Condensed interim statement of cash flows

for the three months period ended 31 March 2026

1 Legal status and activities

The Pearl Real Estate Investment Fund (the "Fund") is a Sharia-compliant Real Estate Investment Fund (REIF) registered in the Sultanate of Oman and constituted as a joint investment account as per the Regulations of the Capital Market Authority ("CMA") of Sultanate of Oman. The term of the Fund is 99 calendar years from the date of registration in the Funds registry in the CMA or until the liquidation of the Fund.

The Fund was established by Sohar International Bank SAOG (the "Fund Manager"), an open joint stock company registered in the Sultanate of Oman in accordance with the Commercial Companies Law of Oman and approved by the CMA in accordance with the administrative decision No. 61/2022 on 26 April 2022. The Fund had undergone an initial public offering on 14 November 2022.

The registered address of the Fund is PO Box 44, Postal Code 114, Hai Al Mina, Sultanate of Oman.

The principal activities of the Fund are investing, directly or indirectly, in a diversified portfolio of income-producing real estate assets in Oman that are used primarily for residence, office, light industrial/logistics and retail purposes.

As on 31 March 2026, the unitholding of Omantel, Mars Development & Investment LLC, Oman Investment Authority (OIA) and Oman Brunei Investment Company are 24.066%, 15.595, 12.562% and 14.09% respectively while the public holds 33.687%. Omantel is a subsidiary of OIA and the ultimate controlling party of the Fund is OIA.

2 Basis of preparation

This unaudited condensed interim financial information for the nine months ended 31 March 2026(‘condensed interim financial information’) have been prepared in accordance with IAS 34 *Interim Financial Reporting* as issued by the International Accounting Standards board (IASB), and should be read in conjunction with the Fund’s last audited financial statements for the period from 26 April 2022 (date of incorporation) to and as at 31 December 2025 (‘last annual financial statements’). They do not include all the information required for a complete set of financial statements prepared in accordance with IFRS Accounting Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Fund’s financial position and performance since the last annual financial statements.

Functional currency

This condensed interim financial information is presented in Rial Omani (RO), which is the Fund’s functional currency. All amounts have been rounded to the nearest units, unless otherwise indicated.

Basis of measurement

These condensed interim financial information have been prepared on a historical cost basis, except for investment properties that are measured at fair value.

Financial risk management

The financial risk management objective and policies adopted by the Fund are consistent with those disclosed in the last annual financial statements.

3 Use of judgements and estimates

In preparing this condensed interim financial information, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Fund’s accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

3 Use of judgements and estimates *(continued)*

Measurement of fair values

The Fund's accounting policies require investment properties to be measure at fair value. Further information about the assumptions made in measuring fair values of investment properties are included in note 6.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

4 Change in accounting policy, new and amended standards and interpretations

Except as described below, the accounting policies applied in these condensed interim financial information are the same as those applied in the Fund's financial statements as at and for the year ended 31 December 2025.

4.1 New and amended standards adopted by the Fund

Following are the standards that are effective from 01 January 2025.

- Lack of Exchangeability – Amendments to IAS 21

Some standards like Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) are available or optional adoption and its effective date is deferred indefinitely. The Fund has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments apply for the first time in 2025, but do not have a material impact on this condensed interim financial information.

5 Due from related parties

	31 Mar 2026 RO (Unaudited)	31 Mar 2025 RO (Unaudited)	31 December 2025 RO (Audited)
Rent receivable	**1,904,697**	-	352,950
	1,904,697	-	352,950

6 Prepayments, account and other receivables

	31 Mar 2026 RO (Unaudited)	31 Mar 2025 RO (Unaudited)	31 December 2025 RO (Audited)
VAT refund receivable	**24,376**	1,111,794	-
Prepayments	**157,218**	285,883	188,944
Profit accrued on time deposits	**48,154**	66,774	29,774
Rent receivables	**856,997**	1,691,859	233,785
Other receivables	**329,578**	224,325	330,810
	1,416,323	3,380,635	783,313

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7 Investment properties

The Fund's investment properties comprise buildings held for rental income and capital appreciation located in the Sultanate of Oman. The Fund has determined that all investment properties leased out are leased as operating leases with a non-cancellable period of five years and an option to renew for further two terms of five years each. Investment properties comprise of the following:

	31 Mar 2026 RO (Unaudited)	31 Mar 2025 RO (Unaudited)	31 December 2025 RO (Audited)
Plot # 102 Al Wadi – Salalah –Lulu Hypermarket	**28,495,000**	28,495,000	28,495,000
Plot # 117 Madinat Al-Irfan, Bousher – Omantel Headquarters	**56,388,000**	55,800,000	56,388,000
Plot # 2423 Al Rumais, Barka - Leased to Nesto Hypermarket LLC	**11,652,000**	11,300,000	11,652,000
Plot # 1155, Block no. Phase 1 in Madinat Al Erfan – OQ SAOC Head Office	**24,000,000**	24,000,000	24,000,000
	120,535,000	119,595,000	120,535,000

(a) Amounts recognised in profit or loss

Rental income recognised by the Fund during the period was RO 2,561,403 (March 2025: RO 2,561,403) and is presented as 'Rental income' pursuant to the agreement dated 21 June 2022 for Omantel and Lulu Hypermarket, on 10 February 2023 for Nesto Hypermarket and on 01 January 2025 for OQ SAOC Maintenance expenses on the investment properties are borne by the lessee as the leases entered into are triple net leases.

Both investment properties are pledged as a security against the Ijara credit facility.

(b) Measurement of fair values

i. Fair value hierarchy

The fair value of investment properties was determined by external, independent property valuers, namely Alhabib & co, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Fund's investment properties portfolio once every year.

The fair value measurement for all the investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

ii. Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment properties, as well as the significant unobservable inputs used.

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7 Investment properties *(continued)*

(b) Measurement of fair values *(continued)*

ii. Valuation technique and significant unobservable inputs *(continued)*

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Discounted cash flow: The valuation model considers the present value of net cash flows to be generated from the property, taking into account the expected rental growth, void periods, occupancy rate, lease incentive costs such as rent-free periods and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discounted rates. Among other factors, the discount rate estimation considers the quality of a building and its location, tenant credit quality and lease terms.	**Lulu Hypermarket Property** Yield – 8.75% (2025-8.75%) Risk-adjusted discount rate – 9.9% (2025-9.9%) Reletting risk discount rate – 3% (2025-3%) **Omantel Headquarters** Yield – 8.75% (2025-8.75%) Risk-adjusted discount rate – 8.8% (2025-8.8%) Reletting risk discount rate – 3% (2025-3%) **Nesto Hypermarket Property** Yield – 8% (2025-8%) Risk-adjusted discount rate – 8.78% (2025-8.78%) Reletting risk discount rate – 3% (2025-3%) **OQ SAOC Head Office** Yield – 8.70% (2025-8.70%) Risk-adjusted discount rate – 8.00% (2025-8.00%) Reletting risk discount rate – 3% (2025-3%) Rental Growth rate-10%(2025-10%)every 5 years Operational expenses-3%(2025-3%)	The estimated fair value would increase (decrease) if: • the yields were higher (lower) • the risk-adjusted discount rates were lower (higher) • the reletting risk discount rate on terminal values were lower (higher)

8 Due to related parties

	31 Mar 2026 RO (Unaudited)	31 Mar 2025 RO (Unaudited)	31 December 2025 RO (Audited)
Accrued management fees	**23,846**	23,846	24,376
Accrued custodian fees	**3,205**	3,205	3,277
Sitting fees payable	**31,500**	1,500	1,500
Other payable	**210,000**	-	210,000
	268,552	28,552	357,511

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9 Accruals, account and other liabilities

	31 Mar 2026 RO (Unaudited)	31 Mar 2025 RO (Unaudited)	31 December 2025 RO (Audited)
Rent received in advance	**-**	-	37,826
Profit accrued on Ijara credit facility	**802,891**	812,213	377,119
VAT payable	**-**	-	163,117
Dividend payable	**-**	-	3,072,810
Other accruals and payables	**115,487**	123,291	118,283
	918,377	935,504	3,769,155

10 Ijara credit facility

	31 Mar 2026 RO (Unaudited)	31 Mar 2025 RO (Unaudited)	31 December 2025 RO (Audited)
Gross ijarah credit facility	**58,734,000**	43,756,200	58,734,000
Unamortised transaction costs	**(255,191)**	(279,231)	(261,044)
Add ijara credit facility	**-**	15,000,000	-
Net ijarah credit facility	**58,478,809**	58,476,969	58,472,956

On 21 June 2022, the Fund entered into an Ijara credit facility agreement for an amount of RO 43,800,000, and proceeds have been used to meet the capital expenditure of investment properties. The financing is repayable over the course of 15 years with a bullet payment of 65% of the facility to be paid on the final payment. The profit rate on this financing is based on CBO Weighted Average Rate + 1.05% p.a. payable semi-annually. The profit rate will reset on every anniversary from the first drawdown date.

During the period the Fund entered into an Ijara credit facility agreement for an amount of RO 15,000,000, and proceeds have been used to meet the capital expenditure in acquisition of Oman Tourism Devolpment Company. The financing is repayable over the course of 15 years with a bullet payment of 65% of the facility to be paid on the final payment.

The movement of Ijara facility is as follows:

	Three month period ended 31 Mar 2026 RO (Unaudited)	Three month period ended 31 Mar 2025 RO (Unaudited)	For the period from 01 Jan 2025 to 31 December 2025 RO (Audited)
Opening gross Ijara credit facility	**58,734,000**	43,756,200	43,756,200
Opening profit accrued on Ijara credit facility	**377,117**	41,252	41,252
Opening unamortised transaction cost	**(676,936)**	(285,086)	(285,086)
	58,434,181	43,512,366	43,512,366
Add: finance cost	**847,518**	776,816	3,379,162
Add: disbursement of ijara facility	**-**	15,000,000	15,000,000
Less: repayment of Ijara credit facility	**-**	-	(3,041,455)
Less: profit accrued on Ijara credit facility	**(802,891)**	(812,213)	(377,117)

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Net Ijarah credit facility	**58,478,809**	58,476,969	58,472,956

The Lulu hypermarket property and Omantel headquarters property and OQ property are pledged as security for the ijara credit facility. The ijara credit facility agreement contains certain covenants pertaining to Debt Service Coverage Ratio (DSCR) and Debt to equity ratio. The Fund is in compliance with these financing covenants as at the reporting date.

11 Rental income

	Three month period ended 31 March 2026 RO (Unaudited)	Three month period ended 31 March 2025 RO (Unaudited)	For the period ended 31 Dec 2025 RO (Audited)
Rental income - Lulu Muscat Hypermarket LLC	**639,004**	639,004	2,591,517
Rental income - Omantel headquarters	**1,189,283**	1,189,283	4,823,205
Rental Income - Nesto Hypermarket LLC	**252,293**	252,293	1,023,190
Rental income – OQ SAOC Head office	**480,822**	480,822	1,950,000
	2,561,403	2,561,403	10,387,912

12 Management fees

In accordance with the Investment Management Agreement entered between the Fund and Fund Manager dated 16 March 2021, the Fund Manager is entitled to receive an annual management fee, accruing on a monthly basis and payable quarterly in arrears from the incorporation date of the Fund.

Based on the terms of the Investment Manager Agreement, the Investment Manager is entitled to the following fees for the ongoing performance of its services as investment manager:

- An annual management fee equal to the higher of (a) 1% of the annual gross rent collected by the Fund based on the Fund's audited financial statements for the relevant Financial Year and (b) OMR 50,000, to be paid in equal quarterly instalments and accruing from the date of establishment of the Fund;
- An annual incentive fee calculated as 20% of (a) the net annual cash distributed to Unitholders divided by the average aggregate net asset value of the Fund for the relevant Financial Year, less (b) the average yield at auction of the last '10 year GDB Bond' issued by the Government of the Sultanate of Oman plus 200 basis points; and
- A transaction fee equal to 1% of the total purchase or sale consideration paid or received by the Fund in relation to any real estate or real estate-related asset directly or indirectly acquired, sold or divested from time to time by the Fund. This fee is payable on a transaction-by-transaction basis and will not be payable on any acquisition of assets which are at least 50% owned, directly or indirectly by OIA or Omantel or on any disposal of the Properties (if applicable).

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13 General and administrative expenses

	Three month period ended 31 March 2026 RO (Unaudited)	Three month period ended 31 March 2025 RO (Unaudited)	For the period ended 31 Dec 2025 RO (Audited)
Sitting fees	**32,700**	16,500	21,000
Custody and admin fees	**3,205**	3,205	13,000
Professional and other expenses	**117,888**	88,356	373,655
	153,794	108,061	407,655

14 Net assets value per unit

Net assets per unit is calculated by dividing the net assets attributable to the unitholders of the Fund at the reporting date by the number of units outstanding.

	31 Mar 2026 RO (Unaudited)	31 Mar 2025 RO (unaudited)	For the period from 01 Jan 2025 to 31 December 2025 RO (Audited)
Net assets (RO)	**66,906,118**	65,687,936	65,653,595
Number of units outstanding	**591,436,880**	591,436,880	591,436,880
Net assets per units (RO)	**0.113**	0.111	0.111

15 Basic and diluted earnings per unit

Basic earnings per unit are calculated by dividing the profit for the period by the weighted average number of eligible units outstanding during the period.

	Three month period ended 31 Mar 2026 RO (Unaudited)	Three month period ended 31 Mar 2025 RO (unaudited)	For the period from 01 Jan 2025 to 31 December 2025 RO (Audited)
Profit attributable to unitholders of the Fund	**1,598,218**	1,677,197	7,968,569
Weighted average number of eligible units	**591,436,880**	591,436,880	591,436,880
Basic and diluted earnings per unit	**0.003**	0.003	0.013

The diluted earnings per unit are identical to the basic earnings per unit as there are no dilutive potential equity instruments.

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16 Distributions to the unitholders

The Fund intends to distribute at least ninety percent (90%) of the Fund's annual net profit to the unitholder semi-annually subject to the Fund having sufficient cash available, after servicing its financing commitments, to be determined by Fund Manager Body in the Annual General Meeting/Ordinary General Meeting. Dividends shall be paid to the Unitholders whose names are recorded in the register held by Muscat Clearing and Depository SAOC when holding the Annual General Meeting/ Ordinary General Meeting.

During the three months period ended 31 March 2026, the Fund paid total cash dividend of RO 345,695 (5.78 Baisa per unit) based on audited financial statements for period ended 31 December 2025 which was approved by the unitholders on 30 March 2026 in an Annual General Meeting.

17 Taxation

In accordance with Article 117 of the Income Tax Law, income accruing to investment funds set up in the Sultanate of Oman, under the Capital Market Authority Law, is exempt from taxation.

18 Related party transactions and balances

In the ordinary course of business, the Fund conducts transactions with its Fund Management Body members / or unitholders and companies over which they are able to exert significant influence on mutually agreed terms with the approval of Fund Management Body. The aggregate amounts of balances with such related parties are as follows:

Balances with related parties in the statement of financial position are as follows:

	Three month period ended 31 March 2026 RO (Unaudited)	Three month period ended 31 March 2025 RO (unaudited)	For the period from 01 Jan 2025 to 31 December 2025 RO (Audited)
Due to releated parties	**268,552**	28,552	357,511
	268,552	28,552	357,511

Outstanding balances at the period end are unsecured, profit free, repayable on demand and settlement occurs in cash. There have been no guarantees provided or received for any related party balances.

Income and expenses from related parties in the statement of comprehensive income are as follows:

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	Three month period ended 31 March 2026 RO (Unaudited)	Three month period ended 31 March 2025 RO (Unaudited)	For the period from 01 Jan 2025 to 31 December 2025 RO (Audited)
Income			
Rental Income	**1,670,105**	1,670,105	6,773,205
	1,670,105	1,670,105	6,773,205
Expenses			
Management fees	**23,846**	23,846	312,302
Incentive fee	**-**	-	-
Custody and administrator fees	**3,205**	3,205	13,000
Sitting fees	**32,700**	16,500	21,000
	59,751	43,551	346,302

The above transactions and balances are with the major unitholders except for the management fees, custody and administrator fees and pre-establishment expenses.

19 Fair value

(a) Financial instruments

Financial instruments comprise of financial assets and financial liabilities.

Financial assets consist of cash and cash equivalents, bank deposits and accounts receivable. Financial liabilities consist of financing, account and other payables. The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair values of financial assets and liabilities are not materially different from their carrying values.

(b) Non-financial instruments

Investment properties are stated at fair values, determined based on independent valuations performed by an independent third party, based on income basis, supported by rental contracts and market evidence. The fair value measurement for all the investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

There were no transfers between the fair value hierarchy levels during the period.

20 Subsequent events after reporting date

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation of this condensed interim financial information.

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21 Operating segments

For entities that fall under the scope of IFRS 8 when preparing a full set financial statements, IAS 34 requires operating segments to be identified based on internal reports about the Fund's components regularly reviewed by the Fund Management Body to allocate resources to the segment and assess its performance. The Fund operates in one business segment, that of leasing commercial real estate. No geographical analysis has been disclosed as 100% of the Fund's revenue is from investment properties based in the Sultanate of Oman.

22 Comparative figures

Comparative information of condensed interim statements of comprehensive income, condensed interim statements of changes in net assets attributable to unitholders, cash flows and notes presented is for the period from 01 January 2025 to 31 March 2025.

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