Grant Thornton
Al-Qatami, Al-Aiban & Partners

Interim condensed consolidated financial information and review report

Arzan Financial Group for Financing and Investment – KPSC and its Subsidiaries
Kuwait

30 June 2026 (Unaudited)

Contents

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Report on Review of Interim Condensed Consolidated Financial Information

To the Board of Directors of
Arzan Financial Group for Financing and Investment - KPSC
Kuwait

Introduction
We have reviewed the accompanying interim condensed consolidated statement of financial position of Arzan Financial Group for Financing and Investment - KPSC ("the Parent Company") and its subsidiaries ("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 for the three-month and six-month periods then ended and, interim condensed consolidated changes in equity and cash flows for the six-month period then ended. Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with the basis of presentation set out in Note 2. 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 the basis of preparation set out in Note 2.

Emphasis of Matter
We draw attention to Note 5.1 to the interim condensed consolidated financial information, which describes the possible material effects of uncertainty with respect to the Group's exposure in Lebanon. Our conclusion is not modified in respect of this matter.

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 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 the business or financial position of the Parent Company.

Report on Review of Interim Condensed Consolidated Financial Information of Arzan Financial Group for Financing and Investment - KPSC (continued)

Report on review of other legal and regulatory requirements (continued)

We further report that, during the course of our review, we have not become aware of any material violations of the provisions of Law No. 32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the organisation of banking business, and its related regulations, or of the provisions of Law No. 7 of 2010 concerning the Capital Markets Authority and its related regulations during the six-month period ended 30 June 2026 that might have had a material effect on the business or financial position of the Parent Company.

Hend Abdullah Al Surayea
(Licence No. 141-A)
of Grant Thornton – Al-Qatami, Al-Aiban & Partners

Kuwait
11 August 2026

Interim condensed consolidated statement of profit or loss

		Three months ended		Six months ended	
	Notes	**30 June 2026 (Unaudited) KD**	30 June 2025 (Unaudited) KD	**30 June 2026 (Unaudited) KD**	30 June 2025 (Unaudited) (Restated)* KD
Income					
Income from instalment credit debtors		**84,286**	28,935	**150,330**	84,645
Revenue from contracts with customers		**895,056**	647,788	**1,482,453**	1,169,414
Realised profit from instalment sales		**735,712**	690,366	**1,561,942**	1,274,634
Gain on sale of property held for trading		**-**	52,123	**-**	52,123
Rental income		**56,785**	56,935	**113,569**	113,869
Interest income		**339,110**	276,367	**553,603**	438,842
Gain on sale of financial assets at fair value through profit or loss		**37,715**	148,590	**168,527**	660,205
Change in fair value of financial assets at fair value through profit or loss		**(80,951)**	253,305	**(1,294,398)**	1,187,505
Net share of results of associates and joint venture	13	**(332,335)**	1,389,719	**9,480,624**	15,021,306
Dividend income		**5,246,367**	3,451,816	**5,815,282**	3,899,851
Gain/(loss) on foreign currency exchange		**49,698**	(87,254)	**75,938**	(101,953)
Other income		**346,887**	59,211	**562,188**	116,673
(Provision for)/Reversal of instalment credit debtors – net	8.3	**(247,153)**	38,775	**(288,747)**	16,660
Reversal of provision for credit losses of restricted cash and cash equivalents	7.2	**348**	11,495	**1,383**	9,864
		7,131,525	7,018,171	**18,382,694**	23,943,638
Expenses and other charges					
Staff costs		**(1,323,425)**	(990,738)	**(2,511,466)**	(2,012,700)
General and administrative expenses		**(1,044,034)**	(576,902)	**(1,847,045)**	(1,210,568)
Finance costs		**(832,922)**	(645,903)	**(1,770,899)**	(1,323,495)
Depreciation		**(57,613)**	(69,896)	**(107,238)**	(116,576)
Provision for doubtful debts - net		**(426,132)**	(325,183)	**(613,608)**	(623,095)
		(3,684,126)	(2,608,622)	**(6,850,256)**	(5,286,434)
Profit for the period before provisions for contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labour Support Tax (NLST) and Zakat		**3,447,399**	4,409,549	**11,532,438**	18,657,204
Reversal of/ (Provision for) KFAS		**51,037**	5,616	**(1,233)**	-
Reversal of/ (Provision for) NLST		**91,861**	(400,884)	**(146,331)**	(496,004)
Reversal of/ (Provision for) Zakat		**46,231**	(152,887)	**(28,095)**	(160,516)
Profit for the period		**3,636,528**	3,861,394	**11,356,779**	18,000,684
Attributable to:					
Owners of the Parent Company		**1,681,673**	2,478,552	**9,386,231**	16,949,871
Non-controlling interests		**1,954,855**	1,382,842	**1,970,548**	1,050,813
Profit for the period		**3,636,528**	3,861,394	**11,356,779**	18,000,684
Basic earnings per share attributable to the owners of the Parent Company (Fils)	6	**1.750**	2.579	**9.768**	17.638
Diluted earnings per share attributable to the owners of the Parent Company (Fils)	6	**1.748**	2.576	**9.760**	17.619

**The comparative information presented herein differs from the interim condensed consolidated financial information previously published for the six-month period ended 30 June 2025 due to measurement period adjustments arising from the finalization of the purchase price allocation related to an associate & other related adjustments (Note 13). The previously reported basic and diluted earnings per share of 2.734 Fils and 2.730 Fils, respectively, for the three months ended 30 June 2025 and basic and diluted earnings per share of 10.355 Fils and 10.343 Fils, respectively, for the six-month period ended 30 June 2025, were recalculated as above, after giving effect to the retrospective adjustments including the bonus share issues (Note 6).*

The notes set out on pages 11 to 29 form an integral part of this interim condensed consolidated financial information.

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

	Three months ended		Six months ended	
	30 June 2026 (Unaudited) KD	30 June 2025 (Unaudited) KD	**30 June 2026 (Unaudited) KD**	30 June 2025 (Unaudited) (Restated)* KD
Profit for the period	**3,636,528**	3,861,394	**11,356,779**	18,000,684
Other comprehensive income/(loss):				
Items that will not be reclassified subsequently to the interim condensed consolidated statement of profit or loss:				
Financial assets at fair value through other comprehensive income:				
- Net change in fair value arising during the period	**5,001,581**	9,730,293	**(26,293,652)**	26,779,576
Share of other comprehensive income of associates (Note 13)	**1,412,085**	138,714	**774,348**	865,210
Items that may be reclassified subsequently to the interim condensed consolidated statement of profit or loss:				
Financial assets at fair value through other comprehensive income:				
- Net change in fair value arising during the period	**19,626**	-	**17,621**	88,201
Exchange differences arising on translation of foreign operations	**379,119**	(380,857)	**551,642**	(330,664)
Total other comprehensive income/(loss) for the period	**6,812,411**	9,488,150	**(24,950,041)**	27,402,323
Total comprehensive income/(loss) for the period	**10,448,939**	13,349,544	**(13,593,262)**	45,403,007
Attributable to:				
Owners of the Parent Company	**6,309,304**	8,431,562	**(3,295,413)**	33,341,949
Non-controlling interests	**4,139,635**	4,917,982	**(10,297,849)**	12,061,058
Total comprehensive income/(loss) for the period	**10,448,939**	13,349,544	**(13,593,262)**	45,403,007

**Certain amounts shown here do not correspond to the interim condensed consolidated financial information for the period ended 30 June 2025 and reflect adjustments made as detailed in Note 13.*

Interim condensed consolidated statement of financial position

	Notes	**30 June 2026 (Unaudited) KD**	31 December 2025 (Audited) KD	30 June 2025 (Unaudited) (Restated)* KD
Assets				
Cash and cash equivalents	7.1	**9,743,554**	5,951,106	17,773,056
Term deposits	7.1	**173,709**	172,299	387,546
Instalment credit debtors	8	**682,310**	1,140,852	784,271
Financial assets at fair value through profit or loss	9	**26,427,425**	27,058,637	24,591,795
Accounts receivable and other assets	10	**17,331,144**	15,723,517	14,060,008
Assets held for sale	11	**3,769,633**	3,816,902	8,114,096
Properties held for trading		**1,866,235**	1,866,235	1,866,235
Financial assets at fair value through other comprehensive income	12	**157,444,124**	183,040,802	167,671,169
Investment in associates and joint venture	13	**151,734,468**	141,271,372	106,050,672
Properties under development		**2,009,436**	1,812,430	1,680,710
Investment properties		**1,214,655**	1,244,025	1,273,395
Property and equipment		**1,680,603**	1,757,268	1,835,877
Total assets		**374,077,296**	384,855,445	346,088,830
Liabilities and equity				
Liabilities				
Accounts payable and other liabilities	14	**14,248,670**	11,937,773	12,257,692
Term loans	15	**7,996,000**	7,996,000	2,996,000
Murabaha payable	16	**62,456,720**	61,172,533	58,764,576
Provision for employees' end of service benefits		**2,264,241**	2,188,828	2,057,200
Total liabilities		**86,965,631**	83,295,134	76,075,468

The notes set out on pages 11 to 29 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of financial position (continued)

	Notes	30 June 2026 (Unaudited) KD	31 December 2025 (Audited) KD	30 June 2025 (Unaudited) (Restated)* KD
Equity				
Share capital	17	**96,187,997**	90,743,393	90,743,393
Share premium		**9,355,213**	9,355,213	9,355,213
Treasury shares	18	**(160,971)**	(325,476)	(4,549)
Treasury shares reserve		**2,490,797**	2,434,931	2,434,930
Statutory reserve		**6,600,776**	6,600,776	4,144,801
Voluntary reserve		**5,443,942**	5,443,942	2,987,967
Share based payments reserve		**200,938**	181,821	181,821
Foreign currency translation reserve		**(6,200,368)**	(6,671,579)	(6,562,432)
Fair value reserve		**42,558,177**	56,191,476	53,601,880
Retained earnings		**62,221,048**	59,769,065	46,205,223
Total equity attributable to the owners of the Parent Company		**218,697,549**	223,723,562	203,088,247
Non-controlling interests		**68,414,116**	77,836,749	66,925,115
Total equity		**287,111,665**	301,560,311	270,013,362
Total liabilities and equity		**374,077,296**	384,855,445	346,088,830

Jassem Hasan Zainal
Vice chairman and CEO

**Certain amounts shown here do not correspond to the interim condensed consolidated financial information for the period ended 30 June 2025 and reflect adjustments made as detailed in Note 13.*

Interim condensed consolidated statement of changes in equity

	Equity attributable to the owners of the Parent Company											Non-controlling interests	Total
	Share capital KD	Share premium KD	Treasury shares KD	Treasury shares reserve KD	Statutory reserve KD	Voluntary reserve KD	Share -based payment reserve KD	Foreign currency translation reserve KD	Fair value reserve KD	Retained earnings KD	Sub-Total KD	KD	KD
Balance at 31 December 2025 (Audited)	90,743,393	9,355,213	(325,476)	2,434,931	6,600,776	5,443,942	181,821	(6,671,579)	56,191,476	59,769,065	223,723,562	77,836,749	301,560,311
Bonus shares distributions (Note 24)	5,444,604	-	-	-	-	-	-	-	-	(5,444,604)	-	-	-
Cash dividends (Note 24)	-	-	-	-	-	-	-	-	-	(1,813,770)	(1,813,770)	-	(1,813,770)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(45,794)	(45,794)
Purchase of treasury shares	-	-	(6,803)	-	-	-	-	-	-	-	(6,803)	-	(6,803)
Cost of share-based payments	-	-	-	-	-	-	97,635	-	-	-	97,635	-	97,635
Distribution of share-based payments	-	-	171,308	55,866	-	-	(78,518)	-	-	(156,318)	(7,662)	-	(7,662)
Non-controlling interests resulting from increase of the capital of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	921,000	921,000
Net movement to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	10	10
Transactions with owners	5,444,604	-	164,505	55,866	-	-	19,117	-	-	(7,414,692)	(1,730,600)	875,216	(855,384)
Profit for the period	-	-	-	-	-	-	-	-	-	9,386,231	9,386,231	1,970,548	11,356,779
Other comprehensive income/(loss) for the period	-	-	-	-	-	-	-	471,211	(13,152,855)	-	(12,681,644)	(12,268,397)	(24,950,041)
Total comprehensive income/(loss) for the period	-	-	-	-	-	-	-	471,211	(13,152,855)	9,386,231	(3,295,413)	(10,297,849)	(13,593,262)
Gain/(loss) on reclassification/disposal of financial assets at FVTOCI													
Gain on disposal	-	-	-	-	-	-	-	-	10,165	(10,165)	-	-	-
Impact of disposal from associate	-	-	-	-	-	-	-	-	(490,609)	490,609	-	-	-
	-	-	-	-	-	-	-	-	(480,444)	480,444	-	-	-
Balance as at 30 June 2026 (Unaudited)	96,187,997	9,355,213	(160,971)	2,490,797	6,600,776	5,443,942	200,938	(6,200,368)	42,558,177	62,221,048	218,697,549	68,414,116	287,111,665

The notes set out on pages 11 to 29 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity (continued)

	Equity attributable to the owners of the Parent Company											Non-controlling interests	Total
	Share capital KD	Share premium KD	Treasury shares KD	Treasury shares reserve KD	Statutory reserve KD	Voluntary reserve KD	Share -based payment reserve KD	Foreign currency translation reserve KD	Fair value reserve KD	Retained earnings KD	Sub-Total KD	KD	KD
Balance at 31 December 2024 (Audited)	86,422,279	9,355,213	(243,811)	2,341,230	4,144,801	2,987,967	169,295	(6,311,708)	53,749,818	19,671,447	172,286,531	54,923,742	227,210,273
Bonus shares distributions (Note 24)	4,321,114	-	-	-	-	-	-	-	-	(4,321,114)	-	-	-
Cash dividends (Note 24)	-	-	-	-	-	-	-	-	-	(2,592,608)	(2,592,608)	-	(2,592,608)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(75,051)	(75,051)
Purchase of treasury shares	-	-	(32,825)	-	-	-	-	-	-	-	(32,825)	-	(32,825)
Sale of treasury shares	-	-	88	31	-	-	-	-	-	-	119	-	119
Cost of share-based payments	-	-	-	-	-	-	91,083	-	-	-	91,083	-	91,083
Distribution of share-based payments	-	-	271,999	93,669	-	-	(78,557)	-	-	(293,113)	(6,002)	-	(6,002)
Non-controlling interests resulting from increase of the capital of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	39,362	39,362
Net movement to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(23,996)	(23,996)
Transactions with owners	4,321,114	-	239,262	93,700	-	-	12,526	-	-	(7,206,835)	(2,540,233)	(59,685)	(2,599,918)
Profit for the period	-	-	-	-	-	-	-	-	-	16,949,871	16,949,871	1,050,813	18,000,684
Other comprehensive (loss)/ income for the period	-	-	-	-	-	-	-	(250,724)	16,642,802	-	16,392,078	11,010,245	27,402,323
Total comprehensive (loss)/ income for the period	-	-	-	-	-	-	-	(250,724)	16,642,802	16,949,871	33,341,949	12,061,058	45,403,007
Gain/(loss) on reclassification/disposal of financial assets at FVTOCI													
Gain on reclassification	-	-	-	-	-	-	-	-	(16,786,492)	16,786,492	-	-	-
Gain on disposal	-	-	-	-	-	-	-	-	(2,884)	2,884	-	-	-
Impact of disposal from associate	-	-	-	-	-	-	-	-	(1,364)	1,364	-	-	-
	-	-	-	-	-	-	-	-	(16,790,740)	16,790,740	-	-	-
Balance as at 30 June 2025 (Unaudited) (Restated)*	90,743,393	9,355,213	(4,549)	2,434,930	4,144,801	2,987,967	181,821	(6,562,432)	53,601,880	46,205,223	203,088,247	66,925,115	270,013,362

**Certain amounts shown here do not correspond to the interim condensed consolidated financial information for the period ended 30 June 2025 and reflect adjustments made as detailed in Note 13.*

The notes set out on pages 11 to 29 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

	Notes	Six months ended 30 June 2026 (Unaudited) KD	Six months ended 30 June 2025 (Unaudited) (Restated)* KD
Operating activities			
Profit for the period		**11,356,779**	18,000,684
Adjustments:			
Interest income		**(553,603)**	(438,842)
Net share of results of associates and joint ventures	13	**(9,480,624)**	(15,021,306)
Gain on disposal of properties held for trading		**-**	(52,123)
Dividend income		**(5,815,282)**	(3,899,851)
Provision for employees' end of service benefits		**86,373**	213,081
Reversal of provision for credit losses of restricted cash and cash equivalents	7.2	**(1,383)**	(9,864)
Depreciation		**107,238**	116,576
Finance costs		**1,770,899**	1,323,495
Cost of share-based payments		**97,635**	91,083
Provision for/(reversal of) instalment credit debtors – net	8.3	**288,747**	(16,660)
Provision for doubtful debts – net		**613,608**	623,095
		(1,529,613)	929,368
Changes in operating assets and liabilities:			
Instalment credit debtors		**169,795**	(9,830)
Financial assets at fair value through profit or loss		**631,212**	(49,072)
Accounts receivable and other assets		**(2,085,397)**	(5,024,954)
Accounts payable and other liabilities		**2,337,258**	1,768,392
Employees' end of service benefits paid		**-**	(26,070)
Net cash used in operating activities		**(476,745)**	(2,412,166)
Investing activities			
Purchase of property and equipment		**(5,060)**	(3,624)
Proceeds from disposal of properties held for trading		**-**	98,141
Purchase of financial assets at fair value through other comprehensive income		**(722,357)**	(1,537,414)
Proceeds from sale of financial assets at fair value through other comprehensive income		**279,112**	1,092,876
Net movement on assets held for sale		**78,515**	(1,269,324)
Net movement of term deposits		**(1,410)**	46,765
Restricted cash and cash equivalents	7.2	**1,383**	9,864
Dividend income received		**5,815,282**	3,899,851
Addition to investment in associates	13	**(38,487)**	-
Dividend income received from associates	13	**72,230**	86,676
Interest income received		**349,260**	221,724
Additions to real estate portfolios		**(211,283)**	(84,928)
Net cash from investing activities		**5,617,185**	2,560,607

The notes set out on pages 11 to 29 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows (continued)

	Notes	Six months ended 30 June 2026 (Unaudited) KD	Six months ended 30 June 2025 (Unaudited) (Restated)* KD
Financing activities			
Net increase in term loans		-	800,000
Net increase in Murabaha payable		**1,284,188**	17,282,446
Purchase of treasury shares		**(6,803)**	(32,825)
Sale of treasury shares		-	88
Finance costs paid		**(1,797,273)**	(1,252,128)
Dividends paid to non- controlling interests		**(45,794)**	(75,051)
Dividends paid to shareholders		**(1,753,172)**	(2,577,339)
Net movement in non-controlling interests		**921,010**	(23,996)
Net cash (used in)/from financing activities		**(1,397,844)**	14,121,195
Net increase in cash and cash equivalents		**3,742,596**	14,269,636
Foreign currency translation adjustments		**49,852**	(307,481)
Cash and cash equivalents at beginning of the period	7.1	**5,951,106**	3,810,901
Cash and cash equivalents at end of the period	7.1	**9,743,554**	17,773,056

**Certain amounts shown here do not correspond to the interim condensed consolidated financial information for the period ended 30 June 2025 and reflect adjustments made as detailed in Note 13.*

Notes to the interim condensed consolidated financial information

1 Incorporation and activities

Arzan Financial Group for Financing and Investment – KPSC ("the Parent Company") was incorporated in Kuwait on 15 April 1980 in accordance with the Companies Law under the name of International Transport Equipment Company – KSC (Closed). On 14 December 1996 an extraordinary general assembly resolved to change the name of the Parent Company to International Murabaha Company – KSC (Closed). Later, on 24 April 2002 an extraordinary general assembly resolved to change the name of the Parent Company to International Finance Company – KPSC and to expand its permitted activities.

The extraordinary general assembly held on 24 July 2013 approved to change the name of the Parent Company from International Finance Company – KPSC to Arzan Financial Group for Financing and Investment – KPSC which has been registered in the commercial register under No. 29629 on 11 November 2013.

The Parent Company is listed on Boursa Kuwait and is governed under the directives of Central Bank of Kuwait and Capital Markets Authority.

The Group comprises the Parent Company and its subsidiaries (together referred to as "the Group").

The Parent Company's objectives to be as follows:

- Retail of light and heavy equipment and their accessories.
- Wholesale and retail of new private cars.
- Wholesale and retail of second-hand private cars.
- Wholesale and retail of new heavy transport vehicles.
- Wholesale and retail of second-hand heavy transport vehicles.
- Finance services.
- Renting and leasing scientific, commercial and industrial machinery and equipment.
- Renting construction equipment.
- Purchase and sale of land and real estate.
- Operating and renting owned or leased properties.
- Management and development of land and real estate.
- Manager of investment portfolio.
- Collective investment scheme manager.
- Unregistered securities broker in the stock exchange.
- Investing its funds by trading in stocks, bonds and other securities.
- Currency exchange.
- Wholesale of precious stones.
- Wholesale of gold and precious metals.
- Consulting for commercial projects.
- Managing its subsidiaries or participating in managing other companies where it has a shareholding therein, and providing the required support for them.
- Project Management.

Notes to the interim condensed consolidated financial information (continued)

1 Incorporation and activities (continued)

- Owning intellectual property rights such as patents, trademarks, industrial models, royalties and other moral rights, utilizing and renting them to the holding companies affiliated to them and to other companies.
- Owning movables and properties required to carry out its activities pursuant to the limits prescribed by law.
- Investment consultant.
- Placement agent.
- Financing or lending companies in which the Company holds shares or stakes and guarantees them against others. In this case, the contribution ratio of the holding company in the share capital of the borrowing company shall not be less than twenty percent.

The Parent Company may have an interest or participate in any way with companies that engage in similar business to it in achieving its objectives in the State of Kuwait or abroad, and it may establish, purchase, or attach themselves to such companies.

The address of the Parent Company's registered office is PO Box 26442, Safat 13125, State of Kuwait.

This interim condensed consolidated financial information for the six-month period ended 30 June 2026 was authorized for issue by the Parent Company's board of directors on 11 August 2026.

2 Basis of preparation and presentation

The interim condensed consolidated financial information of the Group for the six-month period ended 30 June 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"), modified for use by the Government of Kuwait for financial services institutions regulated by the Central Bank of Kuwait ("CBK"). The modification requires adoption of all IFRS Accounting Standards for such institutions except for the IFRS 9 requirement for estimated credit losses ("ECL") for loans and receivables, which has been replaced by the CBK requirement for the ECL to be measured at the higher of the ECL on credit facilities computed under IFRS 9 under CBK guidelines and the provision required under CBK instructions, and the consequent impact on the related disclosures.

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

The interim condensed consolidated financial information does not include all the 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.

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

Notes to the interim condensed consolidated financial information (continued)

3 Changes in accounting policies

The accounting policies used in the preparation of these 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 change and are required to apply the amendments retrospective without restating prior periods to reflect the application of the amendments, but may do so if, and only if, it is possible to do so without the use of hindsight.

a) 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.
b) 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
c) 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.

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.

Notes to the interim condensed consolidated financial information (continued)

5 Subsidiaries

5.1 The Group's subsidiary, International Finance Company - SAL ("IFC"), is located in Lebanon which is currently witnessing significant economic and political turmoil. These events include significant controls on the Lebanese banking system including placing limits on cash withdrawals of foreign currency bank balances, limits on international bank transfers and reduction of contracted interest rates on foreign currency term deposits. These measures have significantly curtailed the ability of the Group to access the cash and other assets of IFC. Moreover, the Government of Lebanon defaulted on its sovereign debt obligation. The rating agencies have downgraded the sovereign rating of Lebanon as well as some of Lebanese banks including the bank where the subsidiary's cash is primarily deposited. Furthermore, the economy of Lebanon is now considered a hyperinflationary economy.

Further, due to the current economic conditions, the subsidiary has ceased its new lending operations and in the process of monitoring the business activities closely.

Management has assessed the potential effects of these events on its ability to continue to exercise control over IFC Lebanon and concluded that it still has the power and ability to use that power to affect returns and that it is still exposed to variable returns of the subsidiary. Accordingly, it continues to consolidate the subsidiary.

Certain assets in that same subsidiary decreased in value when converted to Kuwaiti Dinars (mainly: restricted cash and cash equivalents in Lebanese Pounds), which were previously fully provided for (total provision of KD6,420,471 was recognized at that time and accumulated at the consolidation level). This decrease in value, resulted in decrease in the provision balance against these assets. This decrease in provision amounting to KD1,383 was recognized as "reversal of provision for credit losses of restricted cash and cash equivalents" (31 December 2025: a provision of KD1,848 and 30 June 2025: provision of KD9,864) (Note 7.2.1).

Furthermore, and because the subsidiary in Lebanon holds monetary assets (mainly: bank balances and other assets) in foreign currencies significantly higher than its liabilities in foreign currencies, and due to the official devaluation of the LP, this resulted in a foreign currency exchange loss of KD27,570 (31 December 2025: loss of KD76,329 and 30 June 2025: loss of KD41,823) recognized in the interim condensed consolidated statement of profit or loss for the period.

The Group's management believes that the carrying value of the Group's investment in Lebanon is recoverable and there are currently no indications that any further material additional impairment loss is required to be recognised.

Summarised financial information of IFC Lebanon as at and for the period ended 30 June 2026 is set out below:

	30 June 2026 (Unaudited) KD	31 December 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Properties held for trading	**456,705**	456,705	456,705
Other assets	**47,948**	52,910	57,534
Total assets	**504,653**	509,615	514,239
Accounts payable and other liabilities	**280,534**	270,192	251,927
Provision for employee's end of service benefits	**-**	1,172	1,168
Total liabilities	**280,534**	271,364	253,095

Notes to the interim condensed consolidated financial information (continued)

5 Subsidiaries (continued)

	Six months ended 30 June 2026 (Unaudited) KD	Six months ended 30 June 2025 (Unaudited) KD
Income from instalment credit	**15,208**	13,841
Loss for the period	**(16,051)**	(3,573)

6 Basic and diluted earnings per share attributable to the owners of the Parent Company

Basic and diluted earnings per share is computed by dividing the profit for the period attributable to the owners of the Parent Company by the weighted average number of shares outstanding during the period excluding treasury shares as follows:

	Three months ended		Six months ended	
	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)	**30 June 2026 (Unaudited)**	30 June 2025 (Unaudited) (Restated)*
Profit for the period attributable to the owners of the Parent Company (KD)	**1,681,673**	2,478,552	**9,386,231**	16,949,871
Weighted average number of shares outstanding during the period to be used to account for basic earnings per share (excluding treasury shares)	**961,021,651**	961,146,719	**960,884,144**	960,967,124
Shares to be issued for no consideration under share-based payments	**843,320**	1,051,508	**843,320**	1,051,508
Weighted average number of shares outstanding during the period to be used to account for diluted earnings per share (excluding treasury shares)	**961,864,971**	962,198,227	**961,727,464**	962,018,632
Basic earnings per share attributable to the owners of the Parent Company (Fils)	**1.750**	2.579	**9.768**	17.638
Diluted earnings per share attributable to the owners of the Parent Company (Fils)	**1.748**	2.576	**9.760**	17.619

The comparative weighted average number of shares for calculating the basic and diluted earnings per share has been adjusted to reflect the bonus shares issued (Note 17 & 24).

The interim condensed consolidated financial information for the period ended 30 June 2025 has been restated due to measurement period adjustments arising from the finalization of the purchase price allocation related to an associate & other related adjustment (Note 13). Consequently, the previously reported basic and diluted earnings per share of 2.734 Fils and 2.730 Fils, respectively, for the three months ended 30 June 2025 and basic and diluted earnings per share of 10.355 Fils and 10.343 Fils, respectively, for the six-month period ended 30 June 2025 were recalculated after giving effect to the retrospective adjustments.

Notes to the interim condensed consolidated financial information (continued)

7 Cash and cash equivalents

7.1 Cash and cash equivalents

	30 June 2026 (Unaudited) KD	31 December 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Cash and bank balances	**8,667,517**	4,752,428	11,823,219
Cash in managed portfolios	**554,909**	466,407	5,885,246
Total cash and bank balances	**9,222,426**	5,218,835	17,708,465
Term deposits with contractual maturity not exceeding three months	**521,128**	732,271	64,591
Term deposits with contractual maturity exceeding three months	**173,709**	172,299	387,546
Total term deposits	**694,837**	904,570	452,137
	9,917,263	6,123,405	18,160,602
Less: Term deposits with contractual maturity exceeding three months	**(173,709)**	(172,299)	(387,546)
Cash and cash equivalent as per the consolidated statement of cash flows	**9,743,554**	5,951,106	17,773,056

Cash in managed portfolios includes an amount of KD470,192 (31 December 2025: KD400,550 and 30 June 2025: KD2,160,753) pledged against term loans (Note 15) and Murabaha payable (Note 16).

7.2 Restricted cash and cash equivalents

	30 June 2026 (Unaudited) KD	31 December 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Cash and bank balances	**154,956**	156,314	144,576
Term deposits with contractual maturity not exceeding three months	**2,951,455**	2,951,480	2,951,505
	3,106,411	3,107,794	3,096,081
Provision for credit losses (Note 7.2.1)	**(3,106,411)**	(3,107,794)	(3,096,081)
Restricted cash and cash equivalents	**-**	-	-

7.2.1 Restricted cash and cash equivalents include balances deposited in a bank located in Lebanon. Due to the current political and economic events, the central bank of Lebanon imposed a series of measures including restrictions on withdrawals and limitation of transfers of money abroad. Consequently, the Group lacks access to these bank balances on time and in full. The balance of cash and cash equivalents restricted in Lebanon was decreased and the Group recognised a reversal of provision for credit losses of KD1,383 (31 December 2025: a provision of KD1,848 and 30 June 2025: a reversal of provision of KD9,864) against these restricted cash and cash equivalents of its subsidiary "IFC Lebanon" (Note 5.1).

7.3 The term deposits carry an effective interest rate of 4.75% to 5% (31 December 2025: 2.25% to 5.5% and 30 June 2025: 3.25% to 5.5%) per annum.

Notes to the interim condensed consolidated financial information (continued)

8 Instalment credit debtors

	30 June 2026 (Unaudited) KD	31 December 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Gross instalment credit debtors	**3,054,930**	3,229,441	3,230,165
Deferred income	**(232,759)**	(237,475)	(244,131)
	2,822,171	2,991,966	2,986,034
Specific provision for credit losses	**(2,007,568)**	(1,776,346)	(2,146,769)
General provision for credit losses	**(132,293)**	(74,768)	(54,994)
	682,310	1,140,852	784,271

8.1 Gross instalment credit debtors are due as follows:

	30 June 2026 (Unaudited) KD	31 December 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Within one year	**2,254,960**	2,349,805	2,549,613
More than a year	**799,970**	879,636	680,552
	3,054,930	3,229,441	3,230,165

8.2 The effective interest rate earned on instalment credit debtors ranged from 5.0% to 10.0% (31 December 2025: 5.0% to 10.0% and 30 June 2025: 5.0% to 10.0%) per annum.

8.3 The provision for credit losses is calculated, in all material respect, in accordance with the requirements of the Central Bank of Kuwait. During the period, the Group recorded provision for net amount of KD288,747 (30 June 2025: a reversal of provision for net amount of KD16,660).

9 Financial assets at fair value through profit or loss

	30 June 2026 (Unaudited) KD	31 December 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Local quoted shares	**52,880**	490,826	13,720
Foreign quoted shares	**808,311**	619,247	1,476,073
Foreign unquoted shares	**5,813,018**	5,765,819	7,463,096
Investment in managed portfolios	**17,209,789**	17,530,572	12,934,244
Investments in managed funds	**2,543,427**	2,652,173	2,704,662
	26,427,425	27,058,637	24,591,795

9.1 Investments in managed portfolio with fair value of KD16,773,064 (31 December 2025: KD17,087,382 and 30 June 2025: KD12,557,842), which include cash balances, are pledged against the term loans and Murabaha payable (Notes 15 & 16).

Notes to the interim condensed consolidated financial information (continued)

9 Financial assets at fair value through profit or loss (continued)

9.2 The hierarchy for determining and disclosing the fair values of financial assets at fair value through profit or loss is presented in Note 22.3.

9.3 During the year 2025, the Parent Company classified an investment with a fair value of KD16,489,971 from financial assets at fair value through profit or loss to investments in associate upon gaining the significant influence of the investee (Note 13a).

10 Accounts receivable and other assets

	30 June 2026 (Unaudited) KD	31 December 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Financial assets			
Trade receivables	**6,267,922**	4,100,542	3,795,319
Instalments sales receivable	**9,022,146**	7,797,856	5,790,568
Receivable from margin finance clients	**4,397,786**	4,158,229	3,919,958
Due from related parties	**1,244,140**	1,108,929	4,145,514
	20,931,994	17,165,556	17,651,359
Provision for doubtful debts	**(5,676,087)**	(5,010,774)	(4,814,121)
	15,255,907	12,154,782	12,837,238
Non-financial assets:			
Advance payments	**30,974**	30,634	30,390
Other assets	**2,044,263**	3,538,101	1,192,380
	2,075,237	3,568,735	1,222,770
	17,331,144	15,723,517	14,060,008

11 Assets held for sale

The breakdown of classified as assets held for sale are as follows:

	30 June 2026 (Unaudited) KD	31 December 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Bantry SP*	**2,257,560**	2,239,230	2,238,497
Work force Housing Ltd	**1,512,073**	1,577,672	3,634,163
Hill Top US 12 Ltd	**-**	-	1,522,052
Hill Top UK 7 Ltd	**-**	-	719,384
	3,769,633	3,816,902	8,114,096

*As at 30 June 2026, the Group continues to classify above assets as held for sale. The assets were initially classified as held for sale previously, at which time management expected the sale to be completed within twelve months. Although the sale has not been finalized within the period originally anticipated, management remains committed to the disposal plan and continues to actively market the assets and engage with prospective buyers.

Notes to the interim condensed consolidated financial information (continued)

12 Financial assets at fair value through other comprehensive income

	30 June 2026 (Unaudited) KD	31 December 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Local quoted shares	**62,740,539**	77,872,964	66,570,585
Local unquoted shares	**9,539,136**	9,478,151	8,778,484
Foreign quoted shares	**1,490,626**	1,142,387	-
Foreign unquoted shares	**36,324,098**	36,986,120	52,122,652
Investments in managed portfolios	**42,248,179**	52,807,193	35,640,505
Debt instruments	**5,095,669**	4,743,943	4,549,583
Investment funds	**5,877**	10,044	9,360
	157,444,124	183,040,802	167,671,169

12.1 Local quoted shares and investments in managed portfolios with an aggregate carrying value of KD48,716,691 (31 December 2025: KD59,481,865 and 30 June 2025: KD41,821,974) are pledged against term loans (Note 15) and Murabaha payable (Note 16).

12.2 During the year 2025, the Parent Company re-classified an investment with a fair value of KD18,579,318 from financial assets at fair value through other comprehensive income to investments in associate upon gaining significant influence over the investee (Note 13a). The reclassification led to the fair value adjustment previously recorded in other comprehensive income amounting to KD16,786,492 with regard to this investment being transferred to retained earnings, within equity, during period ended 30 June 2025.

12.3 The hierarchy for determining and disclosing the fair values of financial assets at FVTOCI is presented in Note 22.3.

13 Investment in associates and joint venture

Movement in the carrying amount of the investment in associates and joint venture is as follows:

	30 June 2026 (Unaudited) KD	31 December 2025 (Audited) KD	30 June 2025 (Unaudited) (Restated) KD
Balance at the beginning of the period/year	**141,271,372**	55,213,376	55,213,376
Transfer from financial assets at FVTOCI and FVTPL to investment in associates (a)	-	35,069,289	35,069,289
Transfer from financial assets at FVTOCI to investment in joint venture	-	19,042,860	-
Additions	**38,488**	6,668,179	-
Net share of results	**9,480,624**	23,688,463	15,021,306
Dividends received	**(72,230)**	(1,357,241)	(86,676)
Foreign currency translation	**241,866**	(119,032)	(31,833)
Share of other comprehensive income	**774,348**	3,065,478	865,210
Balance at the end of the period/year	**151,734,468**	141,271,372	106,050,672

Notes to the interim condensed consolidated financial information (continued)

13 Investment in associates and joint ventures (continued)

a) Comparative information

During the 2nd quarter of 2025, following the appointment of the Parent Company's representations in the Board of Directors of International Financial Advisors Holding – KPSC ("IFA Holding") the Parent Company has gained significant influence over IFA Holding, as defined under IAS 28. Consequently, the Group's 18.68% ownership in IFA Holding, which was originally classified as financial assets at FVTPL and financial assets at FVTOCI (Note 9.3 & 12.2) was reclassified to investment in associate at its fair value of KD35,069,289 on the reclassification date.

During the last quarter of the previous year, and within the one-year measurement period from the reclassification date, the Group finalised the purchase price allocation which was reported provisionally as of 30 June 2025. The updated assessment resulted in adjustments to the fair values of identifiable net assets and in recognition of a bargain purchase gain amounting to KD14,081,283 recorded in consolidated statement of profit or loss instead of the initially recognised provisional goodwill of KD13,263,579.

The summarised financial information of IFA Holding below, represents the amounts presented in the consolidated financial statements of the associate (and not the Group's share of those amounts) as of the date of reclassification based on the revised purchase price allocation.

	IFA Holding KD
Total assets	289,557,519
Total liabilities	22,266,936
Equity	267,290,583
Non-controlling interests	(4,946,424)
Equity attributable to the owners of the associate	(262,344,159)
Fair value of investment	35,473,822
Share of net assets	(49,555,105)
Gain on bargain purchase (Included within share of results)	**14,081,283**

Further, the Group has recognised an adjustment of KD6,323,387 in the previous period/year consolidated statement of profit or loss based on the results of the impairment assessment carried out immediately following the final purchase price allocation for the associate and the management has decided to net off this against the bargain purchase which is included within share of results as it is related.

Accordingly, the comparative financial information for the six-month period ended 30 June 2025 presented in these interim condensed consolidated financial statements has been updated to reflect these measurement period adjustments, consistent with the amounts reported in the Group's audited consolidated financial statements for the year ended 31 December 2025. These adjustments arise from the finalization of the purchase price allocation within the measurement period permitted by IFRS 3. Further details of the measurement period adjustments are disclosed in the Group's consolidated financial statements for the year ended 31 December 2025.

Notes to the interim condensed consolidated financial information (continued)

13 Investment in associates and joint ventures (continued)

b) Comparative information (continued)

Impact on comparatives
The impact of the measurement period adjustments on the previously reported comparative amounts as of 30 June 2025, is summarized below:

- Net increase in investment in associates & related share of results (refer above): KD7,757,896
  - Due to Recognition of bargain purchase gain: KD14,081,283
  - Due to Recognition of impairment in value : (KD6,323,387)
- Net impact on profit for the period: KD7,757,896
- Net impact on basic earnings per share: 8.073 Fils
- Net impact on diluted earnings per share: 8.064 Fils

c) Investment in associates with a carrying value of KD34,559,962 (31 December 2025: KD34,237,009 and 30 June 2025: KD29,581,212) is pledged against term loans (Note 15) and Murabaha payable (Note 16).

14 Accounts payable and other liabilities

	30 June 2026 (Unaudited) KD	31 December 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Accounts payable	**340,261**	290,720	203,470
Due to related parties (Note 21)	**2,641,253**	1,546,682	4,178,151
Other payables	**5,894,112**	4,686,563	2,701,254
Lease liabilities	**14,873**	37,680	50,597
Accrued interests	**292,879**	319,253	304,012
Provision for staff leaves	**428,590**	377,264	369,559
KFAS payable	**228,035**	250,964	226,802
NLST and Zakat payable	**3,872,620**	3,953,199	3,742,211
Due to shareholders (Note 21)	**536,047**	475,448	481,636
	14,248,670	11,937,773	12,257,692

15 Term loans

Term loans are due for repayment as follows:

	30 June 2026 (Unaudited) KD	31 December 2025 (Audited) KD	30 June 2025 (Unaudited) KD
KD facilities	**7,996,000**	7,996,000	2,996,000
	7,996,000	7,996,000	2,996,000
Due within one year	**2,996,000**	2,996,000	2,996,000
Due after more than one year	**5,000,000**	5,000,000	-

Notes to the interim condensed consolidated financial information (continued)

15 Term loans (continued)

The details of the outstanding term loans are as follows:

During previous years, the Parent Company has signed two agreements with a Kuwaiti bank to obtain Kuwaiti Dinar facilities in the form of revolving loans, carrying effective interest rates of 5.25% (31 December 2025: 5.25% and 30 June 2025: 5.63% - 5.75%) per annum. Whereby the maximum loan limits totaled KD3,000,000. The Parent Company withdrew an amount of KD2,996,000 from these facilities as of 30 June 2026 (31 December 2025: KD2,996,000 and 30 June 2025: KD2,996,000)

Kuwaiti Dinar facilities, due after more than one year, are payable on 31 July 2028.

Kuwaiti Dinar facilities are secured against mortgage of cash in managed portfolios (Note 7), financial assets at FVTPL (Note 9), financial assets at FVTOCI (Note 12) and investment in associates and joint venture (Note 13).

16 Murabaha payable

The Murabaha payable outstanding balance represents Islamic finance obtained in Kuwaiti Dinar from local banks carrying effective profit rates of 4.7% - 4.75% (31 December 2025: 4.7% - 5.2% and 30 June 2025: 5.20 % - 5.50%) per annum. This finance is secured against pledge of cash in managed portfolios (Note 7), financial assets at FVTPL (Note 9), financial assets at FVTOCI (Note 12), investment in associates and joint venture (Note 13), investment properties and property and equipment and is repayable in various instalments ending in July 2029.

Murabaha payable are as follows:

	30 June 2026 (Unaudited) KD	31 December 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Within one year	**31,948,420**	31,646,283	24,662,176
After one year	**30,508,300**	29,526,250	34,102,400
	62,456,720	61,172,533	58,764,576

17 Share Capital

	Authorized, issued and fully paid		
	30 June 2026 (Unaudited) KD	31 December 2025 (Audited) KD	30 June 2025 (Unaudited) KD
961,879,956 authorized, issued and fully paid-up shares of 100 fils each - in cash (31 December 2025: 907,433,921 and 30 June 2025: 907,433,921 authorized, issued and fully paid-up shares of 100 fils each - in cash)	**96,187,997**	90,743,393	90,743,393

During 2026, the annual general assembly of the Parent Company's shareholders approved to increase the share capital through issuance of 6% bonus shares (Note 24). It was registered in the commercial register on 18 May 2026.

Notes to the interim condensed consolidated financial information (continued)

18 Treasury shares

	30 June 2026 (Unaudited) KD	31 December 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Number of treasury shares	**612,569**	1,109,556	46,738
Percentage of ownership	**0.064%**	0.122%	0.005%
Market value (KD)	**207,048**	393,892	12,853
Cost (KD)	**160,971**	325,476	4,549

Reserves of the Parent Company equivalent to the cost of the treasury shares have been earmarked as non-distributable reserves.

19 Fiduciary Assets

Investment portfolios managed by the Group and assets held in trust or in a fiduciary capacity and related liabilities are not treated as the Group's assets or liabilities and, accordingly, are not included in the interim condensed consolidated statement of financial position. Total fiduciary assets as at the financial position date were KD117,266,363 (31 December 2025: KD112,175,926 and 30 June 2025: 87,645,619) out of which, assets amounting to KD81,214,288 are managed on behalf of Group's related parties (31 December 2025: KD79,330,998 and 30 June 2025: KD56,760,340).

20 Segmental information

Operating segments are identified by the Group 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 the Group's profit or loss.

The Group's principal activities, significant assets and liabilities are carried out and located in Kuwait, GCC, Middle East, USA and Europe. The Group operates in four business segments: instalment credit, investments, financial brokerage and real estate.

The segmental analysis of total revenues, profit for the period, total assets and total liabilities for the business segments are as follows:

	Instalment credit KD	Investments KD	Financial brokerage KD	Real estate KD	Total KD
Six months ended 30 June 2026					
Total revenues	**1,940,447**	**15,820,647**	**497,892**	**123,708**	**18,382,694**
Profit for the period	**1,637,929**	**9,360,230**	**319,207**	**39,413**	**11,356,779**
Three months ended 30 June 2026					
Total revenues	**1,167,302**	**5,680,420**	**222,337**	**61,466**	**7,131,525**
Profit for the period	**699,197**	**2,766,500**	**145,111**	**25,720**	**3,636,528**
As at 30 June 2026					
Total assets	**794,688**	**354,652,925**	**12,898,347**	**5,731,336**	**374,077,296**
Total liabilities	**(424,683)**	**(85,036,009)**	**(966,749)**	**(538,190)**	**(86,965,631)**
Net assets	**370,005**	**269,616,916**	**11,931,598**	**5,193,146**	**287,111,665**

Notes to the interim condensed consolidated financial information (continued)

20 Segmental information (continued)

	Instalment credit KD	Investments KD	Financial brokerage KD	Real estate KD	Total KD
Six months ended 30 June 2025					
Total revenues	1,457,630	21,877,338	436,897	171,773	23,943,638
Profit for the period	1,049,820	16,652,714	243,439	54,711	18,000,684
Three months ended 30 June 2025					
Total revenues	782,517	5,736,619	389,160	109,875	7,018,171
Profit for the period	573,789	2,929,112	295,339	63,154	3,861,394
As at 30 June 2025					
Total assets	1,090,750	326,875,129	12,283,773	5,839,178	346,088,830
Total liabilities	(408,511)	(74,419,685)	(784,324)	(462,948)	(76,075,468)
Net assets	682,239	252,455,444	11,499,449	5,376,230	270,013,362

21 Related party balances and 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 sssand 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 balances and transactions are as follows:

	30 June 2026 (Unaudited) KD	31 December 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Balances included in the interim condensed consolidated statement of financial position			
Margin finance receivable (included in accounts receivable and other assets – Note 10)	**1,964,470**	1,640,893	1,640,893
Due from related parties - net (included in accounts receivable and other assets – (Note 10)	**1,156,966**	1,020,244	3,952,043
Due to shareholders (Note 14)	**536,047**	475,448	481,636
Due to related parties (Note 14)	**2,641,253**	1,546,682	4,178,151
Fiduciary assets of related parties managed by the Group (Note 19)	**81,214,288**	79,330,998	56,760,340

Notes to the interim condensed consolidated financial information (continued)

21 Related party balances and transactions (continued)

Details of significant related party balances and transactions are as follows (continued):

	Three months ended		Six months ended	
	30 June 2026 (Unaudited) KD	30 June 2025 (Unaudited) KD	**30 June 2026 (Unaudited) KD**	30 June 2025 (Unaudited) KD
Transactions included in the interim condensed consolidated statement of profit or loss				
Revenue from contracts with customers	**60,113**	42,918	**98,839**	90,250
Rental income	**29,999**	30,000	**57,019**	59,999
Interest income	**40,363**	57,320	**84,247**	94,706
General and administrative expenses	**8,804**	8,023	**127,927**	120,474
Finance costs	**47,299**	64,720	**81,947**	123,316
Key management compensation:				
Salaries and other short-term benefits	**613,945**	442,604	**761,401**	631,509
Board of directors' and committees' remuneration (included in general and administrative expenses)	**76,950**	77,850	**76,950**	77,850
End of service benefits	**28,440**	17,378	**44,272**	34,012
Share based compensation	**85,172**	81,066	**85,172**	81,066
	804,507	618,898	**967,795**	824,437

a) During the previous years, one of the subsidiaries received USD3,000,000 (equivalent to KD923,700) under two sale and repurchase agreements for certain unquoted foreign shares with related parties at an interest rate at 9.5% per annum and repayable within 180 days. The amount is included under due to related parties stated above.

b) During the period, the Group received KD1,000,000 under a sale and repurchase agreements for the shares of foreign unquoted investments from a related party and repayable within one month. As of the reporting date, the amount is included under due to related parties stated above.

Notes to the interim condensed consolidated financial information (continued)

22 Fair value measurement

22.1 Fair value measurement of financial instruments

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

	30 June 2026 (Unaudited) KD	31 December 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Financial assets:			
At amortised cost:			
Cash and cash equivalent	**9,743,554**	5,951,106	17,773,056
Term deposits	**173,709**	172,299	387,546
Instalments credit debtors	**682,310**	1,140,852	784,271
Accounts receivable and other assets	**17,331,144**	15,723,517	14,060,008
At fair value:			
Financial assets at fair value through profit or loss	**26,427,425**	27,058,637	24,591,795
Financial assets at fair value through other comprehensive income	**157,444,124**	183,040,802	167,671,169
	211,802,266	233,087,213	225,267,845
Financial liabilities:			
At amortised cost:			
Accounts payable and other liabilities	**14,248,670**	11,937,773	12,257,692
Term loans	**7,996,000**	7,996,000	2,996,000
Murabaha payable	**62,456,720**	61,172,533	58,764,576
Provision for employees' end of service benefits	**2,264,241**	2,188,828	2,057,200
	86,965,631	83,295,134	76,075,468

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

22.2 Fair value measurement

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. The Group measures financial instruments at fair value and measurement details are disclosed below. In the opinion of the Group's management, the carrying amounts of all other financial assets and liabilities which are carried at amortised costs are considered a reasonable approximation of their fair values.

22.3 Fair value hierarchy

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).

Notes to the interim condensed consolidated financial information (continued)

22 Fair value measurement (continued)

22.3 Fair value hierarchy (continued)

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:

	Level 1	Level 2	Level 3	Total
	KD	KD	KD	KD
30 June 2026 (Unaudited)				
Financial assets at FVTPL:				
Local quoted shares	**52,880**	**-**	**-**	**52,880**
Foreign quoted shares	**808,311**	**-**	**-**	**808,311**
Foreign unquoted shares	**-**	**-**	**5,813,018**	**5,813,018**
Investment in managed portfolios	**17,209,789**	**-**	**-**	**17,209,789**
Investment in managed funds	**-**	**2,543,427**	**-**	**2,543,427**
Financial assets at FVTOCI:				
Local quoted shares	**62,740,539**	**-**	**-**	**62,740,539**
Local unquoted shares	**-**	**-**	**9,539,136**	**9,539,136**
Foreign quoted shares	**1,490,626**	**-**	**-**	**1,490,626**
Foreign unquoted shares	**-**	**-**	**36,324,098**	**36,324,098**
Investment in managed portfolios	**42,248,179**	**-**	**-**	**42,248,179**
Debt instruments	**-**	**-**	**5,095,669**	**5,095,669**
Investment funds	**-**	**5,877**	**-**	**5,877**
	124,550,324	**2,549,304**	**56,771,921**	**183,871,549**
31 December 2025 (Audited)				
Financial assets at FVTPL:				
Local quoted shares	490,826	-	-	490,826
Foreign quoted shares	619,247	-	-	619,247
Foreign unquoted shares	-	-	5,765,819	5,765,819
Investment in managed portfolios	17,530,572	-	-	17,530,572
Investments in managed funds	-	2,652,173	-	2,652,173
Financial assets at FVTOCI:				
Local quoted shares	77,872,964	-	-	77,872,964
Local unquoted shares	-	-	9,478,151	9,478,151
Foreign quoted shares	1,142,387	-	-	1,142,387
Foreign unquoted shares	-	-	36,986,120	36,986,120
Investment in managed portfolios	52,807,193	-	-	52,807,193
Debt instruments	-	-	4,743,943	4,743,943
Investment funds	-	10,044	-	10,044
	150,463,189	2,662,217	56,974,033	210,099,439

Notes to the interim condensed consolidated financial information (continued)

22 Fair value measurement (continued)

22.3 Fair value hierarchy (continued)

	Level 1	Level 2	Level 3	Total
	KD	KD	KD	KD
30 June 2025 (Unaudited)				
Financial assets at FVTPL:				
Local quoted shares	13,720	-	-	13,720
Foreign quoted shares	1,476,073	-	-	1,476,073
Foreign unquoted shares	-	-	7,463,096	7,463,096
Investment in managed portfolios	12,934,244	-	-	12,934,244
Investments in managed funds	-	2,704,662	-	2,704,662
Financial assets at FVTOCI:				
Local quoted shares	66,570,585	-	-	66,570,585
Local unquoted shares	-	-	8,778,484	8,778,484
Foreign unquoted shares	-	-	52,122,652	52,122,652
Investment in managed portfolios	35,640,505	-	-	35,640,505
Debt instruments	-	-	4,549,583	4,549,583
Investment funds	-	9,360	-	9,360
	116,635,127	2,714,022	72,913,815	192,262,964

The Group does not have any financial liabilities measured at fair value.

Measurement at fair value

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

Level 3 fair value measurement

The Group's financial assets classified in Level 3 uses valuation techniques based on significant 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:

	30 June 2026 (Unaudited) KD	31 December 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Opening balance	**56,974,033**	71,379,899	71,379,899
Additions	**831,243**	2,827,741	1,434,476
Disposals/transfers	**(81,234)**	(17,634,670)	(1,015,729)
Change in fair value	**(952,121)**	401,063	1,115,169
Closing balance	**56,771,921**	56,974,033	72,913,815

Changing inputs to the level 3 valuations to reasonably possible alternative assumptions would not change significantly amounts recognized in the interim condensed consolidated statement of profit or loss and other comprehensive income, total assets, total liabilities or total equity.

Notes to the interim condensed consolidated financial information (continued)

23 Capital commitments

At the date of the interim condensed consolidated statement of financial position, the Group had capital commitments of KD7,366 (31 December 2025: KD7,306 and 30 June 2025: KD29,515) for the investments in managed funds.

24 Annual ordinary general assembly and extraordinary general assembly

The annual ordinary general assembly of the shareholders of Parent Company held on 10 May 2026 approved the consolidated financial statements for the year ended 31 December 2025. It also approved the board of directors' proposal to distribute a cash dividend of 2 Fils per share (31 December 2024: 3 Fils per share). It approved 6% bonus shares through increase of the share capital for the financial year ended 31 December 2025 (31 December 2024: bonus share at 5%). Further, the annual general assembly approved the board of directors' and committees' remuneration of KD76,950 for the year ended 31 December 2025 (31 December 2024: KD77,850).

25 Geopolitical developments

During the period ended 30 June 2026, ongoing geopolitical developments in the Middle East have contributed to heightened uncertainty and volatility in global and regional financial markets. Some of the potential impacts include, but not limited to, supply chain disruptions, higher energy costs, margin pressures, and heightened refinancing and credit risk.

Management has considered the potential implications of these developments in preparing this interim condensed consolidated financial information in accordance with IAS 34. These included assessments for any increase in credit and liquidity risks as well as fair values of financial and non-financial assets. Management has not identified any increase in credit risk while it closely evaluates the liquidity position through monitoring of cash flows.

Further, management has assessed whether the fair value of financial assets and liabilities reflects the price that would be received in transactions between market participants under current conditions. Management concluded that there are no fair value impairment losses requiring adjustments to this interim condensed consolidated financial information. In assessing the carrying values of non-financial assets, management has not identified any indicators of impairment requiring adjustments at the reporting date. However, future adverse developments in the geopolitical environment may result in changes to key valuation assumptions.

Management has also assessed the impact of the current situation on the Group's ability to continue as a going concern and concluded that it remains appropriate to prepare the interim condensed consolidated financial information on a going concern basis.

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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