SALHIA REAL ESTATE COMPANY
K.S.C.P. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

30 SEPTEMBER 2026

Shape the future
with confidence

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF SALHIA REAL ESTATE COMPANY K.S.C.P.

Report on the Interim Condensed Consolidated Financial Information

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Salhia Real Estate Company K.S.C.P. (the "Parent Company") and its subsidiaries (collectively the "Group") as at 30 September 2026, and the related interim condensed consolidated statement of profit or loss and interim condensed consolidated statement of comprehensive income for the three-month and nine-month periods then ended, and the related interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the nine-month period then ended. The management of the Parent Company is responsible for the preparation and fair presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34: Interim Financial Reporting ("IAS 34"). 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 IAS 34.

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF SALHIA REAL ESTATE COMPANY K.S.C.P. (continued)

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended, and its executive regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, during the nine-month period ended 30 September 2026 that might have had a material effect on the business of the Parent Company or on its financial position.

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any material violations of the provisions of Law No. 7 of 2010 concerning establishment of Capital Market Authority "CMA" and organisation of security activity and its executive regulations, as amended, during the nine months period ended 30 September 2026 that might have had a material effect on the business of the Parent Company or on its financial position.

SHEIKHA AL-FULAIJ
LICENCE NO. 289
EY
AL AIBAN, AL OSAIMI & PARTNERS

ERNST & YOUNG
Al Aiban Al Osaimi & Partners

11 November 2026
Kuwait

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

For the period ended 30 September 2026

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2026	2025	**2026**	2025
		KD	KD	**KD**	KD
Revenue		**12,377,260**	10,832,934	**37,165,278**	33,931,116
Operating costs		**(2,962,724)**	(2,656,678)	**(8,892,513)**	(8,613,777)
GROSS PROFIT		**9,414,536**	8,176,256	**28,272,765**	25,317,339
Administrative expenses		**(1,227,886)**	(1,185,865)	**(3,479,024)**	(3,863,042)
Depreciation		**(2,573,598)**	(2,109,143)	**(7,640,733)**	(6,340,967)
Sales and marketing expenses		**(160,662)**	(116,668)	**(449,342)**	(346,005)
Net investment income		**21,205**	11,206	**76,737**	93,410
Other income		**47,741**	334,932	**40,568**	326,274
Impairment loss on investment properties	6	**(1,281,744)**	-	**(1,281,744)**	-
Gain on sale of an investment property	6,14	-	-	**3,853,606**	-
Finance costs		**(3,165,195)**	(3,783,835)	**(9,693,872)**	(11,111,688)
PROFIT BEFORE PROVISION FOR CONTRIBUTION TO KUWAIT FOUNDATION FOR THE ADVANCEMENT OF SCIENCES ("KFAS"), NATIONAL LABOUR SUPPORT TAX ("NLST") AND ZAKAT		**1,074,397**	1,326,883	**9,698,961**	4,075,321
KFAS		**(10,493)**	(13,012)	**(96,348)**	(40,128)
NLST		**(26,232)**	(32,531)	**(240,869)**	(100,320)
Zakat		**(10,493)**	(13,012)	**(96,348)**	(40,128)
PROFIT FOR THE PERIOD		**1,027,179**	1,268,328	**9,265,396**	3,894,745
Attributable to:					
Equity holders of the Parent Company		**1,002,046**	1,242,685	**9,201,186**	3,832,233
Non-controlling interests		**25,133**	25,643	**64,210**	62,512
		1,027,179	1,268,328	**9,265,396**	3,894,745
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT COMPANY	3	**1.67 Fils**	2.07 Fils	**15.32 Fils**	6.36 Fils

The attached notes 1 to 15 form an integral part of the interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 September 2026

	Three months ended 30 September		*Nine months ended 30 September*	
	2026 KD	*2025 KD*	***2026 KD***	*2025 KD*
PROFIT FOR THE PERIOD	**1,027,179**	1,268,328	**9,265,396**	3,894,745
Other comprehensive (loss) income				
Items that may be reclassified to interim condensed consolidated statement of profit or loss in subsequent periods:				
Exchange differences on translation of foreign operations	**(32,514)**	(1,209,875)	**(341,547)**	2,226,900
Net other comprehensive (loss) income that may be reclassified to interim condensed consolidated statement of profit or loss in subsequent periods	**(32,514)**	(1,209,875)	**(341,547)**	2,226,900
Items that will not be reclassified to interim condensed consolidated statement of profit or loss in subsequent periods:				
Changes in the fair value of equity instruments at fair value through other comprehensive income	**(6,300)**	29,050	**(22,394)**	86,652
Net other comprehensive (loss) income that will not be reclassified to interim condensed consolidated statement of profit or loss in subsequent periods	**(6,300)**	29,050	**(22,394)**	86,652
Other comprehensive (loss) income for the period	**(38,814)**	(1,180,825)	**(363,941)**	2,313,552
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**988,365**	87,503	**8,901,455**	6,208,297
Attributable to:				
Equity holders of the Parent Company	**1,013,500**	113,375	**8,965,680**	5,949,367
Non-controlling interests	**(25,135)**	(25,872)	**(64,225)**	258,930
	988,365	87,503	**8,901,455**	6,208,297

The attached notes 1 to 15 form an integral part of the interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 September 2026

	Notes	*30 September 2026* **KD**	*(Audited) 31 December 2025* KD	*30 September 2025* KD
ASSETS				
Cash on hand and at banks	4	**10,555,519**	8,300,733	7,868,125
Inventories		**196,224**	184,053	143,128
Accounts receivable and other assets		**4,567,711**	5,578,163	9,552,748
Financial assets at fair value through profit or loss		-	-	1,761,885
Financial assets at fair value through other comprehensive income	5	**6,411,282**	6,433,676	6,427,247
Investment in a joint venture		**394,419**	394,419	394,419
Investment properties	6	**420,954,987**	417,989,415	412,851,717
Property and equipment	7	**92,075,796**	100,563,241	100,015,791
TOTAL ASSETS		**535,155,938**	539,443,700	539,015,060
LIABILITIES AND EQUITY				
LIABILITIES				
Due to banks and financial institutions	4	**12,425,624**	4,973,447	8,193,231
Accounts payable and other liabilities		**28,022,066**	37,324,584	34,503,743
Commercial financing	8	**10,145,989**	3,175,480	7,066,896
Islamic financing	8	**303,563,190**	312,090,271	309,472,770
TOTAL LIABILITIES		**354,156,869**	357,563,782	359,236,640
EQUITY				
Share capital	9	**62,321,851**	62,321,851	62,321,851
Share premium		**35,055,163**	35,055,163	35,055,163
Treasury shares	10	**(8,835,861)**	(8,067,102)	(8,067,102)
Treasury shares reserve		**6,131,937**	6,133,441	6,133,441
Statutory reserve		**30,920,422**	30,280,511	30,280,511
Voluntary reserve		**20,489,290**	20,489,290	20,489,290
Retained earnings		**47,149,448**	47,600,214	45,321,297
Fair value reserve		**(497,299)**	(474,905)	(481,334)
Foreign currency translation reserve		**(11,967,215)**	(11,754,103)	(11,593,830)
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY		**180,767,736**	181,584,360	179,459,287
Non-controlling interests		**231,333**	295,558	319,133
TOTAL EQUITY		**180,999,069**	181,879,918	179,778,420
TOTAL LIABILITIES AND EQUITY		**535,155,938**	539,443,700	539,015,060

Ghazi Fahad Alnafisi
Chairman

Faisal Abdulmohsen Al-Khatrash
Vice Chairman

The attached notes 1 to 15 form an integral part of the interim condensed consolidated financial information.

Salhia Real Estate Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 September 2026

	Equity attributable to equity holders of the Parent Company											
	Share capital KD	*Share premium KD*	*Treasury Shares KD*	*Treasury shares reserve KD*	*Statutory reserve KD*	*Voluntary reserve KD*	*Retained earnings KD*	*Fair value reserve KD*	*Foreign currency translation reserve KD*	*Subtotal KD*	*Non-controlling interests KD*	*Total equity KD*
Balance as at 1 January 2026	62,321,851	35,055,163	(8,067,102)	6,133,441	30,280,511	20,489,290	47,600,214	(474,905)	(11,754,103)	181,584,360	295,558	181,879,918
Profit for the period	-	-	-	-	-	-	9,201,186	-	-	9,201,186	64,210	9,265,396
Other comprehensive loss for the period	-	-	-	-	-	-	-	(22,394)	(213,112)	(235,506)	(128,435)	(363,941)
Total comprehensive income (loss) for the period	-	-	-	-	-	-	9,201,186	(22,394)	(213,112)	8,965,680	(64,225)	8,901,455
Purchase of treasury shares	-	-	(876,516)	-	-	-	-	-	-	(876,516)	-	(876,516)
Sale of treasury shares	-	-	107,757	(1,504)	-	-	-	-	-	106,253	-	106,253
Transfer reserve	-	-	-	-	639,911	-	(639,911)	-	-	-	-	-
Dividends (Note 9)	-	-	-	-	-	-	(9,012,041)	-	-	(9,012,041)	-	(9,012,041)
Balance as at 30 September 2026	**62,321,851**	**35,055,163**	**(8,835,861)**	**6,131,937**	**30,920,422**	**20,489,290**	**47,149,448**	**(497,299)**	**(11,967,215)**	**180,767,736**	**231,333**	**180,999,069**
Balance as at 1 January 2025	59,354,144	35,055,163	(7,565,144)	6,133,441	30,280,511	20,489,290	53,061,374	(567,986)	(13,624,312)	182,616,481	60,203	182,676,684
Profit for the period	-	-	-	-	-	-	3,832,233	-	-	3,832,233	62,512	3,894,745
Other comprehensive income for the period	-	-	-	-	-	-	-	86,652	2,030,482	2,117,134	196,418	2,313,552
Total comprehensive income for the period	-	-	-	-	-	-	3,832,233	86,652	2,030,482	5,949,367	258,930	6,208,297
Issuance of bonus shares (Note 9)	2,967,707	-	-	-	-	-	(2,967,707)	-	-	-	-	-
Purchase of treasury shares	-	-	(501,958)	-	-	-	-	-	-	(501,958)	-	(501,958)
Dividends (Note 9)	-	-	-	-	-	-	(8,604,603)	-	-	(8,604,603)	-	(8,604,603)
Balance as at 30 September 2025	62,321,851	35,055,163	(8,067,102)	6,133,441	30,280,511	20,489,290	45,321,297	(481,334)	(11,593,830)	179,459,287	319,133	179,778,420

The attached notes 1 to 15 form an integral part of the interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

As at and for the period ended 30 September 2026

	Notes	Nine months ended 30 September 2026 KD	2025 KD
OPERATING ACTIVITIES			
Profit for the period before contribution to KFAS, NLST and Zakat		**9,698,961**	4,075,321
Adjustments for:			
Provision for employees' terminal benefits		**611,628**	632,983
Depreciation		**7,640,733**	6,340,967
Allowance for expected credit losses		**70,000**	-
Dividends income		**(76,737)**	(81,522)
Unrealised gain from financial assets at FVTPL		**-**	(11,888)
Foreign exchange loss		**169,811**	73,022
Impairment loss on investment properties		**1,281,744**	-
Gain on sale of an investment property		**(3,853,606)**	- -
Finance costs		**9,693,872**	11,111,688
		25,236,406	22,140,571
Change in operating assets and liabilities:			
Inventories		**(12,171)**	(4,707)
Accounts receivable and other assets		**940,452**	(464,967)
Accounts payable and other liabilities		**(10,808,039)**	(4,606,347)
Cash from operations		**15,356,648**	17,064,550
Employees' terminal benefits paid		**(154,934)**	(379,280)
KFAS paid		**(63,991)**	(133,427)
NLST paid		**(159,978)**	(345,383)
Zakat paid		**(63,991)**	(116,578)
Directors' remuneration paid		**-**	(120,000)
Net cash flows from operating activities		**14,913,754**	15,969,882
INVESTING ACTIVITIES			
Additions to investment properties	6	**(17,684,867)**	(17,315,530)
Additions to property and equipment	7	**(2,006,337)**	(5,789,993)
Additions to financial assets at fair value through profit or loss		**-**	(3,249,998)
Proceeds from financial assets at fair value through profit or loss		**-**	1,500,001
Proceed from sale investment properties		**19,740,000**	-
Dividends income received		**76,737**	81,522
Net cash flows from (used in) investing activities		**125,533**	(24,773,998)
FINANCING ACTIVITIES			
Proceeds from commercial and Islamic financings	8	**25,446,006**	38,936,350
Repayment of commercial and Islamic financings	8	**(26,973,237)**	(11,263,445)
Finance costs paid		**(8,876,453)**	(8,756,469)
Dividends paid		**(8,926,238)**	(8,527,583)
Purchase of treasury shares		**(876,516)**	(501,958)
Proceeds from sale of treasury shares		**106,253**	-
Net cash flows (used in) from financing activities		**(20,100,185)**	9,886,895
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		**(5,060,898)**	1,082,779
Foreign currency translation adjustment		**(136,493)**	219,481
Cash and cash equivalent at 1 January		**3,327,286**	(1,627,366)
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	4	**(1,870,105)**	(325,106)
Non-cash items excluded from the interim condensed consolidated statement of cash flows:			
Transfer to investment properties from property and equipment	6	**(7,278,908)**	-
Transfer from property and equipment to investment properties	7	**7,278,908**	-

The attached notes 1 to 15 form an integral part of the interim condensed consolidated financial information.

1 CORPORATE INFORMATION

The interim condensed consolidated financial information of Salhia Real Estate Company K.S.C.P. (the "Parent Company") and its Subsidiaries (collectively "the Group") for the nine months period ended 30 September 2026 were authorized for issue in accordance with a resolution of the Parent Company's Board of Directors on 11 November 2026.

On 6 April 2026, the Annual General Meeting ("AGM") of the shareholders of the Parent Company approved the consolidated financial statements of the Group for the year ended 31 December 2025 and approved the Board of Directors' proposal for distributing cash dividends to the shareholders (Note 9).

The Group comprises Salhia Real Estate Company K.S.C.P. and its subsidiaries.

The Parent Company is a Kuwaiti Shareholding Company incorporated on September 16, 1974 and is listed on the Boursa Kuwait. The Parent Company's registered office is located at Salhia Complex, Mohammed Thunayan Al-Ghanim, P.O. Box 23413, Safat 13095, Kuwait.

The Group's main activities comprise real estate leasing, development of commercial properties and hotels operations in Kuwait and United Kingdom. Surplus funds are invested in real estate and securities portfolios managed by specialist investment managers.

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES

The interim condensed consolidated financial information of the Group is prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting".

The interim condensed consolidated financial information do not include all the information and disclosures required for full consolidated financial statements prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025. Furthermore, results for the nine-month period ended 30 September 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026

The interim condensed consolidated financial information is presented in Kuwaiti Dinars (KD) which is the Parent Company's functional and presentation currency. The Group presents its interim condensed consolidated statement of financial position in order of liquidity.

2.1 New standards, interpretations and amendments adopted by the Group

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

Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)
In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the 'settlement date' and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date.
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed.
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments.
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

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

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (continued)

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

Annual Improvements to IFRS Accounting Standards - Volume 11
In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosures and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows.

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

3 BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY

Basic:
Basic earnings per share attributable to equity holders of the Parent Company is computed by dividing the profit for the period attributable to equity holders of the Parent Company by the weighted average number of ordinary shares outstanding during the period (excluding treasury shares).

Diluted:
Diluted earnings per share attributable to the equity holders of the Parent Company is computed by dividing the profit for the period attributable to the equity holders of the Parent Company, adjusted for the effect of conversion of employees share options, by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on the conversion of all employees share options.

The Parent Company does not have outstanding share options under the employee share option plan as at 30 September 2026.

	Three months ended 30 September		*Nine months ended 30 September*	
	2026	*2025*	***2026***	*2025*
Profit for the period attributable to equity holders of the Parent Company (KD)	**1,002,046**	1,242,685	**9,201,186**	3,832,233
Weighted average number of ordinary shares outstanding during the period (excluding treasury shares)	**600,427,371**	601,662,519	**600,742,573**	602,457,599
Basic and diluted earnings per share attributable to equity holders of the Parent Company (Fils)	**1.67 fils**	2.07 fils	**15.32 fils**	6.36 fils

4 CASH ON HAND AND AT BANKS

	30 September 2026 KD	*(Audited) 31 December 2025 KD*	*30 September 2025 KD*
Cash on hand	**21,552**	16,802	19,983
Bank balances	**10,533,967**	8,283,931	7,848,142
	10,555,519	8,300,733	7,868,125
Less: due to banks and financial institutions	**(12,425,624)**	(4,973,447)	(8,193,231)
Cash and cash equivalent	**(1,870,105)**	3,327,286	(325,106)

5 INVESTMENT SECURITIES

	30 September 2026 KD	*(Audited) 31 December 2025 KD*	*30 September 2025 KD*
Financial assets at fair value through profit or loss:			
Managed quoted portfolio	**-**	-	1,761,885
Financial assets at fair value through other comprehensive income:			
Managed quoted portfolio	**428,400**	450,794	491,774
Managed unquoted portfolio	**275,575**	275,575	272,764
Unquoted equity securities	**5,707,307**	5,707,307	5,662,709
	6,411,282	6,433,676	6,427,247

The disclosure of fair value measurement and the levels of fair value hierarchy relating to the financial instruments disclosed in (Note 11).

6 INVESTMENT PROPERTIES

	30 September 2026 KD	*(Audited) 31 December 2025 KD*	*30 September 2025 KD*
As at 1 January	**417,989,415**	397,673,925	397,673,925
Additions	**17,684,867**	24,248,002	17,315,530
Disposals *	**(15,886,394)**	-	-
Transfer from property and equipment (Note 7)	**7,278,908**	-	-
Impairment	**(1,281,744)**	-	-
Depreciation	**(4,425,859)**	(5,801,669)	(4,256,006)
Foreign currency translation adjustment	**(404,206)**	1,869,157	2,118,268
	420,954,987	417,989,415	412,851,717

* On 23 June 2026, the Group sold an investment property with a carrying value of KD 15,886,394 to a related party for a total cash consideration of KD 19,740,000 realising a gain on disposal of KD 3,853,606 on the interim condensed consolidated statement of profit or loss (Note 14). The title deeds have been transferred and authenticated in the Ministry of Justice and the sale proceeds have been utilised to settle KD 15,601,000 of the Group's Islamic financing facilities (Note 8).

7 PROPERTY AND EQUIPMENT

	30 September 2026 KD	*(Audited) 31 December 2025 KD*	*30 September 2025 KD*
As at 1 January	**100,563,241**	96,310,759	96,310,759
Additions	**2,006,337**	6,969,855	5,789,993
Transfer to investment properties (Note 6)	**(7,278,908)**	-	-
Write-off	**-**	(2,644)	-
Depreciation	**(3,214,874)**	(2,714,729)	(2,084,961)
	92,075,796	100,563,241	100,015,791

8 COMMERCIAL AND ISLAMIC FINANCING

	30 September 2026 KD	*(Audited) 31 December 2025 KD*	*30 September 2025 KD*
At 1 January	**315,265,751**	288,682,890	288,682,890
Loans received	**25,446,006**	50,046,187	38,936,350
Loans paid	**(26,973,237)**	(23,652,361)	(11,263,445)
Foreign currency translation adjustment	**(29,341)**	189,035	183,871
	313,709,179	315,265,751	316,539,666

	30 September 2026 KD	*(Audited) 31 December 2025 KD*	*30 September 2025 KD*
Commercial financing	**10,145,989**	3,175,480	7,066,896
Islamic financing	**303,563,190**	312,090,271	309,472,770
	313,709,179	315,265,751	316,539,666

Commercial financing denominated in Kuwaiti Dinar carries an interest rate of 0.75% per annum (31 December 2025: 0.75% per annum and 30 September 2025: 0.75% per annum) over the Central Bank of Kuwait discount rate.

Commercial financing denominated in GBP carries variable interest rates 2.6% + SONIA rate (31 December 2025: 2.6% + SONIA rate and 30 September 2025: 2.6% + SONIA rate).

Commercial financing amounting to KD 3,145,989 (31 December 2025: KD 3,175,480 and 30 September 2025: KD 3,166,896) has been obtained by foreign subsidiaries.

The average profit rate attributable to Islamic financing is 0.85% per annum (31 December 2025: 0.85% per annum and 30 September 2025: 0.84% per annum) over the Central Bank of Kuwait discount rate.

On 23 June 2026, the Group sold an investment property with a carrying value of KD 15,886,394 to a related party for a total cash consideration of KD 19,740,000 (Note 14). The title deeds have been transferred and authenticated in the Ministry of Justice and the sale proceeds have been utilised to settle KD 15,601,000 of the Group's Islamic financing facilities (Note 6).

9 SHARE CAPITAL AND GENERAL ASSEMBLY MEETING

At the AGM of the shareholders of the Parent Company held on 6 April 2026, the shareholders approved the distribution of cash dividends of 15 fils per share amounting to KD 9,012,041 and paid on 23 April 2026 (30 September 2025: cash dividends of 15 fils per share amounting to KD 8,604,603 and the issuance of bonus shares of 29,677,072 in the ratio of 5 shares for each 100 shares for the year ended 31 December 2024).

As at 30 September 2026, the authorised, issued and paid-up capital comprises 623,218,513 shares (31 December 2025: 623,218,513 shares and 30 September 2025: 623,218,513 shares) at 100 fils (31 December 2025: 100 fils and 30 September 2025: 100 fils) per share.

10 TREASURY SHARES

As at 30 September 2026, the Parent Company held 24,190,192 of its own shares (31 December 2025: 22,115,293 shares and 30 September 2025: 22,115,293 shares), equivalent to 3.88% (31 December 2025: 3.55% and 30 September 2025: 3.55%) of the total issued share capital at that date. The market value of these shares at the financial position date was KD 8,756,850 (31 December 2025: KD 8,713,425 and 30 September 2025: KD 8,713,425). Reserves of the Parent Company equivalent to the cost of the treasury shares have been earmarked as non-distributable.

11 FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments comprise of financial assets and financial liabilities. For financial instruments where there is no active market, the Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Fair value hierarchy
The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

30 September 2026	***Level 1 KD***	***Level 3 KD***	***Total KD***
Assets measured at fair value			
Financial assets at FVOCI:			
Managed quoted portfolio	**428,400**	**-**	**428,400**
Managed unquoted portfolio	**-**	**275,575**	**275,575**
Unquoted equity securities	**-**	**5,707,307**	**5,707,307**
	428,400	**5,982,882**	**6,411,282**

31 December 2025	*Level 1 KD*	*Level 3 KD*	*Total KD*
Assets measured at fair value			
Financial assets at FVOCI:			
Managed quoted portfolio	450,794	-	450,794
Managed unquoted portfolio	-	275,575	275,575
Unquoted equity securities	-	5,707,307	5,707,307
	450,794	5,982,882	6,433,676

30 September 2025	*Level 1 KD*	*Level 3 KD*	*Total KD*
Assets measured at fair value			
Financial assets at FVOCI:			
Managed quoted portfolio	491,774	-	491,774
Managed unquoted portfolio	-	272,764	272,764
Unquoted equity securities	-	5,662,709	5,662,709
	491,774	5,935,473	6,427,247

11 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)
The following table shows a reconciliation of the opening and closing amount of level 3 financial instruments which are recorded at fair value.

	As at 1 January 2026 KD	*Change in fair value KD*	*Capital redemption KD*	*As at 30 September 2026 KD*
Financial assets at FVOCI:				
- Managed unquoted portfolio and unquoted equity securities	**5,982,882**	**-**	**-**	**5,982,882**

	As at 1 January 2025 KD	*Change in fair value KD*	*Capital redemption KD*	*As at 31 December 2025 KD*
Financial assets at FVOCI:				
- Managed unquoted portfolio and unquoted equity securities	5,937,107	47,409	(1,634)	5,982,882

	As at 1 January 2025 KD	*Change in fair value KD*	*Capital redemption KD*	*As at 30 September 2025 KD*
Financial assets at FVOCI:				
- Managed unquoted portfolio and unquoted equity securities	5,937,107	-	(1,634)	5,935,473

There were no transfers between fair value hierarchy levels.

Fair value of other financial instruments is not materially different from their carrying values at the reporting date.

The impact on the interim condensed consolidated statement of financial position or the interim condensed consolidated statement of changes in equity would be immaterial if the relevant risk variables used to fair value the unquoted securities were altered by 5%.

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

12 SEGMENTAL INFORMATION

Management monitors the operating results of its segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss as explained in the table below.

The Group has the following reportable segments:

- Real estate operations: Consist of development and leasing of properties.
- Hotel operations: Consist of the hotel hospitality services provided through the JW Marriott Hotel – Kuwait, the Courtyard Marriott Hotel - Kuwait, Arraya Ball Room – Kuwait and Marriott Executive Apartments- Kuwait.

12 SEGMENTAL INFORMATION (continued)

The following table presents revenue and profit information regarding the Group's operating segments:

	Nine months ended 30 September 2026			*Nine months ended 30 September 2025*		
	Real estate operations KD	***Hotel operations KD***	***Total KD***	*Real estate operations KD*	*Hotel operations KD*	*Total KD*
Segment revenue	**30,967,562**	**6,197,716**	**37,165,278**	29,162,542	4,768,574	33,931,116
Segment operating costs	**(6,172,434)**	**(2,720,079)**	**(8,892,513)**	(6,495,293)	(2,118,484)	(8,613,777)
Segment gross profit	**24,795,128**	**3,477,637**	**28,272,765**	22,667,249	2,650,090	25,317,339
Depreciation and amortisation	**(5,730,159)**	**(1,910,574)**	**(7,640,733)**	(5,483,466)	(857,501)	(6,340,967)
Other operating expenses	**(2,343,157)**	**(1,585,209)**	**(3,928,366)**	(3,022,825)	(1,186,222)	(4,209,047)
Impairment loss on investment properties	**(1,281,744)**	**-**	**(1,281,744)**	-	-	-
Gain from sale of investment properties	**3,853,606**	**-**	**3,853,606**	-	-	-
Finance costs	**(9,619,318)**	**(74,554)**	**(9,693,872)**	(11,063,875)	(47,813)	(11,111,688)
Segment results	**9,674,356**	**(92,700)**	**9,581,656**	3,097,083	558,554	3,655,637
Investment income			**76,737**			93,410
Other non-operating income			**40,568**			326,274
KFAS, NLST and Zakat			**(433,565)**			(180,576)
Profit for the period			**9,265,396**			3,894,745

12 SEGMENTAL INFORMATION (continued)

The following table presents allocation of total assets, liabilities and capital expenditures regarding the Group's operating segments:

	30 September 2026			*31 December 2025 (Audited)*			*30 September 2025*		
	Real estate operations KD	***Hotel operations KD***	***Total KD***	*Real estate operations KD*	*Hotel operations KD*	*Total KD*	*Real estate operations KD*	*Hotel operations KD*	*Total KD*
Total assets	**532,189,510**	**2,966,428**	**535,155,938**	536,646,214	2,797,486	539,443,700	536,424,590	2,590,470	539,015,060
Segment liabilities	**350,289,201**	**3,867,668**	**354,156,869**	353,840,890	3,722,892	357,563,782	355,980,528	3,256,112	359,236,640
Capital expenditure	**18,010,773**	**1,680,431**	**19,691,204**	24,726,661	6,491,196	31,217,857	17,630,242	5,475,281	23,105,523

13 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

At the financial position date, the Group had the following contingencies and capital commitments:

	30 September 2026 KD	*(Audited) 31 December 2025 KD*	*30 September 2025 KD*
Letters of guarantee	**5,207,838**	2,697,871	2,697,871
Construction projects	**6,009,397**	16,218,924	17,760,831
	11,217,235	18,916,795	20,458,702

14 RELATED PARTY TRANSACTIONS

Related parties represent the major shareholders, joint venture, directors and key management personnel of the Group, and companies which are controlled by them or over which they have significant influence. Pricing policies and terms of these transactions are approved by the Parent Company's management.

On 23 June 2026, the Group sold an investment property with a carrying value of KD 15,886,394 to a related party for a total cash consideration of KD 19,740,000 realising a gain on disposal of KD 3,853,606 on the interim condensed consolidated statement of profit or loss. The title deeds have been transferred and authenticated in the Ministry of Justice and the sale proceeds have been utilised to settle KD 15,601,000 of the Group's Islamic financing facilities (Note 8).

Compensation of key management personnel
The remuneration of key management personnel of the Group during the period was as follows:

	Three months ended 30 September		*Nine months ended 30 September*	
	2026 KD	*2025 KD*	*2026 KD*	*2025 KD*
Short-term benefits	**198,547**	197,068	**627,193**	591,203
Employees' end of service benefits	**40,398**	18,940	**255,110**	225,760
	238,945	216,008	**882,303**	816,963

15 IMPACT OF GEOPOLITICAL ESCALATION RISK AND RELATED UNCERTAINTY

The Group operates in a global and regional economic environment that continues to be affected by heightened geopolitical tensions in the Middle East. Recent developments in the region have increased uncertainty in financial markets, energy supply and costs, regional security conditions, and global trade routes. The wider regional impact of these events may affect economic conditions relevant to the various sectors. Management has assessed the potential impacts of the geopolitical situation on the Group's operations and financial position, taking into consideration:

- Macroeconomic conditions, including inflationary pressures, interest rate volatility, and economic growth trends that may influence tenant demand, occupancy levels, and rental rates.
- Construction and development activity, particularly potential increases in costs of materials and services, supply-chain disruptions, and project timelines.
- Financing and liquidity, including the availability and cost of debt financing, refinancing risk, and compliance with financial covenants.

15 IMPACT OF GEOPOLITICAL ESCALATION RISK AND RELATED UNCERTAINTY (continued)

- Tenant credit risk, particularly in sectors or geographies that may be indirectly affected by disruptions in trade, energy markets, or regional economic activity.
- Fair value volatility of investments, particularly those exposed to emerging markets, energy-sensitive sectors, or regions indirectly affected by supply-chain disruptions and energy market instability.
- Market liquidity risk, including the ability to realise investments at quoted or observable market prices in periods of heightened volatility.
- Counterparty and credit risk, particularly for investments in debt instruments, funds, or structured products whose underlying counterparties may be affected by adverse economic conditions.
- Supply-chain disruption, including delays in shipping, rerouting of cargo, congestion at ports, and increased freight and insurance costs.
- Commodity and product price volatility, particularly for goods linked to energy prices or imported through affected trade corridors.
- Availability of goods, including extended lead times from suppliers and changes in sourcing strategies.
- Foreign exchange risk, arising from increased currency volatility in markets linked to the region.

As at the reporting date, the Group has not experienced any material disruption to its core operations. Accordingly, management has not identified any material adverse impacts on the overall valuation of the property or investment portfolio's that require specific adjustment beyond those reflected in observable market prices and valuation inputs.

In assessing the carrying values of investment properties and other non-financial assets, management has not identified any indicators of impairment requiring recognition at the reporting date. However, future adverse developments in the geopolitical environment may result in changes to key valuation assumptions.

The Group's ECL models incorporate forward-looking information reflecting multiple macroeconomic scenarios. In light of the current geopolitical situation, management has reviewed and updated relevant assumptions, including:

a) Adjustments to probability-weighted economic scenarios, reflecting increased downside risk associated with prolonged regional instability.
b) Consideration of sector-specific stress for customer segments more exposed to trade disruption, logistics constraints, or fluctuating commodity prices.
c) Evaluation of whether changes in economic outlook represent a significant increase in credit risk (SICR) for certain customer balances.

While increased uncertainty has been incorporated into ECL calculations, management concluded that the allowance for expected credit losses appropriately reflects the level of credit risk inherent in the Group's trade receivable portfolio.

The Group maintains liquidity buffers and capital resources that management considers sufficient to meet its commitments and operating expenses as they fall due. The Group has assessed the potential impact of adverse market movements on its ability to realise investments or access funding, including under stressed market scenarios. No breaches of liquidity thresholds, investment restrictions, or capital management policies were identified as at the reporting date.

Management has also considered the impact of these events on the Group's ability to continue as a going concern and concluded that the going-concern basis remains appropriate. The geopolitical situation remains dynamic, and the extent and duration of potential impacts on global financial markets are uncertain. Management continues to monitor developments closely and will reflect any material impacts in future valuations, risk disclosures, and financial reporting as appropriate.