



2025

ANNUAL

REPORT.





TABLE OF **CONTENTS**

01	Fund Manager's Report	03
02	Investment & Oversight Committee Report	07
03	Al Mal Capital REIT FY 2025 in Brief	09
04	Strategic Review, Evolution and Portfolio	11
05	Key Performance Indicators	18
06	Market Overview	23
07	Consolidated Financial Statements	30



01 FUND MANAGER'S REPORT

FUND MANAGER'S STATEMENT

The Fund Manager is pleased to present its report on the performance and activities of Al Mal Capital REIT (the "Fund" or "AMCREIT") and its subsidiary (together, the "Group") for the year ended 31st December 2025.

Overview and Market Context

During 2025, AMC REIT continued to operate in a dynamic macroeconomic environment characterized by elevated interest rates, inflationary pressures, evolving tax frameworks, and heightened geopolitical uncertainty. Within the UAE, however, underlying fundamentals for defensive real estate sectors remained resilient, supported by population growth, continued government initiatives to support sector development, and sustained demand for essential social infrastructure.

Against this backdrop, the Fund Manager remained focused on preserving income stability, strengthening portfolio fundamentals, and executing accretive acquisitions aligned with the Fund's long-term strategy.

Portfolio and Financial Performance

As at 31 December 2025, the Group maintained a portfolio of income-generating assets primarily focused on the education and healthcare sectors, consistent with the Fund's defensive investment strategy. The portfolio remained highly occupied, with occupancy of approximately 100% and a weighted average unexpired lease term of approximately 16 years, supporting strong income visibility.

Total assets as at year end surpassed AED 1.4 billion, reflecting the completion of a capital increase and the acquisition of income-generating healthcare asset during 2025. The portfolio comprised seven income-producing assets across three emirates.

During the year, the Fund generated gross rental income of approximately AED 92.1 million, net property income of approximately AED 89.8 million, operating profit of c. AED 84.2 million, and income before taxes of approximately AED 64.5 million.

Finance costs reflected reductions in borrowing costs following the successful refinancing of bank facilities relating to the Shola schools and Kent College assets. As at 31 December 2025, the Fund maintained a prudent leverage position, with total borrowings standing at AED 468 million and the loan-to-value ratio at 47.3%, within regulatory limits.

Net asset value as at 31 December 2025 amounted to approximately AED 797 million, equivalent to AED 1.14 per unit, reflecting portfolio performance, capital raising activity, and financing and valuation movements, as detailed in the audited financial statements.

Capital Raising and Acquisition Activities

In August 2025, in line with its growth strategy, the Fund concluded a follow-on public offering of its units raising AED 206 million through the issuance of 187 million additional units at a price of AED 1.1 per unit bringing the total unitholders' capital (including premium) to AED 736 million. The proceeds from the follow-on public offering were earmarked for acquisitions aimed at driving the Fund's portfolio growth.

In September 2025, the Fund completed the acquisition of with two income-generating real estate assets namely NMC Royal Hospital and Falcon House (together, the "Assets"). The asset of NMC Royal Hospital is based on a long-term lease with the operator. The Assets are on a plot of land located in Dubai Investments Park, Dubai, United Arab Emirates, held under a long-term usufruct agreement with approximately 73 years remaining on the land lease term.

The total consideration for the acquisition amounted to approximately AED 355 million. The acquisition strengthened the Fund's exposure to the healthcare sector through a long-term leased hospital asset, while Falcon House was fully leased to a diversified mix of office tenants as at the acquisition date.

Distributions and Unitholders Returns

Consistent with its income-focused mandate, the Group maintained its distribution track record in 2025. In April 2025, the Fund distributed final dividends of AED 20.5 million (4.0 fils per unit) in respect of the financial year 2024. Together with interim distributions paid during 2024, this represented an annualized yield of approximately 7%, in line with the Fund's target yield.

During 2025, the Fund continued this trend with the distribution of an interim dividend of AED 19.3 million (3.75 fils per unit) for the period ended 30 June 2025, paid in July 2025, prior to the completion of the capital increase. While income from the acquisition of NMC Royal Hospital and Falcon House became accretive only in the final quarter of the year, the Fund delivered strong full-year profitability in 2025. The Fund Manager expects, subject to market conditions and performance, that the Fund will be able to exceed its intended distribution target of 7% for FY 2025.

Governance, Risk Management and Compliance

Strong governance and regulatory compliance remained central to the Fund Manager's approach during the year ended 31 December 2025. The Fund operated in accordance with the applicable Securities and Commodities Authority ("SCA") (Currently known as Capital Markets Authority or "CMA") regulations, the Fund's constitutive documents, and its approved governance framework, with oversight provided by the Investment and Oversight Committee. The acquisition of the Assets was classified as a related party transaction, which was completed following receipt of all required approvals, including approval by the Fund's Investment and Oversight Committee and unitholder approval at a duly convened Annual General Meeting, in accordance with applicable SCA regulations. Key investment, financing, and related party matters were subject to established approval processes in line with regulatory requirements. The Fund Manager maintained a disciplined approach to risk management across investment, financing, valuation, and operational risks.

In compliance with the Fund's regulations, the Group's investment properties were valued on a semi-annual and annual basis by CBRE Dubai LLC, a RERA-registered independent valuation expert, in accordance with RICS Valuation – Global Standards and applicable IFRS accounting requirements. As of 31st December 2025, the Fund recorded AED 13 million on account of unrealised gain on revaluation from existing and newly acquired assets based on the valuation report received from CBRE Dubai LLC.

Outlook

Looking ahead, the Fund Manager remains cautiously optimistic regarding the outlook for AMC REIT. While global macroeconomic conditions may continue to present challenges, the Fund's focus on defensive sectors, long-term leased assets, and income visibility positions it well to navigate market volatility. The Fund Manager will continue to pursue selective, accretive growth opportunities, actively manage the existing portfolio, and maintain disciplined capital and risk management practices, with the objective of delivering sustainable, long-term returns to unitholders.



Sanjay Vig

Deputy CEO

Al Mal Capital PSC





02

INVESTMENT AND OVERSIGHT COMMITTEE REPORT

INVESTMENT AND OVERSIGHT COMMITTEE REPORT

We are pleased to present the fifth report of the Investment and Oversight Committee ("IOC") on Al Mal Capital REIT (the "Fund") for the year ended 31 December 2025.

During 2025, the IOC continued its mandate of strengthening governance standards and providing independent oversight over the activities of the Fund and the Fund Manager. As part of its responsibilities, the IOC met on multiple occasions during 2025 to review the affairs of the Fund and to consider matters presented by the Fund Manager in relation to investment activity, financing, and governance.

Additionally, the IOC reviewed the performance of the Fund, including portfolio performance, financial results, capital structure, and risk profile, and noted the continued resilience of the Fund's income-generating assets. The IOC also reviewed and approved matters relating to dividend distributions recommended by the Fund Manager, in line with the Fund's income-focused mandate and applicable regulatory requirements.

The IOC considered and approved certain key strategic matters, including the capital increase undertaken by the Fund and the acquisition of income-generating healthcare and commercial assets located in Dubai Investments Park. The acquisition was classified as a related party transaction and was reviewed by the IOC in detail, including the commercial rationale, transaction structure, and compliance with applicable regulatory and governance requirements, prior to being approved and subsequently presented for unitholders approval at a duly convened General Assembly.

The IOC also reviewed updates on financing arrangements and approved refinancing of certain bank facilities, taking into consideration the impact of prevailing macroeconomic conditions on the Fund's strategy and risk profile. The IOC noted that the Fund continued to operate within regulatory limits and in accordance with its approved governance framework. There was no change to the composition of the IOC during the year.

As part of its overall review of the activities of the Fund and the management of the Fund by the Fund Manager, the IOC did not identify any matters of concern during the year ended 31 December 2025.

H.E. Hussain Lootah
Chairman

INVESTMENT AND OVERSIGHT COMMITTEE MEMBERS



**H.E. Hussain
Lootah**
Chairman



**Mr. Khalid Bin
Kalban**
Member



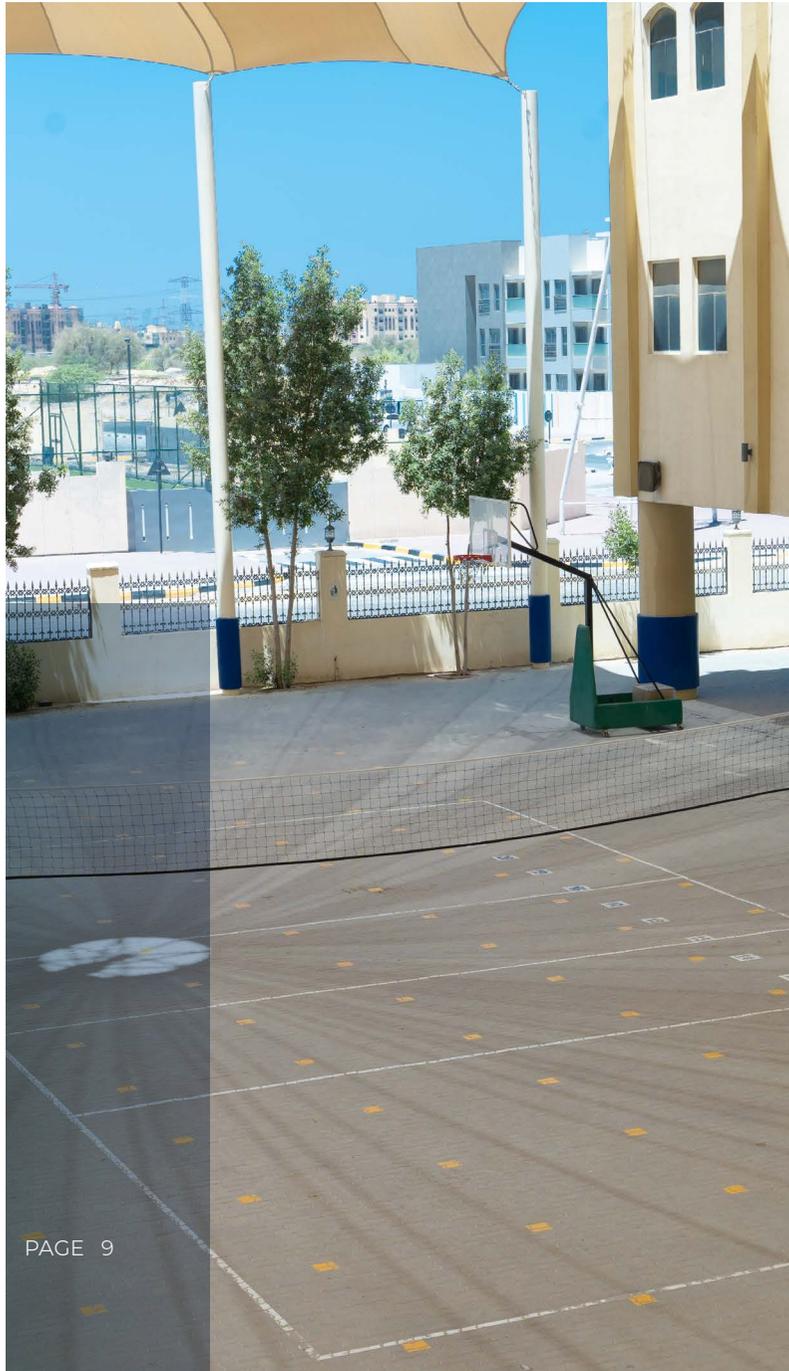
**Dr. Mahdi Al
Fardan**
Member



**Mr. Mohamed
Al Ketbi**
Member



**Eng. Faisal
AlKhazraji**
Member



03

AL MAL CAPITAL REIT FY 2025 IN BRIEF

FY 2025 In Brief

MARCH 2025

Announced the final dividend for 2024, totaling AED 20.55 million. Combined with the interim dividend paid in August 2024, the overall annual dividend distributed touched AED 39.98 million (AED 7.0 fils per unit), reflecting an annualized return of 7.0% on the enhanced capital following the rights issue.

JULY 2025

The fund declared an interim H1 2025 dividend of AED 19.27 million (3.75 fils per unit), reflecting an annualized return of 7.5% and up from AED 15.42 million a year earlier.

AUGUST 2025

The fund completed a follow-on public offering, securing AED 206 million and increasing unitholders' capital to over AED 736 million (including issue premium). Proceeds were earmarked for the acquisition of income generating healthcare asset.

SEPTEMBER 2025

Acquired NMC Royal Hospital in Dubai Investments Park, a comprehensive multi-speciality facility, along with Falcon House, expanding assets under management to more than AED 1.36 billion, income from acquisition only accruing in Q4 2025.

SEPTEMBER 2025 (CONTINUED)

Added new banks to the lending consortium and successfully secured reduced profit rates in the refinancing of Islamic facilities amounting to approximately AED 367 million for the Kent College and Al Shola School assets.

2025

7 ASSETS

100% OCCUPANCY

SQ.FT. **2.4M** NET PLOT AREA

16+ Years WAULT

AED **1,464.3M** TOTAL ASSETS

AED **797.3M** NET ASSET VALUE

AED **1,358.7M** INVESTMENT PROPERTIES

8.0% RETURN ON UNITHOLDERS' CAPITAL

47.3% LTV*

Y-O-Y CHANGE

37.7%

FY2025 AED 92.1m

LEASE REVENUE

FY2024 AED 66.9m

37.0%

FY2025 AED 51.4m

PROFIT BEFORE REVALUATION**

FY2024 AED 37.5m

36.8%

INVESTMENT PROPERTIES

FY2025 AED 1,358.7m

FY2024 AED 993.0m

* LTV includes both Bank borrowings as well as Due to a related party balances

** Profit before revaluation of investment properties



04

STRATEGIC REVIEW, EVOLUTION AND PORTFOLIO

STRATEGIC REVIEW

AL MAL CAPITAL REIT IN BRIEF

	Fund Name	Al Mal Capital REIT
	Fund Manager	Al Mal Capital PSC
	Fund Address	Office 901, 48 Burj Gate, Sheikh Zayed Road, UAE
	Fund Life	Established for a period of 99 years
	Investment Characteristics	<ul style="list-style-type: none"> Acquire income generating real estate in high growth sectors such as education, healthcare and industrials Ability to acquire onshore and offshore assets in the UAE, and the flexibility to acquire international assets Target high occupancy and single let assets Target tenants with strong credit profile Sign-up long term lease arrangements with tenants Secure income stream through balanced structuring Triple net lease arrangements to minimize risks & optimize costs

THE FIRST REIT LISTED ON DFM

- The Fund is a closed-ended REIT that invests in a diversified portfolio of income generating real estate assets and securities in the UAE, GCC and other countries outside the GCC
- The Fund offers its investors access to an asset class with long-term fundamentals, through a strategy focused on investing in strong-performing sectors



Managed by a reputed Fund Manager with an experienced team and proven track record



Invest in Education, Healthcare and Industrial facilities through long-term lease structures



Supported by top-tier third party advisors & auditors

التميمي و شركاه
ALTAMIMI & CO.

CBRE

KPMG

Standard
Chartered



Target a diversified portfolio with attractive income and well-defined transaction structures

EVOLUTION

SUMMARY OF KEY EVENTS

Listing, Capital Raises & Acquisitions

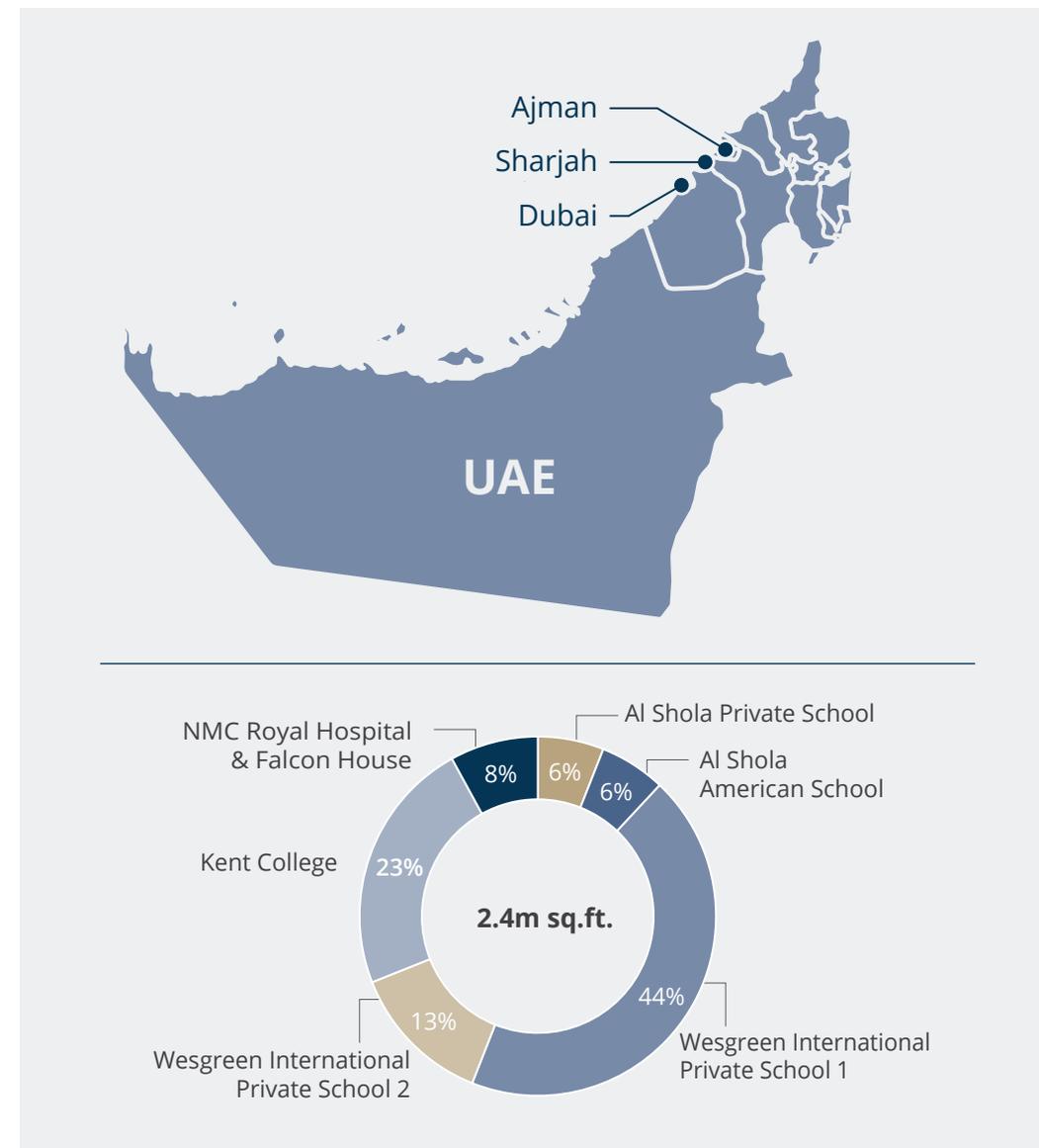


PORTFOLIO SUMMARY

As of 31st December 2025, the Fund held 5 educational assets, 1 healthcare and 1 commercial asset in the UAE, as follows:

Assets	Location	Plot Area (sq.ft.)	% of Total Plot Area Owned
Al Shola Private School	Ajman	149,932	6%
Al Shola American School	Ajman	150,120	6%
Wesgreen International Private School 1	Sharjah	1,065,626	44%
Wesgreen International Private School 2	Sharjah	308,106	13%
Kent College Dubai	Dubai	563,950	23%
NMC Royal Hospital & Falcon House Commercial Office Building	Dubai	191,637	8%
Total		2,429,371	

AMCREIT owns an extensive 2.4 million sq.ft. of freehold and onshore land across seven assets located in Ajman, Dubai and Sharjah, demonstrating diversification.



ASSETS

1 Al Shola Private School - Tallah 2, Ajman

Year Started: 2019

Curriculum: UAE Ministry

Plot Area: 149,932 sq. ft.

Existing BUA: 247,118 sq. ft.

Ownership: Single Plot - owned

Original Lease Term: 15 years
(Option to renew)

Student Capacity: 2,300

Type: Triple net basis

Current students*: 2,315



2 Al Shola American School - Tallah 2, Ajman

Year Started: 2019

Curriculum: American

Plot Area: 150,120 sq. ft.

Existing BUA: 248,700 sq. ft.

Ownership: Single Plot - owned

Original Lease Term: 15 years
(Option to renew)

Student Capacity: 2,200

Type: Triple net basis

Current students*: 1,485



* As of February 2026

ASSETS

3 Wesgreen International Private School – Muwaliah, Sharjah

Year Started: 1991

Curriculum: British

Plot Area: 1,065,626 sq. ft.

Existing BUA: 441,689 sq. ft.

(includes staff accommodation built in 2018)

Ownership: Single Plot - owned

Original Lease Term: 30 years
(Option to renew)

Student Capacity: 4,596

Type: Single net

Current students*: 3,697



4 Wesgreen International Private School – Al Qaraein, Sharjah

Year Started: 2007

Curriculum: British

Plot Area: 308,106 sq. ft.

Existing BUA: 69,968 sq. ft.

Ownership: Single Plot - owned

Original Lease Term: 30 years
(Option to renew)

Student Capacity: 1,200

Type: Single net

Current students: The operator is considering rebranding the campus to a new school brand*



* As of February 2026

ASSETS

5 Kent College – Nad Al Sheba, Dubai Al-Ain Road adjacent to Meydan South

Year Started: 2016

Curriculum: British

Plot Area: 563,950 sq. ft.

Existing BUA: 339,062 sq. ft

Ownership: Single Plot - owned

Original Lease Term: 25 years
(Option to renew)

Student Capacity: 2,200

Type: Triple net basis

Current students*: 1,553



6,7 NMC Royal Hospital + Falcon House, Dubai Investments Park

Year Started: 2014

Facility Type: Integrated Healthcare

Plot Area: 191,637 sq. ft. **

Existing BUA: 492,232 sq. ft***

Ownership: usufruct- 73 years

Original Lease Term: 17 years
(Option to renew)

Type: NN lease

#Buildings: 2, **Operation Theaters:** 7,

ICUs: 13, **Beds:** 120, **Doctors:** 150+

Falcon House Lease Term: Annual

Occupancy: 100%, **No of Tenants:** 31

Facility Type: Commercial Building

* As of February 2026

** For Both NMC Hospital and Falcon House

***For Both NMC Hospital and Falcon House

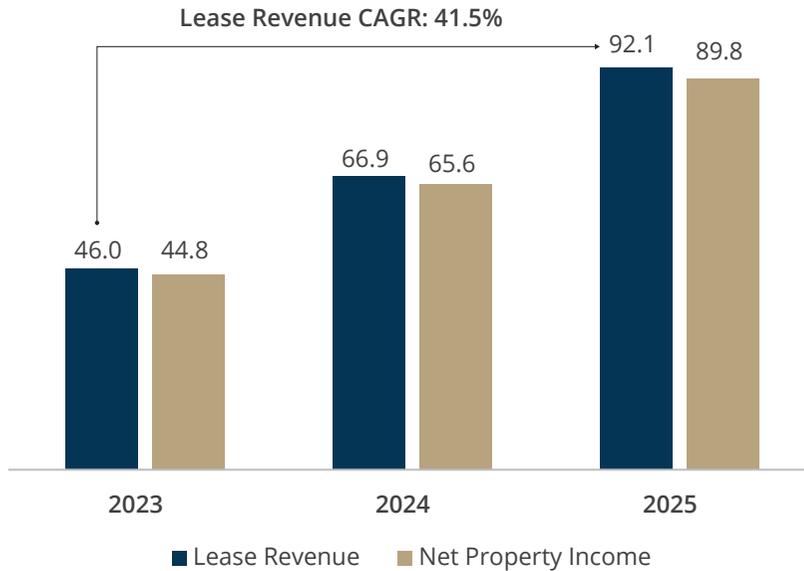


05

KEY PERFORMANCE INDICATORS

Revenue

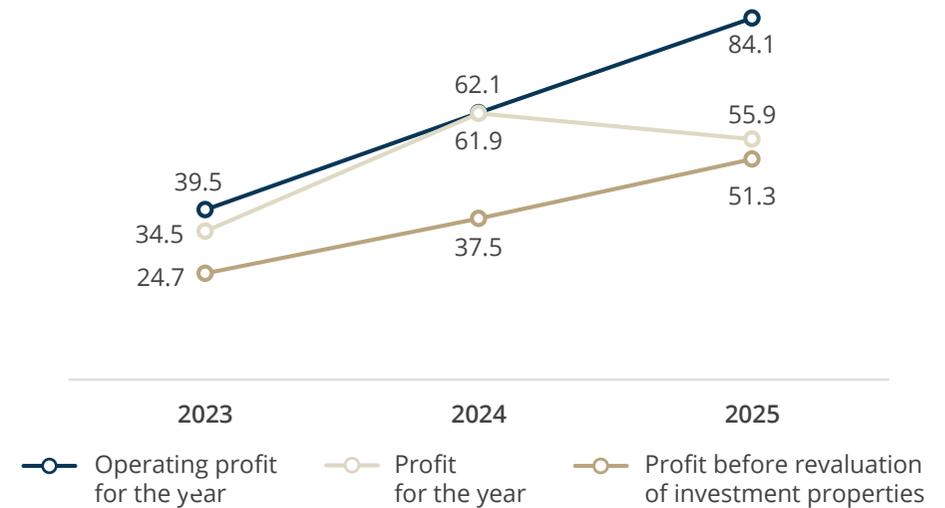
(Amounts in AED million)



Lease revenue increased from AED 66.9 million in 2024 to AED 92.1 million in 2025, primarily driven by the full-year revenue contribution from Kent College, acquired in June 2024, and the addition of NMC Royal Hospital & Falcon House (NMC & FH) to the portfolio in September 2025. The resulting increase in net property income reflects the continued expansion and diversification of the REIT's portfolio while maintaining operating efficiency.

Profitability

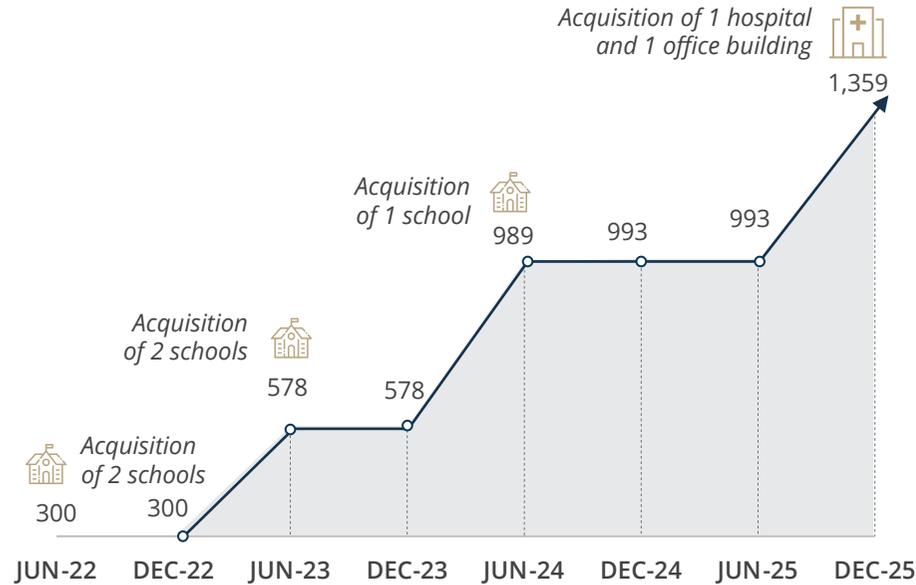
(Amounts in AED million)



Operating profit and profit before revaluation of investment properties increased by 36% and 37%, respectively, in 2025, reflecting the continued growth in recurring rental income and disciplined cost management across the portfolio. A lower net profit in 2025 is on account of impact of corporate income tax as well as lower revaluation gains compared to the previous year.

Investment Properties

(Amounts in AED million)

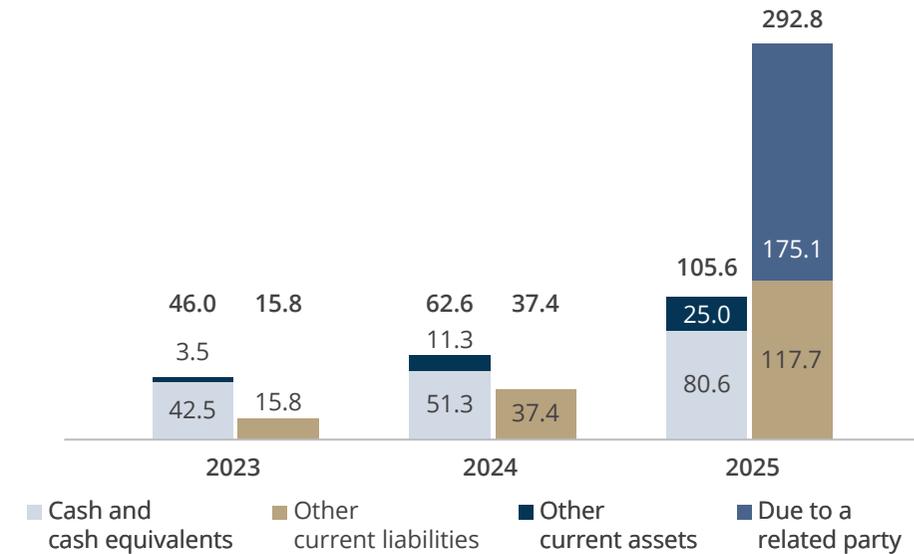


The REIT's growth continues to be driven by strategic acquisitions. At the start of 2025, the portfolio comprised five education assets valued at AED 993.0 million. On 30 September 2025, AMCREIT expanded its portfolio with the acquisition of NMC Royal Hospital and Falcon House, marking the Fund's entry into the healthcare sector, adding two assets. As of 31 December 2025, the REIT's investment properties were valued at approximately AED 1,358 million.

* Cash & cash equivalents includes short term deposits.

Working Capital

(Amounts in AED million)

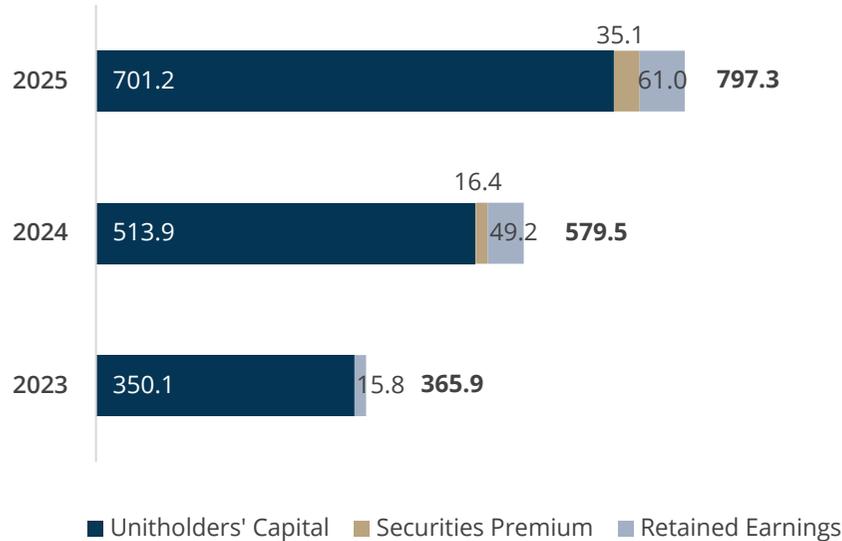


Current assets have grown steadily from 2023 to 2025, reaching AED 105.6 million as of 31 December 2025, supported by a significant increase in cash and cash equivalents as well as receivables and other assets. Current liabilities increased in 2025 to AED 292.7 million, primarily driven by a deferred payment arrangement with the seller in connection with the acquisition of NMC Royal Hospital and Falcon House, which is reflected under amounts due to related parties and the upcoming maturity of a bank financing (under current liabilities) which is expected to be refinanced in FY 2026.

Equity



(Amounts in AED million)



Unitholders' capital increased to AED 701.2 million as of 31st of December 2025 following the successful completion of the Follow-On Public Offering. Retained earnings continued to grow, reaching AED 61.0 million, reflecting the REIT's consistent profitability and ability to generate sustainable returns.

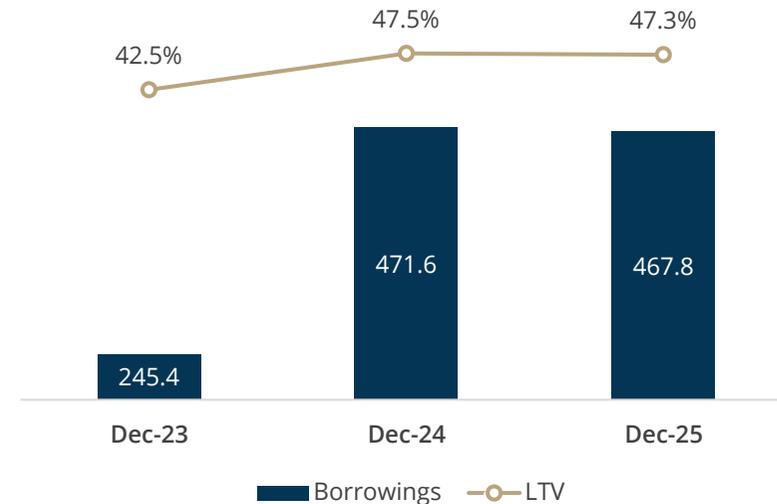
The securities premium, representing the AED 0.10 per unit paid by investors above the par value of AED 1.00, demonstrates strong investor confidence and a willingness to support the ongoing growth of the Fund.

* Due to related parties was settled by way of financing for NMC & FH which was completed in January 2026 and the LTV remains unchanged.

Borrowings & LTV

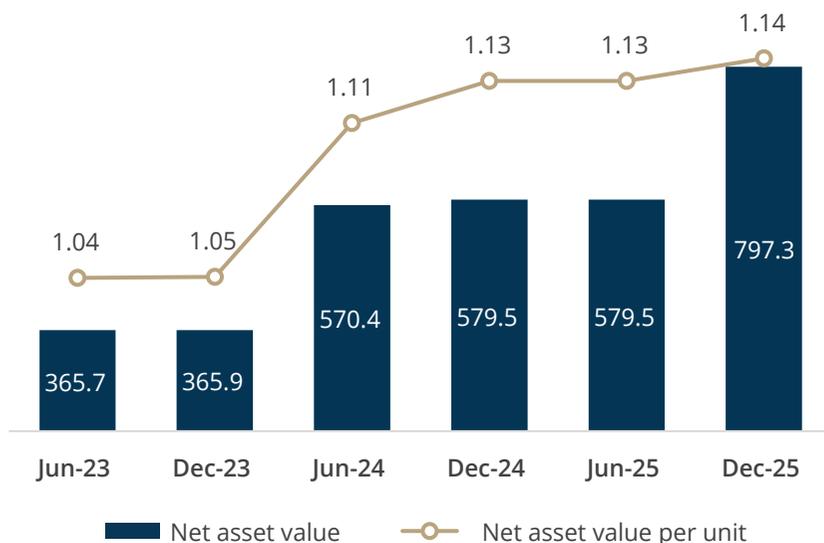


(Amounts in AED million)



Borrowings stood at AED 467.8 million as at 31 December 2025, broadly in line with prior periods. In connection with the acquisition of NMC Royal Hospital and Falcon House, part of the transaction consideration was structured as a deferred payment to the seller and is reflected under amounts due to related parties which has been included in computing the Loan-to-Value (LTV) ratio* as at December 2025, continuing to sit comfortably below the 50.0% threshold and reflecting the REIT's prudent approach to leverage.

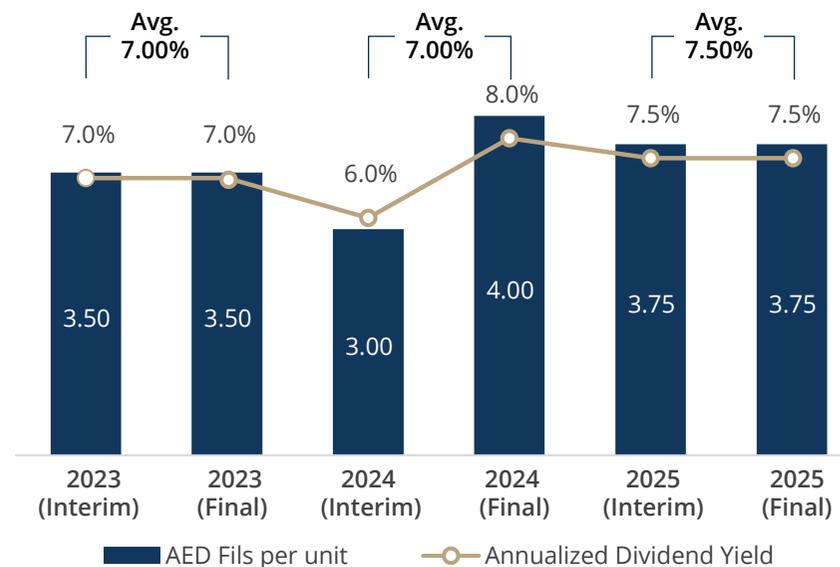
NAV



The NAV increased from AED 579.5 million in December 2024 to AED 797.3 million as at 31st of December 2025, supported by the follow-on public offering completed in August 2025 and the acquisition of NMC and Falcon House in September 2025. NAV per unit has increased to AED 1.14 as at December 2025 in line with the continued asset growth and sustained profitability.

* This is declared and not paid.

Dividend Yield & Distributions



AMCREIT has maintained stable and attractive dividends payout, averaging 3.50 fils per unit in 2023 and 2024. In 2025, an interim dividend of 3.75 fils per unit was paid on the capital before the Follow-On Public Offering. A final dividend of AED 3.75 fils per unit has also been announced for 2025* on the increased capital, which will be paid in April 2026. Based on these distributions, the dividend return increased to 7.5% in 2025 compared to the 7.0% average maintained in 2023 and 2024, reflecting the REIT's continued commitment to its unitholders, also supported by strong and consistent income generation.



06

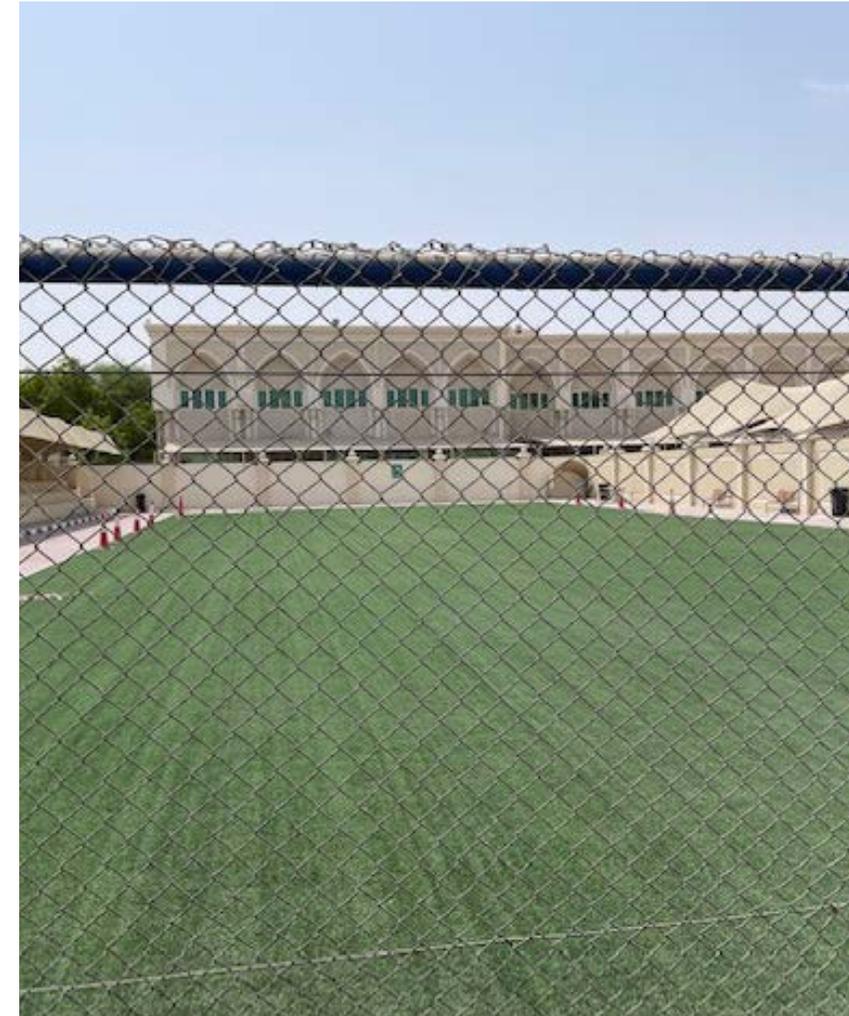
MARKET OVERVIEW

GLOBAL REIT MARKET OVERVIEW

- Real Estate Investment Trusts (REITs) have become an established asset class, providing investors with liquid and diversified exposure to income-generating real estate. Since their introduction in the U.S. in the 1960s, REITs have expanded globally, with countries implementing regulatory frameworks to support market-driven real estate investments.
- As on the end of 2024, 1,021 listed REITs operate globally with a combined market capitalization of USD 2.04 trillion, spanning more than 40 countries. The U.S. remains the largest and most mature market, accounting for the highest number of listed REITs and market value. Europe and Asia have experienced significant expansion in REIT listings since 2020, with growth rates of roughly 39% and 36%, respectively. Emerging markets such as India, Brazil, and South Africa continue to deepen REIT activity, supported by regulatory momentum and increasing investor interest.¹
- The global REIT market continues to grow, with a projected CAGR of 3.1% from 2025 to 2030, growing by an estimated \$397.6 billion in market value. Demand for logistics, industrial spaces, data centers and healthcare real estate is expected to remain strong.²

REITs are increasingly focusing on specialization, innovation, and sustainability. Growth in AI and cloud computing has contributed to higher demand for data center REITs, while healthcare REITs remain a stable segment. The sector is expected to maintain steady growth in the next 5-years, supported by structural shifts in real estate demand and evolving investment strategies.

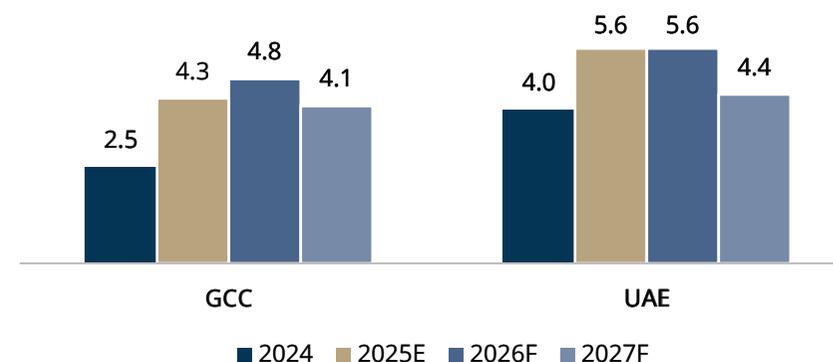
Source: ¹ NAREIT; ² Technavio Research



GCC & UAE MACRO OVERVIEW

- The Gulf Cooperation Council (GCC) remains a strategic economic and trade hub, supported by abundant energy resources, a favorable geographic position, and sustained diversification efforts that are shaping its long-term growth trajectory.
- Economic diversification continues to underpin stability across the region, with non-oil sectors such as financial services, manufacturing, logistics, hospitality, and tourism contributing a growing share of GDP.
- Public sector capital expenditure including infrastructure, industrial development zones, and digital economy initiatives has accelerated the shift away from oil dependence and supported medium-term non-oil economic expansion.¹
- The UAE's real GDP expanded by 5.1% year-on-year in first three quarters of 2025, driven by robust performance in non-hydrocarbon sectors, mainly in financial and insurance services, construction and manufacturing.²
- The Central Bank of the UAE (CBUAE) forecast real GDP growth of 4.8% for the GCC and 5.6% for the UAE in 2026, supported by resilient momentum in non-hydrocarbon sectors.²

Real GDP Growth in GCC Countries (%)



Source: Central Bank of the UAE (CBUAE), March 2026 report

Notes: F = forecast; E = estimated

Mega projects, infrastructure investments, and a growing private sector continue to fuel long-term economic expansion across the GCC. Rising FDI inflows and supportive reforms are also reshaping the region's economic landscape.

Source: ¹Ministry of Economy, UAE; ²Central Bank of the UAE (CBUAE)

THE UAE EDUCATION SECTOR:

Expanding Capacity, Strengthening Global Positioning

Education in the UAE has entered a new phase of capacity expansion, supported by sustained policy backing, rising expatriate inflows, and increasing demand for globally aligned curricula. The sector is transitioning from growth-driven momentum to structured capacity scaling across both K-12 and higher education.

Private K-12: Scaling Capacity in a High-Growth Market

- The UAE's private K-12 market is set to grow from USD 10.34 billion in 2025 to USD 11.45 billion in 2026 and USD 19.02 billion by 2031 (10.7% CAGR)¹, driven by a rising expatriate population, increasing enrolments, and demand for international curricula.
- British, American, and IB curricula remain top choices, attracting families who seek globally recognized education standards.
- Dubai's private education market is in a strong expansion phase, with a 25% increase in land for schools and 6% enrolment growth in 2024–25 driven by population growth, rising expatriate inflows, and demand for international curricula. The Knowledge and Human Development Authority (KHDA) plans to license 100+ additional schools by 2033 under the Education Strategy 2033, reinforcing long-term sector confidence².

Higher Education: Rapid Growth in Enrollments

- The UAE's higher education continues to expand rapidly, with Dubai reporting a 20% increase in university enrolments in 2024–25, bringing total enrollments to 42,026 across 41 private institutions².
- Demand is increasingly concentrated in high-growth disciplines such as artificial intelligence, business analytics, fintech, healthcare, and engineering.
- UAE is home to several internationally recognized institutions that are making their mark on the global stage. International students now account for roughly one-third of total enrolment².

Policy Tailwinds and Fiscal Commitment

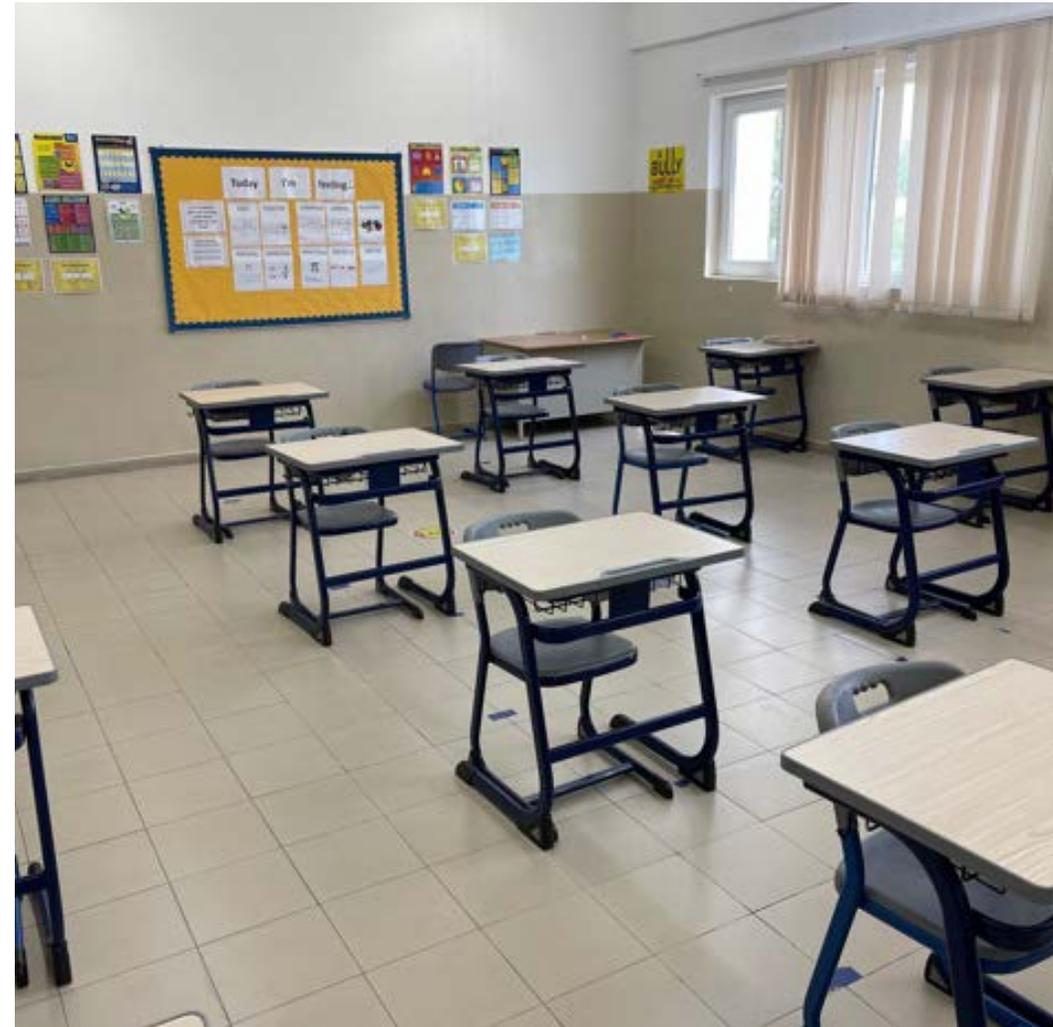
- With expatriates accounting for nearly 88% of the UAE's population, the country has one of the most mature and internationally oriented education markets in the GCC region.
- The government encourages private investment with 100% foreign ownership³ and 10-year visas for educators.
- For 2026, the government has allocated USD 4.8 billion for public and university education programs underscoring education's priority within national development strategy.

Source: ¹ Mordor Intelligence Report; ² Knowledge and Human Development Authority (KHDA), Dubai; ³ Resolution by The UAE Cabinet on 2nd July, 2019;

Education: Defensive Growth Supports Investment Appeal

- Strong demographic fundamentals, rising expatriate inflows, and sustained demand for international curricula position UAE's education sector as a preferred investment sector in the region. Predictable tuition cash flows, high enrolment visibility, and premium positioning underpin its defensive growth profile.¹
- Investment activity remains robust. In 2024, Brookfield became a lead investor in GEMS Education, TA Associates acquired a majority stake in AlephYa Education to accelerate its regional expansion, and GFH Partners invested in Britus Education, reinforcing private equity interest in platform-based education models.² In 2025, consolidation momentum continued with Taaleem's acquisition of Kids First Group and major capital commitments by leading operators (GEMS Education, Aldar Education) toward new campus development and infrastructure upgrades.²
- Capital markets participation further supports sector depth. Taaleem Holdings (DFM-listed) and Alef Education (ADX-listed) provide public market exposure to education assets, reflecting investor confidence in stable fee-based revenues and long-term capital appreciation potential.³

The UAE's education strategy remains closely aligned with national development priorities including the National Strategy for Higher Education 2030, and Dubai's Education Strategy E33. With continued policy support, institutional expansion, and private sector participation, the UAE is expected to maintain its role in education and innovation.



Source: ¹ Knowledge and Human Development Authority (KHDA), Dubai; ² Zawya (Refinitiv); ³ Taaleem UAE - Dubai

THE UAE HEALTH SECTOR: A Fast-Advancing Global Care Ecosystem

The UAE has made healthcare a national priority, combining public investment, private-sector participation, and digital transformation to build a globally competitive, patient-centric system.

Expanding Healthcare Market

- Healthcare expenditure represents approximately 5.5% of the UAE's GDP, placing it among the higher healthcare spenders in the GCC region. Total expenditure reached approximately USD 6.68 billion, up 10% versus 2023, supported by demographic growth, regulatory reforms, rising insurance penetration, and sustained infrastructure investment.¹
- The UAE's health and medical insurance market is estimated at USD 10.1 billion in 2026 and is projected to reach USD 15.0 billion by 2031 (8.3% CAGR), driven by expanded coverage mandates and employer-sponsored insurance framework².

UAE as a Medical Tourism & Regional Care Destination

- Dubai and Abu Dhabi remain the top two medical tourism destinations in the GCC region. About 691,000+ international health tourists visited Dubai in 2023, generating AED 1.03 billion in direct spending³.
- The Dubai Healthcare City Authority announced an AED 1.3 billion development plan for DHCC Phase 1, reinforcing Dubai's ambition to expand specialized medical services and strengthen its position as a global healthcare and wellness destination⁴.

Digitization & Innovation Accelerating Care Delivery

- The Ministry of Health and Prevention (MoHAP) launched a National Licensing Platform to standardize healthcare professional licensing across the UAE, enabling a unified license valid nationwide and reducing time and effort for applicants⁵.
- Abu Dhabi's Malaffi Health Information Exchange now connects 2,700+ facilities, integrating patient records nationwide to improve continuity of care, reduce duplication, and enhance clinical outcomes⁶.

Government Policies Supporting Healthcare

- The UAE Federal Budget 2025 allocates AED 5.745 billion (8%) to Healthcare and Community Prevention Services, reflecting sustained public sector commitment to healthcare delivery and quality enhancement⁷.
- The UAE supports private investment through 100% company ownership for investors of all nationalities (Commercial Companies Law reforms).
- A nationwide requirement for employer-paid health insurance for private-sector foreign employees takes effect from 2025, extending mandates beyond Abu Dhabi and Dubai.

Source: ¹ Mordor Intelligence Report; ² Knowledge and Human Development Authority (KHDA), Dubai; ³ EMI Report; ⁴ Global Media Insight; ⁵ Resolution by The UAE Cabinet on 2nd July, 2019; ⁶ Federal Budget by the Ministry of Finance, UAE; ⁷ Alpen Capital

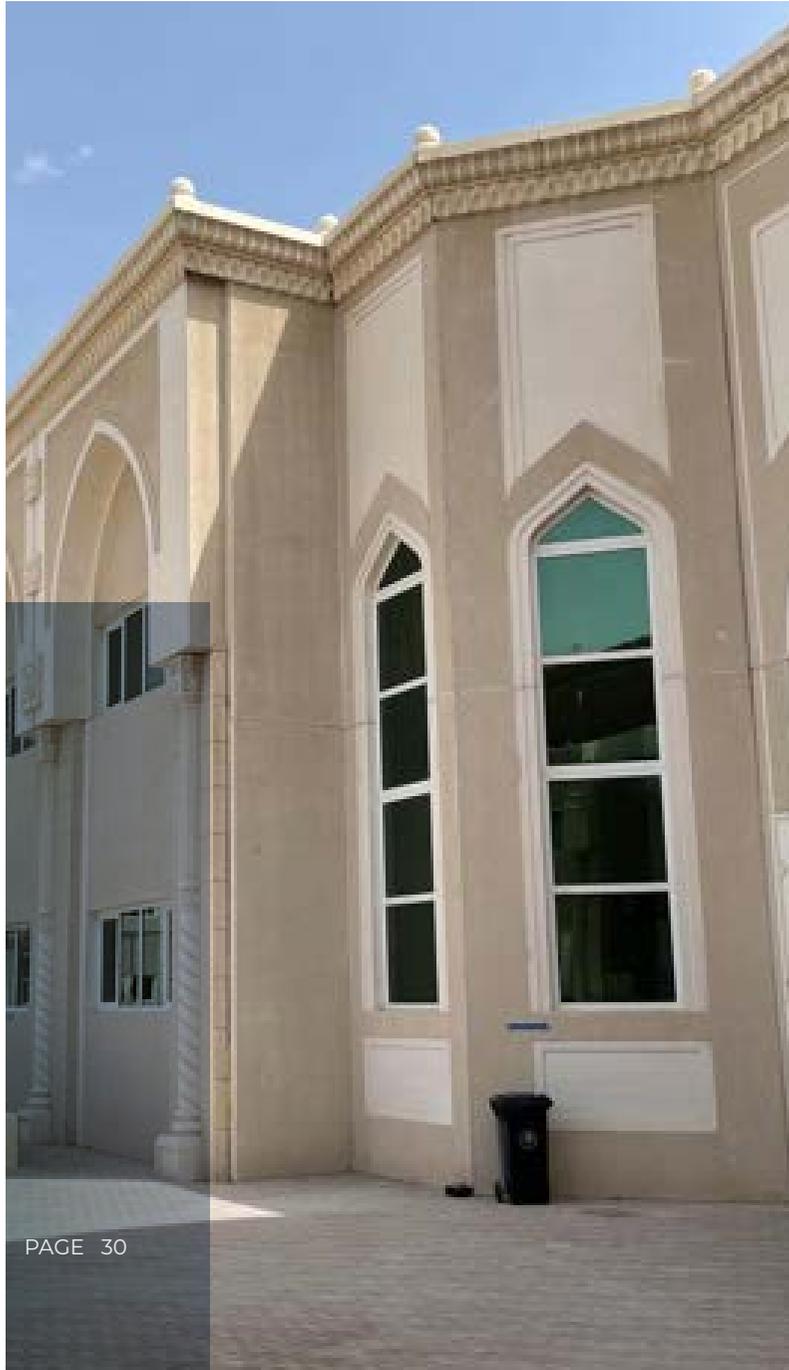
Health as an Investment Sector

- The UAE's healthcare sector remains structurally attractive for long-term capital, supported by a high-income population, rising chronic disease burden, and an established private-provider ecosystem with increasing specialty and outpatient demand.^{1,2,3}
- Regulatory expansion of coverage strengthens revenue visibility. From 1st January 2025, employer-sponsored health insurance requirements were extended nationwide, strengthening reimbursement stability and reinforcing predictable demand across private healthcare operators.⁴
- The UAE continues to expand healthcare infrastructure, with an estimated 700+ healthcare projects under development, representing total planned investments of approximately USD 60+ billion. Multidisciplinary hospitals, specialty clinics, and integrated care centers are being delivered through private investment and public-private partnership (PPP) models, while existing operators are expanding capacity in high-demand specialty segments.⁵
- Recent private capital activity indicates continued investor interest in scalable healthcare platforms. In April 2024, a Fajr Capital-led consortium acquired a 65% stake in Aster GCC, with Aster DM Healthcare reporting cash consideration of USD 907.6 million upon closing.⁶
- Ongoing digitization and integrated-care models (health data exchange, licensing modernization, preventive pathways) are enabling more scalable delivery frameworks and supporting the investment in the sector.⁷



The UAE's healthcare strategy aligns with Vision 2031, the National Strategy for Wellbeing 2031, and MoHAP's Strategy 2023–2026. With sustained demand growth, expanding healthcare capacity and services, and government initiatives focused on preventive care, quality, and system efficiency, the UAE is expected to strengthen its role as a leading regional hub for healthcare and health innovation.

Source: ¹ Government of Dubai Media Office / DHA; ² UAE Ministry of Health and Prevention (MOHAP); ³ Government of Dubai Media Office – Dubai international health tourism; ⁴ UAE Ministry of Human Resources & Emiratization (MOHRE); ⁵ UAE Ministry of Economy / Dubai Healthcare City materials; ⁶ Aster DM Healthcare official website; ⁷ MOHAP.



07

CONSOLIDATED FINANCIAL STATEMENTS



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

To the Unitholders of Al Mal Capital REIT

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Al Mal Capital REIT ("the Fund") and its subsidiary ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statements of profit or loss and other comprehensive income, changes in unitholders' equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in the United Arab Emirates. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Al Mal Capital REIT
Independent Auditors' Report
31 December 2025

Key Audit Matters (continued)

Valuation of Investment Properties

See Note 4 and 5 to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
<p>The Group's investment properties portfolio with carrying value of AED 1,350 million represents 92.70% of the total assets and comprises five school campuses, one healthcare asset and one commercial building. Determining the value of these properties is a significant judgement area and is underpinned by a number of assumptions.</p> <p>Investment properties are stated at fair value at each reporting date and valued using the income approach.</p> <p>The Group engages professionally qualified external valuers to assess the value of its properties. This process of assessment of the value involves significant judgement in estimating the underlying assumptions to be applied.</p> <p>Assessment of the value requires the Fund Manager to carefully monitor the underlying assumptions and to make significant estimates and judgements. This warrants specific audit focus in this area as any error in determining the value could have a material impact on the carrying value of the Group's properties in the consolidated financial statements. Accordingly, these were identified as a key audit matter.</p>	<p>Our key audit procedures included:</p> <ul style="list-style-type: none"> We have evaluated the qualifications of the external valuer appointed by the Fund Manager and read the terms of the engagement of the valuers with the Group, to determine whether there were any matters that might have affected their objectivity or limited the scope of their work; We involved our real estate valuation specialist, who assessed valuation methodologies used in the valuation process and challenged assumptions for key estimates of sale prices, market rents, operational costs and yields used in the valuation by comparing them against historical rates and available industry data, taking into consideration comparability and market factors; Compared the source data used for determining the fair value to the underlying supporting information; We have assessed if there are any significant triggers during the audit period that would have a significant impact on the value of the properties; and We assessed the adequacy of the Group's disclosures in the consolidated financial statements.

Other Information

The Fund Manager is responsible for the other information. The other information comprises the information included in the annual report (including Fund Manager's Report), but does not include the consolidated financial statements and our auditors' report thereon. We obtained the Fund Manager's Report prior to the date of this auditors' report, and we expect to obtain the remaining sections of the Annual Report after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Al Mal Capital REIT
Independent Auditors' Report
31 December 2025

Responsibilities of Fund Manager and Those Charged with Governance for the Consolidated Financial Statements

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

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

Those Charged with Governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Fund Manager.
- Conclude on the appropriateness of Fund Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.



Al Mal Capital REIT
Independent Auditors' Report
31 December 2025

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Lower Gulf Limited

Fawzi AbuRass
Registration No.: 968
Dubai, United Arab Emirates

Date: 18 MAR 2026

AL MAL CAPITAL REIT AND ITS SUBSIDIARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	For the year ended 31 December	
		2025 AED'000	2024 AED'000
Assets			
Non-current assets			
Investment properties	5	1,358,700	993,000
Current assets			
Receivables and other assets	6	23,572	11,253
Short term deposits	7	13,334	26,455
Cash and cash equivalents	7	67,227	24,897
Due from related parties	10	1,453	41
Total current assets		105,586	62,646
Total assets		1,464,286	1,055,646
Equity and liabilities			
Equity			
Unitholders' capital	8	701,214	513,890
Securities premium	8	35,115	16,383
Retained earnings		61,000	49,196
Total unitholders' equity		797,329	579,469
Liabilities			
Non-current liabilities			
Bank borrowings	9	361,191	438,738
Due to a related party	10	12,984	-
Total Non-current liabilities		374,175	438,738
Current liabilities			
Bank borrowings	9	106,619	32,838
Due to a related party	10	175,051	-
Payables and other liabilities	11	3,781	3,898
Deferred tax liability	16	4,902	-
Current tax liability	16	2,429	703
Total Current liabilities		292,782	37,439
Total liabilities		666,957	476,177
Total equity and liabilities		1,464,286	1,055,646
Net asset value (AED'000)		797,329	579,469
Issued units (Units'000)		701,214	513,890
Net asset value per unit (AED)		1.13707	1.12761

To the best of our knowledge, the consolidated financial statements fairly presents, in all material respects, the consolidated statement of financial position, results of operations, and cash flows of the Group as of, and for the year ended 31 December 2025.

These consolidated financial statements were approved by the Board of Directors of Al Mal Capital PSC as the Fund Manager on 16 March 2026 and were signed on its behalf by:



Deputy CEO



Chief Financial Officer

The independent auditors' report is set out on pages 31-32.

The notes on pages 37-55 are an integral part of these consolidated financial statements.

AL MAL CAPITAL REIT AND ITS SUBSIDIARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	For the year ended 31 December	
		2025 AED'000	2024 AED'000
Income			
Lease revenue	5	92,148	66,876
Property operating expenses		(2,375)	(1,231)
Net property income		89,773.00	65,645.00
Other income		4,683.00	3,901.00
Net income		94,456.00	69,546.00
Expenses			
Management fees	10	(8,157)	(6,387)
Performance fees	10	(1,204)	-
Other expenses	12	(939)	(1,066)
Total expenses		(10,300)	(7,453)
Operating profit for the year		84,156	62,093
Finance income/(costs)			
Finance income		2,542	3,356
Finance costs	9	(35,303)	(27,939)
Net finance costs		(32,761)	(24,583)
Profit before revaluation of investment properties		51,395	37,510
Unrealised gain on revaluation of investment properties	5	13,095	24,451
Profit before tax for the year		64,490	61,961
Income tax expense	16	(8,569)	-
Profit after tax for the year		55,921	61,961
Other comprehensive income		-	-
Total comprehensive income for the year		55,921	61,961
Earnings per unit			
Basic and diluted profit per unit (AED)		0.080	0.121

The independent auditors' report is set out on pages 31-32.

The notes on pages 37-55 are an integral part of these consolidated financial statements.

AL MAL CAPITAL REIT AND ITS SUBSIDIARY CONSOLIDATED STATEMENT OF CHANGES IN UNITHOLDERS' EQUITY

	Notes	Number of units AED'000	Unitholders' capital AED'000	Securities premium AED'000	Retained earnings AED'000	Total AED'000
At 1 January 2024		350,064	350,064	-	15,795	365,859
Rights issued capital		163,826	163,826	-	-	163,826
Securities premium		-	-	16,383	-	16,383
Profit for the year		-	-	-	61,961	61,961
Transaction costs on rights issue of units		-	-	-	(891)	(891)
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		-	-	-	61,070	61,070
Dividends declared and paid	15	-	-	-	(27,669)	(27,669)
At 31 December 2024		513,890	513,890	16,383	49,196	579,469
At 1 January 2025		513,890	513,890	16,383	49,196	579,469
Additional capital issued		187,324	187,324	-	-	187,324
Securities premium		-	-	18,732	-	18,732
Profit for the year		-	-	-	55,921	55,921
Transaction costs on issue of additional units		-	-	-	(4,291)	(4,291)
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		-	-	-	51,630	51,630
Dividends declared and paid	15	-	-	-	(39,826)	(39,826)
At 31 December 2025		701,214	701,214	35,115	61,000	797,329

The independent auditors' report is set out on pages 31-32.

The notes on pages 37-55 are an integral part of these consolidated financial statements.

AL MAL CAPITAL REIT AND ITS SUBSIDIARY CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	For the year ended 31 December	
		2025 AED'000	2024 AED'000
Cash flows from operating activities			
Profit for the year		64,490	61,961
Adjustments for:			
Unrealised gain on revaluation of investment properties	5	(13,095)	(24,451)
Finance income		(2,542)	(3,356)
Finance cost		35,303	27,939
Operating cash flows before changes in working capital		84,156	62,093
Changes in working capital:			
Change in receivables and other assets		(12,319)	(7,768)
Change in due from related parties		(1,412)	(41)
Change in due to a related party		12,804	(3)
Change in payables and other liabilities		(117)	(11,157)
Cash generated from operations		83,112	43,124
Income tax paid	16	(1,941)	-
Net cash generated from operating activities		81,171	43,124
Cash flows from investing activities			
Acquisition of subsidiary, net of cash acquired	5,9	-	(163,549)
Purchase of investment properties		(177,605)	-
Movement in short term deposits		13,121	(3,893)
Finance income received		2,542	3,356
Net cash used in investing activities		(161,942)	(164,086)
Cash flows from financing activities			
Proceeds from additional capital issued		201,765	179,318
Proceeds from bank borrowings	9	367,000	-
Repayment of Bank borrowings		(367,000)	-
Finance costs paid		(38,838)	(25,780)
Dividends paid to the unitholders	15	(39,826)	(27,669)
Net cash generated from financing activities		123,101	125,869
Net increase in cash and cash equivalents		42,330	4,907
Cash and cash equivalents at beginning of the year		24,897	19,990
Cash and cash equivalents as at 31 December	7	67,227	24,897

The independent auditors' report is set out on pages 31-32.

The notes on pages 37-55 are an integral part of these consolidated financial statements.

AL MAL CAPITAL REIT AND ITS SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1 Legal status and activities

Al Mal Capital REIT (the “Fund” or the “Parent”) is a public closed ended real estate investment fund. The Fund was incorporated in the United Arab Emirates (“UAE”) on 15 December 2020 for a period of 99 years pursuant to the provisions of the Capital Market Authority (formerly known as Securities and Commodities Authority) (“CMA”) Board of Directors’ Chairman Decision No. 9/R.M of 2016 (Currently, 01/RM of 2023) Concerning the Regulations as to Investment Funds (“Fund Regulations”) and the CMA Administrative Decision No. 6/RT of 2019 Concerning Real Estate Investment Fund Controls (the “REIT Regulations”).

The consolidated financial statements for the year ended 31 December 2025 comprise the Fund, and its fully owned subsidiary Carnation Education LLC (the “Company”) acquired by the Fund on 27th June 2024 (collectively referred to as the “Group”). The Company incorporated in Dubai, United Arab Emirates primarily owns real estate educational assets, including freehold land and a school campus and a corresponding mortgage.

The Fund is listed and traded on the Dubai Financial Market (the “DFM”) and is primarily involved in investing in income generating real estate assets, including real estate of educational facilities, healthcare, and industrial assets across the United Arab Emirates and the Gulf Cooperation Council (“GCC”), thereby providing the Unitholders with an attractive annual return through dividend distribution.

The Fund is mandatorily required as per the REIT Regulations to distribute 80% of its annual realised net profit to the Unitholders, payable annually.

Al Mal Capital PSC is the fund manager (the “Fund Manager”) that manages the Fund’s investments. The Fund Manager is a Private Stockholding Company incorporated in the United Arab Emirates. The Fund Manager is a subsidiary of Dubai Investments PJSC, a company listed on the Dubai Financial Market (the “DFM”).

Dubai Investments PJSC is the parent (the “Ultimate Parent Company”) and the controlling party of the Fund and has an effective holding of 75.99% of the Fund’s units.

The registered address of the Company is P.O. Box 119930, Dubai, UAE.

2 Material accounting policies

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements have been prepared on a going concern basis and is in accordance with and comply with International Financial Reporting Standards (“IFRS Accounting Standards”) as issued by the International Accounting Standards Board (IASB) and interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations).

The consolidated financial statements of the Group have been prepared on the historical cost basis, except for investment properties which are measured at fair value.

The preparation of the consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires the Fund Manager to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or the areas where the assumption and estimate are significant to the consolidated financial statements are disclosed in Note 4.

a. Relevant new and revised IFRS applied with no material effect on the consolidated financial statements

The following new and revised IFRS, which became effective for annual periods beginning on or after 1 January 2025, do not have any material impact on the Group’s consolidated financial statements.

New standards and significant amendments to standards applicable to the Group	Effective Date
<p>Amendments to IAS 21 - Lack of Exchangeability</p> <p>The amendments contain no specific requirements for estimating a spot rate. Therefore, when estimating a spot rate a company can use an observable exchange rate without adjustment or another estimation technique. Under the amendments, companies will need to provide new disclosures to help users assess the impact of using an estimated exchange rate on the financial statements. These disclosures might include the nature and financial impacts of the currency not being exchangeable, the spot exchange rate used, the estimation process and risks to the company because the currency is not exchangeable.</p>	<p>1 January 2025</p>

b. New and revised IFRSs issued but not yet effective

New standards and significant amendments to standards applicable to the Group	Effective Date
<p>Amendments to IFRS 9 and IFRS 7 - Classification of financial assets</p> <p>Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. The amendments also include additional disclosures for all financial assets and financial liabilities that have certain contingent features that are not related directly to a change in basic lending risks or costs and are not measured at fair value through profit or loss.</p>	<p>1 January 2026</p>

New standards and significant amendments to standards applicable to the Group	Effective Date
<p>IFRS 18 - Presentation and Disclosure in Financial Statements</p> <p>IFRS 18 will replace IAS 1 - 'Presentation of Financial Statements' and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following new key requirements:</p> <ul style="list-style-type: none"> ■ Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal. Entities' net profit will not change. ■ Management defined performance measures ("MPMs") are disclosed in a single note in the financial statements. ■ Enhanced guidance is provided on how to group information in the financial statements. <p>In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.</p>	<p>1 January 2027</p>

New standards and significant amendments to standards applicable to the Group	Effective Date
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendment to IFRS 10 - Consolidated Financial Statements and IAS 28 - Investments in Associates and Joint Ventures relating to treatment of sale or contribution of assets between and Investor and its Associate or Joint Venture	Effective date deferred indefinitely

The Group is currently assessing the impact of these standards, interpretations and amendments on the future consolidated financial statements and intends to adopt these, if applicable, when they become effective.

2.2 Foreign currency translation

a. Functional and presentation currency

These consolidated financial statements are presented in United Arab Emirate Dirham (“AED”), which is the Fund’s functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

b. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income.

2.3 Investment properties

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Group, are classified as investment properties. Investment properties also include properties that are being constructed or developed for future use as investment properties.

Investment properties are measured initially at their cost, including related transaction costs and where applicable, borrowing costs.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment properties includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment properties to a working condition for their intended use and capitalized borrowing costs.

After initial recognition, investment properties are carried at fair value.

Changes in fair values are recognised in the statement of profit or loss and other comprehensive income. Investment properties are derecognised when they have been disposed of.

Any gain or loss on disposal of investment properties (calculated as the difference between the net proceeds from disposal and the carrying amount of the property) are recognised in profit or loss.

2.4 Offsetting financial instruments

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

2.5 Financial assets

i. Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income ("OCI"), or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Classification of financial assets at amortised cost

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- The asset is held within a business model whose objective is to collect the contractual cash flows; and
- The contractual terms give rise to cash flows that are solely payments of principal and interest.

Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) represents receivables where the contractual cash flows are solely payments of principal and interest and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets.

Following are the Group's financial assets carried at amortised cost:

- Cash and cash equivalents: Cash and cash equivalents include balances in current accounts and short-term deposits held with banks.
- Receivables and other assets: Receivables and other assets are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are

recognised at fair value. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

ii. Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date, being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Group has transferred substantially all risks and rewards of ownership.

iii. Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in the statement of profit or loss and other comprehensive income.

The fair values of financial assets approximate their carrying values as the impact of discounting is not significant.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

iv. Impairment of financial assets

The Group has the following significant types of financial assets that are subject to IFRS 9 expected credit loss ("ECL") model

- Cash and cash equivalents; and
- Receivables and other assets.

Financial assets are written-off, in whole or in part, when the Group has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. Subsequent recoveries of amounts previously written off are credited against the same line item.

Cash and cash equivalents are also subject to the impairment requirements of IFRS 9, however the identified impairment loss was immaterial.

The Group monitors all financial assets to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group measures the loss allowance based on lifetime expected credit loss model.

In assessing whether the credit risk on the consolidated financial statements has increased significantly since initial recognition, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information.

2.6 Financial liabilities

The Group recognises a financial liability when it first becomes a party to the contractual rights and obligations in the contract. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Financial liabilities are recognised initially at fair value and subsequently at amortised cost using the effective interest method.

2.7 Cash and cash equivalents

Cash and cash equivalents include short term deposits and cash held with banks.

2.8 Unitholders' capital

The Fund has a limited life of 99 years from the date of establishment and being a closed ended fund, the Unitholders can trade these units on the DFM but do

not have the right to withdraw or redeem their units. In accordance with the REIT regulations, the Fund is required to distribute to Unitholders not less than 80% of its annual realised net profit. Distributions to the Unitholders are recognised in the statement of changes in unitholders' equity.

2.9 Finance income

Finance income is recognised on a time-proportionate basis using the effective interest method. Interest income includes interest from cash and cash equivalents and short term deposits.

2.10 Finance cost

Finance cost is recognised in profit or loss using the effective profit method. The effective profit rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability. When calculating the effective profit rate, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

The calculation of the effective profit rate includes all fees paid or received that are an integral part of the effective profit rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or liability. Finance cost presented in the statement of profit or loss and other comprehensive income comprise financing cost of borrowing.

2.11 Leases

When the Group acts as a lessor, it determines at the lease commencement whether each lease is a finance lease or an operating lease. The Group makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards incidental to ownership of the underlying asset. As part of this assessment, the Group considers certain indicators such as whether the lease is for a major part of the economic life of the asset.

When assets are leased out under an operating lease, the asset is included in the balance sheet based on the nature of the asset.

Lease revenue from operating leases comprises of rental income from tenants. Lease revenue from operating leases is recognised on a straight-line basis over the lease term. When the Group provides incentives to its tenants, the cost of the incentives is recognised over the lease term, on a straight-line basis, as a reduction of lease revenue.

Under sale and leaseback transaction, the Group first considers whether the initial transfer of the underlying asset from the seller-lessee to the buyer-lessor is a sale. The buyer-lessor will recognise the underlying asset and apply the lessor accounting model to the leaseback in case the initial transfer is a sale.

Lease classification is made at the inception of the lease. Lease classification is changed only if, at any time during the lease, the parties to the lease agreement agree to change the provisions of the lease in a way that it would have been classified differently at inception had the changed terms been in effect at that time. The revised agreement is considered as a new agreement and accounted for prospectively over the remaining term of the lease.

2.12 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

2.13 Basis of consolidation - Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to or has rights to, variable returns from its involvement with the entity and has ability to affect those returns through its power over the entity. The financial statements of the subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Transactions eliminated on consolidation

Intra-group balances, and transactions, and any unrealised gains or losses arising from intra- group transactions, are eliminated in preparing the consolidated financial statements.

2.14 Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

2.15 Operating segment

The Group has only one operating segment in the UAE.

2.16 Current and deferred income tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and at the time of the transaction affect neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of self-generated goodwill.

Deferred tax assets are recognised for unused tax losses and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

In determining the amount of current and deferred tax the Group takes into account the impact of uncertain tax positions and whether additional taxes and penalties may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact the tax expense in the period that such a determination is made.

3 Financial risk management

3.1 Financial risk factors

The Group's activities potentially expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk, cash flow and fair value interest rate risk), credit risk and liquidity risk.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

a. Market risk

i. Foreign exchange risk

The Group does not have any significant exposure to foreign currency risk since the majority of the transactions are denominated in AED, US Dollar or other currencies, whereby the AED or other currencies are pegged to the US Dollar.

ii. Price risk

The Group has no significant exposure to price risk as it does not hold any financial instruments which are sensitive to price risk.

iii. Cash flow and fair value interest rate risk

The financial assets and liabilities exposed to interest rate fluctuations are short term deposits and bank borrowings. The Group Manager's treasury ensures that deposits are maintained at the best prevailing market rate at the time of maintaining each deposit.

Cash flow sensitivity analysis for variable rate instruments

The profit or loss is impacted by the sensitivity in interest rate changes. If the interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's profit for the year would decrease or increase by AED 3.2 million (2024: AED 2.4 million).

b. Credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2025 AED'000	2024 AED'000
Cash and cash equivalents Rating		
A1 (Moody's rating)	25,318	6,546
A2 (Moody's rating)	-	4
A3 (Moody's rating)	1,813	2,069
A+ (Fitch's rating)	3,500	-
BBB+ (Fitch's rating)	36,596	16,278
	67,227	24,897
Short term deposits Rating		
A3 (Moody's rating)	10,000	20,000
BBB+ (Fitch's rating)	3,334	6,455
	13,334	26,455

Credit risk from balances with banks and other financial institutions is managed by the Fund Manager by maintaining funds with only approved and reputable counterparties with high credit rating.

The recoverability of receivables and other assets is monitored on a regular basis. Management has performed an assessment and has determined that the impairment provision against these financial assets above would be immaterial.

c. Liquidity risk

Liquidity risk is the risk that the Group may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

Prudent liquidity risk Fund implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in funding by keeping committed credit lines available as required.

The Group aims to maintain the level of cash and cash equivalents and other liquid investments at an amount in excess of expected cash outflows on financial liabilities. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following are the contractual maturities of financial liabilities, including estimated interest payments.

AED'000

	Carrying Value AED'000	Within 1 year AED'000	1-5 year AED'000	Above 5 years AED'000	Total AED'000
31 December 2025					
Non-derivative financial liabilities					
Bank borrowings	467,810	131,572	403,263	-	534,835
Due to a related party	188,035	175,051	4,254	15,746	195,051
Payables and other liabilities	2,527	2,527	-	-	2,527
	658,372	309,150	407,517	15,746	732,413
31 December 2024					
Non-derivative financial liabilities					
Bank borrowings	471,576	67,565	357,304	183,533	608,402
Payables and other liabilities	811	811	-	-	811
	472,387	68,376	357,304	183,533	609,213

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern whilst seeking to maximise benefits to the Unitholders. The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Fund Manager focuses on the return on capital, which is defined as profit for the year attributable to equity holders of the Fund divided by total unitholders' equity.

The Fund Manager seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position.

3.3 Fair value estimation

The fair values of financial assets and financial liabilities measured at amortised cost at 31 December 2025 and 31 December 2024 are not materially different to their carrying amounts, since the interest receivable/payable is either close to current market rates or the financial assets and liabilities are short-term in nature.

4 Use of estimates and judgments

The preparation of consolidated financial statements requires the Fund Manager to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The areas involving a higher degree of judgment or complexity, or area where assumptions and estimates are significant to the consolidated financial statements are disclosed below:

4.1 Valuation of investment properties

For the determination of fair value of investment properties, the best evidence of fair value is normally given by current prices in an active market for similar property in the same location and condition and subject to similar lease and other contracts or bid prices for these properties. Alternatively, fair value can be determined based on the income approach (term and reversion), which derives value from the capitalisation of a property's net income.

The Group recognises properties initially at cost, including related transaction costs. In accordance with IAS 40 'Investment Property', the Group has elected to measure properties thereafter at the fair value, as determined by the independent valuers. The independent valuers used are not related to the Group and they hold recognised and relevant professional qualifications and experience in the location and category of the investment properties being valued.

The different levels for fair values of non-financial assets have been defined as follows:

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

The table below analyses non-financial assets measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised.

	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
31 December 2025				
Investment properties	-	-	1,358,700	1,358,700
31 December 2024				
Investment properties	-	-	993,000	993,000

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There were no transfers between fair value levels during the year.

The potential impact on the fair valuation of the investment property should there be any changes in the values of key unobservable inputs used by the valuer is disclosed in Note 5.

4.2 Taxes

The Group is subject to corporate taxes in the jurisdictions where it is implemented. The total provision for current and deferred taxes has been computed in accordance with the provisions of the applicable legislation. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

5 Investment properties

	2025 AED'000	2024 AED'000
Opening balance	993,000	578,000
Additions to investment properties during the year*	352,605	390,549
Unrealised gain on revaluation of investment properties	13,095	24,451
Balance at 31 December	1,358,700	993,000

Investment properties comprise of two school campuses in Ajman, UAE (Al Shola Private School and Al Shola American Private School) and two school campuses in Sharjah, UAE (Wesgreen International Schools: Muwailah Campus and Al Qaraien Campus), one school campus in Dubai, UAE (Kent College), one hospital in Dubai, UAE (NMC Royal Hospital) & one commercial building in Dubai, UAE (Falcon House) (the "Properties").

*On 30 September the Fund acquired a plot in Dubai Investment Park, which primarily holds land, two healthcare buildings and one commercial building consisting of thirty offices with a total plot area of 192 thousand square feet. The Company has leased the land and two healthcare building to NMC Royal Hospital for a 20-year period (initially commenced in February 2023) with agreed lease rentals while the land and commercial building has been leased to various companies under annual and multi-year lease agreements.

Lease revenue of AED 92 million has been recognised during the year (2024: AED 67 million).

Note 14 sets out a maturity analysis of the lease payments, showing the undiscounted lease payments to be received after the reporting date.

Valuation process

The properties were valued by an independent registered valuer (CBRE Dubai LLC) in accordance with the RICS Appraisal and Valuation Manual issued by the Royal Institute of Chartered Surveyors taking into account requirements of IFRS 13 'Fair Value Measurement'. For all investment properties, their current use equates to the highest and best use. Senior management review the valuations performed by the independent valuers for financial reporting purposes.

Valuation techniques underlying the Fund Manager's estimation of fair value:

The valuation was determined using the investment method (term and reversion), which derives value from the capitalisation of a property's net income.

Significant unobservable inputs include:

	2025	2024
Initial yield	5.97% - 7.25%	6.94% - 7.74%
Reversionary yield	5.97% - 7.50%	5.99% - 7.92%
Equivalent yield	7.47% - 7.75%	7.46% - 7.65%

If the equivalent yield was 0.5% higher/lower, the valuation would have been AED 81 million lower / AED 95 million higher (2024: AED 63 million lower / AED 64 million higher).

6 Receivables and other assets

	2025 AED'000	2024 AED'000
Rent receivable	22,768	10,773
Prepayments	85	189
Accrued income	326	290
Other receivables	393	1
	23,572	11,253

7 Short term deposits and cash and cash equivalents

	2025 AED'000	2024 AED'000
Short term deposits		
Deposits with bank under lien (more than 3 months maturity)	10,000	20,000
Other deposit under lien	3,334	6,455
	13,334	26,455

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following:

Cash and cash equivalents

Cash at bank	33,727	9,740
Deposits with bank (3 months maturity and less)	33,500	15,157
	67,227	24,897

The effective interest rate for deposits with banks ranges from 3.4% to 4.6% (2024: 3.8% to 5.3%) per annum. At 31 December 2025 and 2024, bank balances were placed with local banks and a branch of an international bank.

8 Unitholders' capital and Securities premium

Unitholders' capital comprises of 701,214 thousand units of AED 1 each as at 31 December 2025 (2024: 513,890 thousand units of AED 1 each). On 7th August 2025, the Fund allotted 187,324 thousand units of AED 1 each at a premium of AED 0.1 fils per unit aggregating to AED 206 million pursuant to a Follow-on Offering.

9 Bank borrowings

	2025 AED'000	2024 AED'000
Opening balance	471,576	242,417
Islamic financing received during the year*	367,000	-
Islamic finance paid/transferred*	(367,000)	-
Islamic finance acquired**	-	227,000
Transaction costs on financing	(5,695)	-
Net interest accrued	(1,106)	376
Amortisation of transaction cost	3,035	1,783
Balance at 31 December	467,810	471,576
Less: Current portion	106,619	(32,838)
Non-current	361,191	438,738

Bank borrowings include three Islamic financing facilities (Corporate Ijarah) with an amount AED 140 million, AED 105 million and AED 227 million for a term of 3 years (inclusive of moratorium period of 3 years) with a profit rate of 3-month EIBOR plus a fixed margin rate for each facility. These facilities are secured by first degree mortgage against the investment properties, assignment of lease proceeds and insurance on the investment properties.

Islamic financing facilities of AED 140 million and AED 227 million were refinanced during the year, successfully lowering finance costs through reduced profit rates and deferring principal repayments.

*This represents refinancing of existing facilities that did not result in any net increase in total borrowings.

**Islamic finance acquired represents the Islamic financing facilities of the subsidiary acquired during the prior year.

10 Related party transactions and balances

Related parties comprise of the parent company, the Fund Manager and key management personnel and businesses which are controlled directly or indirectly, by the parent company, the Fund Manager or key management personnel. Related party transactions are entered at mutually agreed terms. The aggregate value of significant transactions with related parties during the year was as follows:

10.1 Related party transactions

	2025 AED'000	2024 AED'000
Transactions with the Fund Manager		
Management fees	8,157	6,387
Debt arrangement fee paid	3,670	-
Asset acquisition fee paid for investment properties	3,550	3,950
Advisory fee on Follow On Public Offering	3,664	-
Performance fee	1,204	-

As per the prospectus and the Fund management agreement, the Fund Manager is entitled to the following:

- Management fees: yearly management fees of 1.25% based on the last reported NAV, calculated and paid every three months.
- Acquisition or disposition fee: 1% of the acquisition or disposition value of the assets acquired or disposed by the Fund.
- Arrangement advisory fee: 1% of the debt or loan value for advising on loan and debt arrangements.

In all cases, the annual fees (the total of the above three fees) during the fiscal year shall not exceed 2.25% of the last reported NAV of the Fund calculated in the same fiscal year and before deduction of management fees.

The Fund Manager is also entitled to a Performance fee which is calculated as 10% of the annual increase in NAV per unit above a 7% hurdle rate, subject to a High-Water Mark mechanism.

Transactions with Entity Under Common Control

	2025 AED'000	2024 AED'000
Acquisition*	355,000	-
Finance Cost*	2,499	-
Other expense	22	-

*This represents the acquisition of an investment property (Note 5) on 30 September 2025 from Dubai Investments Park Development Co. LLC, an entity under common control. The purchase consideration comprised a short-term payable of AED 175 million bearing interest at 3-month EIBOR plus a fixed margin, and a long-term payable of AED 20 million (discounted to AED 12.8 million using the same interest rate of the short-term payable) payable in two equal instalments maturing in 2031 and 2036. This transaction was carried out in the ordinary course of business and was conducted on arm's length terms in accordance with the requirements of IAS 24 Related Party Disclosures.

10.2 Related party balances

	2025 AED'000	2024 AED'000
Due to a related party		
Entity Under Common Control*	188,035	-
Due from related parties		
Fund Manager	2	41
Entity Under Common Control	1,451	-

* AED 175m was subsequently settled at the beginning of 2026 through the drawdown of an Islamic financing facility obtained from a commercial bank.

11 Payables and other liabilities

	2025 AED'000	2024 AED'000
Unearned rental income	-	2,362
Accrued expenses	2,192	811
Security deposits	323	-
Other payables	1,266	725
	3,781	3,898

12 Other expenses

	2025 AED'000	2024 AED'000
Professional fees	592	348
Fund services fee	132	132
License and registration fees	123	45
Miscellaneous expenses	92	541
	939	1,066

13 Financial instruments by category

The table below sets out the Group's classification of financial assets and liabilities and their carrying amounts as at 31 December 2025 and 2024.

<i>At amortised cost</i> Financial assets	2025 <i>AED'000</i>	2024 <i>AED'000</i>
Receivables and other assets	23,462	11,064
Due from related parties	1,453	41
Short term deposits	13,334	26,455
Cash and cash equivalents	67,227	24,897
	105,476	62,457

<i>At amortised cost</i> Financial liabilities	2025 <i>AED'000</i>	2024 <i>AED'000</i>
Bank borrowings	467,810	471,576
Due to a related party	188,035	-
Payables and other liabilities	2,527	811
	658,372	243,062

14 Lease rentals

The Group leases out its investment properties under operating lease and the future minimum lease payments receivable under operating leases are as follows:

	2025 <i>AED'000</i>	2024 <i>AED'000</i>
Within one year	92,104	69,247
After one year but not more than five years	389,662	338,563
More than five years	1,381,234	1,023,880
	1,863,000	1,431,690

15 Dividend

On April 2025, The Fund manager distributed the final dividend of AED 0.040 per unit (2024: AED 0.035 per unit) amounting to AED 20.55 million (2024: AED 12.25 million) for the financial year 2024, which together with the interim dividend of AED 15.42 million (AED 0.030 pe unit) paid in financial year 2024 represents 96% (2024: 99%) of the Fund's annual realized profit for the financial year 2024.

On July 2025, the Fund manager distributed AED 19.27 million (AED 0.0375 per unit) as the Interim dividend representing 40% of the annual realized profit for the year 2025. The Fund manager will propose a final dividend before end of March 2026 which, together with the above interim dividend, will represent at least 80% of the Fund's annual realized profit for the financial year 2025 in order to comply with the profit distribution requirements of the REIT regulations.

The above dividend distributions comply with the minimum profit distribution requirements of the REIT regulations.

16 Taxation

The Group implemented the Corporate Tax ("CT") in UAE from 1 January 2024 following the introduction of CT regime via Federal Decree-Law No. 47 of 2022 on the Taxation of corporations and Businesses.

For FY 2024, the Fund was granted exemption available to a Qualifying Investment Fund under Article 10 of the UAE Corporate Tax Law and, accordingly, no corporate tax was paid on the profits generated by the Fund. As the Fund acquired the subsidiary during FY 2024, rather than at the beginning of the financial year, which is a prerequisite for the exemption, the exemption application submitted under Article 4(1)(h) of the Corporate Tax Law for its wholly owned subsidiary was not accepted by the Federal Tax Authority ("FTA") in FY 2025. Consequently, the wholly owned subsidiary paid corporate tax for FY 2024 in FY 2025.

On 27 March 2025, the FTA issued Cabinet Decision No. 34 of 2025 on Qualifying Investment Funds and Qualifying Limited Partnerships for the Purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, this introduced new conditions for REITs to be treated as tax transparent starting from the financial year 2025. The Group conducted an initial assessment and concluded that the Fund and its subsidiary do not meet certain conditions to claim the tax exemption for FY 2025. Accordingly, the Group decided to create provision for current and deferred tax under the normal provisions of the CT law for FY 2025. The Fund Manager continues to liaise with the concerned authorities for transitional relief to implement the revised conditions to reinstate the exemption for the Group.

	2025 AED'000	2024 AED'000
Current tax liability		
Opening balance	703	-
Current tax liability acquired*	-	703
Charged during the year	3,667	-
Income tax paid	(1,941)	-
Closing balance	2,429	703

*Current tax liability acquired represents the tax liability of the subsidiary acquired in the prior year.

	2025 AED'000	2024 AED'000
Deferred tax liability		
Opening balance	-	-
Charged during the year	4,902	-
Closing balance	4,902	-

	2025 AED'000	2024 AED'000
Income tax expense		
Current tax expense	3,667	-
Deferred tax expense	4,902	-
	8,569	-

The effective tax rate (“ETR”) for the year ended 2025 is 8.3%.

On 11 February 2025, the Ministry of Finance (MoF) of the UAE released Cabinet Decision No. 142 of 2024 on the Imposition of Top-Up Tax on Multinational Enterprises (Cabinet Decision), introducing a Domestic Minimum Top-Up Tax (DMTT) on multinational enterprises (MNEs).

Effective from fiscal years starting on or after 1 January 2025, the DMTT imposes a top-up tax on low-taxed UAE entities, ensuring a minimum effective tax rate (ETR) of 15% in the UAE.

The Ultimate Parent is headquartered in the UAE and is within the scope of the OECD BEPS Pillar Two Global Anti-Base Erosion Model Rules (GloBE Rules). Based on the impact assessment performed by the Ultimate Parent Company, it may be able to meet conditions to benefit from certain reliefs and may not be required to pay top-up taxes for the current year under these tax rules in UAE. The anticipated reliefs include a transitional DMTT exclusion for the early phase international activity, where the UAE DMTT liability would be reduced to nil for the first 5 years subject to meeting certain conditions.

Further, it is unclear whether the Pillar Two model rules create additional temporary differences, whether to remeasure deferred taxes for the Pillar Two model rules and which tax rate must be used to measure deferred taxes. In response to this uncertainty, on 23 May 2023, the International Accounting Standards Board (IASB) issued amendments to IAS 12 ‘Income taxes’ introducing a mandatory temporary exception to the requirements of IAS 12 under which an entity does not recognise or disclose information about deferred tax assets and liabilities related to the proposed OECD/G20 BEPS Pillar Two model rules.

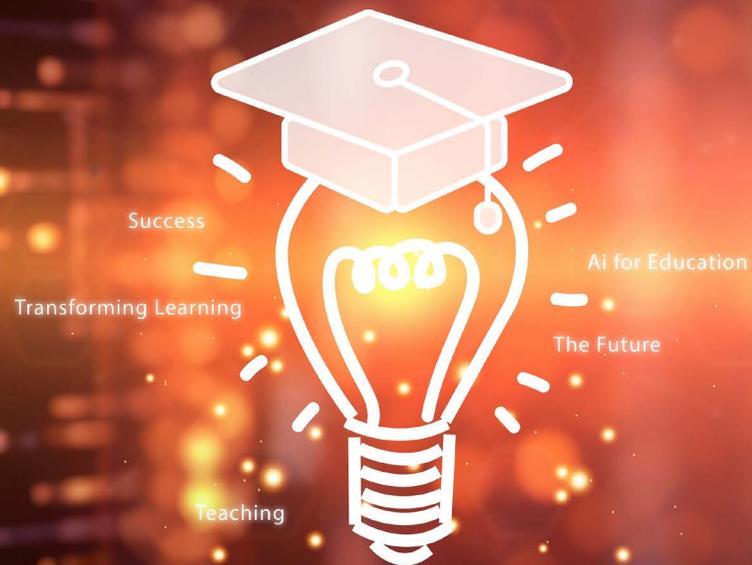
The Ultimate Parent has applied this mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes.

17 Subsequent events

Subsequent to reporting period, geopolitical tensions in the region have increased uncertainty in the operating environment in the United Arab Emirates. These developments are considered non-adjusting events for the consolidated financial statements for the year ended 31 December 2025. The Group continues to monitor the situation closely; however, the potential impact on the Group’s operations cannot currently be estimated.



Managed by Al Mal Capital PSC



Investor
Relations Contact

Fatema Alhaj

Arjun Venkataraman

Saad Nassif

Company Info



Al Mal Capital PSC
P.O. Box 119930
Dubai, UAE



+971 4 3601 133



ir.reit@almalcapital.com
<https://www.almalcapitalreit.com>

Fatema Alhaj

Investor Relations

Al Mal Capital PSC

P.O. Box 119930

Dubai, UAE

Phone: +971 4 3601 133

Email: ir.reit@almalcapital.com

<https://www.almalcapitalreit.com>