رأس الخيمة العقارية
RAK PROPERTIES

Date: 12 May 2026
Ref: RAKP-LD-E-0101-120526-12

التاريخ : 12 مايو 2026
الإشارة : RAKP-LD-E-0101-120526-12

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السادة / قسم الإفصاح والإمتثال المحترمين
سوق أبوظبي للأوراق المالية

Subject: Results of RAK Properties Board of Directors Meeting NO (3/2026)

الموضوع : نتائج اجتماع مجلس إدارة شركة رأس الخيمة العقارية رقم (2026/3)

Dear sir,

تحية طيبة وبعد ،،،

With reference to the above-mentioned subject, kindly be informed that RAK Properties Board of Directors held its meeting on Tuesday, 12/05/2026 at 1:00 PM, at Anantara Hotels, and discussed the items set out on the agenda, where the Board has approved the Interim condensed consolidated financial statement for the three months' period ended on 31 March 2026.

بالإشارة إلى الموضوع أعلاه، يرجى العلم بأن مجلس إدارة شركة رأس الخيمة العقارية قد إجتمع يوم الثلاثاء الموافق 2026/05/12 في تمام الساعة الواحده ظهراً بمنتجع أنانتارا - ميناء العرب برأس الخيمة، حيث تم مناقشة البنود المدرجه على جدول الأعمال، كما تم إعتماد البيانات الماليه المرحلية لفترة الثلاثة أشهر المنتهية في 31 مارس 2026.

Best Regard,

وتفضلوا بقبول وافر الإحترام ،،،

ماجد عبدالله
أمين سر مجلس الإدارة
Maged Abdullah
Board Secretary

رأس الخيمة العقارية
RAK PROPERTIES

نسخة إلى السادة / هيئة الأوراق المالية والسلع المحترمين

Q1 2026 FINANCIAL RESULTS DIRECTORS REPORT



On behalf of the Board of Directors of RAK Properties PJSC, I present the consolidated financial results for the first quarter of 2026. As we enter our 21st year of operations, we do so clear eyed, and with a solid understanding of the challenges and opportunities ahead.

The first three months of this year have been witness to RAK Properties handing over new communities on Hayat Island within our flagship waterfront destination, Mina, as well as bringing new hospitality assets online. Outside of Mina, we have presented our vision for our land bank in Marjan Beach, The Strand, to the market.

This has also been a quarter in which our collective resolve has been tested, and I am proud of the way that RAK Properties, and all of its teams have responded. Operational continuity has remained intact – our construction sites are active, and our corporate teams continue to identify new initiatives, that can ensure that RAK Properties maintains its pivotal role in Ras Al Khaimah's emergence as a world-class destination in which to live, visit, and invest

Q1 2026 KEY FINANCIAL HIGHLIGHTS

- First quarter revenue stands at AED 278 million, largely driven by the contribution of multiple projects at different stages of design, delivery, completion and handover.
- Profit before tax is recorded as AED 43.72 million, as RAK Properties continues to manage its operational efficiencies across all of its business units.
- RAK Properties' development backlog as at the end of Q1 2026 is AED 3.44 billion, reflecting the Company's transition into a new launch and delivery cycle as well as providing clear visibility on future revenues.
- Across the Company's launched projects on Raha Island and Hayat Island, RAK Properties is overseeing the development of 5,000+ units.
- In addition to the 101 homes already handed over to customers during the first quarter of 2026, RAK Properties plans to hand over a further 1,300 homes during 2026, bringing the total number to over 1,400.
- RAK Properties maintains a strong asset base with total assets standing at AED 8.82 billion, and with capital and reserves of AED 5.98 billion.

Income Statement	AED Million		
	Q1 2026	Q1 2025	Change (%)
Revenue	278	370	-25%
Cost of Revenue	(163)	(224)	-27%
Gross Profit	115	147	-21%
Operating Profit	54	89	-40%
Profit before Tax	**44**	**74**	**-41%**
Net Profit for the period after tax	40	68	-41%
Earnings per share (AED)	0.013	0.023	-43%
Total comprehensive income	40	68	-41%

Financial Position	AED Million		
	31 Mar 2026	31 Mar 2025	Change (%)
Non-Current Assets	6,300	6,388	-1.4%
Current Assets	2,520	2,318	8.7%
Total Assets	**8,820**	**8,706**	**1.3%**
Non-Current Liabilities	1,676	1,623	3.3%
Current Liabilities	1,163	1,141	1.9%
Capital and Reserves	5,981	5,942	0.7%
Total Equity & Liabilities	**8,820**	**8,706**	**1.3%**

DEVELOPMENT UPDATE

2025 was a year in which RAK Properties set numerous Company records as it celebrated its 20th anniversary, with significant focus being placed on a high tempo development launch programme and a commitment to bringing a pipeline of products with a combined GDV of AED 5.4 billion to market.

The first quarter of 2026 has been characterised by the commencement of what will be RAK Properties' busiest year for unit delivery with over 1,400 units expected to be handed over in total. As of the end of the first quarter, to date 101 homes have been handed over giving RAK Properties the opportunity to connect and reconnect with its network of real estate investors and home buyers.

During the quarter, RAK Properties awarded contracts to the value of AED 268,000,000 across multiple disciplines geared around advancing design, construction, FM, sales, and marketing of the Company's projects.



Residential:

2026 will be a year in which delivery will be a key focus, with a record number of handovers anticipated, ensuring both the steady advancement of Mina as a prime waterfront community, and the recognition of significant portions of development revenue.

*All construction percentages as of 31st March 2026.

CAPE HAYAT:

Located on Hayat Island and spanning 22,854 sqm, Cape Hayat is a premium beachfront development comprising 678 luxury residential apartments. This project has reached an overall completion of 93%, and handovers are expected to commence during Q3 2026.

QUATTRO DEL MAR:

A notable addition to the Mina masterplan, Quattro Del Mar features four interconnected towers with 12 residential floors offering a variety of layouts - from studios and one-bedroom units to expansive Sky Duplexes and Garden Townhouses. Work is in progress with development at 38% complete overall. Superstructure works are nearing total completion with MEP and finishing works well underway.

BAY VIEWS:

This 344-unit development on Hayat Island is set to bring urban living to Mina's coastal setting, with construction now at 97% completed overall, and the project being prepared for customer handover.

GRANADA II:

Comprising 80 two to three-bedroom townhouses, Granada II is a family-friendly community with landscaped gardens, parks, and children's play areas. This project is now completed and scheduled for handover during Q2 2026.

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BAY RESIDENCES 2:

Adjacent to the InterContinental Ras Al Khaimah Resort & Spa, this twin-tower development includes 324 units. This project is now 100% completed and in the process of being handed over to customers.

BEACH HOUSES PHASE 1:

This curated selection of beachfront homes will be handed over to customers this quarter.

EDGE:

A yacht-inspired residential tower on Raha Island, Edge features 237 premium apartments with waterfront views. Enabling works and substructure works are 100% complete and the project stands at 16% overall completion.

MIRASOL & MIRASOL II:

Mirasol is a 339-home waterfront community situated on the Raha Island waterfront, and adjacent to the 280 home Mirasol II. Both projects offer a resort style experience just moments away from Mina's harbour and benefitting from panoramic sea views and expansive terraces. Enabling works at Mirasol are 65% complete, bringing the project to an overall 4% completion, with the main contract expected to be awarded in Q2 this year. The enabling works contract for Mirasol II is also expected to be awarded in Q2 this year.

SKAI:

Located on Raha Island, SKAI is a 272-home community that combines breathtaking mountain views with island life. Enabling works are now completed, and the main contract was awarded during Q1, bringing the project to an overall completion rate of 5%.

ENTA MINA:

From HIVE in joint venture with RAK Properties, ENTA Mina is designed for a new generation of users, design led, and anchored around a co-working podium that caters to work from anywhere professionals. Enabling works at this 120-unit community are now largely completed and the main contract award is expected imminently.

ANANTARA RESIDENCES:

Comprising 89 apartments and 19 villas, and located on the Hayat Island waterfront, the Anantara Residences offers a seafront sanctuary where cascading architecture frames boundless views. Enabling works on the villas are now substantially complete, with the enabling works contract for the apartment building expected to be awarded this quarter. The main contract for both components of the project are expected to be awarded this quarter.



Announcement Highlights & New Launches:

- **The Strand:** The latest in our pipeline of master-planned communities was announced at the beginning of 2026. This mixed-use development spans 186,000 sqm, offering residential buildings, retail hubs and an expansive network of parks, public spaces and community-focused districts. The first community is Lunara on The Strand, comprising 583 homes across 49,500 sqm GFA, is available for purchase.

Hospitality:

Our hospitality portfolio has performed ahead of the wider market over the quarter, demonstrating resilience, and the enduring appeal of these assets. Not only does this segment of our portfolio strengthen RAK Properties luxury credentials, and those of the Emirate as a whole, they also provide key social and lifestyle infrastructure for the Mina community.

- **InterContinental Ras Al Khaimah Mina Al Arab Resort and Spa:** The prestigious resort, boasting 351 keys on Hayat Island, Mina, has performed to an occupancy rate of 61%, generating revenues of AED 29m and a RevPAR of AED 585.
- **Anantara Mina Al Arab Hotel and Resort, Ras Al Khaimah:** This 174-key property is performing ahead of target, solidifying Mina's position as a premier luxury destination. During the quarter, occupancy levels were stable at 63%, generating revenue of AED 25m with RevPAR of AED 912.
- **Bar Du Port Beach, Ras Al Khaimah:** The iconic beach club, restaurant and bar opened to the public at the end of February, and although it is too early for it to have had a meaningful impact on this quarter's financial performance, we look forward to the asset stabilising, and becoming a key contributor to our recurring revenue portfolio.



PLANNED PROJECTS AND STRATEGIC PARTNERSHIPS

RAK Properties remains committed to the launch, delivery, and handover of a number of projects being developed with iconic global and local brand partners.

- **Four Seasons:** Work continues as we advance the design stages for this luxury resort and private residences project in Mina. The 150-key resort will serve as a sanctuary of sophistication and natural beauty, offering rooms, suites, and signature villas, alongside 130 Private Residences. Sales are expected to commence later in the year.
- **Armani Beach Residences:** This landmark partnership marks the first Armani branded villas in the world. Nestled along the pristine bay of Raha Island, the limited collection of beach villas and luxury apartments will offer residents bespoke experiences and amenities, including an exclusive members-only beach club.
- **Nikki Beach Global:** RAK Properties partnered with Nikki Beach Global to open their first branded resort and beach club in Mina. All design work is now complete with the property anticipated to open in 2029.
- **Ellington (Porto Playa):** Construction is ongoing at this prime waterfront site, with main works advancing at an increased pace.

The Company is also in advanced stages of signing hotel management agreements with two well-known global hospitality operators to bring both a three-star lifestyle and a four-star lifestyle brand to Mina.

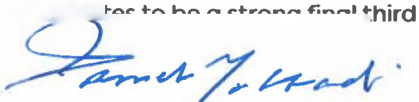
2026 OUTLOOK

The past three years have seen significant expansion in the quantum, diversity, and value proposition being launched by RAK Properties. Accordingly, 2026 has always been scheduled as a key delivery year for RAK Properties with a number of communities entering their final construction phases, and the transition of a new generation of products from design into construction.

RAK Properties remains committed to its delivery schedule and the construction of projects launched in 2025, with major contracts expected to be awarded during the coming quarter of 2026.

As the market continues to mature and acquire greater depth, RAK Properties will focus on fewer launches this year, but these will be at a higher investment entry point, branded, and as such viewed as more resilient.

As the UAE navigates new challenges and opportunities, RAK Properties remains agile, market aware, and well placed to adapt to change. In light of geopolitical events affecting the UAE, and wider region, RAK Properties deems it prudent to not issue firm guidance for the year, but to remain focused on delivering on its commitments, and preparing for what it [illegible] to be a strong final third of 2026.



Samen Munt

Chief Executive Officer, RAK Properties

RAK Properties P.J.S.C.
and its Subsidiaries

Interim Condensed Consolidated Financial Statements (Unaudited)
For the period ended 31 March 2026

RAK Properties P.J.S.C. and its Subsidiaries
Interim Condensed Consolidated Financial Statements (Unaudited)
For the period ended 31 March 2026

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF RAK PROPERTIES P.J.S.C.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of RAK Properties P.J.S.C. (the "Company") and its Subsidiaries (the "Group") as at 31 March 2026 and the related interim condensed consolidated income statement, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the three-month period then ended and explanatory notes. The Management of the Company is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

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Dr. Osama El-Bakry
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12 May 2026

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RAK Properties P.J.S.C. and its Subsidiaries

Interim condensed consolidated statement of financial position
As at 31 March 2026 (Unaudited)

	Notes	31 March 2026 AED '000 (Unaudited)	31 December 2025 AED '000 (Audited)
ASSETS			
Non-current assets			
Property and equipment	3	**1,901,908**	1,884,425
Investment properties	4	**1,386,188**	1,406,611
Trading properties under development	5	**2,276,904**	2,291,964
Investments at fair value through other comprehensive income	6	**17,252**	17,440
Investment in joint ventures	7	**103,281**	99,936
Trade and other receivables	8	**614,016**	687,654
Total non-current assets		**6,299,549**	6,388,030
Current assets			
Trading properties under development	5	**290,623**	245,714
Trading properties	9	**38,970**	33,829
Trade and other receivables	8	**1,631,555**	1,520,686
Bank balances and cash	10	**558,997**	517,909
Total current assets		**2,520,145**	2,318,138
TOTAL ASSETS		**8,819,694**	8,706,168
EQUITY AND LIABILITIES			
Equity			
Share capital	11	**3,000,000**	3,000,000
Share premium		**114,120**	114,120
Statutory reserve		**1,068,522**	1,068,522
Treasury shares	11	**(4,175)**	(3,208)
Retained earnings		**1,077,128**	1,037,874
Other reserves	12	**725,499**	724,662
Total equity		**5,981,094**	5,941,970
Non-current liabilities			
Employees' end-of-service benefits		**10,033**	10,239
Borrowings	13	**520,217**	569,003
Deferred government grants		**331,072**	333,694
Deferred tax liability		**10,139**	10,139
Trade payable, accruals and other liabilities	14	**803,932**	700,314
Total non-current liabilities		**1,675,393**	1,623,389
Current liabilities			
Borrowings	13	**589,326**	441,962
Provision for income tax		**39,367**	35,743
Trade payable, accruals and other liabilities	14	**534,514**	663,104
Total current liabilities		**1,163,207**	1,140,809
Total liabilities		**2,838,600**	2,764,198
TOTAL EQUITY AND LIABILITIES		**8,819,694**	8,706,168

Abdul Aziz Abdullah Al Zaabi
Chairman

Sameh Muhtadi
Chief Executive Officer

The accompanying notes 1 to 24 form an integral part of these interim condensed consolidated financial statements.

RAK Properties P.J.S.C. and its Subsidiaries

Interim condensed consolidated income statement
For the three-month period ended 31 March 2026 (Unaudited)

	Notes	Three-month period ended 31 March 2026 AED '000 (Unaudited)	31 March 2025 AED '000 (Unaudited)
Revenue	15	**277,985**	370,271
Cost of revenue	15	**(162,637)**	(223,682)
GROSS PROFIT		**115,348**	146,589
Share of profit from joint ventures		**3,345**	1,818
Gain on sale of investment properties	4	**1,584**	-
Selling, general and administrative expenses	16	**(73,521)**	(60,990)
Other income		**7,360**	1,885
OPERATING PROFIT		**54,116**	89,302
Finance costs		**(15,203)**	(19,428)
Finance income		**4,802**	4,591
NET PROFIT FOR THE PERIOD BEFORE TAX		**43,715**	74,465
Income tax expense	17	**(3,624)**	(6,559)
NET PROFIT AFTER TAX FOR THE PERIOD		**40,091**	67,906
Earnings per share for the period – basic and diluted (AED)	19	**0.013**	0.023

The accompanying notes 1 to 24 form an integral part of these interim condensed consolidated financial statements.

RAK Properties P.J.S.C. and its Subsidiaries

Interim condensed consolidated statement of comprehensive income
For the three-month period ended 31 March 2026 (Unaudited)

	Three-month period ended	
	31 March 2026 AED '000 (Unaudited)	31 March 2025 AED '000 (Unaudited)
NET PROFIT AFTER TAX FOR THE PERIOD	**40,091**	67,906
Other comprehensive income	**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**40,091**	67,906

RAK Properties P.J.S.C. and its Subsidiaries

Interim condensed consolidated statement of changes in equity
For the three-month period ended 31 March 2026 (Unaudited)

	Share capital AED '000	Share premium AED '000	Statutory reserve AED '000	Treasury shares AED '000	Retained earnings AED '000	Other reserves AED '000	Total equity AED '000
Balance at 1 January 2026 (*Audited*)	3,000,000	114,120	1,068,522	(3,208)	1,037,874	724,662	5,941,970
Net profit for the period	-	-	-	-	40,091	-	40,091
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	40,091	-	40,091
Treasury shares	-	-	-	(967)	-	-	(967)
Transfer to other reserves	-	-	-	-	(837)	837	-
Balance at 31 March 2026 *(Unaudited)*	**3,000,000**	**114,120**	**1,068,522**	**(4,175)**	**1,077,128**	**725,499**	**5,981,094**

	Share capital AED '000	Share Premium AED '000	Statutory reserve AED '000	Treasury Shares AED '000	Retained earnings AED '000	Other reserves AED '000	Total equity AED '000
Balance at 1 January 2025 *(Audited)*	3,000,000	114,120	1,028,092	(22,615)	684,829	722,571	5,526,997
Net profit for the period	-	-	-	-	67,906	-	67,906
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	67,906	-	67,906
Board of Directors' remuneration	-	-	-	-	(8,000)	-	(8,000)
Transfer to other reserves	-	-	-	-	(980)	980	-
Balance at 31 March 2025 *(Unaudited)*	3,000,000	114,120	1,028,092	(22,615)	743,755	723,551	5,586,903

The accompanying notes 1 to 24 form an integral part of these interim condensed consolidated financial statements.

RAK Properties P.J.S.C. and its Subsidiaries

Interim condensed consolidated statement of cash flows
For the three-month period ended 31 March 2026 (Unaudited)

	Notes	Three-month period ended 31 March 2026 AED '000 (Unaudited)	31 March 2025 AED '000 (Unaudited)
OPERATING ACTIVITIES			
Net profit before tax for the period		**43,715**	74,465
Adjustments for:			
Depreciation	3	**17,814**	17,595
Provision for employees' end-of-service benefits		**591**	864
Amortisation of government grants	15	**(2,622)**	(3,712)
Expected credit losses on trade and other receivables		**10**	-
Gain on sale of investment properties	4	**(1,584)**	-
Finance costs		**15,203**	19,428
Share of profit in joint ventures		**(3,345)**	(1,818)
Finance income		**(4,802)**	(4,591)
Cash from operations before working capital changes		**64,980**	102,231
Changes in working capital			
Trading properties		**(6,176)**	2,664
Trading properties under development		**(29,849)**	4,084
Trade and other receivables		**(30,217)**	(147,045)
Trade payable, accruals and other liabilities		**(28,177)**	146,864
Net cash flows from operations		**(29,439)**	108,798
Employees' end of service indemnity paid		**(797)**	(319)
Net cash flows (used in)/from operating activities		**(30,236)**	108,479
INVESTING ACTIVITIES			
Additions to property and equipment	3	**(28,951)**	(7,218)
Additions to investment properties		**(2,153)**	(18,011)
Interest received		**2,390**	9,559
Proceeds from sale of investment properties		**17,814**	-
Proceeds from disposal of investments		**188**	-
Net cash flows used in investing activities		**(10,712)**	(15,670)
FINANCING ACTIVITIES			
Dividend paid		**-**	(6)
Board of Directors' remuneration paid		**-**	(8,000)
Acquisition of treasury shares, net		**(967)**	-
Loan repaid		**(83,726)**	(50,479)
Interest paid		**(15,574)**	(20,025)
Net cash flows used in financing activities		**(100,267)**	(78,510)
Net change in cash and cash equivalents		**(141,215)**	14,299
Cash and cash equivalents at the beginning of the period		**235,503**	115,889
Cash and cash equivalents at the end of the period	10	**94,288**	130,188

The accompanying notes 1 to 24 form an integral part of these interim condensed consolidated financial statements.

1 Corporate information

RAK Properties P.J.S.C. (the "Company") is a public joint stock company established under Emiree Decree No. 5 issued by the Ruler of the Emirate of Ras Al Khaimah on 16 February 2005 and commenced its operations on 2 June 2005. The Company is listed in the Abu Dhabi Securities Exchange, United Arab Emirates (UAE).

The registered office of the Company is P.O. Box 31113, Ras Al Khaimah, UAE.

The interim condensed consolidated financial statements as at and for the three-month period ended 31 March 2026 comprises the Company and its Subsidiaries (collectively referred to as the "Group").

The principal activities of the Group are investment in and development of properties, property management, hotel operations, marina management, facility management and related services.

The interim condensed consolidated financial statements were authorised for issue on 12 May 2026 by the Board of Directors.

2 Basis of preparation

2.1 Statement of compliance

The interim condensed consolidated financial statements of the Group for the three-month period ended 31 March 2026 have been prepared in accordance with International Accounting Standard 34: *Interim Financial Reporting.*

The interim condensed consolidated financial statements do not contain all information and disclosures required for full consolidated financial statements prepared in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board (IASB) and should be read in conjunction with the consolidated financial statements for the year end 31 December 2025. The same accounting policies, methods of computation, significant accounting judgments and estimates and assumptions are followed in these interim condensed consolidated financial statements as compared with the most recent annual consolidated financial statements, except for the new standards and amendments adopted during the current period as explained in Note 2.3.

The interim condensed consolidated financial statements have been prepared in Arab Emirates Dirham (AED), which is the Company's functional currency, and all values are rounded to the nearest thousand except where otherwise indicated. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

The interim condensed consolidated financial statements have been prepared on a historical cost basis, except for investment properties and investments, which are measured at fair value.

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

Results for the three-month period ended 31 March 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

2 Basis of preparation (continued)

2.1 Statement of compliance (continued)

The interim condensed consolidated financial statements comprise the financial statements of the Company and the entities controlled by the Company (its subsidiaries) as of 31 March 2026. Control is achieved where all the following criteria are met:

(a) the Company has power over an entity (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
(b) the Company has exposure, or rights, to variable returns from its involvement with the entity; and
(c) the Company has the ability to use its power over the entity to affect the amount of the Company's returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the interim condensed consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Subsidiaries

A subsidiary is fully consolidated from the date of acquisition or incorporation, being the date on which the Group obtains control, and continues to be consolidated until the date when such control ceases. The financial statements of the subsidiary are prepared for the same reporting period as the Company, using consistent accounting policies. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Details of the Company's subsidiaries are as follows:

Subsidiaries	Country of incorporation	31 March 2026	31 December 2025
		Ownership %	
1. RAK Properties International Limited	UAE	**100%**	100%
2. Intercontinental RAK Mina Al Arab Resorts & Spa L.L.C	UAE	**100%**	100%
3. Anantara Mina Al Arab Ras Al Khaimah Resorts L.L.C	UAE	**100%**	100%
4. Lagoon Marina Ship Management & Operation L.L.C	UAE	**100%**	100%
5. RAK Properties Tanzania Limited	Tanzania	**100%**	100%
6. Dolphin Marina Limited	Tanzania	**100%**	100%
7.RAK Properties Gayreimenkul Pazarlama Anonim Sirketi	Türkiye	**100%**	100%
8. MINA Management Supervision Services for Owners Associations LLC OPC	UAE	**100%**	100%
9. Angel Beach LLC OPC*	UAE	**100%**	-

* Angel Beach LLC OPC *(tourism license TL-0398)* was incorporated on 16 February 2026 and is principally engaged in restaurant and beverage activities and commenced operations during the period.

2 Basis of preparation (continued)

2.2 Significant accounting judgments, estimates and assumptions

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

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the interim condensed consolidated financial statements:

(i) Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining the timing of revenue recognition on the sale of property

The Group has evaluated the timing of revenue recognition on the sale of property based on a careful analysis of the rights and obligations under the terms of the contract. The Group has concluded that contracts relating to the sale of completed property are recognised at a point in time when control transfers.

For contracts relating to the sale of property under development, the Group recognises the revenue over a period of time as the Group's performance does not create an asset with alternative use. Furthermore, the Group has an enforceable right to payment for performance completed to date. It has considered the factors that indicate that it is restricted (contractually or practically) from readily directing the property under development for another use during its development. In addition, the Group is, at all times, entitled to an amount that at least compensates it for performances completed to date. In making this determination, the Group has carefully considered the contractual terms as well as local legislation.

The Group has determined that the input method is the best method for measuring progress for these contracts because there is a direct relationship between the costs incurred by the Group and the transfer of goods and services to the customer.

Principal versus agent considerations – services to tenants

The Group arranges for certain services provided to tenants of investment property included in the contract the Group enters into as a lessor. The Group has determined that it controls the services before they are transferred to tenants, because it has the ability to direct the use of these services and obtain the benefits from them. In making this determination, the Group has considered that it is primarily responsible for fulfilling the promise to provide these specified services because it directly deals with tenants' complaints, and it is primarily responsible for the quality or suitability of the services. In addition, the Group has discretion in establishing the price that it charges to the tenants for the specified services.

Therefore, the Group has concluded that it is the principal in these contracts. In addition, the Group has concluded that it transfers control of these services over time, as services are rendered by the third-party service providers, because this is when tenants receive and, at the same time, consume the benefits from these services.

Consideration of material financing component in a contract

For contracts involving the sale of property, the Group is entitled to receive an initial deposit. The Group concluded that this is not considered a material financing component because it is for reasons other than the provision of financing to the Group. The initial deposits are used to protect the Group from the other party failing to adequately complete some or all of its obligations under the contract where customers do not have an established credit history.

2 Basis of preparation (continued)

2.2 Significant accounting judgments, estimates and assumptions (continued)

Judgements (continued)

(i) Revenue from contracts with customers (continued)

Cost to complete the projects

The Group estimates the cost to complete the projects in order to determine the cost attributable to revenue being recognised. These estimates include cost of design and consultancy, construction, potential claims by contractors as evaluated by the project consultant and the cost of meeting other contractual obligations to the customers.

(ii) Leases - Property lease classification – the Group as lessor

The Group has entered into commercial and residential property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of this property and accounts for the contracts as operating leases.

(iii) Classification of properties

In the process of classifying properties, management has made various judgments. Judgment is needed to determine whether a property qualifies as an investment property, property and equipment and/or trading property. The Group develops criteria so that it can exercise that judgment consistently in accordance with the definitions of investment property, property and equipment and trading properties. In making its judgment, management considered the detailed criteria and related guidance for the classification of properties as set out in IAS 2, IAS 16 and IAS 40, in particular, the intended usage of property as determined by the management. Trading properties are grouped under current assets, as intention of the management is to sell it within one year from the end of the reporting date.

Key sources of estimation uncertainty

The key assumptions concerning future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the interim condensed consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(i) Valuation of investment properties

The fair value of investment properties is determined by independent real estate valuation experts using recognised valuation methods. These methods comprise the sales comparable method and discounted cash flow method. The discounted cash flow method requires the use of estimates such as future cash flows from assets (comprising of selling and leasing rates, future revenue streams, construction costs and associated professional fees, and financing cost, etc.), targeted internal rate of return and developer's risk and targeted profit. These estimates are based on local market conditions existing at the end of the reporting period. Under the income capitalisation method, the income receivable under existing lease agreements and projected future rental streams are capitalised at appropriate rates to reflect the investment market conditions at the valuation dates. The Group's undiscounted future cash flows analysis and the assessment of expected remaining holding period and income projections on the existing operating assets requires management to make material estimates and judgements related to future rental yields and capitalisation rates.

2 Basis of preparation (continued)

2.2 Significant accounting judgments, estimates and assumptions (continued)

Key sources of estimation uncertainty (continued)

(ii) Estimation of net realisable value for trading properties and trading properties under development

The Group's management reviews the trading properties and trading properties under development to assess impairment, if there is an indication of impairment. In determining whether impairment losses should be recognised in the profit or loss, the management assesses the current selling prices of the property units and the anticipated costs for completion of such property units for properties which remain unsold at the reporting date. If the current selling prices are lower than the anticipated total cost at completion, an impairment provision is recognised for the identified loss event or condition to reduce the cost of development properties to its net realisable value.

(iii) Calculation of expected credit loss allowance

The Group assesses the impairment of its financial assets based on the ECL model. Under the expected credit loss model, the Group accounts for expected credit losses and changes in those expected credit losses at the end of each reporting period to reflect changes in credit risk since initial recognition of the financial assets. The Group measures the loss allowance at an amount equal to lifetime ECL for its financial instruments. When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

(iv) Impairment of property and equipment and capital work in progress

The Group reviews its property and equipment and capital work in progress to assess impairment, if there is an indication of impairment. In determining whether impairment losses should be recognised in the profit or loss, the Group makes judgements as to whether there is any observable data indicating that there is a reduction in the carrying value of property and equipment or capital work in progress. Accordingly, provision for impairment is made where there is an identified loss event or condition which, based on previous experience, is evidence of a reduction in the carrying value of property and equipment or capital work in progress.

(v) Useful lives of property and equipment

The Group's management determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

(vi) Valuation of unquoted investments

Valuation of unquoted investments is normally based on one of the following:

- Recent arm's length market transactions;
- The expected cash flows discounted at current rates applicable for the items and with similar terms and risk characteristics; or
- Other valuation models

The determination of the cash flows and discount factors for unquoted equity investments requires significant estimation. The Group calibrates the valuation techniques periodically and tests them for validity using either prices from observable current market transactions in the same instrument or from other available observable market data.

2 Basis of preparation (continued)

2.3 New or revised standards and interpretations

New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following new standards and interpretations effective as of 1 January 2026.

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 7 and 9)
- Annual improvements to IFRS Accounting Standards - Volume 11

This amendment did not have a significant impact on these interim condensed consolidated financial statements. and therefore, the disclosures have not been made.

Standards, amendments and interpretations to existing Standards that are not yet effective and have not been adopted early by the Group

Other standards, amendments and interpretations that are not yet effective and have not been early adopted by the Group include:

- IFRS 19 Subsidiaries without Public Accountability: Disclosures and amendments
- IFRS 18 Presentation and Disclosures in Financial Statements
- Sale of contribution of Assets between an Investor and its Associates or Joint Ventures (Amendments to IFRS 10 and IAS 28)
- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures (effective upon adoption by applicable regulatory authority)

IFRS 18 introduces new presentation and disclosure requirements of additional totals in the statement of profit or loss, a new note which discloses management-defined performance measures and enhancements to the requirements for aggregation and disaggregation. Management is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's interim condensed consolidated financial statements. These remaining above standards, amendments and interpretations are not expected to have a significant impact on the interim condensed consolidated financial statements in the period of initial application and therefore no disclosures have been made.

3 Property and equipment

Additions, disposal and depreciation

During the three-month period ended 31 March 2026, the Group has made additions amounting to AED 28,951 thousand mainly related to construction of hospitality properties (three-month period ended 31 March 2025: AED 7,218 thousand).

Depreciation of property and equipment for the three-month period ended 31 March 2026 amounted to AED 17,814 thousand (three-month period ended 31 March 2025: AED 17,595 thousand).

4 Investment properties

	31 March 2026 AED '000 (Unaudited)	31 December 2025 AED '000 (Audited)
Buildings and plots of land	**1,372,391**	1,394,967
Investment properties under development	**13,797**	11,644
	1,386,188	1,406,611

Investment property comprises parcels of land and number of residential and commercial properties that are leased to third parties. All investment properties are located in the UAE.

During the period, the Group disposed of investment properties with a carrying amount of AED 16,230 thousand (three-month period ended 31 March 2025: AED Nil), resulting in a gain on disposal of AED 1,584 thousand (three-month period ended 31 March 2025: AED Nil), which has been recognised in the statement of profit or loss.

Fair value

The management does not consider the fair value of investment properties for the period ended 31 March 2026 to be significantly different from the fair value as at 31 December 2025. The fair valuation of investment properties was conducted by an independent external valuer as at 31 December 2025. Management intends to appoint independent external valuer to determine the fair value as at 31 December 2026, unless there are indicators which suggest a significant change in the fair value before the reporting period.

Certain items of investment properties are mortgaged against bank borrowing.

5 Trading properties under development

	31 March 2026 AED '000 (Unaudited)	31 December 2025 AED '000 (Audited)
Inside UAE	**2,553,712**	2,523,863
Outside UAE	**13,815**	13,815
	2,567,527	2,537,678
Less: Classified as current assets	**(290,623)**	(245,714)
Classified as non-current assets	**2,276,904**	2,291,964

6 Investments

	31 March 2026 AED '000 (Unaudited)	31 December 2025 AED '000 (Audited)
Investments at fair value through other comprehensive income		
Investments within UAE		
Unquoted equity investments	**1,002**	1,190
Investments outside UAE		
Unquoted equity investments	**12,930**	12,930
Unquoted real estate funds	**3,320**	3,320
Total investments	**17,252**	17,440

The details of valuation techniques and assumptions applied for the measurement of fair value of financial instruments are mentioned in Note 2.2 and Note 21 of the interim condensed consolidated financial statements.

7 Investment in joint ventures

	31 March 2026 AED '000 (Unaudited)	31 December 2025 AED '000 (Audited)
Ellington Development FZ-LLC	**85,493**	83,119
Hive and Mina Real Estate Development LLC	**17,573**	16,817
One Facilities Management LLC	**215**	-
	103,281	99,936

Ellington Properties Development LLC

The Group has entered into a joint venture agreement ("JVA") and a Development Management Agreement ("DMA"), collectively referred to as "the Agreements", with Ellington Properties Development LLC ("Ellington").

Hive and Mina Real Estate Development LLC

During the year ended 31 December 2025, the Group entered into a joint venture agreement with ADC1 SPV LTD ("ADC1") a wholly owned subsidiary of ARM Holdings L.L.C for the development of a project located on Hayat Island, Ras Al Khaimah.

One Facilities Management LLC

During the year ended 31 December 2025, the Group entered into a joint venture agreement with I F M Facilities Management LLC to establish One Facilities Management LLC.

8 Trade and other receivables

	31 March 2026 AED '000 (Unaudited)	31 December 2025 AED '000 (Audited)
Trade receivables	**680,152**	616,577
Contract assets	**1,172,943**	1,214,856
Trade receivables and contract assets, gross	**1,853,095**	1,831,433
Less: Allowance for expected credit losses	**(36,122)**	(36,112)
Trade receivables and contract assets, net	**1,816,973**	1,795,321
Other receivables (refer (ii))	**60,361**	43,546
	1,877,334	1,838,867
Capitalised cost to obtain contract (refer (i))	**246,773**	250,186
Advances to suppliers and contractors	**94,177**	100,663
VAT receivables	**21,793**	11,095
Prepayments	**5,494**	7,529
	2,245,571	2,208,340
Less: Non-current portion of trade and other receivables	**(614,016)**	(687,654)
	1,631,555	1,520,686

(i) Costs incurred to obtain contracts with customers are amortised over the period of satisfying performance obligations, where applicable.

(ii) Other receivables include amount due from a related party AED 4,611 thousand (2025: 10,313 thousand) (Note 18).

9 Trading properties

	31 March 2026 AED '000 (Unaudited)	31 December 2025 AED '000 (Audited)
Trading properties - Inside UAE	**24,827**	18,877
Trading properties - Outside UAE	**12,370**	12,370
	37,197	31,247
Inventories – hospitality and facility management	**1,773**	2,582
	38,970	33,829

10 Bank balances and cash

	31 March 2026 AED '000 (Unaudited)	31 December 2025 AED '000 (Audited)
Cash in hand	**480**	260
Bank balances:		
- Current accounts	**46,359**	98,764
- Call accounts	**6,435**	13,162
- Current accounts – unclaimed dividends	**5,723**	5,723
- Term deposits	**500,000**	400,000
Balance at the end of the period/year	**558,997**	517,909

Current accounts - unclaimed dividends will be utilised only for the payment of dividend and cannot be used for any other purposes.

The effective average interest rate on deposits is 3.4% to 4.4% per annum (2025: 4.3% to 5.1% per annum). Term deposits amounting to AED 500,000 thousand (2025: AED 400,000 thousand) are under lien against bank overdraft (Note 13). Bank balances and cash are maintained in UAE.

For the purpose of interim condensed consolidated statement of cash flows, cash and cash equivalents comprises of the following amounts:

	31 March 2026 AED '000 (Unaudited)	31 March 2025 AED '000 (Audited)
Bank balances and cash	**558,997**	457,502
Less: Current accounts – unclaimed dividends	**(5,723)**	(5,723)
Less: Bank overdraft	**(458,986)**	(321,591)
Cash and cash equivalents	**94,288**	130,188

11 Share capital and treasury shares

Share capital

	31 March 2026 AED '000 (Unaudited)	31 December 2025 AED '000 (Audited)
Authorised, issued and fully paid-up		
3,000,000,000 shares of par value of AED 1 each	**3,000,000**	3,000,000

Dividends

No dividend was approved in Annual General Meeting held on 15 March 2026 for the year ended 31 December 2025 (For the year ended 31 December 2024, no dividend was approved in Annual General Meeting held on 11 March 2025).

Treasury shares

As at 31 March 2026, 3,896 thousand treasury shares with a market value of AED 3,666 thousand were held (2025: 2,582 thousand treasury shares with a market value of AED 3,486 thousand).

12 Other reserves

	31 March 2026 AED '000 (Unaudited)	31 December 2025 AED '000 (Audited)
General reserve	**656,708**	656,708
Development reserve	**303,675**	303,675
Fair value reserve	**(243,963)**	(243,963)
Other reserve	**9,079**	8,242
	725,499	724,662

13 Borrowings

	31 March 2026 AED '000 (Unaudited)	31 December 2025 AED '000 (Audited)
Term loans	**650,557**	708,103
Short term borrowing	**-**	26,179
Bank overdrafts	**458,986**	276,683
Total borrowings	**1,109,543**	1,010,965
Less: Current portion	**(589,326)**	(441,962)
Non-current portion	**520,217**	569,003

The Group has obtained overdraft facilities of AED 900,000 thousand (31 December 2025: AED 700,000 thousand) from local commercial banks. Interest on bank overdrafts, which are secured by term deposits, ranges from 0.15% to 0.25% per annum over such term deposit rates (2025: 0.25% per annum). Further, for unsecured bank overdrafts, interest is computed at a fixed margin plus 1 to 3 months EIBOR per annum.

13 Borrowings (continued)

The overdraft facilities of the Group are secured by:

- Lien over fixed deposit for AED 500,000 thousand (Note 10);
- To route funds 1.5 times of the net clean limit utilised under the overdraft.

The details of the long-term bank loans, including terms of repayment, and interest rate are set out in the consolidated financial statements of the Group for the year ended 31 December 2025.

The bank borrowing agreements ("Agreements") contain certain restrictive covenants including maintaining Debt to EBITDA ratio. The Group complied with the annual bank covenants as at 31 December 2025.

Term loans are secured against the following:

- Legal mortgage of land and buildings of specific properties included in property and equipment, investment properties, trading properties under development and trading properties.
- Assignment of insurance over the mortgaged properties in favour of the bank.
- Assignment of guarantees from the main contractor/construction contracts under the project duly assigned in favour of the bank.
- Assignment of revenues from the hotel projects financed by the banks.
- Assignment of revenues from sale of apartments and rental revenues from the apartments financed by the bank.
- Pledge of project account opened with the bank for receiving the project receipts from buyers.

14 Trade payable, accruals and other liabilities

	31 March 2026 AED '000 (Unaudited)	31 December 2025 AED '000 (Audited)
Trade payables	**225,595**	207,095
Contract liabilities	**551,105**	443,171
Other payables and accruals	**221,138**	271,028
Advance connection charges	**170,691**	175,769
Project contract accruals	**164,194**	260,632
Unclaimed dividends	**5,723**	5,723
	1,338,446	1,363,418
Less: Current portion	**(534,514)**	(663,104)
Non-current portion	**803,932**	700,314

Contract liabilities include amount due to a related party AED 1,368 thousand (2025: 2,196 thousand) (Note 18).

15 Revenue and cost of revenue

	Three-month period ended	
	31 March 2026 AED '000 (Unaudited)	31 March 2025 AED '000 (Unaudited)
Type of revenue with customers		
Sale of properties	**210,594**	297,534
Hospitality operations	**55,053**	54,737
Property leasing and others	**12,338**	18,000
Total revenue	**277,985**	370,271
Cost of revenue		
Cost of sale of properties	**140,765**	198,250
Hospitality operations	**21,036**	21,389
Property leasing and others	**3,458**	7,755
Amortisation of government grants	**(2,622)**	(3,712)
	162,637	223,682

The Group earned its entire revenue from contracts within the United Arab Emirates.

Below is the split of revenue recognised over a period of time and at a point in time:

	Three-month period ended	
	31 March 2026 AED '000 (Unaudited)	31 March 2025 AED '000 (Unaudited)
Recognised over time	**257,647**	331,645
Recognised at a point in time	**13,237**	29,858
Total revenue from contracts with customers	**270,884**	361,503
Leasing income – recognised over term of lease	**7,101**	8,768
Total revenue	**277,985**	370,271

16 Selling, general and administrative expenses

	Three-month period ended	
	31 March 2026 AED '000 (Unaudited)	31 March 2025 AED '000 (Unaudited)
Staff costs	**23,161**	17,770
Depreciation	**17,814**	17,595
Sales and marketing expenses	**17,705**	12,979
Other expenses	**14,841**	12,646
	73,521	60,990

17 Income tax

The Group has calculated their income tax liability in accordance with Federal Decree-Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law").

(a) The income tax expense recognised in the interim condensed consolidated income statement comprises the following:

	Three-month period ended	
	31 March 2026 AED'000 (Unaudited)	31 March 2025 AED'000 (Unaudited)
Income tax		
Current income tax expense	**3,624**	6,559
Total income tax expense	**3,624**	6,559

(b) Reconciliation of income tax expense:

	Three-month period ended	
	31 March 2026 AED'000 (Unaudited)	31 March 2025 AED'000 (Unaudited)
Net profit for the period before tax	**43,715**	74,465
Tax at the tax rate of 9%	**3,934**	6,702
Tax effects of		
Share of profit from a joint venture	**(301)**	(164)
Expenses not deductible for tax purposes - net	**-**	30
Taxable income not exceeding threshold	**(9)**	(9)
Total income tax expense	**3,624**	6,559

18 Related party disclosures

The Group, in the ordinary course of business, enters into transactions, at agreed terms and conditions, with other business enterprises or individuals that fall within the definition of related parties contained in IAS 24, "Related Party Disclosures". These transactions are carried out at arm's length basis.

The following are the significant related party transactions during the period are as below:

	Three-month period ended	
	31 March 2026 AED'000 (Unaudited)	31 March 2025 AED'000 (Unaudited)
Key management personnel of the Group		
Sitting fee paid to Directors	**111**	81
Compensation of key management personnel:		
Salaries and benefits	**10,949**	4,832
End of service benefits	**125**	132

The Board of Directors remuneration amounting to AED 8,000 thousand for the year ended 31 December 2025 was approved by the Shareholders in the Annual General Meeting on 15 March 2026.

Balances with related parties included in the condensed consolidated financial statements are as follows:

	31 March 2026 AED '000 (Unaudited)	31 December 2025 AED '000 (Audited)
Due from a related party – other receivables (Note 8)	**4,611**	10,313
Due to a related party – contract liabilities (Note 14)	**1,368**	2,196

Outstanding balances arise in the normal course of business, are unsecured, interest-free and settlement occurs generally in cash.

19 Basic and diluted earnings per share

	Three-month period ended	
	31 March 2026 (Unaudited)	31 March 2025 (Unaudited)
Basic earnings per share		
Net profit for the period (AED'000)	**40,091**	67,906
Issued ordinary shares outstanding at 1 January (in thousands)	**3,000,000**	3,000,000
Treasury shares held on behalf of the Company	**(2,582)**	(17,917)
Issued ordinary shares outstanding at 1 January (in thousands)	**2,997,418**	2,982,083
Treasury shares movement - net (in thousands)	**(336)**	-
Weighted average number of shares outstanding at 31 March (in thousands)	**2,997,082**	2,982,083
Basic and diluted earnings per share (AED)	**0.013**	0.023

There were no potentially dilutive shares as at 31 March 2026 and 31 March 2025.

20 Contingent liabilities and commitments

Contingent liabilities and commitments relating to the property development are as follows:

	31 March 2026 AED '000 (Unaudited)	31 December 2025 AED '000 (Audited)
Commitments		
Approved and contracted	**905,531**	1,044,963
Contingent liability		
Letter of credit	**10,542**	-

The above commitments represent the value of contracts entered into by the Group including contracts entered for construction of properties, net of invoices received, and accruals made at that date.

21 Fair values of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As such, differences can arise between book values and the fair value estimates. Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or requirement to materially curtail the scale of its operation or to undertake a transaction on adverse terms.

Fair value of financial instruments carried at amortised cost

Management considers that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the condensed consolidated financial information approximate their fair values.

Valuation techniques and assumptions applied for the purposes of measuring fair value.

The fair values of financial and non-financial assets and financial liabilities are determined using similar valuation techniques and assumptions as used in the audited annual consolidated financial statements for the year ended 31 December 2025.

Fair value measurements recognised in the interim condensed consolidated statement of financial position.

The following table provides an analysis of financial and non-financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 AED '000	Level 2 AED '000	Level 3 AED '000	Total AED '000
31 March 2026 (Unaudited)				
Fair value through OCI – unquoted equities and funds	-	-	**17,252**	**17,252**
Investment properties	-	-	**1,386,188**	**1,386,188**
	-	-	**1,403,440**	**1,403,440**

21 Fair values of financial instruments (continued)

	Level 1 AED '000	Level 2 AED '000	Level 3 AED '000	Total AED '000
31 December 2025 (Audited)				
Fair value through OCI – unquoted equities and funds	-	-	17,440	17,440
Investment properties	-	-	1,406,611	1,406,611
	-	-	1,424,051	1,424,051

During the current and previous periods, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements.

22 Segment reporting

Management has determined the operating segments based on segments identified for the purpose of allocating resources and assessing performance. The Group is organised into three major operating segments: property sales, hospitality operations, property leasing and others. Information regarding the operations of each separate segment is included below:

	Sales of Properties AED '000	Hospitality operations AED '000	Property leasing and others AED '000	Total AED '000
Three-month period ended 31 March 2026 (Unaudited)				
Revenue	**213,099**	**55,053**	**9,833**	**277,985**
Segment gross profit	**74,957**	**34,017**	**6,374**	**115,348**
As at 31 March 2026 (Unaudited)				
Total assets	**4,825,557**	**1,541,793**	**2,452,344**	**8,819,694**
Total liabilities	**1,276,298**	**515,006**	**1,047,296**	**2,838,600**
Capital expenditure	**-**	**24,598**	**3,898**	**28,496**

	Sales of Properties AED '000	Hospitality operations AED '000	Property leasing and others AED '000	Total AED '000
Three-month period ended 31 March 2025 (Unaudited)				
Revenue	298,257	54,737	17,277	370,271
Segment gross profit	103,719	33,348	9,522	146,589
As at 31 December 2025 (Audited)				
Total assets	4,761,878	1,538,075	2,406,215	8,706,168
Total liabilities	1,293,492	558,182	912,524	2,764,198
Capital expenditure	-	31,524	73,234	104,758

23 Significant events during the period

During the period, geopolitical tensions in the Middle East have continued to evolve, including ongoing regional conflicts and heightened political uncertainty. These developments have increased volatility in global and regional financial markets and may, over time, affect economic conditions in the region. As at the date of approval of these interim condensed consolidated financial statements, the Group continues to monitor developments in the region and will assess the potential impact, if any.

24 Subsequent events

On 13 April 2026, the Group entered into a term financing arrangement with financial institutions to secure additional borrowing facility with total limit of AED 2,000,000 thousand. The facility would be partially utilized for the settlement of the existing term loans obtained in the previous year for the construction of hotel properties.