

# **Deyaar Development (P.J.S.C)**

**Review report and unaudited interim condensed  
consolidated financial statements**

**31 March 2026**

## **Deyaar Development (P.J.S.C)**

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

## To the Shareholders of Deyaar Development PJSC

### Introduction

We have reviewed the accompanying 31 March 2026 interim condensed consolidated financial statements of Deyaar Development PJSC ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprises:

- the interim condensed consolidated statement of financial position as at 31 March 2026;
- the interim condensed consolidated statement of profit or loss for the three-month period ended 31 March 2026;
- the interim condensed consolidated statement of comprehensive income for the three-month period ended 31 March 2026;
- the interim condensed consolidated statement of changes in equity for the three-month period ended 31 March 2026;
- the interim condensed consolidated statement of cash flows for the three-month period ended 31 March 2026; and
- notes to the interim condensed consolidated financial statements.

Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.



## Scope of Review

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

## Other Matter – Comparative Information

The interim condensed consolidated financial statements of the Group for the three-month period ended 31 March 2025, were reviewed by another auditor who expressed an unmodified conclusion on those interim condensed consolidated financial statements on 14 May 2025 and the consolidated financial statements of the Group for the year ended 31 December 2025 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 11 February 2026.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 March 2026, interim condensed consolidated financial statements is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG Lower Gulf Limited

Richard Ackland  
Registration No.: 1015  
Dubai, United Arab Emirates  
KPMG Professional License No.: 113869  
Date: 11 May 2026

# Deyaar Development (P.J.S.C)

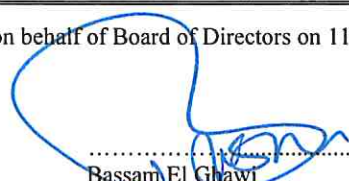
## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

		31 March 2026	31 December 2025
	<i>Notes</i>	AED'000	AED'000
		<i>(Unaudited)</i>	<i>(Audited)</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	6	542,676	547,219
Right of use assets	7	8,311	9,557
Investment properties	8	959,819	963,092
Investments in a joint venture and an associate		1,479,711	1,487,966
Trade, contract and other receivables	9	448,014	463,465
Deferred tax asset		6,688	6,597
Equity investment at fair value through other comprehensive income		10,301	13,957
		<b>3,455,520</b>	<b>3,491,853</b>
<b>Current assets</b>			
Properties held for development and sale	10	1,061,220	1,089,084
Inventories		4,217	2,010
Trade, contract and other receivables	9	1,247,102	1,222,493
Due from related parties	11	2,442	10,532
Cash and bank balances	12	2,380,976	2,211,582
		<b>4,695,957</b>	<b>4,535,701</b>
<b>Total assets</b>		<b>8,151,477</b>	<b>8,027,554</b>
<b>EQUITY</b>			
Share capital	13	4,375,838	4,375,838
Legal reserve		166,651	166,651
Equity investment fair valuation reserve		(9,597)	(6,270)
Retained earnings		1,206,184	1,093,238
Equity attributable to equity holders of the parent		5,739,076	5,629,457
Non-controlling interests		58,401	41,190
<b>Total equity</b>		<b>5,797,477</b>	<b>5,670,647</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	14	472,263	343,841
Trade and other payables	16	1,585	1,585
Retentions payable		60,261	47,127
Lease liabilities	17	8,945	10,011
Deferred tax liability		10,808	10,064
Provision for employees' end of service benefits		18,303	17,667
		<b>572,165</b>	<b>430,295</b>
<b>Current liabilities</b>			
Borrowings	14	63,488	60,000
Advances from customers	15	702,476	792,757
Trade and other payables	16	870,511	944,627
Income tax payable	24	74,509	57,886
Retentions payable		48,581	43,376
Lease liabilities	17	16,397	21,014
Provision for claims		4,136	4,136
Due to related parties	11	1,737	2,816
		<b>1,781,835</b>	<b>1,926,612</b>
<b>Total liabilities</b>		<b>2,354,000</b>	<b>2,356,907</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,151,477</b>	<b>8,027,554</b>

The interim condensed consolidated financial statements were approved on behalf of Board of Directors on 11<sup>th</sup> May 2026 by:

  
 .....  
 Saeed Mohamed Al Qatami  
 Chief Executive Officer

  
 .....  
 Bassam El Ghawi  
 Chief Financial Officer

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

## Deyaar Development (P.J.S.C)

### INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three months period ended 31 March 2026

		Three months ended	
		31 March	31 March
		2026	2025
	Note	AED'000	AED'000
		(Unaudited)	
Revenue	18	447,084	433,427
Direct costs	19	(286,705)	(300,466)
General, administrative and selling expenses		(45,340)	(49,656)
Other operating income		14,191	11,790
Finance cost		(10,943)	(9,910)
Finance income		11,420	9,147
Change in valuation of investment properties - net	8	(3,708)	(2,049)
Share of results from a joint venture and an associate		21,745	27,535
Profit for the period before tax		147,744	119,818
Income tax expense	24	(17,587)	(8,296)
<b>PROFIT FOR THE PERIOD AFTER TAX</b>		<b>130,157</b>	<b>111,522</b>
Owners of the Company		112,946	113,027
Non-controlling interests		17,211	(1,505)
		<b>130,157</b>	<b>111,522</b>
Earnings per share – basic and diluted	23	Fils 2.58	Fils 2.58

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

## Deyaar Development (P.J.S.C)

### INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months period ended 31 March 2026

	Three months ended	
	31 March 2026 AED'000	31 March 2025 AED'000
	(Unaudited)	
Profit for the period	130,157	111,522
<b>Other comprehensive income</b>		
<i>Items that will not be subsequently reclassified to profit or loss</i>		
Equity investment at fair value through other comprehensive income – net of changes in fair value and taxes	(3,327)	(1,192)
<b>Total comprehensive income for the period</b>	<b>126,830</b>	<b>110,330</b>
<i>Attributable to:</i>		
Owners of the Company	109,619	111,835
Non-controlling interests	17,211	(1,505)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>126,830</b>	<b>110,330</b>

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

## Deyaar Development (P.J.S.C)

### INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months period ended 31 March 2026

	Attributable to the equity holders of the parent						Total equity AED'000
	Share Capital AED'000	Legal reserve AED'000	Equity investments fair valuation reserve AED'000	Retained Earnings AED'000	Total AED'000	Non- controlling interests AED'000	
Balance at 1 January 2025	4,375,838	105,897	(9,357)	765,243	5,237,621	27,376	5,264,997
<i>Total comprehensive income for the period (unaudited)</i>							
Profit for the period	-	-	-	113,027	113,027	(1,505)	111,522
Other comprehensive income for the period	-	-	(1,192)	-	(1,192)	-	(1,192)
Total comprehensive income for the period (unaudited)	-	-	(1,192)	113,027	111,835	(1,505)	110,330
Capital contribution during the period	-	-	-	-	-	18,400	18,400
Balance at 31 March 2025 (unaudited)	4,375,838	105,897	(10,549)	878,270	5,349,456	44,271	5,393,727
Balance at 1 January 2026	<b>4,375,838</b>	<b>166,651</b>	<b>(6,270)</b>	<b>1,093,238</b>	<b>5,629,457</b>	<b>41,190</b>	<b>5,670,647</b>
<i>Total comprehensive income for the period (unaudited)</i>							
Profit for the period	-	-	-	112,946	112,946	17,211	130,157
Other comprehensive loss for the period	-	-	(3,327)	-	(3,327)	-	(3,327)
Total comprehensive income for the period (unaudited)	-	-	(3,327)	112,946	109,619	17,211	126,830
Dividend payment to shareholders [Refer Note 13]	-	-	-	-	-	-	-
<b>Balance at 31 March 2026 (unaudited)</b>	<b>4,375,838</b>	<b>166,651</b>	<b>(9,597)</b>	<b>1,206,184</b>	<b>5,739,076</b>	<b>58,401</b>	<b>5,797,477</b>

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

## Deyaar Development (P.J.S.C)

### INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months period ended 31 March 2026

	Notes	Three months period ended	
		31 March 2026 AED'000 (Unaudited)	31 March 2025 AED'000 (Unaudited)
<b>Cash flows from operating activities</b>			
Profit for the period before tax		147,744	119,818
Adjustments for:			
Depreciation on property and equipment		4,846	6,596
Depreciation on right of use asset	7	1,246	-
Provision for employees' end of service benefits		1,063	988
Reversal of provision against properties held for development and sale		-	(54)
Impairment/(Reversal of impairment) against trade receivables, contract and other financial Assets		(785)	1,931
Finance income		(11,420)	(9,147)
Finance costs		10,943	9,910
Other operating income		-	662
Change in valuation of investment properties		3,708	2,049
Share of results from a joint venture and an associate		(21,745)	(28,197)
<b>Operating cash flows before changes in working capital</b>		<b>135,600</b>	<b>104,556</b>
Changes in working capital:			
Property held for development and sale (net of project cost accruals)		27,864	(221,561)
Trade and other receivables		(10,671)	3,291
Due from related parties		8,096	113
Inventories		(2,207)	678
Retentions payable		18,339	(1,985)
Advances from customers		(90,281)	55,549
Trade and other payables		(72,569)	137,203
Due to related parties		(1,079)	1,143
<b>Operating cash flows after changes in working capital</b>		<b>13,092</b>	<b>78,987</b>
Payment of employees' end of service benefits		(428)	(2,553)
Payment of income tax		(280)	-
<b>Net cash generated from operating activities</b>		<b>12,384</b>	<b>76,434</b>
<b>Cash flows from investing activities</b>			
Additions to property and equipment		(303)	(4,038)
Addition to investment properties		(435)	(15,934)
Repayment of contributed capital from joint venture		30,000	-
Net movement in term deposits with an original maturity greater than three months		95,000	110,000
Finance income received		13,711	11,152
<b>Net cash generated from investing activities</b>		<b>137,973</b>	<b>101,180</b>
<b>Cash flows from financing activities</b>			
Repayment of lease liabilities	17	(6,580)	-
Repayments of borrowings	14	(13,500)	(15,000)
Drawdown of borrowings	14	145,410	9,631
Finance costs paid		(11,293)	(10,227)
Dividends paid	13	-	-
<b>Net cash used in financing activities</b>		<b>114,037</b>	<b>(15,596)</b>
<b>Net increase in cash and cash equivalents</b>		<b>264,394</b>	<b>162,018</b>
Cash and cash equivalents, beginning of the period		2,096,546	1,678,023
<b>CASH AND CASH EQUIVALENTS, END OF THE PERIOD</b>	12	<b>2,360,940</b>	<b>1,840,041</b>

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

## **Deyaar Development (P.J.S.C)**

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### **NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the three months period ended 31 March 2026*

#### **1. Legal status and activities**

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

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

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

#### **2. Basis of preparation and accounting policies**

##### **2.1 Basis of preparation**

These interim condensed consolidated financial statements for the three months period ended 31 March 2026 have been prepared in accordance with IAS 34: *Interim Financial Reporting and Reporting* and UAE Federal Decree Law No. (32) of 2021. The Group has prepared the interim condensed consolidated financial statements on the basis that it will continue to operate as a going concern.

The interim condensed consolidated financial statements do not include all the information and disclosures required for full year annual consolidated financial statements prepared in accordance with IFRS Accounting Standards and should be read in conjunction with the Group’s annual consolidated financial statements as at and for the year ended 31 December 2025. The same accounting policies, methods of computation, significant accounting judgments and estimates and assumptions are followed in these interim condensed consolidated financial statements as compared with the most recent annual consolidated financial statements, except for the new standards, amendments and significant estimates and judgements adopted during the current period as explained below in note 2.2. In addition, the results for the three months period ended 31 March 2026 are not necessarily indicative of the results that may be expected for the full financial year ending 31 December 2026.

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

##### **2.2 Material accounting policies**

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

## Deyaar Development (P.J.S.C)

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months period ended 31 March 2026

#### 2. Basis of preparation and accounting policies (continued)

##### 2.2 Material accounting policies (continued)

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

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

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

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

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

The Group has not early adopted the following new and revised standards that have been issued but are not yet effective, as at 31 March 2026 are disclosed below:

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

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

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

## **Deyaar Development (P.J.S.C)**

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### **NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the three months period ended 31 March 2026*

#### **3. Estimates and judgements**

The preparation of interim condensed consolidated financial statements on the basis described above requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form 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.

#### ***Fair Value Measurement***

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

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

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

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

If the inputs used to measure the fair value of an asset or a liability are categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

#### ***Investment Properties***

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

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

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

## **Deyaar Development (P.J.S.C)**

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### **NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the three months period ended 31 March 2026*

#### **3. Estimates and judgements (continued)**

##### ***Investment Properties (continued)***

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

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

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

##### ***Regional Geopolitical Developments***

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

#### **4. Financial risk management**

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

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

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

#### **5. Segment information**

##### ***Operating segment***

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

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

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

## Deyaar Development (P.J.S.C)

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months period ended 31 March 2026

#### 5. Segment information (continued)

##### Operating segment (continued)

	Property development activities AED'000	Properties and facilities management AED'000	Hospitality AED'000	Total AED'000
<b>Three months period ended 31 March 2026 (unaudited)</b>				
Segment revenues – external	373,110	43,264	30,710	447,084
Segment profit*	114,377	4,693	11,087	130,157

##### As at 31 March 2025 (unaudited)

Segment assets	6,812,706	473,737	865,034	8,151,477
Segment liabilities	2,088,329	242,733	22,938	2,354,000

	Property development activities AED'000	Properties and facilities management AED'000	Hospitality AED'000	Total AED'000
<b>Three months period ended 31 March 2025 (unaudited)</b>				
Segment revenues – external	358,670	39,240	35,517	433,427
Segment profit*	95,102	2,854	13,566	111,522

##### As at 31 December 2025 (audited)

Segment assets	6,690,384	461,945	875,225	8,027,554
Segment liabilities	2,098,674	236,917	21,316	2,356,907

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

#### Geographic information

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

#### 6. Property and equipment

The property and equipment balance includes buildings, leasehold improvements, furniture and fixtures, office equipment, motor vehicles and capital work in progress.

Land and buildings with a carrying value of AED 252.7 million (31 December 2025- audited: AED 254.6 million) are mortgaged under Islamic finance obligations (Note 14).

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

The Group has a policy of depreciating assets on a straight-line method, at rates calculated to reduce the cost of assets to their estimated residual value. The Group depreciates buildings for 50 years and furniture and fixtures from 5 to 15 years. Furthermore, the depreciation expense of the Group in the current period amounted to AED 4.2 million (31 March 2025- unaudited: AED 4.7 million).

## Deyaar Development (P.J.S.C)

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months period ended 31 March 2026

#### 7. Right-of-use assets

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

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

Vehicles	3 years
Building	3 years

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

	<b>Buildings</b> <b>AED'000</b>	<b>Vehicles</b> <b>AED'000</b>	<b>Total</b> <b>AED'000</b>
<b>Cost</b>			
At 1 January 2025 (Audited)	-	3,692	3,692
Additions during the year	12,842	451	13,293
At 31 December 2025 (Audited)	12,842	4,143	16,985
Additions during the period	-	-	-
At 31 March 2026 (Unaudited)	<b>12,842</b>	<b>4,143</b>	<b>16,985</b>
<b>Accumulated depreciation</b>			
At 1 January 2025 (Audited)	-	1,984	1,984
Charge for the year	4,293	1,151	5,444
At 31 December 2025 (Audited)	4,293	3,135	7,428
Charge for the period	1,055	191	1,246
At 31 March 2026 (Unaudited)	<b>5,348</b>	<b>3,326</b>	<b>8,674</b>
<b>Net book value</b>			
At 31 March 2026 (Unaudited)	<b>7,494</b>	<b>817</b>	<b>8,311</b>
At 31 December 2025 (Audited)	8,549	1,008	9,557

## Deyaar Development (P.J.S.C)

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months period ended 31 March 2026

#### 8. Investment properties

	UAE Parking spaces AED'000	UAE Stores Units AED'000	UAE Retail units AED'000	UAE Service Apartments AED'000	UAE Others* AED'000	31 March 2026 Total AED'000 (Unaudited)	31 December 2025 Total AED'000 (Audited)
Fair value hierarchy	3	3	3	3	3		
Fair value at the beginning of the reporting period/year	68,252	14,780	340,269	311,043	228,748	963,092	883,393
Additions/adjustments	-	-	219	-	216	435	31,669
Transfer (to)/from properties held for development and sale	-	-	-	-	-	-	(2,005)
Change in valuation	-	-	-	-	(3,708)	(3,708)	50,035
Fair value at the end of reporting period/year	68,252	14,780	340,488	311,043	225,256	959,819	963,092

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

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

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

Investment properties with a carrying value of AED 405.1 million (31 December 2025- audited: AED 404.7 million) are mortgaged against bank borrowings (Note 14).

#### 9. Trade, contract and other receivables

	31 March 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
Trade and unbilled receivables (refer (i) below)	1,313,690	1,355,656
Other receivables (refer (ii) below)	381,426	330,302
	1,695,116	1,685,958
Current	1,247,102	1,222,493
Non-current	448,014	463,465
Total	1,695,116	1,685,958

## Deyaar Development (P.J.S.C)

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months period ended 31 March 2026

#### 9. Trade, contract and other receivables (continued)

	<b>31 March 2026 AED'000 (Unaudited)</b>	31 December 2025 AED'000 (Audited)
<i>i. Trade and unbilled receivables</i>		
<b>Trade receivables</b>		
Amounts receivable within 12 months	<b>127,091</b>	169,060
<b>Contract assets</b>		
Unbilled receivables within 12 months	<b>738,585</b>	723,131
Unbilled receivables after 12 months	<b>448,014</b>	463,465
	<b>1,313,690</b>	1,355,656

The above trade receivables are net of provision for impairment amounting to AED 106.9 million (31 December 2025: AED 107.8 million) relating to trade receivables which are past due. All other trade receivables are considered recoverable.

#### *ii. Other receivables*

	<b>31 March 2026 AED'000 (Unaudited)</b>	31 December 2025 AED'000 (Audited)
Advances to contractors	<b>105,939</b>	87,085
Advances to suppliers	<b>19,057</b>	19,264
Prepayments and deferred project cost	<b>221,837</b>	197,962
Others	<b>106,973</b>	98,371
	<b>453,806</b>	402,682
Less: provision for impairment	<b>(72,380)</b>	(72,380)
	<b>381,426</b>	330,302

#### 10. Properties held for development and sale

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

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

During the current period, the Group has not reclassified any unit from properties and equipment (31 December 2025- audited: AED 1.4 million) (Note 5).

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

## Deyaar Development (P.J.S.C)

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months period ended 31 March 2026

#### 10. Properties held for development and sale (continued)

Plots of land including under development projects with total carrying value of AED 415.7 million (31 December 2025- audited: AED 413.6 million) and completed properties with total carrying value of AED 44.4 million (31 December 2025- audited: AED 44.4 million) are mortgaged under Islamic finance obligations (Note 14).

In the current period, the Group has recognised an amount of AED 251.2 million (for the year ended 31 December 2025- audited: AED 1,136.8 million and for the three months period ended 31 March 2025- unaudited: AED 243.1 million) included in the profit or loss under “direct costs” against revenue recognised of AED 359.1 million (for the year ended 31 December 2025- audited: AED 1605.9 million and for the three months period ended 31 March 2025- unaudited: AED 344.8 million).

For plots of land held for future development and use amounting to AED 377.5 million as at the reporting date (31 December 2025- audited: AED 376.8 million), management is currently evaluating feasibility of the projects and considering alternative viable profitable options.

#### 11. Related party transactions and balances

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

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

##### (a) Related party transactions

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

	Three months period ended	
	31 March 2026	31 March 2025
	AED'000	AED'000
	(Unaudited)	(Unaudited)
<b>Ultimate controlling shareholder</b>		
Other operating income/finance income	4,888	3,553
Finance cost	(5,936)	(7,103)
Borrowings drawdown	77,965	9,531
Borrowings repayment	(13,500)	(15,000)
<b>Joint venture</b>		
Other operating income	158	662
Repayment of contributed capital	30,000	-
<b>Associate</b>		
Dividend Income	-	2,000

## Deyaar Development (P.J.S.C)

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months period ended 31 March 2026

#### 11. Related party transactions and balances (continued)

##### (b) Remuneration of key management personnel

	Three months period ended	
	31 March 2026	31 March 2025
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Salaries and other short-term employees' benefits	3,946	3,212
Termination and post-employment benefits	91	78
Board of Directors remuneration*	1,363	-
Board of Directors sitting fees	42	125
	<b>5,442</b>	<b>3,415</b>

\*During the current period, the management started to accrue for Board of Directors remuneration for the year ending 31 December 2026 and recognise this remuneration in the interim condensed consolidated statements of profit or loss.

##### (c) Due from related parties comprises

	31 March	31 December
	2026	2025
	AED'000	AED'000
	(Unaudited)	(Audited)
<b>Current</b>		
Due from a joint venture	1,052	1,148
Due from an associate	-	8,000
Due from other related parties	1,402	1,402
	<b>2,454</b>	<b>10,550</b>
Less: provision for impairment	(12)	(18)
	<b>2,442</b>	<b>10,532</b>

Cash and bank balances include amounts held with the ultimate controlling shareholder of the Group, bank account balances of AED 560.2 million (31 December 2025- audited: AED 575.8 million) and fixed deposits of AED 234 million (31 December 2025- audited: AED 160 million), at market prevailing profit rates.

##### Impairment provision

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

## Deyaar Development (P.J.S.C)

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months period ended 31 March 2026

#### 11. Related party transactions and balances (continued)

(d) Due to related parties comprises:

	31 March 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
<b>Current</b>		
Due to Ultimate Controlling party	1,737	2,813
Due to other related parties	-	3
	<b>1,737</b>	<b>2,816</b>

At 31 March 2026, the Group had bank borrowings from the ultimate controlling shareholder of AED 452.7 million (31 December 2025- audited: AED 388.2 million), at market prevailing profit rates (Note 14).

#### 12. Cash and bank balances

	31 March 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
Cash and bank balances	2,044,268	1,982,860
Fixed deposits	337,000	229,000
Cash in hand	430	437
	<b>2,381,698</b>	<b>2,212,297</b>
Less: provision for impairment	(722)	(715)
<b>Cash and bank balances, net</b>	<b>2,380,976</b>	<b>2,211,582</b>
Less: term deposits with an original maturity greater than three months	(10,000)	(105,000)
Less: restricted balances	(10,036)	(10,036)
<b>Cash and cash equivalents</b>	<b>2,360,940</b>	<b>2,096,546</b>

Bank accounts include a balance of AED 1,937.7 million (31 December 2025- audited: AED 1,866.5 million) at market prevailing profit rates held in escrow accounts. These Escrow accounts include project escrow accounts where amounts are collected against sale of properties and are available for payments relating to construction of development properties.

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

Bank accounts balance excludes a balance of AED 158.3 million (31 December 2025- audited: AED 150.4 million), held in a fiduciary capacity in escrow accounts on behalf and for the beneficial interest of third parties. These Escrow accounts include Community Management Escrow accounts of various properties where service charges are collected from owners and are available for payments for management and maintenance of the properties.

#### 13. Share capital

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

The shareholders have approved in the Annual General Meeting dated 8 April 2026 dividends on ordinary shares amounting to AED 218.8 million [AED 5 fils per share] and the corresponding liability was recognized in the subsequent period (2025: AED 218.8 million [AED 5 fils per share]).

## Deyaar Development (P.J.S.C)

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months period ended 31 March 2026

#### 14. Borrowings

	<b>31 March 2026 AED'000 (Unaudited)</b>	31 December 2025 AED'000 (Audited)
<b>Islamic finance obligations</b>		
Current	<b>63,488</b>	60,000
Non-current	<b>472,263</b>	343,841
<b>Total borrowings</b>	<b>535,751</b>	403,841
		<b>AED'000</b>
1 January 2025		475,296
Drawdown		24,319
Repayments		(95,774)
<b>31 December 2025 (Audited)</b>		<b>403,841</b>
<b>1 January 2026</b>		<b>403,841</b>
Drawdown		<b>145,410</b>
Repayments		<b>(13,500)</b>
<b>31 March 2026 (Unaudited)</b>		<b>535,751</b>

Islamic finance obligations represent Ijarah and other Islamic facilities obtained from Dubai Islamic Bank (P.J.S.C) (ultimate majority shareholder) amounting to AED 452.7 million (31 December 2025: AED 388.2 million) [Note 11(d)], and balance from other local banks. The facilities were availed to finance the properties under construction and working capital requirements

Islamic finance obligations with the ultimate majority shareholder and other local banks carry market prevailing profit rates and are repayable in quarterly instalments over a period of two years to six years from the reporting date (31 December 2025- audited: two years to seven years). These facilities have AED 634.7 million available for drawdown to the Group.

Islamic finance obligations are secured by mortgages over properties classified under properties held for development and sale amount to AED 460 million (31 December 2025-audited: AED 458 million) (Note 10), property and equipment amount to AED 252.7 million (31 December 2025-audited: AED 254.6 million) (Note 6) and investment properties amount to AED 405.1 million (31 December 2025-audited: AED 404.7 million) (Note 8).

#### 15. Advances from customers

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

## Deyaar Development (P.J.S.C)

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months period ended 31 March 2026

#### 16. Trade and other payables

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

#### 17. Lease liabilities

	Right of use asset AED'000	Investment property AED'000	31 March 2026 Total AED'000	31 December 2025 Total AED'000
At 1 January	10,447	20,578	31,025	5,487
Additions during the year	-	-	-	44,038
Accretion of interest	578	319	897	2,211
Payments made during the year	(1,809)	(4,771)	(6,580)	(20,711)
Closing balance	9,216	16,126	25,342	31,025
Current lease liabilities			16,397	21,014
Non-current lease liabilities			8,945	10,011

#### 18. Revenue

	31 March 2026 AED'000 (Unaudited)	31 March 2025 AED'000 (Unaudited)
<b><i>Property development activities</i></b>		
Sale of properties	359,060	344,795
Leasing income	14,050	13,875
	<b>373,110</b>	<b>358,670</b>
<b><i>Properties, facilities and association management</i></b>		
Facilities and association management	30,416	29,476
Property management	6,432	9,764
Leasing income	6,416	-
	<b>43,264</b>	<b>39,240</b>
<b><i>Hospitality</i></b>	<b>30,710</b>	<b>35,517</b>
	<b>447,084</b>	<b>433,427</b>

## Deyaar Development (P.J.S.C)

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months period ended 31 March 2026

#### 18. Revenue (continued)

	<b>31 March 2026 AED'000 (Unaudited)</b>	31 March 2025 AED'000 (Unaudited)
<i>Timing of revenue recognition</i>		
Recognised at a point in time	<b>9,831</b>	21,620
Recognised over a period of time	<b>437,253</b>	411,807
	<b>447,084</b>	433,427

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

#### 19. Direct costs

	<b>31 March 2026 AED'000 (Unaudited)</b>	31 March 2025 AED'000 (Unaudited)
Cost of sale of properties	<b>250,478</b>	262,107
Direct cost of facility management	<b>23,872</b>	24,156
Direct cost of hospitality	<b>9,025</b>	11,157
Direct cost of leasing properties	<b>2,797</b>	2,528
Others	<b>533</b>	518
	<b>286,705</b>	300,466

#### 20. Commitments

At 31 March 2026, the Group had total commitments of AED 1,449.7 million (31 December 2025- audited: AED 1,284.9 million) with respect to project related contracts issued net of invoices received and accruals made at that date.

#### 21. Contingencies

##### *Contingent liabilities*

At 31 March 2026, the Group has contingent liabilities in respect of performance bond and guarantees issued by banks, in the ordinary course of business, amounting to AED 614.6 million (31 December 2025- audited: AED 653.6 million), which mainly includes performance guarantees of AED 602.8 million (31 December 2025- audited: AED 637.8 million) issued to Real Estate Regulatory Authority (RERA) for the projects under development. Also, the Group has contingent liabilities, on behalf of a subsidiary (under liquidation), in respect to guarantees issued by a bank amounting to AED 3.4 million (31 December 2025- audited: AED 3.4 million). The Group anticipates that no material liabilities will arise from these performance and other guarantees.

## Deyaar Development (P.J.S.C)

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months period ended 31 March 2026

#### 21. Contingencies (continued)

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

#### 22. Financial instruments by category

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

	Amortised cost AED'000	Equity instrument at fair value through other comprehensive income AED'000	Total AED'000
<b>31 March 2026 (unaudited)</b>			
<i>Assets as per interim condensed consolidated statement of financial position</i>			
Equity instrument at fair value other comprehensive income	-	10,301	10,301
Trade, contract and other receivables excluding prepayments and advances	1,348,284	-	1,348,284
Due from related parties	2,442	-	2,442
Cash and bank balances	2,380,976	-	2,380,976
	<b>3,731,702</b>	<b>10,301</b>	<b>3,742,003</b>
<i>Liabilities as per interim condensed consolidated statement of financial position</i>			
Trade and other payables	872,096	-	872,096
Retentions payable	108,842	-	108,842
Lease liabilities	25,342	-	25,342
Due to related parties	1,737	-	1,737
Borrowings	535,751	-	535,751
	<b>1,543,768</b>	<b>-</b>	<b>1,543,768</b>

## Deyaar Development (P.J.S.C)

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months period ended 31 March 2026

#### 22. Financial instruments by category (continued)

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

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

	Level 1 AED'000	Total AED'000
<b><i>As at 31 March 2026 (unaudited)</i></b>		
Equity instrument at fair value through other comprehensive income	<b>10,301</b>	<b>10,301</b>
<b><i>As at 31 December 2025 (audited)</i></b>		
Equity instrument at fair value through other comprehensive income	13,957	13,957

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

## Deyaar Development (P.J.S.C)

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months period ended 31 March 2026

#### 23. Earnings per share

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

	<b>Three months period ended</b>	
	<b>31 March 2026</b>	31 March 2025
	<b>(Unaudited)</b>	(Unaudited)
Profit after tax for the period attributable to the owners of the Company (AED'000)	<b>112,946</b>	113,027
Weighted average number of ordinary shares ('000)	<b>4,375,838</b>	4,375,838
Earnings per ordinary share - Basic and Diluted (Fils)	<b>2.58</b>	2.58

#### 24. Income tax expense

The Group recognises income tax expense using the tax rate that are applicable to the taxable income based on management's estimate. However, considering the Pillar Two model rules published by the Organisation for Economic Co-operation and Development ("OECD") were applicable to the Ultimate Controlling Party, these rules are considered applicable to the Group. Therefore, following the enactment of the UAE Domestic Minimum Top-up Tax ("UAE DMTT") during 2025, the Group has recognised an additional top-up tax expense to ensure compliance with UAE DMTT regulation. The average annual effective tax rate (ETR) used for the period ended 31 March 2026 is 12% (31 March 2025-*unaudited*: 7%).

#### Amount recognised in the consolidated statement of profit or loss

The major components of income tax expense for the period ended 31 March 2026:

	<b>Three months period ended</b>	
	<b>31 March 2026</b>	31 March 2025
	<b>AED'000</b>	AED'000
	<b>(Unaudited)</b>	(Unaudited)
Current tax expense	<b>8,626</b>	8,296
Top up tax expense	<b>7,699</b>	-
Additional tax for previous year	<b>280</b>	-
Deferred tax expense (net)	<b>982</b>	-
<b>Income tax expense recognised in the interim condensed consolidated statement of profit or loss</b>	<b>17,587</b>	8,296

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