciating assets on a straight-line method, at rates calculated to reduce the cost of assets to their estimated residual value. The Group depreciates buildings for 50 years and furniture and fixtures from 5 to 15 years. Furthermore, the depreciation expense of the Group for the six-month period ended 30 June 2026 amounted to AED 12.4 million *(30 June 2025- unaudited: AED 9.5 million).*

7. Right-of-use assets

The Group has lease contracts for various vehicles and building used in its operations.

Right-of-use assets are depreciated on a straight-line basis as follows:

Vehicles	3 years
Building	3 years

Below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Buildings AED'000	**Vehicles AED'000**	**Total AED'000**
Cost			
At 1 January 2025 (Audited)	-	3,692	3,692
Additions during the year	12,842	451	13,293
At 31 December 2025 (Audited)	12,842	4,143	16,985
Additions during the period	-	-	-
At 30 June 2026 (Unaudited)	**12,842**	**4,143**	**16,985**
Accumulated depreciation			
At 1 January 2025 (Audited)	-	1,984	1,984
Charge for the year	4,293	1,151	5,444
At 31 December 2025 (Audited)	4,293	3,135	7,428
Charge for the period	2,122	366	2,488
At 30 June 2026 (Unaudited)	**6,415**	**3,501**	**9,916**
Net book value			
At 31 December 2025 (Audited)	8,549	1,008	9,557
At 30 June 2026 (Unaudited)	**6,427**	**642**	**7,069**

8. Investment properties

	UAE Parking paces AED'000	UAE Stores Units AED'000	UAE Retail Units AED'000	UAE Service Apartments AED'000	UAE Others* AED'000	**30 June 2026 Total AED'000 (Unaudited)**	31 December 2025 Total AED'000 (Audited)
Fair value hierarchy	**3**	**3**	**3**	**3**	**3**		
Fair value at the beginning of the reporting period/year	**68,252**	**14,780**	**340,269**	**311,043**	**228,748**	**963,092**	883,393
Additions/adjustments	**-**	**-**	**219**	**-**	**473**	**692**	31,669
Disposal	**-**	**(18)**	**-**	**-**	**-**	**(18)**	-
Transfer (to)/from properties held for development and sale	**-**	**-**	**-**	**-**	**-**	**-**	(2,005)
Change in valuation	**-**	**-**	**-**	**-**	**(7,417)**	**(7,417)**	50,035
Fair value at the end of reporting period/year	**68,252**	**14,762**	**340,488**	**311,043**	**221,804**	**956,349**	963,092

* Includes mix use building, lease building and residential apartments.

All investment properties are located in United Arab Emirates and represent properties held at fair value and any fair value gain/loss under the fair value model is treated in accordance with IFRS Accounting Standards.

During the current period, the Group has sold certain store units amounting to AED 0.018 million (*31 December 2025- audited: Nil)*.

During the current period, the Group has not reclassified any unit to properties held for development and sale (*31 December 2025- audited: AED 2 million*) (Note 10).

Investment properties with a carrying value of AED 405.4 million *(31 December 2025- audited: AED 404.7 million)* are mortgaged against bank borrowings (Note 14).

9. Trade, contract and other receivables

	30 June 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
Trade and unbilled receivables (refer (i) below)	**1,243,552**	1,355,656
Other receivables (refer (ii) below)	**397,112**	330,302
	1,640,664	1,685,958
Current	**1,270,699**	1,222,493
Non-current	**369,965**	463,465
Total	**1,640,664**	1,685,958

9. Trade, contract and other receivables (continued)

i. Trade and unbilled receivables

	30 June 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
Trade receivables		
Amounts receivable within 12 months	**253,282**	169,060
Contract assets		
Unbilled receivables within 12 months	**620,305**	723,131
Unbilled receivables after 12 months	**369,965**	463,465
	1,243,552	1,355,656

The above trade receivables are net of provision for impairment amounting to AED 108.7 million *(31 December 2025: AED 107.8 million)* relating to trade receivables which are past due. All other trade receivables are considered recoverable.

ii. Other receivables

	30 JUNE 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
Advances to contractors	**113,049**	87,085
Advances to suppliers	**18,758**	19,264
Prepayments and deferred project cost	**219,760**	197,962
Others	**117,880**	98,371
	469,447	402,682
Less: provision for impairment	**(72,335)**	(72,380)
	397,112	330,302

10. Properties held for development and sale

The properties held for development and sale include land held for future development, properties under development and completed properties held in inventory.

Development properties are stated at the lower of cost and estimated net realisable value. The cost of work-in-progress comprises construction costs and other related direct costs. Net realisable value is the estimated selling price in the ordinary course of business, less cost of completion and selling expenses.

During the current period, the Group has not reclassified any unit from properties and equipment (*31 December 2025- audited: AED 1.4 million*) (Note 6).

During the current period, the Group has not reclassified any unit from investment properties (*31 December 2025- audited: AED 2 million*) (Note 8).

10. Properties held for development and sale (continued)

Plots of land including under development projects with total carrying value of AED 89.2 million *(31 December 2025- audited: AED 413.6 million)* and completed properties with total carrying value of AED 44.4 million *(31 December 2025- audited: AED 44.4 million)* are mortgaged under Islamic finance obligations (Note 14).

In the current period, the Group has recognised an amount of AED 555 million *(for the year ended 31 December 2025- audited: AED 1,136.8 million and for the six-month period ended 30 June 2025- unaudited: AED 524.4 million)* included in the profit or loss under "direct costs" against revenue recognised of AED 793.4 million *(for the year ended 31 December 2025- audited: AED 1605.9 million and for the six-month period ended 30 June 2025- unaudited: AED 755.5 million).*

For plots of land held for future development and use amounting to AED 380 million as at the reporting date *(31 December 2025- audited: AED 376.8 million)*, management is currently evaluating feasibility of the projects and considering alternative viable profitable options.

11. Related party transactions and balances

Related parties include the significant shareholders, key management personnel, associates, joint ventures, directors and businesses which are controlled or jointly controlled, directly or indirectly, by the significant shareholders or directors or over which they exercise significant management influence.

The Ultimate Controlling Party is partly owned by Investment Corporation of Dubai ("ICD"), an entity owned by the Government of Dubai ("Government"). The Group enters into transactions, in the normal course of business, with Government-owned entities and entities wherein ICD has control, joint control or significant influence. In accordance with the exemption available in IAS 24, management has elected not to disclose such transactions, which are primarily in nature of operational (power, utilities and infrastructure service) related activities and entered in the normal course of business at commercial terms.

(a) Related party transactions

During the period, the Group entered into the following significant transactions with related parties in the normal course of business and at prices and terms agreed between the parties.

	Six-month period ended		**Three-month period ended**	
	30 June 2026	30 June 2025	**30 June 2026**	30 June 2025
	AED'000	AED'000	**AED'000**	AED'000
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Ultimate Controlling Party				
Other operating income/finance income	**9,665**	6,180	**4,777**	2,627
Finance cost	**(11,943)**	(13,027)	**(6,007)**	(5,924)
Borrowings drawdown	**79,144**	20,369	**1,179**	10,838
Borrowings repayment	**(95,526)**	(30,000)	**(82,026)**	(15,000)
Joint venture				
Other operating income	**636**	1,242	**478**	580
Dividends received	**55,000**	55,000	**25,000**	55,000
Associate				
Dividend received	**-**	2,000	-	-

11. Related party transactions and balances (continued)

(b) Remuneration of key management personnel

	Six-month period ended		Three-month period ended	
	30 June 2026 AED'000 (Unaudited)	30 June 2025 AED'000 (Unaudited)	**30 June 2026 AED'000 (Unaudited)**	30 June 2025 AED'000 (Unaudited)
Salaries and other short-term employees' benefits	**7,257**	6,005	**3,311**	2,793
Termination and post-employment benefits	**168**	138	**77**	60
Board of Directors remuneration	**3,200**	3,075	**1,837**	3,075
Board of Directors sitting fees	**105**	275	**63**	150
	10,730	9,493	**5,288**	6,078

During the current period, an additional provision for the Board of Directors' remuneration amounting to AED 0.5 million was recognised in the interim condensed consolidated statements of profit or loss pertaining to the previous year based on the final approval of the shareholders in the Annual General Meeting dated 08 April 2026 (*during the six-month period ended 30 June 2025: AED 0.9 million*).

(c) Due from related parties comprises

	30 June 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
Current		
Due from a joint venture	**1,116**	1,148
Due from an associate	**-**	8,000
Due from other related parties	**1,402**	1,402
	2,518	10,550
Less: provision for impairment	**(10)**	(18)
	2,508	10,532

Cash and bank balances include amounts held with the Ultimate Controlling Party of the Group, bank account balances of AED 424.3 million *(31 December 2025- audited: AED 575.8 million)* and fixed deposits of AED 85 million *(31 December 2025- audited: AED 160 million)*, at market prevailing profit rates.

Impairment provision

To determine the provision for impairment, management applied certain key assumptions and judgments in accordance with *IFRS 9 - Financial Instruments* in order to determine the expected credit loss which includes the use of various forward-looking information that could impact the timing and/or amount of recoveries.

11. Related party transactions and balances (continued)

(d) Due to related parties comprises:

	30 June 2026 AED'000	31 December 2025 AED'000
	(Unaudited)	(Audited)
Current		
Due to Ultimate Controlling Party	**922**	2,813
Due to other related parties	**-**	3
	922	2,816

At 30 June 2026, the Group had bank borrowings from the Ultimate Controlling Party of AED 371.9 million *(31 December 2025- audited: AED 388.2 million)*, at market prevailing profit rates (Note 14).

12. Cash and bank balances

	30 June 2026 AED'000	31 December 2025 AED'000
	(Unaudited)	(Audited)
Cash and bank balances	**1,907,797**	1,982,860
Fixed deposits	**404,610**	229,000
Cash in hand	**439**	437
	2,312,846	2,212,297
Less: provision for impairment	**(707)**	(715)
Cash and bank balances, net	**2,312,139**	2,211,582
Less: term deposits with an original maturity greater than three months	**(5,000)**	(105,000)
Less: restricted balances	**(10,036)**	(10,036)
Cash and cash equivalents	**2,297,103**	2,096,546

Bank accounts include a balance of AED 1,624 million *(31 December 2025- audited: AED 1,866.5 million)* at market prevailing profit rates held in escrow accounts. These Escrow accounts include project escrow accounts where amounts are collected against sale of properties and are available for payments relating to construction of development properties.

Bank balances include balance of AED 1.3 million (*31 December 2025- audited:* AED 1.3 million) and fixed deposits include balance of AED 8.8 million (*31 December 2025- audited:* AED 8.8 million) restricted through lien/block against bank facilities

Bank accounts balance excludes a balance of AED 168 million *(31 December 2025- audited: AED 150.4 million)*, held in a fiduciary capacity in escrow accounts on behalf and for the beneficial interest of third parties. These Escrow accounts include Community Management Escrow accounts of various properties where service charges are collected from owners and are available for payments for management and maintenance of the properties.

13. Share capital

At 30 June 2026, share capital comprised of 4,375,837,645 shares *(31 December 2025- audited:* 4,375,837,645 *shares)* of AED 1 each. All shares are authorised, issued and fully paid up.

The shareholders have approved in the Annual General Meeting dated 8 April 2026 dividends on ordinary shares amounting to AED 218.8 million [AED 5 fils per share] and the same has been paid during the period (2025: AED 218.8 million [AED 5 fils per share]).

14. Borrowings

	30 June 2026 AED'000	31 December 2025 AED'000
	(Unaudited)	(Audited)
Islamic finance obligations		
Current	**65,057**	60,000
Non-current	**306,803**	343,841
Total borrowings	**371,860**	403,841

	AED'000
1 January 2025	475,296
Drawdown	24,319
Repayments	(95,774)
31 December 2025 (Audited)	403,841
1 January 2026	**403,841**
Drawdown	**146,589**
Repayments	**(178,570)**
30 June 2026 (Unaudited)	**371,860**

Islamic finance obligations represent Ijarah and other Islamic facilities obtained from Dubai Islamic Bank (P.J.S.C) (Ultimate Controlling Party) amounting to AED 371.9 million *(31 December 2025: AED 388.2 million)* [Note 11(d)], and balance from other local banks. The facilities were availed to finance the properties under construction and working capital requirements

Islamic finance obligations with the Ultimate Controlling Party and other local banks carry market prevailing profit rates and are repayable in quarterly instalments over a period of two years to six years from the reporting date *(31 December 2025- audited: two years to seven years)*. These facilities have AED 145 million available for drawdown to the Group.

Islamic finance obligations are secured by mortgages over properties classified under properties held for development and sale amount to AED 133.6 million *(31 December 2025-audited: AED 458 million)* (Note 10), property and equipment amount to AED 251 million (*31 December 2025-audited: AED 254.6 million)* (Note 6) and investment properties amount to AED 405.4 million *(31 December 2025-audited: AED 404.7 million)* (Note 8).

15. Advances from customers

Advances from customers comprise of payments received from sale of properties. The revenues have not been recognised in the interim condensed consolidated statements of profit or loss, in line with the revenue recognition policy of the Group consistent with the IFRS Accounting Standards.

16. Trade and other payables

Trade and other payables include trade payables in normal course of business and provision relating to claims made by third parties and customers against the Group. This includes legal claim made by customers against the Group for refund of partial payments made to purchase certain property units. In accordance with Law No. 13 of 2008 and its subsequent amendment through Law No. 9 of 2009 applicable in the Emirate of Dubai, the Group had earlier forfeited amounts due to failure of customers to pay the outstanding balances as per the Sale and Purchase Agreement. The provisions are based on management's best estimate after considering the potential cash flows in respect of the claim on a case by case basis.

17. Lease liabilities

	Right of use assets AED'000	**Investment property AED'000**	**30 June 2026 Total (Unaudited) AED'000**	31 December 2025 Total (audited) AED'000
At 1 January	**10,447**	**20,578**	**31,025**	5,487
Additions during the period/ year	**-**	**-**	**-**	44,038
Accretion of interest	**222**	**571**	**793**	2,211
Payments during the period/ year	**(2,682)**	**(9,518)**	**(12,200)**	(20,711)
Closing balance	**7,987**	**11,631**	**19,618**	31,025

	30 June 2026 AED'000 (Unaudited)	31 December 2025 Total AED'000 (audited)
Current lease liabilities	**16,368**	21,014
Non-current lease liabilities	**3,250**	10,011
	19,618	31,025

18. Revenue

	Six-month period ended		**Three-month period ended**	
	30 June 2026 AED'000 (Unaudited)	30 June 2025 AED'000 (Unaudited)	**30 June 2026 AED'000 (Unaudited)**	30 June 2025 AED'000 (Unaudited)
Property development activities				
Sale of properties	**793,495**	755,469	**434,435**	411,084
Leasing income	**28,381**	27,150	**14,331**	13,275
	821,876	782,619	**448,766**	424,359
Properties, facilities and association management				
Facilities and association management	**59,015**	61,895	**28,599**	32,419
Property management	**12,014**	11,052	**5,582**	1,288
Leasing income	**16,966**	10,164	**10,550**	10,164
	87,995	83,111	**44,731**	43,871
Hospitality	**42,707**	59,699	**11,997**	24,182
	952,578	925,429	**505,494**	492,412

18. Revenue (continued)

	Six-month period ended		Three-month period ended	
	30 June 2026 AED'000 (Unaudited)	30 June 2025 AED'000 (Unaudited)	**30 June 2026 AED'000 (Unaudited)**	30 June 2025 AED'000 (Unaudited)
Timing of revenue recognition				
Recognised at a point in time	**32,253**	59,102	**22,422**	37,482
Recognised over a period of time	**920,325**	866,327	**483,072**	454,930
	952,578	925,429	**505,494**	492,412

Revenue from property development activities, revenue from hospitality, properties and facilities management are recognised at a point in time as well as over time. All revenues were generated in United Arab Emirates.

19. Direct costs

	Six-month period ended		Three-month period ended	
	30 June 2026 AED'000 (Unaudited)	30 June 2025 AED'000 (Unaudited)	**30 June 2026 AED'000 (Unaudited)**	30 June 2025 AED'000 (Unaudited)
Cost of properties sold	**555,009**	564,094	**304,531**	301,987
Direct cost of facility management	**46,951**	49,644	**23,079**	25,488
Direct cost of hospitality	**15,172**	20,887	**6,147**	9,730
Direct cost of leasing properties	**5,571**	5,445	**2,774**	2,917
Others	**1,285**	235	**752**	(284)
	623,988	640,305	**337,283**	339,838

20. Commitments

At 30 June 2026, the Group had total commitments of AED 1,469.6 million *(31 December 2025- audited: AED 1,284.9 million)* with respect to project related contracts issued net of invoices received and accruals made at that date.

21. Contingencies

Contingent liabilities

At 30 June 2026, the Group has contingent liabilities in respect of performance bond and guarantees issued by banks, in the ordinary course of business, amounting to AED 487.9 million *(31 December 2025- audited: AED 653.6 million),* which mainly includes performance guarantees of AED 475.8 million *(31 December 2025- audited: AED 637.8 million)* issued to Real Estate Regulatory Authority (RERA) for the projects under development. Also, the Group has contingent liabilities, on behalf of a subsidiary (under liquidation), in respect to guarantees issued by a bank amounting to AED 3.4 million *(31 December 2025- audited: AED 3.4 million)*. The Group anticipates that no material liabilities will arise from these performance and other guarantees.

21. Contingencies (continued)

Certain other contingent liabilities may arise during the normal course of business, which based on the information presently available, either cannot be quantified at this stage or in the opinion of the management is without any merit. However, in the opinion of management, these contingent liabilities are not likely to result in any cash outflows for the Group.

22. Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

30 June 2026 (unaudited)	**Amortised cost AED'000**	**Equity instrument at fair value through other comprehensive income AED'000**	**Total AED'000**
Assets as per interim condensed consolidated statement of financial position			
Equity instrument at fair value through other comprehensive income	-	**499,034**	**499,034**
Trade, contract and other receivables excluding prepayments and advances	**1,289,097**	-	**1,289,097**
Due from related parties	**2,507**	-	**2,507**
Cash and bank balances	**2,312,139**	-	**2,312,139**
	3,603,743	**499,034**	**4,102,777**
Liabilities as per interim condensed consolidated statement of financial position			
Trade and other payables	**963,384**	-	**963,384**
Retentions payable	**91,090**	-	**91,090**
Lease liabilities	**19,618**	-	**19,618**
Due to related parties	**922**	-	**922**
Borrowings	**371,860**	-	**371,860**
	1,446,874	-	**1,446,874**

22. Financial instruments by category (continued)

31 December 2025 (audited)	Amortised cost AED'000	Equity instrument at fair value through other comprehensive income AED'000	Total AED'000
Assets as per interim condensed consolidated statement of financial position			
Equity instrument at fair value through other comprehensive income	-	13,957	13,957
Trade, contract and other receivables excluding prepayments and advances	1,377,261	-	1,377,261
Due from related parties	10,532	-	10,532
Cash and bank balances	2,211,582	-	2,211,582
	3,599,375	13,957	3,613,332
Liabilities as per interim condensed consolidated statement of financial position			
Trade and other payables	946,212	-	946,212
Retentions payable	90,503	-	90,503
Lease liabilities	31,025	-	31,025
Due to related parties	2,816	-	2,816
Borrowings	403,841	-	403,841
	1,474,397	-	1,474,397

The following table presents the Group's financial assets that are measured at fair value, by valuation method:

	Level 1 AED'000	**Level 2 AED'000**	**Level 3 AED'000**	**Total AED'000**
As at 30 June 2026 (unaudited)				
Equity instrument at fair value through other comprehensive income	**12,624**	**-**	**486,410**	**499,034**
As at 31 December 2025 (audited)				
Equity instrument at fair value through other comprehensive income	13,957	-	-	13,957

The carrying value less impairment provision of trade receivables, contract assets, due from related parties, bank balances and long-term fixed deposit is assumed to approximate their fair values keeping in view the period over which these are expected to be realised. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. Other receivables and payables approximate their fair values.

23. Earnings per share

Basic and diluted earnings per share is calculated by dividing the profit after tax for the period attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the period. There were no instruments or any other items which could cause a dilutive effect on the earnings per share calculation:

	Six-month period ended		Three-month period ended	
	30 June 2026	30 June 2025	**30 June 2026**	30 June 2025
	AED'000	AED'000	**AED'000**	AED'000
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Profit after tax for the period attributable to the owners of the Company (AED'000)	**276,627**	250,963	**163,681**	137,936
Weighted average number of ordinary shares ('000)	**4,375,838**	4,375,838	**4,375,838**	4,375,838
Earnings per ordinary share - Basic and Diluted (Fils)	**6.32**	5.74	**3.74**	3.15

24. Income tax expense

The Group recognises income tax expense using the tax rate that are applicable to the taxable income based on management's estimate. However, considering the Pillar Two model rules published by the Organisation for Economic Co-operation and Development ("OECD") were applicable to the Ultimate Controlling Party, these rules are considered applicable to the Group. Therefore, following the enactment of the UAE Domestic Minimum Top-up Tax ("UAE DMTT") during 2025, the Group has recognised an additional top-up tax expense to ensure compliance with UAE DMTT regulation. The average annual effective tax rate (ETR) used for the period ended 30 June 2026 is 11.5% (*30 June 2025-unaudited: 7%*).

Amount recognised in the consolidated statement of profit or loss

The major components of income tax expense for the period ended 30 June 2026:

	Six-month period ended		Three-month period ended	
	30 June 2026	30 June 2025	**30 June 2026**	30 June 2025
	AED'000	AED'000	**AED'000**	AED'000
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Current income tax expense	**17,545**	18,622	**8,919**	9,929
Top up tax expense	**18,527**	-	**10,828**	-
Additional tax for previous year	**280**	-	**-**	-
Deferred tax expense (net)	**1,438**	(571)	**456**	(174)
Income tax expense recognised in the interim condensed consolidated statement of profit or loss	**37,790**	18,051	**20,203**	9,755

The Group has recognised UAE corporate income tax expense based on the estimate made by the management and has applied the relevant applicable Ministerial decisions.

25. Equity instrument at fair value through other comprehensive income

	30 June 2026 (Unaudited) AED'000
Investment in a real estate investment trust (REIT) – quoted	12,624
Investment in Solidere International Al Zorah Equity Investments Inc – unquoted (Note a)	486,410
Equity investments at fair value through other comprehensive income	499,034

(a) Investment in Solidere International Al Zorah Equity Investments Inc

The Group has 22.72% interest in Solidere International Al Zorah Equity Investments Inc ("Al Zorah"), a company registered in Dubai international Financial Center (DIFC), Dubai, UAE. During the current period and effective 01 May 2026, the shareholders of Al Zorah resolved to amend the composition, rights and powers of the Group, by virtue of which the Group has only one board member with limited rights. Management, along with the Group governance committee, have therefore reassessed their influence on the investment in an associate and considering the Group no longer can participate in the financial and operating policy decisions of Al Zorah, it concluded that it has lack of ability to exercise significant influence.

In accordance with IAS 28, the Group discontinued the equity method of accounting from 01 May 2026 and designated its retained interest in Al Zorah as a financial asset at fair value through other comprehensive income (FVOCI). The Group's retained interest in Al Zorah was measured at its fair value on the date of loss of significant influence, resulting in the following:

	AED'000
Carrying amount of investment on 01 May 2026 *(unaudited)* – **A**	498,691
Fair value of investment on 01 May 2026 *(unaudited)* – **B**	506,282
Fair value of investment on 30 June 2026 *(unaudited)* – **C**	486,410
Gain (loss) recognised in statement of profit or loss [B – A]	7,591
Gain (loss) recognised in other comprehensive income [C – B]	(19,872)

Valuation processes

The fair value of Al Zorah was determined by an external expert using the adjusted net asset value, primarily comprising of real estate assets viz. development properties, land and hotel, which was then discounted to reflect Group's lack of control. The investment in Al Zorah is classified within Level 3 of the fair value hierarchy as the fair value is determined using significant unobservable inputs.

26. Net fair value gains/(losses)

	Six-month period ended		**Three-month period ended**	
	30 June 2026 AED'000	30 June 2025 AED'000	**30 June 2026 AED'000**	30 June 2025 AED'000
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Change in valuation of investment properties – net (Note 8)	**(7,417)**	11,113	**(3,709)**	11,113
Fair value gain on classification of an associate to FVOCI (Note 25)	**7,591**	-	**7,591**	-
Net fair value gains	**174**	11,113	**3,882**	**11,113**