



Grant Thornton

Al-Qatami, Al-Aiban & Partners

Interim condensed consolidated financial information and review report
Ajial Real Estate Entertainment Company – KSCP and Subsidiaries
Kuwait

31 March 2026 (Unaudited)

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Report on Review of Interim Condensed Consolidated Financial Information

To the board of directors of
Ajial Real Estate Entertainment Company – KSCP
Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Ajial Real Estate Entertainment Company - KSCP ("the Parent Company") and its subsidiaries (collectively, "the Group") as of 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-month period then ended. 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 International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing 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

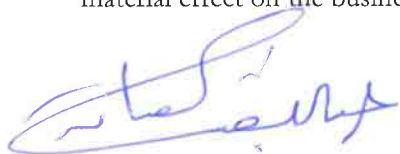
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34, "Interim Financial Reporting".

Report on review of other legal and regulatory requirements

Based on our review, the interim condensed consolidated financial information is in agreement with the books of the Parent Company. We further report that, to the best of our knowledge and belief, no violations of the Companies Law No. 1 of 2016 and its Executive Regulations, or of the Memorandum of Incorporation and Articles of Association of the Parent Company, as amended, have occurred during the three-month period ended 31 March 2026 that might have had a material effect on the business or financial position of the Parent Company.

Report on Review of Interim Condensed Consolidated Financial Information of Ajial Real Estate Entertainment Company– KSCP (continued)**Report on review of other legal and regulatory requirements (continued)**

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 material violations of the provisions of Law No. 7 of 2010 concerning the Capital Markets Authority and its related regulations during the three-month period ended 31 March 2026 that might had a material effect on the business or financial position of the Parent Company.



Abdullatif M. Al-Aiban (CPA)
(Licence No. 94-A)
of Grant Thornton — Al-Qatami, Al-Aiban & Partners

Kuwait
20 April 2026

Interim condensed consolidated statement of profit or loss

	Notes	Three months ended 31 March 2026 (Unaudited) KD	Three months ended 31 March 2025 (Unaudited) KD
Income			
Rental income		1,519,688	1,523,928
Property operating expenses		(290,124)	(299,777)
Net rental income		1,229,564	1,224,151
Revenue from rendering services		527,436	415,020
Rendering services expenses		(348,232)	(287,480)
Net services income		179,204	127,540
Share of results of associates	7	967,112	1,021,657
Change in fair value of financial assets at fair value through profit or loss		(114,551)	31,872
Loss on sale of financial assets at fair value through profit or loss		(14)	-
Income from Wakala investment deposits		38,739	21,234
Other income		-	1,900
Net investment income		891,286	1,076,663
Total operating income		2,300,054	2,428,354
Expenses and other charges			
General and administrative expenses		(285,818)	(282,470)
Provision charge for expected credit losses		(51,397)	(50,534)
Finance costs		(333,082)	(369,863)
		(670,297)	(702,867)
Profit for the period before provisions for contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labour Support Tax (NLST) and Zakat		1,629,757	1,725,487
Provision for KFAS		(5,601)	(5,903)
Provision for NLST		(45,862)	(44,518)
Provision for Zakat		(9,278)	(8,181)
Profit for the period		1,569,016	1,666,885
Basic and diluted earnings per share (Fils)	5	7.50	7.97

The notes set out on pages 8 to 17 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of profit or loss and other comprehensive income

	Note	Three months ended 31 March 2026 (Unaudited) KD	Three months ended 31 March 2025 (Unaudited) KD
Profit for the period		1,569,016	1,666,885
Other comprehensive income:			
<i>Items that may be reclassified subsequently to consolidated statement of profit or loss</i>			
Exchange differences arising on translation of foreign operations	7	25,911	12,990
Total comprehensive income for the period		1,594,927	1,679,875

The notes set out on pages 8 to 17 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of financial position

	Notes	31 March 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	31 March 2025 (Unaudited) KD
Assets				
Non-current assets				
Property and equipment		1,491,340	1,546,419	1,697,007
Investment properties	6	90,136,071	90,100,000	90,233,186
Investment in associates	7	78,498,227	79,637,253	77,329,431
		170,125,638	171,283,672	169,259,624
Current assets				
Inventories		53,232	54,222	71,119
Accounts receivable and other assets		322,986	244,699	424,376
Financial assets at fair value through profit or loss		859,195	979,506	1,083,580
Cash and cash equivalents	8	7,165,512	4,850,118	5,105,770
		8,400,925	6,128,545	6,684,845
Total assets		178,526,563	177,412,217	175,944,469
Equity and liabilities				
Equity				
Share capital		21,033,120	21,033,120	21,033,120
Share premium		5,199,430	5,199,430	5,199,430
Statutory reserve		4,037,894	4,037,894	3,375,905
Voluntary reserve		3,854,263	3,854,263	3,192,274
Treasury shares	9	(319,250)	(319,250)	(319,250)
Effect of change in accounting policy of investment properties		46,118,487	46,118,487	46,118,487
Foreign currency translation reserve		75,500	49,589	62,335
Retained earnings		60,110,795	62,725,489	59,413,163
Total equity		140,110,239	142,699,022	138,075,464
Liabilities				
Non-current liabilities				
Provision for employees' end of service benefits		678,590	639,821	588,747
Accounts payable and other liabilities		1,021,692	1,016,756	1,003,740
Murabaha payables	10	30,000,000	30,000,000	30,000,000
		31,700,282	31,656,577	31,592,487
Current liabilities				
Accounts payable and other liabilities		6,716,042	3,056,618	6,276,518
		6,716,042	3,056,618	6,276,518
Total liabilities		38,416,324	34,713,195	37,869,005
Total equity and liabilities		178,526,563	177,412,217	175,944,469

Sheikh/ Hamad Mubarak Jaber Al Ahmad Al Sabah
Chairman

The notes set out on pages 8 to 17 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity

	Share capital KD	Share premium KD	Statutory reserve KD	Voluntary reserve KD	Treasury shares KD	Effect of change in accounting policy of investment properties KD	Foreign currency translation reserve KD	Retained earnings KD	Total KD
As at 1 January 2026 (audited)	21,033,120	5,199,430	4,037,894	3,854,263	(319,250)	46,118,487	49,589	62,725,489	142,699,022
Profit for the period	-	-	-	-	-	-	-	1,569,016	1,569,016
Other comprehensive income for the period	-	-	-	-	-	-	25,911	-	25,911
Total comprehensive income for the period	-	-	-	-	-	-	25,911	1,569,016	1,594,927
Cash dividend (Note 13)	-	-	-	-	-	-	-	(4,183,710)	(4,183,710)
Balance at 31 March 2026 (unaudited)	21,033,120	5,199,430	4,037,894	3,854,263	(319,250)	46,118,487	75,500	60,110,795	140,110,239
As at 1 January 2025 (audited)	21,033,120	5,199,430	3,375,905	3,192,274	(319,250)	46,118,487	49,345	61,929,988	140,579,299
Profit for the period	-	-	-	-	-	-	-	1,666,885	1,666,885
Other comprehensive income for the period	-	-	-	-	-	-	12,990	-	12,990
Total comprehensive income for the period	-	-	-	-	-	-	12,990	1,666,885	1,679,875
Cash dividend (Note 13)	-	-	-	-	-	-	-	(4,183,710)	(4,183,710)
Balance at 31 March 2025 (unaudited)	21,033,120	5,199,430	3,375,905	3,192,274	(319,250)	46,118,487	62,335	59,413,163	138,075,464

The notes set out on pages 8 to 17 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

	Note	Three months ended 31 March 2026 (Unaudited) KD	Three months ended 31 March 2025 (Unaudited) KD
OPERATING ACTIVITIES			
Profit for the period before provisions for contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labour Support Tax (NLST) and Zakat		1,629,757	1,725,487
Adjustments			
Depreciation of property and equipment		55,142	55,134
Share of results of associates		(967,112)	(1,021,657)
Change in fair value of financial assets at fair value through profit or loss		114,551	(31,872)
Loss on sale of financial assets at fair value through profit or loss		14	-
Income from Wakala investment deposits		(38,739)	(21,234)
Provision charge for employees' end of service benefits		38,769	36,579
Provision charge for expected credit losses		51,397	50,534
Finance costs		333,082	369,863
		1,216,861	1,162,834
Changes in operating assets and liabilities:			
Inventories		990	3,043
Accounts receivable and other assets		(126,856)	(190,052)
Accounts payable and other liabilities		(311,941)	(494,166)
		779,054	481,659
KFAS, NLST and Zakat paid		(241,694)	(216,536)
Net cash from operating activities		537,360	265,123
INVESTING ACTIVITIES			
Purchase of property and equipment		(63)	(3,210)
Capital expenditure on investment properties		(36,071)	(33,186)
Dividends received from associates		2,132,049	2,132,049
Proceeds from sale of financial assets at fair value through profit or loss		5,746	-
Decrease in Wakala investment deposits		3,070,000	1,500,000
Income received from Wakala investment deposits		35,911	16,773
Net cash from investing activities		5,207,572	3,612,426
FINANCING ACTIVITIES			
Dividends paid		(360)	(3,901)
Finance costs paid		(359,178)	(369,863)
Net cash used in financing activities		(359,538)	(373,764)
Net increase in cash and cash equivalents		5,385,394	3,503,785
Cash and cash equivalents at the beginning of the period		1,340,118	1,191,985
Cash and cash equivalents at the end of the period	8	6,725,512	4,695,770

The notes set out on pages 8 to 17 form an integral part of this interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information

1 Incorporation and activities of the Parent Company

Ajial Real Estate Entertainment Company (“the Parent Company”) is a public Kuwaiti shareholding company listed on Boursa Kuwait which was registered and incorporated in Kuwait on 26 October 1996.

During the period, the extraordinary general assembly of the shareholders of the Parent Company held on 11 March 2026 approved the amendments of Parent Company’s objectives to become as follows:

- 1- Repair and maintenance of air conditioning, refrigeration, and air purification equipment
- 2- Building construction
- 3- General construction of residential buildings
- 4- General construction of non-residential buildings
- 5- Establishment of free trade zones or duty-free markets
- 6- Renovation of residential and non-residential buildings
- 7- Demolition, site clearing and related works
- 8- Installation of elevators and escalators
- 9- Building finishing works
- 10- Wholesale of construction materials, metal structural materials, plumbing and heating equipment and supplies
- 11- Off-premises auctions
- 12- Hotel
- 13- Hotel apartments
- 14- Lounges
- 15- Operation of multi-purpose halls (wedding, conference and exhibition halls)
- 16- Restaurant
- 17- Restaurant management
- 18- Café
- 19- Establishing companies or participating therein with other parties to carry out the Company's activities
- 20- Buying and selling shares and bonds for the company’s own account
- 21- Investment of surplus funds in financial portfolios managed by specialized companies and entities
- 22- Investment and real estate financing consultancy
- 23- Real estate consultancy
- 24- Buying and selling land and real estate
- 25- Buying and selling land and real estate for the company’s own account only
- 26- Buying and selling resorts
- 27- Real estate brokerage services
- 28- Resorts
- 29- Management and leasing owned or leased real estate
- 30- Management and leasing owned or leased real estate (residential)
- 31- Management and leasing owned or leased real estate (non-residential)
- 32- Management and operation of hotel apartments
- 33- Management and operation of hotels
- 34- Ownership of real estate and movables for the benefit of the Company
- 35- Third party property management
- 36- Building and development of land and real estate
- 37- Real estate valuation services

Notes to the interim condensed consolidated financial information (continued)

1 Incorporation and activities of the Parent Company (continued)

- 38- Real estate booking services
- 39- Building maintenance services
- 40- Public facilities management
- 41- Project management
- 42- Commercial agency business management
- 43- Design, build, operate, maintain, and transfer (DBOMT) projects under PPP system
- 44- Organization and management of trade exhibitions
- 45- Management and organization of exhibitions and conferences
- 46- Parks
- 47- Operation of sports facilities
- 48- Tourism facilities management
- 49- Management and operation of sports facilities and provision of all related services
- 50- Operation of leisure and amusement facilities (Amusement parks)
- 51- Recreational parks, beaches, and coastal resorts
- 52- Operation of entertainment-themed exhibitions and markets
- 53- Commercial representation agencies
- 54- Management of healthcare institutes

The Group comprises the Parent Company and its subsidiaries.

The registered head office of the Parent Company is located at Hawally, Block 5, Beirut Street, Al-Andalus Complex, 16th Floor, P.O. Box 44301, Hawally 32058, State of Kuwait.

This interim condensed consolidated financial information for the three-month period ended 31 March 2026 was authorised for issue by the Parent Company's board of directors on 20 April 2026.

2 Basis of preparation

The interim condensed consolidated financial information of the Group for the three-month period ended 31 March 2026 has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting".

The annual consolidated financial statements for the year ended 31 December 2025 were prepared in accordance with the IFRS Accounting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board ("IASB").

The interim condensed consolidated financial information has been presented in Kuwaiti Dinars which is the functional and presentation currency of the Parent Company.

The interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements prepared in accordance with the IFRS Accounting Standards. In the opinion of the Parent Company's management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included.

Notes to the interim condensed consolidated financial information (continued)

2 Basis of preparation (continued)

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 details, refer to the consolidated financial statements and their related disclosures for the year ended 31 December 2025.

3 Changes in accounting policies

The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2025 except for the adoption of the amendments to the IFRS Accounting Standards effective as of 1 January 2026 as described in Note 3.1. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

3.1 New and amended IFRS Accounting Standards adopted by the Group

The following amendments were effective for the current period:

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

The amendments to IFRS 7 and IFRS 9 addresses three changes:

- derecognition of a financial liability settled through electronic transfer whereby entities are permitted to deem a financial liability (or part of it) that will be settled in cash using an electronic payment system to be discharged before the settlement date if specified criteria are met. An entity that elects to apply this derecognition option would be required to apply it to all settlements made through the same electronic payment system.
- Classification of financial assets based on a) contractual terms that are consistent with basic lending arrangements, b) assets with non-recourse description has been enhanced to include a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets, and c) contractually linked instruments have been clarified, and
- Disclosures relating to a) financial assets at FVTOCI where entities are required to disclose fair value gain or loss separately for financial assets derecognised in the period and the fair value gain or loss that relates to investments held at the end of the period, and b) contractual terms that could change the timing or amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in a basic lending risks and costs.

The adoption of the amendments did not have a significant impact on the Group's interim condensed consolidated financial information.

Annual Improvements to IFRS Accounting Standards – volume 11

The annual improvement project updates a number of standards primarily providing clarifications and removing inconsistencies.

The adoption of the amendments did not have a significant impact on the Group's interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information (continued)

4 Judgement and estimates

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited consolidated financial statements as at and for the year ended 31 December 2025.

5 Basic and diluted earnings per share

Basic and diluted earnings per share are calculated by dividing the profit for the period by the weighted average number of shares outstanding during the period excluding treasury shares. As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical.

	Three months ended 31 March 2026 (Unaudited) KD	Three months ended 31 March 2025 (Unaudited) KD
Profit for the period (KD)	1,569,016	1,666,885
Weighted average number of shares outstanding during the period (excluding treasury shares) (shares)	209,187,528	209,187,528
Basic and diluted earnings per share (Fils)	7.50	7.97

6 Investment properties

	31 March 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	31 March 2025 (Unaudited) KD
At the beginning of the period / year	90,100,000	90,200,000	90,200,000
Capital expenditure	36,071	207,793	33,186
Change in fair value	-	(307,793)	-
At the end of the period / year	90,136,071	90,100,000	90,233,186

Investment properties include a parking building constructed on a land leased from the Ministry of Finance – Real Estate Management Department. The lease agreement expired on 3 March 2026. Management of the Parent Company is currently in the process to renew the lease agreement. In the meantime, the Parent Company continues to make lease rental payments.

As at 31 March 2026, investment properties with a carrying value of KD65,886,071 (31 December 2025: KD65,850,000 and 31 March 2025: KD65,678,700) are pledged as a security against Murabaha payables (Note 10).

Valuation of the Group's investment property portfolio is performed on an annual basis as management believes that no significant circumstances have arisen during the interim reporting period which may have a material impact on fair value.

Notes to the interim condensed consolidated financial information (continued)

7 Investment in associates

Below are the details of the Group's associates:

Name of associate	Country of incorporation	Effective interest held by Group at period/year end			Principal activities
		31 March 2026 (Unaudited) %	31 Dec. 2025 (Audited) %	31 March 2025 (Unaudited) %	
Al Hamra Real Estate Company - KSC (Closed) - Unquoted	Kuwait	35.53	35.53	35.53	Real estate
Al Madar Al Thahabia Company - WLL - Unquoted	Saudi Arabia	31	31	31	Real estate

Movement in the carrying value of investment in associates during the period /year is as follows:

	31 March 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	31 March 2025 (Unaudited) KD
At the beginning of the period / year	79,637,253	78,426,833	78,426,833
Share of results	967,112	3,491,851	1,021,657
Return of capital	-	(149,626)	-
Dividends received	(2,132,049)	(2,132,049)	(2,132,049)
Exchange differences	25,911	244	12,990
At the end of the period / year	78,498,227	79,637,253	77,329,431

The share of results of the associates for the period ended 31 March 2026 has been recorded based on the management accounts.

8 Cash and cash equivalents

Cash and cash equivalents in the interim condensed consolidated statement of cash flows comprise the following accounts:

	31 March 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	31 March 2025 (Unaudited) KD
Cash on hand	5,411	4,624	5,254
Bank balances	6,220,101	1,335,494	690,516
Wakala investment deposits (8.1)	940,000	3,510,000	4,410,000
Cash and cash equivalents as disclosed in interim condensed consolidated statement of financial position	7,165,512	4,850,118	5,105,770
Less: Wakala investment deposits with original maturity exceeding 3 months	(440,000)	(3,510,000)	(410,000)
Cash and cash equivalents for the purpose of the interim condensed consolidated statement of cash flows	6,725,512	1,340,118	4,695,770

Notes to the interim condensed consolidated financial information (continued)

8 Cash and cash equivalents (continued)

8.1 Wakala investment deposits are denominated in Kuwaiti Dinars and placed with a local bank carrying an average profit rate of 4.19% (31 December 2025: 3.91% and 31 March 2025: 3.91%) per annum.

The balance includes a Wakala investment deposit of KD 440,000 that is restricted as security against letters of guarantee (Note 15).

9 Treasury shares

	31 March 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	31 March 2025 (Unaudited) KD
Number of treasury shares (shares)	1,143,673	1,143,673	1,143,673
Percentage of issued share capital (%)	0.54%	0.54%	0.54%
Market value (KD)	356,826	360,257	354,539
Cost (KD)	319,250	319,250	319,250

Reserves of the Parent Company equivalent to the cost of the treasury shares held are not available for distribution.

10 Murabaha payables

Murabaha payables obtained from a local bank are denominated in Kuwaiti Dinars and secured against investment properties with a carrying value of KD 65,886,071 (31 December 2025: KD65,850,000 and 31 March 2025: KD65,678,700) (Note 6).

Murabaha payables carry an average profit rate of 1% (31 December 2025 and 31 March 2025: 1%) per annum above the Central Bank of Kuwait discount rate.

11 Related party transactions

Related parties represent subsidiaries, associates, major shareholders, 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 approved by the Group's management. Transactions between the Parent Company and its subsidiaries which are related parties of the Parent Company have been eliminated on consolidation and are not disclosed in this note.

Details of significant related party transactions are as follows:

	Three months ended 31 March 2026 (Unaudited) KD	Three months ended 31 March 2025 (Unaudited) KD
Interim condensed consolidated statement of profit or loss:		
Key management compensation:		
Salaries and short-term benefits	55,024	49,079
Employees' end of service benefits	20,165	7,184
	75,189	56,263

Notes to the interim condensed consolidated financial information (continued)

12 Segmental analysis

Operating segments are identified based on internal management reporting information that is regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance and is reconciled to Group's profit or loss.

The Group operates in the following sectors:

	Real estate KD	Entertainment KD	Investment KD	Unallocated KD	Total KD
For the three months ended 31 March 2026 (Unaudited)					
Segment revenue	1,519,688	527,436	852,547	38,739	2,938,410
Segment results	956,112	179,204	741,520	(307,820)	1,569,016
For the three months ended 31 March 2025 (Unaudited)					
Segment revenue	1,523,928	415,020	1,053,529	23,134	3,015,611
Segment results	927,042	127,540	930,240	(317,937)	1,666,885
As at 31 March 2026 (Unaudited)					
Total assets	87,754,244	3,613,635	79,357,422	7,801,262	178,526,563
Total liabilities	21,021,692	97,853	10,000,000	7,296,779	38,416,324
As at 31 December 2025 (Audited)					
Total assets	87,719,184	3,650,276	80,616,759	5,425,998	177,412,217
Total liabilities	21,016,756	276,121	10,000,000	3,420,318	34,713,195
As at 31 March 2025 (Unaudited)					
Total assets	87,672,707	4,090,422	78,413,011	5,768,329	175,944,469
Total liabilities	21,003,740	81,748	10,000,000	6,783,517	37,869,005

13 General assembly of the shareholders and dividends

The annual general assembly of the shareholders held on 11 March 2026 approved the consolidated financial statements of the Group for the year ended 31 December 2025 and cash dividend of 20% of paid-up share capital equivalent to 20 Fils per share (2024: cash dividend of 20 Fils per share). Further, the shareholders approved the board of directors' remuneration of KD75,000 for the year ended 31 December 2025 (2024: KD75,000).

Dividends payable as at 31 March 2026 amounted to KD 4,498,390 (31 December 2025: KD 315,040 and 31 March 2025: KD 4,401,937) and recorded within "accounts payable and other liabilities" in the interim condensed consolidated financial position.

Also, the extraordinary general assembly of the shareholders held on 11 March 2026 approved to amend the Parent Company's activities (Note 1).

Notes to the interim condensed consolidated financial information (continued)

14 Fair value measurement

14.1 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).

14.2 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 (Unaudited) KD	31 Dec. 2025 (Audited) KD	31 March 2025 (Unaudited) KD
Financial assets:			
At amortised cost:			
Accounts receivable and other assets	322,986	244,699	424,376
Cash and cash equivalents	7,165,512	4,850,118	5,105,770
At fair value:			
Financial assets at fair value through profit or loss	859,195	979,506	1,083,580
	8,347,693	6,074,323	6,613,726
Financial liabilities:			
At amortised cost			
Accounts payable and other liabilities	7,737,734	4,073,374	7,280,258
Murabaha payables	30,000,000	30,000,000	30,000,000
	37,737,734	34,073,374	37,280,258

Management considers that the carrying amounts of financial assets and all financial liabilities, which are stated at amortized 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.

Notes to the interim condensed consolidated financial information (continued)

14 Fair value measurement (continued)

14.2 Fair value measurement of financial instruments (continued)

The financial assets 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:

	Level 1 KD	Level 2 KD	Level 3 KD	Total KD
31 March 2026 (Unaudited)				
Financial assets				
<i>At fair value through profit or loss:</i>				
Managed funds	-	4,954	-	4,954
Local unquoted securities	-	-	854,241	854,241
	-	4,954	854,241	859,195
31 December 2025 (Audited)				
Financial assets				
<i>At fair value through profit or loss:</i>				
Managed funds	-	10,697	-	10,697
Local unquoted securities	-	-	968,809	968,809
	-	10,697	968,809	979,506
31 March 2025 (Unaudited)				
Financial assets				
<i>At fair value through profit or loss:</i>				
Managed funds	-	20,790	-	20,790
Local unquoted securities	-	-	1,062,790	1,062,790
	-	20,790	1,062,790	1,083,580

There have been no transfers between levels during the reporting period.

Level 3 fair value measurements

The Group's measurement of financial assets classified in level 3 uses valuation techniques inputs that are not based on observable market data. The financial instruments within this level can be reconciled from beginning to ending balances as follows:

	31 March 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	31 March 2025 (Unaudited) KD
Opening balance	968,809	1,030,938	1,030,938
Change in fair value	(114,568)	(62,129)	31,852
Closing balance	854,241	968,809	1,062,790

Changing inputs to the level 3 valuations to reasonably possible alternative assumption would not change significantly amounts recognised in profit or loss, total assets or total liabilities or total equity.

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

Notes to the interim condensed consolidated financial information (continued)

15 Contingent liabilities

As at 31 March 2026, the Group had contingent liabilities representing a letter of guarantee amounting to KD 457,125 (31 December 2025: KD429,532 and 31 March 2025: KD429,532) issued to the Ministry of Finance in respect of its investment properties from which no material liability is expected to arise.

16 Geopolitical developments

During the period ended 31 March 2026, ongoing geopolitical developments in the Middle East have contributed to heightened uncertainty and volatility in global and regional financial markets.

The management has considered the potential implications of these developments in preparing this interim condensed consolidated financial information in accordance with IAS 34. Based on the information available as of the issuance date, the Group's operations have not been materially disrupted and no material impact has been identified requiring adjustments to this interim condensed consolidated financial information.

Given the evolving nature of the situation, the management continues to monitor developments and will assess the potential impact on the Group's financial position, financial performance and cash flows.

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