

Seef Properties B.S.C.

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
(REVIEWED)**

31 MARCH 2026

REPORT ON THE REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF SEEF PROPERTIES B.S.C.

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Seef Properties B.S.C. (the "Company") and its subsidiaries (together the "Group") as at 31 March 2026, comprising of the interim consolidated statement of financial position as at 31 March 2026, the related interim consolidated statement of comprehensive income and the interim consolidated statements of cash flows and changes in equity for the three-month period then ended and explanatory notes. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34"). 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 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. Consequently, it 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.



7 May 2026
Manama, Kingdom of Bahrain

Seef Properties B.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2026

	<i>Notes</i>	31 March 2026 Reviewed BD	<i>31 December 2025 Audited BD</i>
ASSETS			
Non-current assets			
Investment properties	4	139,336,965	139,381,079
Equipment, furniture and motor vehicles		4,683,377	4,826,343
Investment in a joint venture	5	10,087,155	10,047,837
		154,107,497	154,255,259
Current assets			
Trade and other receivables		3,602,509	3,162,511
Bank balances, term deposits and cash	6	20,872,680	20,357,695
		24,475,189	23,520,206
TOTAL ASSETS		178,582,686	177,775,465
EQUITY AND LIABILITIES			
Equity			
Share capital		46,000,000	46,000,000
Treasury shares	9	(923,881)	(923,881)
Statutory reserve		23,000,000	23,000,000
Retained earnings		91,843,031	95,399,610
Equity attributable to equity holders of the parent		159,919,150	163,475,729
Non-controlling interest		3,037,166	3,085,688
Total equity		162,956,316	166,561,417
Liabilities			
Non-current liabilities			
Term loans - non-current portion	7	2,645,140	2,847,858
Lease liability - non-current portion	8	2,413,061	2,417,712
Employees' end of service benefits		289,623	281,783
		5,347,824	5,547,353
Current liabilities			
Term loans - current portion	7	2,423,208	2,323,443
Lease liability - current portion	8	17,957	17,531
Dividends payable and unclaimed dividends	11	5,176,082	653,027
Trade and other payables		2,661,299	2,672,694
		10,278,546	5,666,695
Total liabilities		15,626,370	11,214,048
TOTAL EQUITY AND LIABILITIES		178,582,686	177,775,465



Essa Mohamed Najibi
Chairman



Mr. Sattam Sulaiman Al Gosaibi
Vice Chairman



Ahmed Yusuf
Chief Executive Officer


The attached notes 1 to 18 form part of these interim condensed consolidated financial statements.

Seef Properties B.S.C.


INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three-month period ended 31 March 2026 (Reviewed)

	Note	<i>Three-month period ended 31 March</i>	
		2026	2025
		BD	BD
REVENUE			
Property rental income and service charges		2,077,129	2,224,706
Income from serviced apartments		352,223	292,749
Leisure and recreational revenue		444,844	596,210
		2,874,196	3,113,665
Less: cost of revenue		743,476	764,000
GROSS PROFIT		2,130,720	2,349,665
Other operating income		342,627	326,916
Profit on term deposits		232,646	263,632
		2,705,993	2,940,213
EXPENSES			
General and administrative expenses		1,315,367	1,210,697
Depreciation		141,496	186,158
Charge for expected credit losses		66,124	68,151
Finance costs		137,808	153,568
		1,660,795	1,618,574
PROFIT BEFORE FAIR VALUE CHANGES ON INVESTMENT PROPERTIES AND SHARE OF PROFIT FROM INVESTMENT IN A JOINT VENTURE		1,045,198	1,321,639
Unrealised fair value loss on investment properties		(166,487)	(166,487)
Share of profit from investment in a joint venture		39,318	14,191
NET PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		918,029	1,169,343
Attributable to:			
Equity holders of the parent		966,551	1,223,189
Non-controlling interest		(48,522)	(53,846)
		918,029	1,169,343
Basic and diluted earnings per share attributable to equity holders of the parent (fils)	12	2.14	2.69


Essa Mohamed Najibi
Chairman


Sattam Sulaiman Al Gosaibi
Vice Chairman


Ahmed Yusuf
Chief Executive Officer

The attached notes 1 to 18 form part of these interim condensed consolidated financial statements.

Seef Properties B.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the three-month period ended 31 March 2026 (Reviewed)

	<i>Three-month period ended</i>	
	<i>31 March</i>	
	<i>2026</i>	<i>2025</i>
	<i>BD</i>	<i>BD</i>
OPERATING ACTIVITIES		
Net profit for the period	918,029	1,169,343
Adjustments for:		
Depreciation	193,366	281,384
Profit on term deposits	(232,646)	(263,632)
Charge for expected credit losses	66,124	68,151
Finance costs	137,808	153,568
Employees' end of service benefits	14,031	13,352
Unrealised fair value loss on investment properties	166,487	166,487
Share of profit from investment in a joint venture	(39,318)	(14,191)
Operating profit before working capital changes	1,223,881	1,574,462
Working capital changes:		
Trade and other receivables	(344,405)	(444,402)
Trade and other payables	(85,082)	(515,544)
	794,394	614,516
Employees' end of service benefits paid	(6,191)	(9,117)
Net cash flows from operating activities	788,203	605,399
INVESTING ACTIVITIES		
Purchase of equipment, furniture and motor vehicles	(20,476)	(32,154)
Expenditure incurred on capital work-in-progress	(152,297)	(284,038)
Net movement in term deposits with an original maturity of more than 90 days	(200,000)	-
Profit on term deposits received	70,929	23,335
Net cash flows used in investing activities	(301,844)	(292,857)
FINANCING ACTIVITIES		
Dividends paid	(75)	(4,595)
Purchase of treasury shares	-	(7,067)
Term loans repaid	(102,953)	(72,656)
Finance costs paid on term loans	(5,846)	(34,678)
Lease liability paid (including finance costs)	(62,500)	(62,500)
Cash flows used in financing activities	(171,374)	(181,496)
NET CHANGE IN CASH AND CASH EQUIVALENTS	314,985	131,046
Cash and cash equivalents at 1 January	5,554,862	3,795,041
CASH AND CASH EQUIVALENTS AT 31 MARCH	5,869,847	3,926,087

The attached notes 1 to 18 form part of these interim condensed consolidated financial statements.

Seef Properties B.S.C.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three-month period ended 31 March 2026 (Reviewed)

		<i>Equity attributable to equity holders of the parent</i>						
	<i>Note</i>	<i>Share capital BD</i>	<i>Treasury shares BD</i>	<i>Statutory reserve BD</i>	<i>Retained earnings* BD</i>	<i>Total BD</i>	<i>Non-controlling interest BD</i>	<i>Total equity BD</i>
At 1 January 2026		46,000,000	(923,881)	23,000,000	95,399,610	163,475,729	3,085,688	166,561,417
Net profit and total comprehensive income for the period		-	-	-	966,551	966,551	(48,522)	918,029
Dividends declared	10	-	-	-	(4,523,130)	(4,523,130)	-	(4,523,130)
At 31 March 2026		46,000,000	(923,881)	23,000,000	91,843,031	159,919,150	3,037,166	162,956,316
		<i>Equity attributable to equity holders of the parent</i>						
	<i>Note</i>	<i>Share capital BD</i>	<i>Treasury shares BD</i>	<i>Statutory reserve BD</i>	<i>Retained earnings* BD</i>	<i>Total BD</i>	<i>Non-controlling interest BD</i>	<i>Total equity BD</i>
At 1 January 2025		46,000,000	(699,092)	23,000,000	93,546,072	161,846,980	3,307,994	165,154,974
Net profit and total comprehensive income for the period		-	-	-	1,223,189	1,223,189	(53,846)	1,169,343
Dividends declared	10	-	-	-	(4,087,845)	(4,087,845)	-	(4,087,845)
Purchase of treasury shares		-	(7,067)	-	-	(7,067)	-	(7,067)
At 31 March 2025		46,000,000	(706,159)	23,000,000	90,681,416	158,975,257	3,254,148	162,229,405

*Retained earnings includes BD 644,092 relating to the statutory reserves of the subsidiaries.

The attached notes 1 to 18 form part of these interim condensed consolidated financial statements.

Seef Properties B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2026

1 ACTIVITIES

Seef Properties B.S.C. (the "Company" or the "Parent") is a public joint stock company incorporated in the Kingdom of Bahrain and registered with the Ministry of Industry and Commerce under commercial registration number 44344. The postal address of the Company's registered head office is P O Box 20084, Building 2102, Road 2825, Block 428, Seef District, Kingdom of Bahrain.

The Company and its subsidiaries are collectively referred to as the Group.

The Group is primarily engaged in the real estate business and also provides leisure and recreational game facilities. The Group owns and manages Seef Mall, Isa Town Mall, Muharraq Seef Mall, Fraser Suites - Seef, Seef Entertainment and other commercial facilities in the Kingdom of Bahrain. In addition, the Company manages, as part of property management service agreements, several properties in Bahrain, including Al Liwan. Al Liwan project is owned by Lama Real Estate W.L.L. which is the joint venture of the Company.

The interim condensed consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 7 May 2026.

The Company's subsidiaries and joint venture, all of which are incorporated in the Kingdom of Bahrain, are as follows:

Name	Ownership interest		Principal activities
	31 March 2026	31 December 2025	
Subsidiaries			
Fraser Suites Seef - Bahrain W.L.L.	100%	100%	Hotel, tourist furnished flats and restaurants for tourist services management.
Seef Entertainment W.L.L.	100%	100%	Management of amusement parks and theme parks and other amusement and recreation activities.
Muharraq Mall Co. W.L.L.	72.5%	72.5%	Management of real estate including malls.
Joint Venture			
Lama Real Estate W.L.L.	50%	50%	Real estate business.

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

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 Standard Board ("IASB"), and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025. In addition, 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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2026

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

The Group has prepared the interim condensed consolidated financial statements on the basis that it will continue to operate as a going concern. The Board of Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

2.2 Accounting convention

The interim condensed consolidated financial statements have been prepared on a historical cost basis, except for investment properties that have been measured at fair value. The interim condensed consolidated financial statements are presented in Bahraini Dinars ("BD") which is the functional currency of the Company and the reporting currency of the Group.

2.3 New and amended standards and interpretations adopted as at 1 January 2026

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 new and amended standards and interpretations as of 1 January 2026. The Group has not early adopted any other new and amended standards and interpretations that has been issued but is not yet effective.

The following amendments apply for the first time in 2026, these amendments, did not have an impact on the interim condensed consolidated financial statements of the Group.

- Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments
- Annual Improvements to IFRS accounting Standards – Volume 11
- Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature -dependent Electricity

3 SEASONALITY OF OPERATIONS

Due to the seasonal nature of serviced apartments and leisure and recreational segments, higher revenues and operating profits are usually expected during the holiday and events periods. However, for the property rental and service charge income there is no seasonality of operations.

4 INVESTMENT PROPERTIES

	<i>Three-month period ended 31 March 2026 Reviewed BD</i>	<i>Year ended 31 December 2025 Audited BD</i>
At the beginning of the period / year	139,381,079	139,218,696
Unrealised fair value loss, net	(166,487)	(154,460)
Disposals during the period / year	-	(78,752)
Expenditure incurred during the period / year	122,373	395,595
At the end of the period / year	139,336,965	139,381,079

The Group's investment properties consist of Seef Mall including its related capital work-in-progress, Isa Town Mall, Fraser Suites - Seef, Muharraq Seef Mall and other commercial properties in the Kingdom of Bahrain. As at 31 March 2026, the capital work-in-progress relating to Seef Mall amounted to BD 949,038 (31 December 2025: 826,665).

Seef Properties B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2026

4 INVESTMENT PROPERTIES (continued)

Investment property of Muharraq Mall Company W.L.L. amounting to BD 18,742,231 (2025: BD 18,908,718) includes a leasehold land on which Muharraq Mall building was constructed.

5 INVESTMENT IN A JOINT VENTURE

	<i>Three-month period ended 31 March 2026 Reviewed BD</i>	<i>Year ended 31 December 2025 Audited BD</i>
At the beginning of the period / year	10,047,837	8,475,206
Additional investment during the period / year	-	1,500,000
Share of profit for the period / year	39,318	72,631
At the end of the period / year	10,087,155	10,047,837

The share of profit for the three-month period ended 31 March 2026 was recorded based on the unaudited management accounts of the joint venture for the three-month period ended 31 March 2026.

The joint venture had no material contingent liabilities at 31 March 2026 and 31 December 2025. The joint venture cannot distribute its profits until it obtains the consent from both venture partners. The Group's share of joint venture's capital commitments at the reporting date is disclosed in note 13.

6 BANK BALANCES, TERM DEPOSITS AND CASH

	<i>31 March 2026 Reviewed BD</i>	<i>31 December 2025 Audited BD</i>
Cash on hand	9,515	11,335
Bank balances (note 6.1)	2,582,877	2,378,058
Term deposits (note 6.2)	18,280,288	17,968,302
Bank balances, term deposits and cash	20,872,680	20,357,695
Term deposits with an original maturity of more than 90 days	(15,002,833)	(14,802,833)
Cash and cash equivalents	5,869,847	5,554,862

6.1 Bank balances are held with commercial banks in the Kingdom of Bahrain. Profit rates on bank balances at 31 March 2026 ranged from 0.15% to 2.10% per annum (31 December 2025: 0.15% to 2.10% per annum).

6.2 Term deposits are held with commercial banks in the Kingdom of Bahrain. Profit rates on term deposits at 31 March 2026 ranged from 4.35% to 5.30% per annum (31 December 2025: 4.85% to 5.40% per annum).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2026

7 TERM LOANS

Muharraq Mall Co. W.L.L.

During prior years, the Group's subsidiary, Muharraq Mall Co. W.L.L., obtained a term loan from a commercial bank in the Kingdom of Bahrain amounting to BD 6.3 million to finance the development of Muharraq Seef Mall. The term loan was originally repayable in 40 quarterly instalments commencing from December 2018.

However during 2020 and 2021, the repayment of the loan was extended to a new maturity date of September 2030. The term loan, based on the latest amendment, carries interest at the rate of 2.25% per annum plus 3 months SOFR rate. The interest rate on the loan at 31 March 2026 was 6.20% per annum (31 December 2025: 6.50% per annum). The loan is secured by joint and several guarantees issued by the shareholders of Muharraq Mall Co. W.L.L. in favour of the bank. The outstanding balance of the term loan at 31 March 2026 was BD 4,846,753 (31 December 2025: BD 4,846,753). Muharraq Mall Co. W.L.L. did not pay the instalments due on 31 March 2025, 30 June 2025, 30 September 2025, 31 December 2025 and 31 March 2026 as Muharraq Mall Co. W.L.L. was negotiating with the bank for the rescheduling of the loan.

The term loan is subject to covenants that Muharraq Mall Co. W.L.L. must comply with. At 31 March 2026, all the covenants were complied with except for the following covenants:

- a) Facility Service Coverage Ratio shall not be less than 1.25x at all times during the tenor of the facility for the lessee.
- b) In case any instalment payment is past due for more than 30 days, the borrower and/or guarantors will provide mortgage on security acceptable to the bank.

Despite the non-compliance with the loan covenants as of 31 March 2026, the loan has not been classified as current. This is because, according to the loan agreement, these covenants are to be assessed annually based on the audited financial statements of Muharraq Mall Co. W.L.L. As of 31 December 2025, there was a breach of the same loan covenants; however, the loan remains classified as non-current due to a waiver obtained from the bank for this non-compliance, dated 31 December 2025. This waiver allows Muharraq Mall Co. W.L.L. to retain the loan under its original terms.

Subsequent to the period end, the rescheduling of the loan was finalised and the first repayment took place in April 2026. The rescheduled loan is repayable in 31 equal quarterly instalments of BD 71,707 and one final instalment of BD 2,677,073 on 30 Dec 2033. The loan carries interest at the rate of 2.00% per annum plus 3 months BIBOR rate and is subject to certain new covenants along with previous ones, which are to be assessed on an annual basis. The loan is secured by joint and several guarantees issued by the shareholders of Muharraq Mall Co. W.L.L. in favour of the bank along with a deposit maintained with the bank. As per management, the rescheduling of the loan represents a planned restructuring to facilitate an improved settlement of the loan and is not attributable to the ongoing regional conflict.

Seef Entertainment W.L.L.

During prior years, the Group's subsidiary, Seef Entertainment W.L.L., obtained a loan facility from a commercial bank in the Kingdom of Bahrain amounting to BD 4 million to finance the project of a family entertainment centre in Al Liwan, Al Hamala. Principal and profit are repayable quarterly starting from 27 October 2022 till 26 October 2026. The loan is a murabaha which carries a profit rate of 7.50% per annum at 31 March 2026 (31 December 2025: 7.50% per annum). The loan is secured against a guarantee issued by the Company in favour of the bank. The outstanding balance of the term loan at 31 March 2026 was BD 221,595 (31 December 2025: BD 324,548).

At 31 March 2026, Seef Entertainment W.L.L. complied with all covenants (31 December 2025: same).

Seef Properties B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2026

7 TERM LOANS (continued)

The movement in the term loans during the period / year is as follows:

	<i>Three-month period ended 31 March 2026 Reviewed BD</i>	<i>Year ended 31 December 2025 Audited BD</i>
At the beginning of the period / year	5,171,301	5,541,258
Repayments during the period / year	(102,953)	(369,957)
At the end of the period / year	5,068,348	5,171,301

The current and non-current portions of the term loans are as follows:

	<i>31 March 2026 Reviewed BD</i>	<i>31 December 2025 Audited BD</i>
Non-current	2,645,140	2,847,858
Current	2,423,208	2,323,443
	5,068,348	5,171,301

8 LEASE LIABILITY

The lease liability balance represents the present value of future lease payments for a leasehold land. The lease for the land ends in February 2054. The corresponding right-of-use asset is presented as part of investment properties. Refer to note 4.

The payments for the leasehold land are discounted using a discount factor of 9.66% per annum.

The movement in the lease liability is as follows:

	<i>Three-month period ended 31 March 2026 Reviewed BD</i>	<i>Year ended 31 December 2025 Audited BD</i>
At the beginning of the period / year	2,435,243	2,451,166
Lease payments during the period / year	(62,500)	(250,000)
Finance costs for the period / year	58,275	234,077
At the end of the period / year	2,431,018	2,435,243

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2026

8 LEASE LIABILITY (continued)

The current and non-current portions of the lease liability are as follows:

	31 March 2026 Reviewed BD	31 December 2025 Audited BD
Non-current	2,413,061	2,417,712
Current	17,957	17,531
	2,431,018	2,435,243

9 TREASURY SHARES

During the period, no additional shares were reacquired (31 December 2025: the Company reacquired 1,905,002 of its own equity shares for a consideration of BD 224,789). At 31 March 2026, the total number of treasury shares that the Company reacquired was 7,686,982 shares (31 December 2025: 7,686,982 shares.)

10 DIVIDENDS

At the Annual General Meeting held on 15 March 2026, the Company's shareholders approved to distribute a final dividend of BD 0.010 per share totalling BD 4,523,130 relating to 2025.

At the Annual General Meeting held on 19 March 2025, the Company's shareholders approved to distribute a final dividend of BD 0.009 per share totalling BD 4,087,845 relating to 2024.

11 DIVIDENDS PAYABLE AND UNCLAIMED DIVIDENDS

	Three-month period ended 31 March 2026 Reviewed BD	Year ended 31 December 2025 Audited BD
At the beginning of the period / year	653,027	665,313
Dividends declared during the period / year (note 10)	4,523,130	4,087,415
Dividends paid during the period / year	(75)	(4,099,701)
At the end of the period / year	5,176,082	653,027

12 EARNINGS PER SHARE

	Three-month period ended 31 March 2026	31 March 2025
Profit attributable to equity holders of the parent (BD)	966,551	1,223,189
Weighted average number of shares outstanding during the period	452,313,018	454,197,929
Basic and diluted earnings per share (fils)	2.14	2.69

Seef Properties B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2026

12 EARNINGS PER SHARE (continued)

No separate figure for diluted earnings per share has been presented as the Company has not issued any financial instruments which may have a dilutive effect.

13 COMMITMENTS AND CONTINGENCIES

a) *Capital expenditure commitments*

The Group's capital expenditure commitments outstanding at the reporting date but not yet recognised as a liability relating to the projects in malls and other properties are as follows:

	31 March 2026 Reviewed BD	31 December 2025 Audited BD
Seef Properties B.S.C.	2,104,679	1,297,533
Seef Entertainment W.L.L.	697,435	571,600
Fraser Suites Seef Bahrain	165,077	195,149
Lama Real Estate W.L.L.*	69,182	109,182
	3,036,373	2,173,464

* This represents the Group's share of the joint venture's capital commitments at the reporting dates.

b) *Other commitments*

Muharrag Mall Co. W.L.L. is contracted with Al Muharrag club (the "Lessor") to pay a royalty charge of 2.75% (2025: 2.75%) of its gross rental income, subject to positive cash flow which is defined as the excess of total rental income over the total cost of operating the mall, commencing from the year 2022 until the end of the lease term in 2054. At 31 March 2026, an amount of BD 39,136 was accrued to the lessor (31 December 2025: BD 31,615).

Under the terms of the management agreement with Fraser Serviced Residences Pte. Ltd., an entity incorporated in UK, Fraser Suites Seef – Bahrain W.L.L. is contractually committed to allocate an amount equivalent to 3% of its annual revenue towards furniture and fixtures replacement. The amounts set aside are restricted for the replacement and refurbishment of furniture and fixtures. The amount of commitment at 31 March 2026 was BD 10,567 (31 December 2025: BD nil).

At 31 March 2026, the Company had no commitment to pay an additional investment in joint venture (2025: BD nil). However, the Company has committed to provide support to its joint venture to enable it to meet its obligations on a timely basis so that it can continue its operations for the foreseeable future (2025: same).

c) *Legal cases*

In the ordinary course of business, the Group is a party to legal claims. The Group, based on legal advice, has not recognised a provision for any of its legal cases as the likelihood of any contingent liability towards the Group is remote.

d) *Guarantees*

The Company has signed a corporate guarantee towards the term loan obtained by Seef Entertainment W.L.L. from a commercial bank. In addition, the Company, along with the other shareholder, have jointly signed several corporate guarantees towards the term loan obtained by Muharrag Mall Co. W.L.L. from a commercial bank. Refer to note 7.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2026

14 SEGMENT INFORMATION

For management purposes, the Group is organised into four main business segments:

Malls and properties	- Management of real estate including malls
Serviced apartments	- Management of apartments
Leisure and entertainment	- Operating leisure and recreational games facilities
Other	- All activities other than property management and leisure activities

The operations of malls and properties include Seef Mall, Isa Town Mall, Muharraq Seef Mall and other properties in areas such as Hamad Town, Isa Town, Saar and Um-Al Hassam. It also includes the management of other properties as part of property management service agreements.

Serviced apartments represent Fraser Suites Seef, which generates income from the leasing of furnished serviced apartments and tourists restaurants.

The Group owns and operates leisure and recreational games facilities in different commercial malls in the Kingdom of Bahrain under its brand names Magic Island, Jumpoline, Yabeela and Hawa.

In addition, the Group also earns other income from profits on term deposits which is included in "Others".

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

All of the sales and profits of the Group are earned in the Kingdom of Bahrain.

Seef Properties B.S.C.

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14 SEGMENT INFORMATION (continued)

	<i>Malls and properties</i>		<i>Serviced apartments</i>		<i>Leisure and entertainment</i>		<i>Others</i>		<i>Elimination</i>		<i>Consolidated</i>	
	<i>Three-month period ended 31 March</i>		<i>Three-month period ended 31 March</i>		<i>Three-month period ended 31 March</i>		<i>Three-month period ended 31 March</i>		<i>Three-month period ended 31 March</i>		<i>Three-month period ended 31 March</i>	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	<i>Reviewed</i>	<i>Reviewed</i>	<i>Reviewed</i>	<i>Reviewed</i>	<i>Reviewed</i>	<i>Reviewed</i>	<i>Reviewed</i>	<i>Reviewed</i>	<i>Reviewed</i>	<i>Reviewed</i>	<i>Reviewed</i>	<i>Reviewed</i>
	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>
Income from external operations	2,147,911	2,295,110	352,223	292,749	444,844	596,210	-	-	(70,782)	(70,404)	2,874,196	3,113,665
Less: cost of revenue	261,686	258,077	134,375	104,898	430,822	484,054	-	-	(83,407)	(83,029)	743,476	764,000
GROSS PROFIT	1,886,225	2,037,033	217,848	187,851	14,022	112,156	-	-	12,625	12,625	2,130,720	2,349,665
Other operating income	322,162	308,282	16,331	16,658	19,697	25,633	-	-	(15,563)	(23,657)	342,627	326,916
Profit on term deposits	-	-	-	-	-	-	232,646	263,632	-	-	232,646	263,632
	2,208,387	2,345,315	234,179	204,509	33,719	137,789	232,646	263,632	(2,938)	(11,032)	2,705,993	2,940,213
EXPENSES												
General and administrative expenses	1,169,501	1,102,791	111,792	84,004	37,012	34,934	-	-	(2,938)	(11,032)	1,315,367	1,210,697
Depreciation	68,118	88,055	17,264	9,800	56,114	88,303	-	-	-	-	141,496	186,158
Charge for expected credit losses	60,638	67,606	5,486	545	-	-	-	-	-	-	66,124	68,151
Finance costs	133,358	141,500	-	-	4,450	12,068	-	-	-	-	137,808	153,568
	1,431,615	1,399,952	134,542	94,349	97,576	135,305	-	-	(2,938)	(11,032)	1,660,795	1,618,574
PROFIT BEFORE FAIR VALUE CHANGES OF INVESTMENT PROPERTIES AND SHARE OF PROFIT / (LOSS) FROM INVESTMENT IN A JOINT VENTURE	776,772	945,363	99,637	110,160	(63,857)	2,484	232,646	263,632	-	-	1,045,198	1,321,639
Unrealised fair value loss on investment properties	(166,487)	(166,487)	-	-	-	-	-	-	-	-	(166,487)	(166,487)
Share of profit from investment in a joint venture	39,318	14,191	-	-	-	-	-	-	-	-	39,318	14,191
Segment profit / (loss) for the period	649,603	793,067	99,637	110,160	(63,857)	2,484	232,646	263,632	-	-	918,029	1,169,343
Capital expenditure*	146,081	162,210	505	151,598	26,187	2,384	-	-	-	-	172,773	316,192

*Capital expenditure consists of additions in investment properties and equipment, furniture and motor vehicles.

	<i>31 March</i>	<i>31 December</i>	<i>31 March</i>	<i>31 December</i>	<i>31 March</i>	<i>31 December</i>	<i>31 March</i>	<i>31 December</i>	<i>31 March</i>	<i>31 December</i>	<i>31 March</i>	<i>31 December</i>
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	<i>Reviewed</i>	<i>Audited</i>	<i>Reviewed</i>	<i>Audited</i>	<i>Reviewed</i>	<i>Audited</i>	<i>Reviewed</i>	<i>Audited</i>	<i>Reviewed</i>	<i>Audited</i>	<i>Reviewed</i>	<i>Audited</i>
	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>
Total assets	156,733,240	146,483,212	12,777,029	12,835,532	3,079,899	3,277,442	18,280,288	17,968,302	(12,287,770)	(2,789,023)	178,582,686	177,775,465
Total liabilities	15,610,828	10,961,772	2,369,279	2,527,421	367,934	513,878	-	-	(2,721,671)	(2,789,023)	15,626,370	11,214,048

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15 RELATED PARTY BALANCES AND TRANSACTIONS

Related parties represent major shareholders who have control or significant influence over the Company, key management personnel of the Company and entities controlled, jointly controlled or significantly influenced by the Group and such parties. Pricing policies and terms of these transactions are approved by the Board of Directors.

Balances with related parties included in the interim condensed consolidated statement of financial position are as follows:

	31 March 2026 Reviewed BD	<i>31 December 2025 Audited BD</i>
Assets		
<i>Trade and other receivables</i>		
Lama Real Estate W.L.L. - joint venture of the Company	685,656	701,806
Fraser Suites Al Liwan-Bahrain W.L.L. - subsidiary of the joint venture	185	36,208
Social Insurance Organization - major shareholder	18,534	11,164

Outstanding balances at 31 March 2026 and 31 December 2025 have risen in the normal course of business. Outstanding balances are interest free and unsecured. The Group only creates an allowance for expected credit losses for related party balances where it is virtually certain that the debt will not be recovered. At 31 March 2026, the Group has not recorded any allowance for impairment against amounts owed by related parties (31 December 2025: same).

Transactions with related parties included in the interim condensed consolidated statement of comprehensive income are as follows:

	<i>Three-month period ended</i>	
	31 March 2026 Reviewed BD	<i>31 March 2025 Reviewed BD</i>
Revenue		
<i>Property rental income and service charges /</i>		
Social Insurance Organisation	5,310	5,310
<i>Other operating income /</i>		
Lama Real Estate W.L.L.	86,356	64,990
Other operating income / Fraser Suites Al Liwan-Bahrain W.L.L.	16,331	16,658
Expenses		
Cost of sales / Lama Real Estate W.L.L.	70,692	70,692

Lama real estate W.L.L. is a joint venture of the Company; for the related balance and share of profits refer to note 5.

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15 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Key management personnel

Key management personnel are directors and individuals who have the authority and responsibility for planning, directing, and controlling the activities of the Group directly or indirectly.

Balances with key management personnel included in the interim condensed consolidated statement of financial position are as follows:

	31 March <i>BD</i> Reviewed <i>BD</i>	31 December <i>2025</i> Audited <i>BD</i>
End of service benefits	112,549	107,591

Transactions with key management personnel included in the interim condensed consolidated statement of comprehensive income are as follows:

	<u>Three-month period ended</u>	
	31 March <i>2026</i> Reviewed <i>BD</i>	31 March <i>2025</i> Reviewed <i>BD</i>
Directors' remuneration	240,000	240,000
Board sitting fees	13,100	13,100
Management short-term benefits	261,249	227,822
End of service benefits	4,958	4,815
	519,307	485,737

16 FAIR VALUE MEASUREMENT

Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the interim condensed consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the interim condensed consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair value of financial instruments

Financial instruments comprise of financial assets and financial liabilities.

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16 FAIR VALUE MEASUREMENT (continued)

Fair value of financial instruments (continued)

Financial assets consist of trade and other receivables and bank balances, term deposits and cash. Financial liabilities consist of trade and other payables, lease liability, dividends payable and unclaimed dividends and term loans. There were no financial assets or liabilities carried at fair value at 31 March 2026 and 31 December 2025.

The carrying amounts of bank balances, term deposits and cash, trade and other receivables, trade and other payables and dividends payable and unclaimed dividends approximate their fair values at the reporting date, largely due to the short maturities of these instruments (31 December 2025: same).

The carrying amounts of the long-term financial instruments, term loans and lease liability, also approximate their fair values at the reporting date as these are interest / profit bearing at market rates (31 December 2025: same).

Fair value of non-financial instruments

The Group measures its investment properties at fair value. The fair value of the Group's investment properties is categorised into level 3 of the fair value hierarchy. There were no transfers between the different levels of fair value hierarchy during the current period and prior year.

The fair values of the investment properties were determined by the Group through an assessment performed internally by Management based on the valuation performed by independent surveyors as at 31 December 2025 (2025: 31 December 2025). The surveyors are industry specialists in valuing these types of properties and have recent experience in the location and category of the properties being valued, however the Group internally updates the fair value of investment properties in case of significant changes in the valuation assumptions. The valuations undertaken were based on income yield capitalisation and discounted cash flow method.

The movement in the fair value of level 3 non-financial assets- investment properties is disclosed in note 4.

17 ASSESSMENT OF ASSET CARRYING VALUES AND OTHER FINANCIAL STATEMENT IMPACTS

As at 31 March 2026, management has assessed the carrying values of the Group's financial assets as well as non-financial assets, for indicators of impairment or valuation adjustment arising from the current geopolitical environment. Based on the information available at the reporting date, management has concluded that the carrying values of these assets reasonably reflect the conditions and risks existing as at 31 March 2026.

During the period, certain operational disruptions were experienced. Revenue from Seef Entertainment W.L.L was adversely affected due to the temporary closure of certain entertainment centers for approximately five to seven days as a result of the ongoing regional conflict. Following the reopening, footfall levels remained below normal levels, which further impacted revenues for the reporting period.

For Fraser Suites Seef Bahrain, the average occupancy rate based on the number of available rooms for March 2026 declined compared to the corresponding period in 2025, primarily due to the ongoing regional conflict, which caused airspace disruptions and a reduction in tourist arrivals, adversely affecting demand. Notwithstanding this decline in occupancy, revenue for March 2026 increased compared to March 2025, mainly as a result of the completion of the renovation project, which led to an increase in the number of available rooms. Accordingly, the carrying value of the investment property Fraser Suites - Seef remained within an acceptable fair value range as at 31 March 2026.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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17 ASSESSMENT OF ASSET CARRYING VALUES AND OTHER FINANCIAL STATEMENT IMPACTS (continued)

Given the evolving nature of the situation, management acknowledges that further developments may affect economic assumptions, credit risk assessments, and asset valuations in future reporting periods. Any additional impacts arising from new information or changes in circumstances will be recognised prospectively in accordance with the applicable International Financial Reporting Standards requirements, including through updates to expected credit loss estimates, valuation assumptions, or impairment assessments in subsequent periods. The Group continues to actively monitor regional and global developments and will refine its assumptions, judgments, and estimates as circumstances evolve.

18 COMPARATIVES

Certain of the comparative period figures have been reclassified to conform to the presentation adopted in the current year. Such reclassifications did not affect the previously reported total assets, total liabilities, total equity or net profit of the Group.