

**Privatization Holding Company – K.P.S.C. and its subsidiaries
State of Kuwait**

**Interim condensed consolidated financial information (Unaudited)
and review report**

For the three month period ended 31 March 2026

**Privatization Holding Company – K.P.S.C. and its subsidiaries
State of Kuwait**

Interim condensed consolidated financial information (Unaudited) and review report
For the three month period ended 31 March 2026

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Review Report on the Interim Condensed Consolidated Financial Information

**To the Board of Directors
Privatization Holding Company – K.P.S.C.
State of Kuwait**

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Privatization Holding Company – K.P.S.C. (“the Parent Company”) and its subsidiaries (together referred to as “the Group”) as at 31 March 2026, and the related interim condensed consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the three months period then ended. The Parent Company’s management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

Report on other legal and regulatory requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report that nothing has come to our attention indicating any violations of the Companies Law No. 1 of 2016 and its Executive Regulations, as amended, nor of the Parent Company’s Memorandum of Incorporation and Articles of Association, as amended, have occurred during the three month period ended 31 March 2026, that might have had a material effect on business of the Group or its interim condensed consolidated financial position.

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any violations of the provisions of Law No. 7 of 2010, concerning the Capital Markets Authority, and its related regulations and the related instructions, as amended, during the three month period ended 31 March 2026, that might have had a material effect on the business of the Group or on its interim condensed consolidated financial position.



Qais M. Al Nisf
License No. 38 "A"
BDO Al Nisf & Partners

Kuwait : 14 May 2026

**Privatization Holding Company – K.P.S.C. and its subsidiaries
State of Kuwait**

Interim condensed consolidated statement of profit or loss (Unaudited)
For the three month period ended 31 March 2026

	Note	Three month ended 31 March	
		2026 KD	2025 KD
Revenue:			
Revenue from sales and services		1,457,346	1,367,319
Unrealized (loss) / gain from change in fair value of financial assets at fair value through profit or loss		(631,628)	132,079
Realized loss from sale of financial assets at fair value through profit or loss		(5,598)	-
Gain from sale of non-current assets held for sale	9	5,055,582	-
Group's share of results from associates	4	(607,404)	843,937
Interest income		22,934	25,047
Other income		33,882	3,331
Total revenue		5,325,114	2,371,713
Expenses and other charges:			
Cost of sales and services		(1,647,101)	(1,352,864)
General and administrative expenses		(419,506)	(391,298)
Provision for expected credit losses	6	-	(2,558,823)
Portfolio management fees		(9,328)	(8,552)
Finance cost		(465,825)	(430,793)
Foreign exchange gain / (loss)		12,320	(212)
Total expenses and other charges		(2,529,440)	(4,742,542)
Profit / (loss) for the period before contribution to National Labor Support Tax (NLST) and Zakat		2,795,674	(2,370,829)
NLST		(65,300)	-
Zakat		(25,673)	-
Net profit / (loss) for the period		2,704,701	(2,370,829)
Attributable to:			
Shareholders of the Parent Company		2,712,529	(1,000,558)
Non-controlling interests		(7,828)	(1,370,271)
Net profit / (loss) for the period		2,704,701	(2,370,829)
Basic and diluted earnings / (loss) per share attributable to the shareholders of the Parent Company (Fils)	3	4.45	(1.64)

The accompanying notes on pages 8 to 18 form an integral part of this interim condensed consolidated financial information.

Privatization Holding Company – K.P.S.C. and its subsidiaries
State of Kuwait

Interim condensed consolidated statement of profit or loss and other comprehensive income (Unaudited)
For the three month period ended 31 March 2026

	Note	Three month ended 31 March	
		2026 KD	2025 KD
Net profit / (loss) for the period		<u>2,704,701</u>	<u>(2,370,829)</u>
Other comprehensive loss items:			
<u>Items that may be reclassified subsequently to the interim condensed consolidated statement of profit or loss</u>			
Exchange differences on translating of foreign operations		(9,587)	(10,128)
Group's share of other comprehensive loss of associates	4	(674,674)	(337,021)
<u>Items that will not be reclassified subsequently to the interim condensed consolidated statement of profit or loss</u>			
Changes in fair value of financial assets at fair value through other comprehensive income ("FVOCI")		20,171	84,131
Other comprehensive loss for the period		<u>(664,090)</u>	<u>(263,018)</u>
Total comprehensive income / (loss) for the period		<u>2,040,611</u>	<u>(2,633,847)</u>
Attributable to:			
Shareholders of the Parent Company		2,043,474	(1,263,797)
Non-controlling interests		(2,863)	(1,370,050)
Total comprehensive income / (loss) for the period		<u>2,040,611</u>	<u>(2,633,847)</u>

The accompanying notes on pages 8 to 18 form an integral part of this interim condensed consolidated financial information.

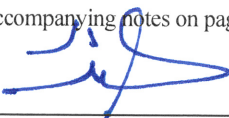
Privatization Holding Company – K.P.S.C. and its subsidiaries
State of Kuwait

Interim condensed consolidated statement of financial position (Unaudited)

As at 31 March 2026

	Note	31 March 2026 KD	(Audited) 31 December 2025 KD	31 March 2025 KD
Assets				
Non-current assets:				
Property, plant and equipment		10,261,847	10,271,861	10,634,941
Investment in associates	4	40,981,046	42,207,983	47,867,425
Financial assets at fair value through other comprehensive income	5	734,613	714,442	867,555
Accounts receivable and other debit balances	6	4,009,882	3,899,867	4,715,410
Total non-current assets		55,987,388	57,094,153	64,085,331
Current assets:				
Inventories		4,348,116	5,274,101	4,716,659
Accounts receivable and other debit balances	6	8,372,132	11,958,184	13,621,161
Financial assets at fair value through profit or loss	7	15,072,049	15,826,493	20,071,826
Cash and cash equivalents	8	477,799	451,359	858,149
		28,270,096	33,510,137	39,267,795
Non-current assets held for sale	9	383,884	5,259,552	5,259,552
Total current assets		28,653,980	38,769,689	44,527,347
Total assets		84,641,368	95,863,842	108,612,678
Equity and liabilities				
Equity:				
Capital		61,000,000	61,000,000	61,000,000
Fair value reserve of financial assets at FVOCI		(5,350,974)	(4,686,476)	(5,073,092)
Foreign currency translation reserve		556,213	534,340	650,261
Other reserves		(301,997)	(237,828)	(271,629)
Accumulated losses		(18,387,120)	(21,192,521)	(6,495,875)
Equity attributable to shareholders of the Parent Company		37,516,122	35,417,515	49,809,665
Non-controlling interests		(6,647,369)	(6,644,514)	(5,294,511)
Total equity		30,868,753	28,773,001	44,515,154
Liabilities:				
Non-current liabilities:				
Employees' end of service benefits		801,641	1,086,004	1,138,749
Term loans	10	3,018,586	3,204,169	6,284,101
Accounts payable and other credit balances	11	20,571,448	20,456,707	9,474,563
Total non-current liabilities		24,391,675	24,746,880	16,897,413
Current liabilities:				
Term loans	10	14,913,396	16,765,748	18,852,057
Accounts payable and other credit balances	11	12,584,899	23,643,042	26,156,824
Banks overdraft		581,902	634,428	890,487
		28,080,197	41,043,218	45,899,368
Liabilities relating to non-current asset held for sale		1,300,743	1,300,743	1,300,743
Total current liabilities		29,380,940	42,343,961	47,200,111
Total liabilities		53,772,615	67,090,841	64,097,524
Total equity and liabilities		84,641,368	95,863,842	108,612,678

The accompanying notes on pages 8 to 18 form an integral part of this interim condensed consolidated financial information.



Abdullah Mohammad Alhajeri
Chairman



Privatization Holding Company – K.P.S.C. and its subsidiaries
State of Kuwait

Interim condensed consolidated statement of changes in equity (Unaudited)

For the three month period ended 31 March 2026

		Equity attributable to shareholders of the Parent Company													
		Fair value		Foreign currency translation reserve		Other reserves		Accumulated losses		Sub-total		Non-controlling interests		Total Equity	
Capital		FVOCI	reserve	reserve	reserve	reserves	losses	losses	losses	losses	losses	losses	losses	losses	Equity
KD		KD	KD	KD	KD	KD	KD	KD	KD	KD	KD	KD	KD	KD	KD
61,000,000		(4,686,476)	534,340		(237,828)	(21,192,521)	35,417,515	(6,644,514)	28,773,001						
-		-	-	-	-	2,712,529	2,712,529	(7,828)	2,704,701						
-		15,206	-	-	-	-	-	-	15,206						
-		-	(9,587)	-	-	-	-	-	(9,587)						
-		(679,704)	31,460		(26,430)	-	(674,674)	-	(674,674)						
-		(664,498)	21,873		(26,430)	-	(669,055)	-	(669,055)						
-		(664,498)	21,873		(26,430)	2,712,529	2,043,474	-	2,040,611						
-		-	-	-	(37,739)	92,872	55,133	-	55,141						
61,000,000		(5,350,974)	556,213		(301,997)	(18,387,120)	37,516,122	(6,647,369)	30,868,753						

As at 31 December 2025

Net profit / (loss) for the period

Other comprehensive (loss) / income:

Changes in fair value of financial assets at FVOCI

Exchange differences on translating of foreign operations

Group's share of other comprehensive (loss) / income of associates (Note 4)

Other comprehensive (loss) / income for the period

Total comprehensive (loss) / income for the period

Share of other reserves of associates (Note 4)

As at 31 March 2026

Privatization Holding Company – K.P.S.C. and its subsidiaries
State of Kuwait

Interim condensed consolidated statement of changes in equity (Unaudited)

For the three month period ended 31 March 2026

		Equity attributable to shareholders of the Parent Company							
		Fair value		Foreign	Other	Accumulated	Sub-total	Non-	Total
Capital	Fair value	reserve of	currency	translation	reserves	losses	total	controlling	Equity
KD	KD	financial	reserve	reserve	KD	KD	KD	interests	KD
		assets at							
		FVOCI							
		KD	KD	KD	KD	KD	KD	KD	KD
61,000,000	(4,847,681)	649,779	(233,225)	(5,487,019)	51,081,854	(3,924,483)	47,157,371		
-	-	-	-	(1,000,558)	(1,000,558)	(1,370,271)	(2,370,829)		
-	83,910	-	-	-	83,910	221	84,131		
-	-	(10,128)	-	-	(10,128)	-	(10,128)		
-	(309,321)	10,610	(38,310)	-	(337,021)	-	(337,021)		
-	(225,411)	482	(38,310)	-	(263,239)	221	(263,018)		
-	(225,411)	482	(38,310)	(1,000,558)	(1,263,797)	(1,370,050)	(2,633,847)		
-	-	-	(94)	(8,298)	(8,392)	22	(8,370)		
61,000,000	(5,073,092)	650,261	(271,629)	(6,495,875)	49,809,665	(5,294,511)	44,515,154		

As at 31 December 2024

Net loss for the period

Other comprehensive (loss) / income:

Changes in fair value of financial assets at FVOCI

Exchange differences on translating of foreign operations

Group's share of other comprehensive (loss) / income of associates (Note 4)

Other comprehensive (loss) / income for the period

Total comprehensive (loss) / income for the period

Share of other reserves of associates (Note 4)

As at 31 March 2025

The accompanying notes on pages 8 to 18 form an integral part of this interim condensed consolidated financial information.

**Privatization Holding Company – K.P.S.C. and its subsidiaries
State of Kuwait**

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

	Three months ended 31 March	
	2026	2025
	KD	KD
OPERATING ACTIVITIES		
Profit / (loss) for the period before contribution to National Labor Support Tax (NLST) and Zakat	2,795,674	(2,370,829)
<i>Adjustments for:</i>		
Unrealized loss / (gain) from change in fair value on financial assets at fair value through profit or loss	631,628	(132,079)
Realized loss from sale of financial assets at fair value through profit or loss	5,598	-
Gain from sale of non-current assets held for sale	(5,055,582)	-
Group's share of results from associates	607,404	(843,937)
Interest income	(22,934)	(25,047)
Depreciation	62,542	98,867
Provision for expected credit losses	-	2,558,823
(Gain) / loss from sale of property, plant and equipment	(17,051)	6,043
Finance cost	465,825	430,793
Foreign exchange (gain) / loss	(12,320)	212
Provision for employees' end of service benefits	12,243	17,637
	<u>(526,973)</u>	<u>(259,517)</u>
Change in operating assets and liabilities:		
Inventories	925,985	123,505
Accounts receivable and other debit balances	(51,552)	(160,182)
Accounts payable and other credit balances	<u>(1,150,720)</u>	<u>(377,195)</u>
<i>Cash flows used in operating activities</i>	<u>(803,260)</u>	<u>(673,389)</u>
Employees' end of service benefits paid	<u>(202,128)</u>	<u>(9,964)</u>
Net cash flows used in operating activities	<u>(1,005,388)</u>	<u>(683,353)</u>
INVESTING ACTIVITIES		
Financial assets at fair value through profit or loss	117,218	-
Purchase of property, plant and equipment	(2,737)	(1,204)
Proceeds from sale of property, plant and equipment	17,395	8,748
Purchase of investment in associate	-	(309,000)
Proceeds from sale of non-current assets held for sale	3,475,938	-
Proceeds from sale of financial assets at fair value through other comprehensive income	-	165,100
Interest income received	9	2,543
Net cash flows generated from / (used in) investing activities	<u>3,607,823</u>	<u>(133,813)</u>
FINANCING ACTIVITIES		
Term loans	(2,037,935)	187,495
Banks overdraft	(52,526)	9,308
Finance cost paid	<u>(425,695)</u>	<u>(531,067)</u>
Net cash flows used in financing activities	<u>(2,516,156)</u>	<u>(334,264)</u>
Net increase / (decrease) in cash and cash equivalents	86,279	(1,151,430)
Foreign currency translation adjustment	(59,839)	(20,263)
Cash and cash equivalents at the beginning of the period	451,359	2,029,842
Cash and cash equivalents at the end of the period (Note 8)	<u>477,799</u>	<u>858,149</u>
Non-cash transactions:		
Proceeds from sale of non-current assets held for sale	6,455,312	-
Accounts receivable and other debit balances	3,563,000	-
Accounts payable and other credit balances	<u>(10,018,312)</u>	-

The accompanying notes on pages 8 to 18 form an integral part of this interim condensed consolidated financial information.

Privatization Holding Company – K.P.S.C. and its subsidiaries
State of Kuwait

Notes to the interim condensed consolidated financial information (Unaudited)
For the three month period ended 31 March 2026

1. Incorporation and activities

Privatization Holding Company - K.P.S.C. (the “Parent Company”) is a Kuwaiti public shareholding Company registered on 10 October 1994 and is listed on Boursa Kuwait.

The Parent Company is licensed to:

- Invest in Kuwaiti and foreign shareholding companies and limited liability Companies and to participate in the establishment and management of such entities,
- Lend to such entities and act as their guarantor,
- Utilization of excess funds in investment in financial portfolios or real estate portfolios through specialised parties inside or outside Kuwait,
- Invest in real estate, hold patents and copy rights, and advance loans to associates,
- Represent foreign consulting firms in local market.

The Parent Company’s registered office is located in Sharq, Ahmad Al-Jaber Street, Dar Al-Awadi Tower, 23rd Floor, and P.O. Box 4323, Safat 13104, Kuwait.

The interim condensed consolidated financial information of the Group were authorised for issuance by the Board of Directors of the Parent Company on 14 May 2026.

2. Basis of presentation

This interim condensed consolidated financial information has been prepared in accordance with the International Accounting Standard 34, “Interim Financial Reporting”. The interim condensed consolidated financial information does not include all the information and disclosures required for preparation of complete annual consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2025. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of the interim condensed consolidated financial information statements have been included.

This interim condensed consolidated financial information is presented in Kuwaiti Dinars (“KD”) which is the functional and presentation currency of the Parent Company.

Operating 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. For further information, refer to the annual audited consolidated financial statements for the year ended 31 December 2025.

New standards, interpretations and amendments adopted by the Group

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

Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (“the Amendments”). These amendments include the following:

- Explanations regarding the recognition and derecognition requirements for financial assets and financial liabilities. In particular, clarify that a financial liability is derecognized on the "settlement date," with the provision of one of the accounting policy choices (if specific conditions are met) to derecognize financial liabilities that have been settled using an electronic payment system prior to the settlement date.

**Privatization Holding Company – K.P.S.C. and its subsidiaries
State of Kuwait**

Notes to the interim condensed consolidated financial information (Unaudited)
For the three month period ended 31 March 2026

2. Basis of presentation (Continued)

New standards, interpretations and amendments adopted by the Group (Continued)

Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (Continued)

- Additional guidance on assessing the contractual cash flows of financial assets linked to ESG practices and similar features.
- Explanations regarding what constitutes "non-recourse features" and features of contractually linked instruments.
- Disclosure requirements for financial instruments with contingent features and additional disclosures for equity instruments classified at fair value through other comprehensive income.

The amendments had no impact on the interim condensed consolidated financial information of the Group.

Annual Improvements to IFRS: Accounting Standards - Volume 11

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS - accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1: First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: The disclosures and accompanying guidance regarding the application of "IFRS 7", "IFRS 9": Financial Instruments, and "IFRS 10": Consolidated Financial Statements, and "IAS 7": Statements of Cash Flows.

The amendments had no impact on the interim condensed consolidated financial information of the Group.

Contracts Referencing Nature - dependent electricity – Amendments to IFRS 9 and IFRS 7

On December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature - dependent electricity. The amendments apply only to contracts referencing nature - dependent electricity, which are as follows:

- Clarify the application of the 'own-use' requirements for in-scope contracts.
- Amendment to the requirements for identifying the hedged item in a cash flow hedging relationship of in-scope contracts.
- Addition of new disclosure requirements to enable investors to understand the impact of these contracts on the Group's consolidated financial performance and consolidated cash flows.

The amendments had no impact on the interim condensed consolidated financial information of the Group.

3. Basic and diluted earnings / (loss) per share attributable to the shareholders of the Parent Company

There are no potential dilutive ordinary shares. Basic and diluted earnings / (loss) per share attributable to the shareholders of the Parent Company are computed by dividing net profit / (loss) for the period attributable for the shareholders of the Parent Company by the weighted average number of shares outstanding during the period as follow:

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Notes to the interim condensed consolidated financial information (Unaudited)

For the three month period ended 31 March 2026

3. Basic and diluted earnings / (loss) per share attributable to the shareholders of the Parent Company (Continued)

	Three month ended	
	31 March	
	2026	2025
Net profit / (loss) for the period attributable to the Shareholders of the Parent Company (KD)	<u>2,712,529</u>	<u>(1,000,558)</u>
Weighted average number of outstanding shares (shares)	<u>610,000,000</u>	<u>610,000,000</u>
Basic and diluted earnings / (loss) per share attributable to Shareholders of the Parent Company (fils)	<u>4.45</u>	<u>(1.64)</u>

4. Investment in associates

	(Audited)		
	31 March	31 December	31 March
	2026	2025	2025
	KD	KD	KD
Balance at the beginning of the period / year	42,207,983	46,791,133	46,791,133
Additions	-	2,797,746	577,746
Cash dividends received from associates	-	(1,084,478)	-
Group's share of results from associates	(607,404)	2,797,633	843,937
Impairment loss	-	(9,176,277)	-
Group's share of other comprehensive (loss) / income from associates' cumulative changes in fair value	(679,704)	170,069	(309,321)
Group's share of other comprehensive income / (loss) from associates' foreign currency translation adjustment	31,460	(105,533)	10,610
Group's share of other comprehensive loss from associates' other reserves	(26,430)	(190,362)	(38,310)
Other reserves	55,141	208,052	(8,370)
Balance at end of the period / year	<u>40,981,046</u>	<u>42,207,983</u>	<u>47,867,425</u>

Certain associates are quoted and listed in exchange markets. The carrying amount of the Group's investment in these listed associates is KD 10,645,937 (31 December 2025: KD 10,912,986, 31 March 2025: KD 12,811,874) and its market value is KD 14,433,271 (31 December 2025: KD 12,864,698, 31 March 2025: KD 13,297,580).

Investment in associates amounting to KD 23,704,001 (31 December 2025: KD 28,593,162, 31 March 2025: KD 33,300,188) are secured against certain term loans (Note 10). Also, investment in associates amounting to KD 2,091,522 (31 December 2025: KD 1,912,239, 31 March 2025: KD 2,295,657) are secured against the guarantee of a term loan provided to a related party (Note 14).

5. Financial assets at fair value through other comprehensive income

	(Audited)		
	31 March	31 December	31 March
	2026	2025	2025
	KD	KD	KD
Quoted securities	199,689	186,257	109,320
Unquoted securities	344,770	339,128	347,277
Funds and portfolios	190,154	189,057	410,958
	<u>734,613</u>	<u>714,442</u>	<u>867,555</u>

Financial assets at fair value through other comprehensive income amounting to KD 83,930 (31 December 2025: KD 86,870, 31 March 2025: KD 491,808) are secured against certain term loans (Note 10).

Privatization Holding Company – K.P.S.C. and its subsidiaries
State of Kuwait

Notes to the interim condensed consolidated financial information (Unaudited)

For the three month period ended 31 March 2026

6. Accounts receivable and other debit balances

	31 March 2026	(Audited) 31 December 2025	31 March 2025
	KD	KD	KD
Trade receivables	9,041,299	8,950,940	8,155,907
Due from related parties (Note 13)	10,237,726	13,660,641	10,611,583
Prepaid expenses and accrued income	55,412	33,280	55,114
Advances to project under progress	2,756,963	2,756,963	6,182,728
Advances to suppliers	618,587	619,387	620,100
Other debit balances	93,745	226,744	105,297
	<u>22,803,732</u>	<u>26,247,955</u>	<u>25,730,729</u>
Provision for expected credit losses (a)	<u>(10,421,718)</u>	<u>(10,389,904)</u>	<u>(7,394,158)</u>
	<u>12,382,014</u>	<u>15,858,051</u>	<u>18,336,571</u>

a) The movement on provision for expected credit losses is as follows:

	31 March 2026	(Audited) 31 December 2025	31 March 2025
	KD	KD	KD
Balance at the beginning of the period / year	10,389,904	5,301,410	5,301,410
Charge for the period / year	-	5,600,161	2,558,823
Used during the period / year	-	(469,866)	(469,866)
Foreign currency translation	31,814	(41,801)	3,791
Balance at the end of the period / year	<u>10,421,718</u>	<u>10,389,904</u>	<u>7,394,158</u>

Accounts receivable and other debit balances are represented in the following:

	31 March 2026	(Audited) 31 December 2025	31 March 2025
	KD	KD	KD
Non-current portion	4,009,882	3,899,867	4,715,410
Current portion	8,372,132	11,958,184	13,621,161
	<u>12,382,014</u>	<u>15,858,051</u>	<u>18,336,571</u>

7. Financial assets at fair value through profit or loss

	31 March 2026	(Audited) 31 December 2025	31 March 2025
	KD	KD	KD
Quoted securities	7,318,840	8,288,543	12,473,878
Unquoted securities	7,664,815	7,450,002	7,509,139
Mutual funds	88,394	87,948	88,809
	<u>15,072,049</u>	<u>15,826,493</u>	<u>20,071,826</u>

At 31 March 2026, the Group held certain equity securities of related parties with a carrying value of KD 3,766,507 (31 December 2025: KD 3,944,944, 31 March 2025: KD 3,430,950) (Note 13).

Financial assets at fair value through profit or loss of KD Nil (31 December 2025: KD 7,618,690, March 2025: KD 18,366,897) are pledged against certain term loans (Note 10).

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8. Cash and cash equivalents

	31 March 2026	(Audited) 31 December 2025	31 March 2025
	KD	KD	KD
Cash on hand and at banks	463,406	436,759	313,844
Short term bank deposit	-	-	320,000
Cash at portfolios	14,393	14,600	224,305
	<u>477,799</u>	<u>451,359</u>	<u>858,149</u>

9. Non-current assets held for sale

	31 March 2026	(Audited) 31 December 2025	31 March 2025
	KD	KD	KD
J3 for management & development of lands and real estate Company -W.L.L. (a)	-	4,875,668	4,875,668
Daytona for Advertising Publishing Distribution and Production Company - W.L.L.	383,884	383,884	383,884
	<u>383,884</u>	<u>5,259,552</u>	<u>5,259,552</u>

- a) During the period ended 31 March 2026, the Group completed the transfer of the legal ownership of the 17.5% in J3 to the buyer which was sold for an amount of KD 9,931,250. Accordingly, it resulted with a gain of KD 5,055,582 recorded in the interim condensed consolidated statement of profit or loss.

10. Term loans

	31 March 2026	(Audited) 31 December 2025	31 March 2025
	KD	KD	KD
Term loans obtained from local financial institutions and a related party and carry interest rate ranging from 1.5% to 4% per annum over the Central Bank of Kuwait discount rate	9,411,958	11,234,049	15,750,950
Term loans obtained from a foreign financial institutions and carry interest rate from 10% to 12% per annum	8,520,024	8,735,868	9,385,208
	<u>17,931,982</u>	<u>19,969,917</u>	<u>25,136,158</u>

Certain investments in subsidiaries, associates, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income are secured against term loans (Note 4, 5 and 7).

Term loans are represented in the following:

	31 March 2026	(Audited) 31 December 2025	31 March 2025
	KD	KD	KD
Non-current portion	3,018,586	3,204,169	6,284,101
Current portion	14,913,396	16,765,748	18,852,057
	<u>17,931,982</u>	<u>19,969,917</u>	<u>25,136,158</u>

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11. Accounts payable and other credit balances

	31 March 2026	(Audited) 31 December 2025	31 March 2025
	KD	KD	KD
Trade payables	3,734,706	3,994,512	3,873,662
Due to related parties (Note 13)	22,736,225	33,496,710	26,542,116
Accrued expenses and other liabilities	6,685,416	6,608,527	5,215,609
	<u>33,156,347</u>	<u>44,099,749</u>	<u>35,631,387</u>

Accounts payable and other credit balances are represented in the following:

	31 March 2026	(Audited) 31 December 2025	31 March 2025
	KD	KD	KD
Non-current portion	20,571,448	20,456,707	9,474,563
Current portion	12,584,899	23,643,042	26,156,824
	<u>33,156,347</u>	<u>44,099,749</u>	<u>35,631,387</u>

12. General Assembly of the Parent Company's Shareholder

The Parent Company's Shareholders' Ordinary General Assembly meeting held on 4 May 2026 approved the consolidated financial statements for the year ended 31 December 2025 and approved not to distribute cash dividends and not to pay Board of Directors' remuneration for the year ended 31 December 2025.

The Parent Company's Shareholders' Extraordinary General Assembly meeting held on 11 May 2026 approved the following:

- Reduction of the Parent Company's capital from KD 61,000,000 to KD 39,825,000 by an amount KD 21,175,000, to amortize part of the accumulated losses as at 31 December 2025
- Approve to amend to Article No. (6) of the Articles of Association and No. (7) of the Memorandum of Incorporation related to the Parent Company's capital.

As at the reporting date, this was not yet notarized in the Commercial Register.

The Parent Company's Shareholders' Ordinary General Assembly meeting held on 22 May 2025 approved the consolidated financial statements for the year ended 31 December 2024 and approved not to distribute cash dividends and not to pay Board of Directors' remuneration for the year ended 31 December 2024.

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13. Related party transactions and balances

Related parties represent major shareholders, associates, board of directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are to be approved by the Group's management.

Transactions and balances with related parties included in the interim condensed consolidated financial information are as follows:

Transactions included in interim condensed consolidated statement of profit or loss:

	Major shareholders	Other related parties	Three month ended 31 March	
	KD	KD	2026	2025
Realized loss from sale of financial assets at fair value through profit or loss	-	(5,598)	KD	KD
Gain from sale of non-current assets held for sale	-	5,055,582	(5,598)	-
Interest income	-	22,927	5,055,582	-
Portfolio management fees	-	4,160	22,927	22,735
Finance cost	37,208	-	4,160	3,610
			37,208	47,093

Balances included in interim condensed consolidated statement of financial position

	Major shareholders	Other related parties	(Audited) 31 March		31 March	
	KD	KD	2026	2025	2025	2025
Financial assets at FVOCI	-	167,930	KD	KD	KD	KD
Due from related parties (Note 6)	-	4,262,937	167,930	158,462	81,461	81,461
Financial assets at fair value through profit or loss (Note 7)	967,608	2,798,899	4,262,937	7,712,196	5,960,479	5,960,479
Cash with portfolios managers	-	8,726	3,766,507	3,944,944	3,430,950	3,430,950
Term loans	-	-	8,726	9,125	46,229	46,229
Due to related parties (Note 11)	15,177,588	7,558,637	-	100,000	500,000	500,000
			22,736,225	33,496,710	26,542,116	26,542,116

**Three month ended
31 March**

	2026	2025
<u>Compensation of key management personnel</u>	KD	KD
Short term benefits	89,193	69,232
End of service benefits	8,254	7,629

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14. Capital commitments and contingencies

	31 March	(Audited)	
	2026	31 December	31 March
	KD	2025	2025
	KD	KD	KD
Capital commitments			
Project commitments	2,158,233	1,861,140	11,699,806
Other commitments	39,496	147,254	102,789
	<u>2,197,729</u>	<u>2,008,394</u>	<u>11,802,595</u>

Contingencies

- At the reporting date, the Group has provided performance bank guarantees to a customer and suppliers amounting to KD 153,235 (31 December 2025: KD 288,432, 31 March 2025: KD 995,075) and to Public Authority for housing Welfare KD 3,120,180 (31 December 2025: 3,120,180, 31 March 2025: KD 3,120,180) and secure certain investments in associate (Note 4) against a term loan provided by foreign financial institution to a related party as the loan amounting KD 153,749 (31 December 2025: KD 117,306, 31 March 2025: KD 235,100) from which it is anticipated that no material liabilities will arise.
- The Parent Company along with other two parties entered as a guarantor into a financing facility agreement of KD 17,850,000 provided to B&B Hotel Management Company - W.L.L. - project under progress (30% owned by Group). As at 31 March 2026, B&B Hotel Management Company - W.L.L. had utilized facilities amounting to KD 14,100,211 (31 December 2025: KD 13,800,211, 31 March 2025: KD Nil).
- Subsequent to the reporting date, the Parent Company along with other two parties entered as a guarantor into a financing facility agreement provided to J3 for management & development of lands and real estate Company -W.L.L. (Associate), where the Parent Company is a guarantor for 15% of the facilities for a maximum amount of KD 23,688,000

15. Segmental information

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 return on investments. The Group does not have any inter-segment transactions.

The following table presents segment income and results information regarding the Group's business segments:

	Investment	Others	Total
	KD	KD	KD
Three months ended 31 March 2026			
Segment revenue	3,846,914	1,478,200	5,325,114
Segment profit / (loss) before contribution to NLST and ZAKAT	3,385,825	(590,151)	2,795,674
Segment assets	63,186,336	21,455,032	84,641,368
Segment liabilities	22,541,741	31,230,874	53,772,615
Three months ended 31 March 2025			
Segment revenue	1,001,067	1,370,646	2,371,713
Segment profit / (loss)	477,033	(2,847,862)	(2,370,829)
Segment assets	84,552,523	24,060,155	108,612,678
Segment liabilities	32,519,850	31,577,674	64,097,524

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16. Fair value measurement

16.1 Fair value hierarchy

Fair value represents 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.

Financial assets and financial liabilities measured at fair value in the interim condensed consolidated statement of financial position are grouped into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

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

16.2 Fair value measurement of financial instruments

The carrying amounts of the Group's financial assets and liabilities as stated in the interim condensed consolidated statement of financial position are as follows:

	31 March 2026	(Audited) 31 December 2025	31 March 2025
	KD	KD	KD
Financial assets:			
<i>Financial assets at fair value through other comprehensive income:</i>			
Financial assets at fair value through other comprehensive income	734,613	714,442	867,555
<i>Financial assets at amortised cost:</i>			
Accounts receivable and other debit balances (excluding prepayments and advances)	8,951,052	12,448,421	11,478,629
Cash and cash equivalents	477,799	451,359	858,149
<i>Financial assets at fair value through profit or loss:</i>			
Financial assets at fair value through profit or loss	<u>15,072,049</u>	<u>15,826,493</u>	<u>20,071,826</u>
	<u>25,235,513</u>	<u>29,440,715</u>	<u>33,276,159</u>
Financial liabilities:			
<i>Financial liabilities at amortised cost:</i>			
Term loans	17,931,982	19,969,917	25,136,158
Accounts payable and other credit balances (excluding advances)	32,953,959	43,923,609	35,220,615
Banks overdraft	581,902	634,428	890,487
	<u>51,467,843</u>	<u>64,527,954</u>	<u>61,247,260</u>

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16. Fair value measurement (Continued)

16.2 Fair value measurement of financial instruments (Continued)

Management considers that the carrying amounts of financial assets and all financial liabilities, which are stated at amortised cost, approximate their fair values.

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

The financial assets and liabilities measured at fair value on a recurring basis in the interim condensed consolidated statement of financial position are grouped into the fair value hierarchy as follows:

31 March 2026	Level 1	Level 2	Level 3	Total
	KD	KD	KD	KD
Financial assets at fair value through other comprehensive income:				
Quoted securities	199,689	-	-	199,689
Funds and portfolio	-	190,154	-	190,154
Unquoted securities	-	-	344,770	344,770
Financial assets at fair value through profit or loss:				
Quoted securities	7,318,840	-	-	7,318,840
Mutual funds	-	88,394	-	88,394
Unquoted securities	-	1,138,967	6,525,848	7,664,815
	<u>7,518,529</u>	<u>1,417,515</u>	<u>6,870,618</u>	<u>15,806,662</u>
31 December 2025 (Audited)	Level 1	Level 2	Level 3	Total
	KD	KD	KD	KD
Financial assets at fair value through other comprehensive income:				
Quoted securities	186,257	-	-	186,257
Funds and portfolio	-	189,057	-	189,057
Unquoted securities	-	-	339,128	339,128
Financial assets at fair value through profit or loss:				
Quoted securities	8,288,543	-	-	8,288,543
Mutual funds	-	87,948	-	87,948
Unquoted securities	-	936,184	6,513,818	7,450,002
	<u>8,474,800</u>	<u>1,213,189</u>	<u>6,852,946</u>	<u>16,540,935</u>

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16. Fair value measurement (Continued)

16.2 Fair value measurement of financial instruments (Continued)

31 March 2025	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	KD	KD	KD	KD
Financial assets at fair value through other comprehensive income:				
Quoted securities	109,320	-	-	109,320
Funds and portfolio	-	410,958	-	410,958
Unquoted securities	-	-	347,277	347,277
Financial assets at fair value through profit or loss:				
Quoted securities	12,473,878	-	-	12,473,878
Mutual funds	-	88,809	-	88,809
Unquoted securities	-	652,815	6,856,324	7,509,139
	<u>12,583,198</u>	<u>1,152,582</u>	<u>7,203,601</u>	<u>20,939,381</u>

During the period / year, there were no transfers between levels 1, 2 and 3.