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

Interim condensed consolidated financial information (Unaudited) and review report
For the six month period ended 30 June 2026

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Contents

Tel: +965 2242 6999
Fax: +965 2240 1666
www.bdo.com.kw

Al Shaheed Tower, 1st Floor
Khaled Ben Al Waleed Street, Sharq
P.O. Box 25578, Safat 13116
Kuwait

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 30 June 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 six month 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 six month period ended 30 June 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 six month period ended 30 June 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
BDO Al Nisf & Partners

Kuwait : 11 August 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 six month period ended 30 June 2026

	Note	Three month ended 30 June 2026 KD	Three month ended 30 June 2025 KD	Six month ended 30 June 2026 KD	Six month ended 30 June 2025 KD
Revenue:					
Revenue from sales and services		**1,386,718**	1,370,153	**2,844,064**	2,737,472
Unrealized gain from change in fair value of financial assets at fair value through profit or loss		**1,733,584**	306,789	**1,101,956**	438,868
Realized gain from sale of financial assets at fair value through profit or loss		**22,014**	111,762	**16,416**	111,762
Dividend income		**244,012**	242,892	**244,012**	242,892
Gain from sale of non-current assets held for sale	10	**-**	-	**5,055,582**	-
Group's share of results from associates	4	**1,282,068**	87,750	**674,664**	931,687
Interest income		**30,723**	23,496	**53,657**	48,543
Other income		**2,538**	10,956	**36,420**	14,287
Total revenue		**4,701,657**	2,153,798	**10,026,771**	4,525,511
Expenses and other charges:					
Cost of sales and services		**(1,446,237)**	(1,778,795)	**(3,093,338)**	(3,131,659)
General and administrative expenses		**(367,920)**	(396,493)	**(787,426)**	(787,791)
Provision for expected credit losses	6	**-**	(856,889)	**-**	(3,415,712)
Provision for legal claim		**-**	(1,487,763)	**-**	(1,487,763)
Portfolio management fees		**(5,760)**	(7,974)	**(15,088)**	(16,526)
Finance cost		**(430,530)**	(702,301)	**(896,355)**	(1,133,094)
Foreign exchange gain / (loss)		**11,028**	(10,300)	**23,348**	(10,512)
Total expenses and other charges		**(2,239,419)**	(5,240,515)	**(4,768,859)**	(9,983,057)
Profit / (loss) for the period before contribution to National Labor Support Tax (NLST), Kuwait Foundation for the Advancement of Sciences (KFAS) and Zakat		**2,462,238**	(3,086,717)	**5,257,912**	(5,457,546)
NLST		**(48,473)**	-	**(113,773)**	-
KFAS		**(43,763)**	-	**(43,763)**	-
Zakat		**(17,154)**	-	**(42,827)**	-
Net profit / (loss) for the period		**2,352,848**	(3,086,717)	**5,057,549**	(5,457,546)
Attributable to:					
Shareholders of the Parent Company		**2,374,303**	(2,051,075)	**5,086,832**	(3,051,633)
Non-controlling interests		**(21,455)**	(1,035,642)	**(29,283)**	(2,405,913)
Net profit / (loss) for the period		**2,352,848**	(3,086,717)	**5,057,549**	(5,457,546)
Basic and diluted earnings / (loss) per share attributable to the shareholders of the Parent Company (Fils)	3	**5.962**	(5.150)	**12.773**	(7.663)

The accompanying notes on pages 8 to 19 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 six month period ended 30 June 2026

	Note	Three month ended 30 June		Six month ended 30 June	
		2026	2025	2026	2025
		KD	KD	KD	KD
Net profit / (loss) for the period		**2,352,848**	(3,086,717)	**5,057,549**	(5,457,546)
Other comprehensive income / (loss) items:					
Items that may be reclassified subsequently to the interim condensed consolidated statement of profit or loss:					
Exchange differences on translating of foreign operations		**(5,396)**	9,681	**(14,983)**	(447)
Group's share of other comprehensive income / (loss) of associates	4	**1,063,581**	(259,728)	**388,907**	(596,749)
Items that will not be reclassified subsequently to the interim condensed consolidated statement of profit or loss:					
Changes in fair value of financial assets at fair value through other comprehensive income ("FVOCI")		**(52,083)**	(152,218)	**(31,912)**	(68,087)
Other comprehensive income / (loss) for the period		**1,006,102**	(402,265)	**342,012**	(665,283)
Total comprehensive income / (loss) for the period		**3,358,950**	(3,488,982)	**5,399,561**	(6,122,829)
Attributable to:					
Shareholders of the Parent Company		**3,401,947**	(2,453,934)	**5,445,421**	(3,717,731)
Non-controlling interests		**(42,997)**	(1,035,048)	**(45,860)**	(2,405,098)
Total comprehensive income / (loss) for the period		**3,358,950**	(3,488,982)	**5,399,561**	(6,122,829)

The accompanying notes on pages 8 to 19 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 30 June 2026

	Note	30 June 2026	(Audited) 31 December 2025	30 June 2025
		KD	KD	KD
Assets				
Non-current assets:				
Property, plant and equipment		**10,143,005**	10,271,861	10,435,607
Investment in associates	4	**42,744,530**	42,207,983	46,773,304
Financial assets at fair value through other comprehensive income	5	**645,090**	714,442	715,337
Accounts receivable and other debit balances	6	**6,858,781**	6,656,830	10,247,922
Total non-current assets		**60,391,406**	59,851,116	68,172,170
Current assets:				
Inventories		**4,121,403**	5,274,101	3,917,868
Accounts receivable and other debit balances	6	**5,560,828**	9,201,221	8,252,962
Financial assets at fair value through profit or loss	7	**15,487,547**	15,826,493	16,707,711
Term deposit	8	**106,035**	-	-
Cash and cash equivalents	9	**1,544,431**	451,359	1,158,559
		26,820,244	30,753,174	30,037,100
Non-current assets held for sale	10	**383,884**	5,259,552	5,259,552
Total current assets		**27,204,128**	36,012,726	35,296,652
Total assets		**87,595,534**	95,863,842	103,468,822
Equity and liabilities				
Equity:				
Capital	11	**39,825,000**	61,000,000	61,000,000
Fair value reserve of financial assets at FVOCI		**(4,344,601)**	(4,686,476)	(5,395,489)
Foreign currency translation reserve		**577,853**	534,340	569,799
Other reserves		**(327,692)**	(237,828)	(267,780)
Retained earnings / (accumulated losses)	11	**5,146,671**	(21,192,521)	(8,561,475)
Equity attributable to shareholders of the Parent Company		**40,877,231**	35,417,515	47,345,055
Non-controlling interests		**(6,681,194)**	(6,644,514)	(6,329,562)
Total equity		**34,196,037**	28,773,001	41,015,493
Liabilities:				
Non-current liabilities:				
Employees' end of service benefits		**716,378**	1,086,004	1,143,865
Term loans	12	**2,825,472**	3,204,169	3,854,592
Accounts payable and other credit balances	13	**20,659,945**	20,456,707	9,523,599
Total non-current liabilities		**24,201,795**	24,746,880	14,522,056
Current liabilities:				
Term loans	12	**14,890,530**	16,765,748	16,987,336
Accounts payable and other credit balances	13	**12,391,944**	23,643,042	28,270,094
Bank overdraft		**614,485**	634,428	1,373,100
		27,896,959	41,043,218	46,630,530
Liabilities relating to non-current asset held for sale		**1,300,743**	1,300,743	1,300,743
Total current liabilities		**29,197,702**	42,343,961	47,931,273
Total liabilities		**53,399,497**	67,090,841	62,453,329
Total equity and liabilities		**87,595,534**	95,863,842	103,468,822

The accompanying notes on pages 8 to 19 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 six month period ended 30 June 2026

	Equity attributable to shareholders of the Parent Company							
	Capital	Fair value reserve of financial assets at FVOCI	Foreign currency translation reserve	Other reserves	(Accumulated losses) / retained earnings	Sub-total	Non-controlling interests	Total Equity
	KD	KD	KD	KD	KD	KD	KD	KD
As at 31 December 2025	61,000,000	(4,686,476)	534,340	(237,828)	(21,192,521)	35,417,515	(6,644,514)	28,773,001
Net profit / (loss) for the period	-	-	-	-	5,086,832	5,086,832	(29,283)	5,057,549
Other comprehensive income / (loss):								
Changes in fair value of financial assets at FVOCI	-	(20,745)	-	-	-	(20,745)	(11,167)	(31,912)
Exchange differences on translating of foreign operations	-	-	(14,983)	-	-	(14,983)	-	(14,983)
Group's share of other comprehensive income / (loss) of associates (Note 4)	-	362,251	58,496	(26,430)	-	394,317	(5,410)	388,907
Other comprehensive income / (loss) for the period	-	341,506	43,513	(26,430)	-	358,589	(16,577)	342,012
Total comprehensive income / (loss) for the period	-	341,506	43,513	(26,430)	5,086,832	5,445,421	(45,860)	5,399,561
Transferred to retained earnings due to the sale of financial assets at fair value through other comprehensive income	-	369	-	-	(369)	-	-	-
Share of other reserves of associates (Note 4)	-	-	-	(63,434)	77,729	14,295	9,180	23,475
Capital reduction to amortize accumulated losses (Note 11)	(21,175,000)	-	-	-	21,175,000	-	-	-
As at 30 June 2026	39,825,000	(4,344,601)	577,853	(327,692)	5,146,671	40,877,231	(6,681,194)	34,196,037

Interim condensed consolidated statement of changes in equity (Unaudited)
For the six month period ended 30 June 2026

	Equity attributable to shareholders of the Parent Company							
	Capital	Fair value reserve of financial assets at FVOCI	Foreign currency translation reserve	Other reserves	Accumulated losses	Sub-total	Non-controlling interests	Total Equity
	KD	KD	KD	KD	KD	KD	KD	KD
As at 31 December 2024	61,000,000	(4,847,681)	649,779	(233,225)	(5,487,019)	51,081,854	(3,924,483)	47,157,371
Net loss for the period	-	-	-	-	(3,051,633)	(3,051,633)	(2,405,913)	(5,457,546)
Other comprehensive (loss) / income:								
Changes in fair value of financial assets at FVOCI	-	(68,901)	-	-	-	(68,901)	814	(68,087)
Exchange differences on translating of foreign operations	-	-	(447)	-	-	(447)	-	(447)
Group's share of other comprehensive (loss) / income of associates (Note 4)	-	(478,907)	(79,533)	(38,310)	-	(596,750)	1	(596,749)
Other comprehensive (loss) / income for the period	-	(547,808)	(79,980)	(38,310)	-	(666,098)	815	(665,283)
Total comprehensive loss for the period	-	(547,808)	(79,980)	(38,310)	(3,051,633)	(3,717,731)	(2,405,098)	(6,122,829)
Share of other reserves of associates (Note 4)	-	-	-	3,755	(22,823)	(19,068)	19	(19,049)
As at 30 June 2025	61,000,000	(5,395,489)	569,799	(267,780)	(8,561,475)	47,345,055	(6,329,562)	41,015,493

The accompanying notes on pages 8 to 19 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 six month period ended 30 June 2026

	Six month ended 30 June	
	2026	2025
	KD	KD
OPERATING ACTIVITIES		
Profit / (loss) for the period before contribution to National Labor Support Tax (NLST), Kuwait Foundation for the Advancement of Sciences (KFAS) and Zakat		
Adjustments for:	**5,257,912**	(5,457,546)
Unrealized gain from change in fair value on financial assets at fair value through profit or loss		
Realized gain from sale of financial assets at fair value through profit or loss	**(1,101,956)**	(438,868)
Dividend income	**(16,416)**	(111,762)
Gain from sale of non-current assets held for sale	**(244,012)**	(242,892)
Group's share of results from associates	**(5,055,582)**	-
Interest income	**(674,664)**	(931,687)
Depreciation	**(53,657)**	(48,543)
Provision for expected credit losses	**125,200**	186,807
Provision for legal claim	**-**	3,415,712
Loss from sale of property, plant and equipment	**-**	1,487,763
Finance cost	**45,268**	12,600
Foreign exchange (gain) / loss	**896,355**	1,133,094
Provision for employees' end of service benefits	**(23,348)**	10,512
	27,974	34,653
Change in operating assets and liabilities:	**(816,926)**	(950,157)
Inventories		
Accounts receivable and other debit balances	**1,152,698**	922,296
Accounts payable and other credit balances	**(53,777)**	(1,188,795)
Cash flows used in operating activities	**(1,234,498)**	387,566
Employees' end of service benefits paid	**(952,503)**	(829,090)
Net cash flows used in operating activities	**(253,688)**	(21,864)
	(1,206,191)	(850,954)
INVESTING ACTIVITIES		
Financial assets at fair value through profit or loss		
Purchase of property, plant and equipment	**1,457,318**	3,782,666
Proceeds from sale of property, plant and equipment	**(2,815)**	(3,226)
Purchase of investment in associate	**41,866**	13,219
Cash dividends received from associates	**(450,000)**	(309,000)
Proceeds from sale of non-current assets held for sale	**1,000,499**	911,464
Proceeds from sale of financial assets at fair value through other comprehensive income	**3,475,938**	-
Interest income received	**37,440**	165,100
Dividend income received	**6,822**	3,461
Term deposit	**244,012**	242,892
Net cash flows generated from investing activities	**(106,035)**	-
	5,705,045	4,806,576
FINANCING ACTIVITIES		
Term loans		
Bank overdraft	**(2,253,915)**	(4,085,391)
Finance cost paid	**(19,943)**	491,921
Net cash flows used in financing activities	**(1,035,794)**	(1,323,451)
Net increase / (decrease) in cash and cash equivalents	**(3,309,652)**	(4,916,921)
Foreign currency translation adjustment	**1,189,202**	(961,299)
Cash and cash equivalents at the beginning of the period	**(96,130)**	90,016
Cash and cash equivalents at the end of the period (Note 9)	**451,359**	2,029,842
	1,544,431	1,158,559
Non-cash transactions:		
Sale of non-current assets held for sale		
Accounts receivable and other debit balances	**6,455,312**	-
Accounts payable and other credit balances	**3,563,000**	-
Capital reduction	**(10,018,312)**	-
Accumulated losses	**(21,175,000)**	-
	21,175,000	-

The accompanying notes on pages 8 to 19 form an integral part of this interim condensed consolidated financial information.

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 its subsequent amendments, the last of which was notarized in the commercial register under No. 59070 on 1 June 2026, regarding the reduction of capital (Note 11) and the Parent Company activities. The Parent Company is listed on Boursa Kuwait.

The Parent Company is licensed to:

- Investing its funds in trading shares, bonds, and other securities.
- Office of management for holding activities.
- Owning shares for the holding company's account only.
- Managing its subsidiaries or participating in the management of other companies in which it holds shares and providing necessary support.
- Owning intellectual property rights such as patents, trademarks, or industrial models, franchise rights, and other intangible assets and for the benefit and leasing them to its holding subsidiaries and third parties.
- Financing or lending to companies in which it holds shares/portions and guaranteeing them to third parties, provided that its ownership interest in the borrowing company is at least 20% of the company's capital.
- Owning real estate and movables necessary for its operations within legal limits.

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 11 August 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 six month period ended 30 June 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.

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
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.
- 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 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 follows:

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

	Three month ended 30 June		Six month ended 30 June	
	2026	**2025**	**2026**	**2025**
Net profit / (loss) for the period attributable to the shareholders of the Parent Company (KD)	**2,374,303**	(2,051,075)	**5,086,832**	(3,051,633)
Weighted average number of outstanding shares (shares)	**398,250,000**	398,250,000	**398,250,000**	398,250,000
Basic and diluted earnings / (loss) per share attributable to the shareholders of the Parent Company (fils)	**5.962**	(5.150)	**12.773**	(7.663)

4. Investment in associates

	30 June 2026	**(Audited) 31 December 2025**	**30 June 2025**
	KD	KD	KD
Balance at the beginning of the period / year	**42,207,983**	46,791,133	46,791,133
Additions	**450,000**	2,797,746	577,746
Cash dividends received from associates	**(1,000,499)**	(1,084,478)	(911,464)
Group's share of results from associates	**674,664**	2,797,633	931,687
Impairment loss	-	(9,176,277)	-
Group's share of other comprehensive income / (loss) from associates' cumulative changes in fair value	**362,251**	170,069	(478,907)
Group's share of other comprehensive income / (loss) from associates' foreign currency translation adjustment	**53,086**	(105,533)	(79,532)
Group's share of other comprehensive loss from associates' other reserves	**(26,430)**	(190,362)	(38,310)
Other reserves	**23,475**	208,052	(19,049)
Balance at end of the period / year	**42,744,530**	42,207,983	46,773,304

Certain associates are quoted and listed in exchange markets. The carrying amount of the Group's investment in these listed associates is KD 10,529,451 (31 December 2025: KD 10,912,986, 30 June 2025: KD 12,409,311) and its market value is KD 15,544,263 (31 December 2025: KD 12,864,698, 30 June 2025: KD 12,091,655).

Investment in associates amounting to KD 25,697,836 (31 December 2025: KD 28,593,162, 30 June 2025: KD 34,540,031) are secured against certain term loans (Note 12). Also, investment in associates amounting to KD 1,890,071 (31 December 2025: KD 1,912,239, 30 June 2025: KD 2,059,110) is secured against a guarantee of a term loan provided to a related party (Note 16).

5. Financial assets at fair value through other comprehensive income

	30 June 2026	(Audited) 31 December 2025	30 June 2025
	KD	KD	KD
Quoted securities	**120,165**	186,257	110,988
Unquoted securities	**335,571**	339,128	341,623
Funds and portfolios	**189,354**	189,057	262,726
	645,090	714,442	715,337

Financial assets at fair value through other comprehensive income amounting to KD 84,210 (31 December 2025: KD 86,870, 30 June 2025: KD 88,200) are secured against certain term loans (Note 12).

6. Accounts receivable and other debit balances

	30 June 2026	(Audited) 31 December 2025	30 June 2025
	KD	KD	KD
Trade receivables	**8,909,448**	8,950,940	8,900,130
Due from related parties	**10,302,215**	13,660,641	10,693,579
Prepaid expenses and accrued income	**61,779**	33,280	50,720
Advances to project under progress (a)	**2,861,008**	2,756,963	6,340,993
Advances to suppliers	**618,587**	619,387	624,357
Other debit balances	**107,788**	226,744	97,481
	22,860,825	26,247,955	26,707,260
Provision for expected credit losses (b)	**(10,441,216)**	(10,389,904)	(8,206,376)
	12,419,609	15,858,051	18,500,884

a) Advances to project under progress represents the Group ownership of 30% of a Company established to own a hotel project under construction.

During the year ended 31 December 2025, the Group obtained an independent valuation for the project which resulted in an impairment of KD 3,754,104 recorded in the consolidated statement of profit or loss.

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

	30 June 2026	(Audited) 31 December 2025	30 June 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	3,415,712
Used during the period / year	**-**	(469,866)	(469,866)
Foreign currency translation	**51,312**	(41,801)	(40,880)
Balance at the end of the period / year	**10,441,216**	10,389,904	8,206,376

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

	30 June 2026	(Audited) 31 December 2025	30 June 2025
	KD	KD	KD
Non-current portion	**6,858,781**	6,656,830	10,247,922
Current portion	**5,560,828**	9,201,221	8,252,962
	12,419,609	15,858,051	18,500,884

7. Financial assets at fair value through profit or loss

	30 June 2026	(Audited) 31 December 2025	30 June 2025
	KD	KD	KD
Quoted securities	**7,386,143**	8,288,543	8,966,236
Unquoted securities	**8,012,739**	7,450,002	7,653,558
Mutual funds	**88,665**	87,948	87,917
	15,487,547	15,826,493	16,707,711

At 30 June 2026, the Group held certain equity securities of related parties with a carrying value of KD 2,604,388 (31 December 2025: KD 3,944,944, 30 June 2025: KD 4,351,971) (Note 15).

Financial assets at fair value through profit or loss amounting to KD NIL (31 December 2025: KD 7,618,690, 30 June 2025: KD 6,881,295) are pledged against certain term loans (Note 12).

8. Term deposit

Term deposit carries a return rate of 3.438% per annum. This deposit has a contractual maturity of more than three months.

9. Cash and cash equivalents

	30 June 2026	(Audited) 31 December 2025	30 June 2025
	KD	KD	KD
Cash on hand and at banks	**607,955**	436,759	726,044
Short term bank deposit	**850,000**	-	-
Cash at portfolios	**86,476**	14,600	432,515
	1,544,431	451,359	1,158,559

Short term bank deposit carries a return rate of 1.995% per annum. This deposit has a contractual maturity of less than three months.

10. Non-current assets held for sale

	30 June 2026	(Audited) 31 December 2025	30 June 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
	383,884	5,259,552	5,259,552

a) During the period ended 30 June 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.

11. Capital

The authorized, issued and fully paid capital of the Parent Company is KD 39,825,000, divided into 398,250,000 shares (31 December 2025 and 30 June 2025: KD 61,000,000, divided into 610,000,000 shares) with a nominal value of 100 fils each and all shares are paid in cash.

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.

This was notarized in the Commercial Register under No. 59070 on 1 June 2026.

12. Term loans

	30 June 2026	**(Audited) 31 December 2025**	**30 June 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	12,134,049
Term loans obtain from a foreign financial institutions and carry interest rate at 10% to 12% per annum	**8,304,044**	8,735,868	8,707,879
	17,716,002	19,969,917	20,841,928

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:

	30 June 2026	**(Audited) 31 December 2025**	**30 June 2025**
	KD	KD	KD
Non-current portion	**2,825,472**	3,204,169	3,854,592
Current portion	**14,890,530**	16,765,748	16,987,336
	17,716,002	19,969,917	20,841,928

13. Accounts payable and other credit balances

	30 June 2026	**(Audited) 31 December 2025**	**30 June 2025**
	KD	KD	KD
Trade payables	**3,405,515**	3,994,512	3,874,104
Due to related parties (Note 15)	**22,824,935**	33,496,710	27,264,846
Accrued expenses and other liabilities	**6,821,439**	6,608,527	6,654,743
	33,051,889	44,099,749	37,793,693

13. Accounts payable and other credit balances (Continued)

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

	30 June 2026	(Audited) 31 December 2025	30 June 2025
	KD	KD	KD
Non-current portion	**20,659,945**	20,456,707	9,523,599
Current portion	**12,391,944**	23,643,042	28,270,094
	33,051,889	44,099,749	37,793,693

14. 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.

This was notarized in the Commercial Register under no. 59070 on 1 June 2026.

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.

15. 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:

<u>Transactions included in interim condensed consolidated statement of profit or loss:</u>	**Major shareholders**	**Other related parties**	**Six month ended 30 June**	
			2026	**2025**
	KD	**KD**	KD	KD
Realized gain from sale of financial assets at fair value through profit or loss	-	**12,423**	**12,423**	-
Gain from sale of non-current assets held for sale	-	**5,055,582**	**5,055,582**	-
Dividend income	**21,127**	**2,484**	**23,611**	82,782
Interest income	-	**46,856**	**46,856**	45,327
Portfolio management fees	-	**8,523**	**8,523**	6,839
Finance cost	**74,830**	-	**74,830**	94,710

<u>Balances included in interim condensed consolidated statement of financial position:</u>	**Major shareholders**	**Other related parties**	**30 June 2026**	**(Audited) 31 December 2025**	**30 June 2025**
	KD	**KD**	**KD**	KD	KD
Financial assets at FVOCI	-	**120,497**	**120,497**	158,462	85,039
Due from related parties (Note 6) (net of provision for expected credit losses)	-	**4,311,280**	**4,311,280**	7,712,196	5,230,257
Financial assets at fair value through profit or loss (Note 7)	**997,186**	**1,607,202**	**2,604,388**	3,944,944	4,351,971
Cash with portfolios managers	-	**53,071**	**53,071**	9,125	151,529
Term loans	-	-	-	100,000	500,000
Due to related parties (Note 13)	**15,260,003**	**7,564,932**	**22,824,935**	33,496,710	27,264,846

	Three month ended 30 June		**Six month ended 30 June**	
	2026	**2025**	**2026**	**2025**
<u>Compensation of key management personnel:</u>	**KD**	KD	**KD**	KD
Short term benefits	**80,331**	63,346	**169,524**	132,579
End of service benefits	**10,117**	7,691	**18,371**	15,320

16. Capital commitments and contingencies

	30 June 2026	(Audited) 31 December 2025	30 June 2025
Capital commitments	**KD**	KD	KD
Project commitments	**467,983**	1,861,140	11,641,381
Other commitments	**118,853**	147,254	256,478
	586,836	2,008,394	11,897,859

Contingencies

- At the reporting date, the Group has provided performance bank guarantees to a customer and suppliers amounting to KD 153,278 (31 December 2025: KD 288,432, 30 June 2025: KD 288,431) and to Public Authority for Housing Welfare KD 3,120,180 (31 December 2025: 3,120,180, 30 June 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 142,933 (31 December 2025: KD 117,306, 30 June 2025: KD 156,552) 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 30 June 2026, B&B Hotel Management Company - W.L.L. had utilized facilities amounting to KD 14,957,211 (31 December 2025: KD 13,800,211, 30 June 2025: KD Nil).

- At 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.

17. 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
Six month ended 30 June 2026			
Segment revenue	**7,159,310**	**2,867,461**	**10,026,771**
Segment profit / (loss) before contribution to NLST, KFAS and ZAKAT	**6,248,026**	**(990,114)**	**5,257,912**
Segment assets	**66,578,260**	**21,017,274**	**87,595,534**
Segment liabilities	**22,498,916**	**30,900,581**	**53,399,497**
Six month ended 30 June 2025			
Segment revenue	1,773,757	2,751,754	4,525,511
Segment profit / (loss)	749,117	(6,206,663)	(5,457,546)
Segment assets	80,428,052	23,040,770	103,468,822
Segment liabilities	28,735,367	33,717,962	62,453,329

18. Fair value measurement

18.1 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).

18.2 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:

	30 June 2026	(Audited) 31 December 2025	30 June 2025
	KD	KD	KD
Financial assets:			
Financial assets at fair value through other comprehensive income:			
Financial assets at fair value through other comprehensive income	**645,090**	714,442	715,337
Financial assets at amortised cost:			
Accounts receivable and other debit balances (excluding prepayments and advances)	**8,879,144**	12,448,421	11,484,814
Term deposit	**106,035**	-	-
Cash and cash equivalents	**1,544,431**	451,359	1,158,559
Financial assets at fair value through profit or loss:			
Financial assets at fair value through profit or loss	**15,487,547**	15,826,493	16,707,711
	26,662,247	29,440,715	30,066,421
Financial liabilities:			
Financial liabilities at amortised cost:			
Term loans	**17,716,002**	19,969,917	20,841,928
Accounts payable and other credit balances (excluding advances)	**32,849,758**	43,923,609	37,608,704
Bank overdraft	**614,485**	634,428	1,373,100
	51,180,245	64,527,954	59,823,732

18. Fair value measurement (Continued)

18.2 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:

30 June 2026	**Level 1** KD	**Level 2** KD	**Level 3** KD	**Total** KD
Financial assets at fair value through other comprehensive income:				
Quoted securities	**120,165**	-	-	**120,165**
Funds and portfolio	-	**189,354**	-	**189,354**
Unquoted securities	-	-	**335,571**	**335,571**
Financial assets at fair value through profit or loss:				
Quoted securities	**7,386,143**	-	-	**7,386,143**
Mutual funds	-	**88,665**	-	**88,665**
Unquoted securities	-	**1,476,643**	**6,536,096**	**8,012,739**
	7,506,308	**1,754,662**	**6,871,667**	**16,132,637**

31 December 2025 (Audited)	**Level 1** KD	**Level 2** KD	**Level 3** KD	**Total** 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
	8,474,800	1,213,189	6,852,946	16,540,935

18. Fair value measurement (Continued)

18.2 Fair value measurement of financial instruments (Continued)

30 June 2025	Level 1	Level 2	Level 3	Total
	KD	KD	KD	KD
Financial assets at fair value through other comprehensive income:				
Quoted securities	110,988	-	-	110,988
Funds and portfolio	-	262,726	-	262,726
Unquoted securities	-	-	341,623	341,623
Financial assets at fair value through profit or loss:				
Quoted securities	8,966,236	-	-	8,966,236
Mutual funds	-	87,917	-	87,917
Unquoted securities	-	798,273	6,855,285	7,653,558
	9,077,224	1,148,916	7,196,908	17,423,048

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

19. Geopolitical Escalation Risks

The Group operates in a global and regional economic environment that continues to be affected by the escalating geopolitical tensions in the Middle East. Recent developments in the region have increased uncertainty in global markets and heightened risks relating to supply chains, transportation, shipping and insurance costs, as well as the potential impact on regional and international trade flows. Management has assessed the potential impact of these developments on the Group's operations and on its financial position, taking into consideration the following:

- Macroeconomic conditions and economic growth trends.
- The availability of raw materials, fuel and spare parts required for production, the resilience of global and regional supply chains, the risk of increased shipping, insurance and energy costs, and the potential for delays in procurement arising from geopolitical developments.
- The continuity of the Group's operating and production activities, including its ability to maintain production levels and meet customer demand in the event of disruptions to supply chains or logistics services.
- Credit risk relating to customers, particularly those operating in sectors that may be indirectly affected by an economic slowdown or market disruptions.
- Market risk, including the ability to liquidate assets and investments at its fair value during periods of heightened market volatility.
- Foreign currency risk arising from fluctuations in exchange rates in markets linked to the region.

Management has evaluated the extent to which the Group's operations have been affected by the current geopolitical developments and assessed their impact on the Group's overall business activities. The Group has not experienced any significant disruption to its core operations.

Management continues to monitor the impact of these developments on the Group's operating and production activities. The continuation of these conditions may result in increased operating costs or delays in procurement activities during future periods. Accordingly, Management will continue to monitor these developments on an ongoing basis and take appropriate measures to mitigate any potential adverse effects, including diversifying sources of supply and strengthening its operational risk management plans.