NATIONAL PETROLEUM SERVICES COMPANY - K.S.C.P.
AND ITS SUBSIDIARIES
STATE OF KUWAIT

# INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED SEPTEMBER 30, 2026
(UNAUDITED)
WITH
REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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AND ITS SUBSIDIARIES
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CONTENTS


| | Pages |
|---|---|
| Report on review of interim condensed consolidated financial information | |
| Interim condensed consolidated statement of financial position (unaudited) | 3 |
| Interim condensed consolidated statement of profit or loss (unaudited) | 4 |
| Interim condensed consolidated statement of profit or loss and other comprehensive income (unaudited) | 5 |
| Interim condensed consolidated statement of changes in equity (unaudited) | 6 |
| Interim condensed consolidated statement of cash flows (unaudited) | 7 |
| Notes to interim condensed consolidated financial information (unaudited) | 8 – 21 |

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# REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

To the Board of Directors of
National Petroleum Services Company - K.S.C.P. and its Subsidiaries
State of Kuwait

## Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of National Petroleum Services Company - K.S.C.P. (the "Parent Company") and its subsidiaries ("the Group") as at September 30, 2026, and the interim condensed consolidated statements of profit or loss, profit or loss and other comprehensive income for the three-month and nine-month periods then ended, and statements of changes in equity and cash flows for the nine-month period then ended. Management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

## Scope of Review

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

## Conclusion

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

## 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 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 September 30, 2026, that might have had a material effect on the Parent Company's financial position or results of its operations.



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We further report that, during the course of our review, we have not become aware of any material violations of Law No. 7 of 2010 and its Executive Regulations, as amended, relating to the Capital Markets Authority and Regulating Securities Activities during the period ended September 30, 2026, that might have had a material effect on the Parent Company's financial position or results of its operations.

Nayef M. Al Bazie
License No. 91-A
RSM Albazie & Co.

State of Kuwait
November 10, 2026

NATIONAL PETROLEUM SERVICES COMPANY - K.S.C.P. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT SEPTEMBER 30, 2026
(All amounts are in Kuwaiti Dinar)

| | Notes | September 30, 2026 | December 31, 2025 (Audited) | September 30, 2025 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Non-current assets:** | | | | |
| Property, plant and equipment | | **61,531,473** | 13,386,207 | 14,886,841 |
| Investment in associates | 3 | **3,249,915** | 19,666,210 | 18,699,853 |
| Investment properties | 23 | **12,114,340** | - | - |
| Goodwill | 23 | **11,657,325** | - | - |
| Financial assets at fair value through other comprehensive income ("FVOCI") | 4 | **730,570** | 620,853 | 605,467 |
| Right-of-use assets | | **1,438,474** | 455,251 | 316,480 |
| **Total non-current assets** | | **90,722,097** | 34,128,521 | 34,508,641 |
| **Current assets:** | | | | |
| Inventories | | **8,932,338** | 7,496,880 | 6,730,058 |
| Trade receivables and contract assets | 5 | **21,415,784** | 11,802,952 | 13,257,868 |
| Prepayments and other debit balances | 6 | **4,066,582** | 2,110,820 | 2,441,828 |
| Financial assets at fair value through profit or loss ("FVPL") | | **1,764** | 1,785 | 1,805 |
| Term deposits | 7 | **12,942,038** | 23,857,568 | 26,823,377 |
| Cash and cash equivalents | 8 | **17,018,521** | 12,152,465 | 4,545,477 |
| **Total current assets** | | **64,377,027** | 57,422,470 | 53,800,413 |
| **Total assets** | | **155,099,124** | 91,550,991 | 88,309,054 |
| **EQUITY AND LIABILITIES** | | | | |
| **Equity:** | | | | |
| Share capital | | **10,000,000** | 10,000,000 | 10,000,000 |
| Share premium | | **3,310,705** | 3,310,705 | 3,310,705 |
| Treasury shares | 9 | **(6,002,371)** | (6,002,371) | (6,002,371) |
| Treasury shares reserve | | **33,825** | 33,825 | 33,825 |
| Statutory reserve | | **5,858,895** | 5,858,895 | 5,858,895 |
| Voluntary reserve | | **5,858,895** | 5,858,895 | 5,858,895 |
| Cumulative changes in fair value | | **(281,370)** | (281,370) | (289,923) |
| Effect of changes in other comprehensive income of associates | | **-** | 106,119 | 30,882 |
| Foreign currency translation reserve | | **(21,226)** | (14,767) | (13,337) |
| Retained earnings | | **42,261,025** | 38,678,275 | 36,941,344 |
| **Equity attributable to Shareholders of the Parent Company** | | **61,018,378** | 57,548,206 | 55,728,915 |
| Non-controlling interests | | **43,965,700** | 17,764,145 | 17,252,658 |
| **Total equity** | | **104,984,078** | 75,312,351 | 72,981,573 |
| **Non-current liabilities:** | | | | |
| Provision for employees' end of service benefits | 10 | **6,135,710** | 3,931,447 | 3,844,864 |
| Lease liabilities | | **803,553** | 305,046 | 210,479 |
| Bank facilities | 11 | **10,516,586** | - | - |
| **Total non-current liabilities** | | **17,455,849** | 4,236,493 | 4,055,343 |
| **Current liabilities:** | | | | |
| Account payables and accruals | 12 | **16,338,650** | 10,618,626 | 10,147,698 |
| Due to related parties | 21 | **8,405,811** | 1,242,857 | 1,016,270 |
| Lease liabilities | | **636,588** | 140,664 | 108,170 |
| Bank facilities | 11 | **7,278,148** | - | - |
| **Total current liabilities** | | **32,659,197** | 12,002,147 | 11,272,138 |
| **Total liabilities** | | **50,115,046** | 16,238,640 | 15,327,481 |
| **Total equity and liabilities** | | **155,099,124** | 91,550,991 | 88,309,054 |

The accompanying notes from (1) to (25) form an integral part of the interim condensed consolidated financial information.

Sheikh Sabah Mohammad Abdulaziz Al Sabah
Chairman

Mr. Muhaiman Ali Sayed Naser Al-Behbehani
Vice Chairman & CEO

NATIONAL PETROLEUM SERVICES COMPANY - K.S.C.P. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2026
(All amounts are in Kuwaiti Dinar)

| | Notes | Three months ended September 30 | | Nine months ended September 30 | |
|---|---|---|---|---|---|
| | | **2026** | 2025 | **2026** | 2025 |
| Sales and services revenue | 13 | **16,164,556** | 17,607,477 | **44,774,120** | 46,012,481 |
| Cost of sales and services rendered | | **(10,542,839)** | (10,566,354) | **(28,381,569)** | (28,746,658) |
| **Gross profit** | | **5,621,717** | 7,041,123 | **16,392,551** | 17,265,823 |
| Interest income | | **276,704** | 246,663 | **881,803** | 647,654 |
| Net Investment (loss) income | 14 | **(117)** | 513 | **25,435** | 21,019 |
| Other income | | **72,748** | 41,925 | **122,297** | 69,285 |
| Group's share of results from associates | 3 | **551,600** | 689,930 | **1,893,196** | 1,867,891 |
| Loss on remeasurement of an associate | 3, 23 | **(116,470)** | - | **(116,470)** | - |
| Provision for expected credit loss | 5 – a | **(26,950)** | (21,081) | **(77,640)** | (103,385) |
| Impairment of property, plant and equipment | | **-** | (526,053) | **-** | (526,053) |
| General, administrative and selling expenses | 15 | **(1,556,439)** | (1,612,405) | **(4,592,430)** | (4,214,034) |
| Finance charges | | **(11,062)** | - | **(11,062)** | - |
| **Profit for the period before taxes and Board of Directors' remuneration** | | **4,811,731** | 5,860,615 | **14,517,680** | 15,028,200 |
| Contribution to Kuwait Foundation for the Advancement of Sciences (KFAS) | | **(31,100)** | (45,246) | **(107,687)** | (109,895) |
| Board of Directors' remuneration | | **(40,276)** | (78,406) | **(153,904)** | (191,905) |
| **Profit for the period** | | **4,740,355** | 5,736,963 | **14,256,089** | 14,726,400 |
| **Attributable to:** | | | | | |
| Shareholders of the Parent Company | | **3,755,803** | 5,059,060 | **12,006,373** | 12,696,128 |
| Non-controlling interests | | **984,552** | 677,903 | **2,249,716** | 2,030,272 |
| | | **4,740,355** | 5,736,963 | **14,256,089** | 14,726,400 |
| Basic and diluted earnings per share attributable to the Parent Company's Shareholders (fils) | 17 | **41.57** | 56.00 | **132.90** | 140.54 |

The accompanying notes from (1) to (25) form an integral part of the interim condensed consolidated financial information.

NATIONAL PETROLEUM SERVICES COMPANY - K.S.C.P. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2026
(All amounts are in Kuwaiti Dinar)

| | Notes | Three months ended September 30 | | Nine months ended September 30 | |
|---|---|---|---|---|---|
| | | **2026** | 2025 | **2026** | 2025 |
| Profit for the period | | **4,740,355** | 5,736,963 | **14,256,089** | 14,726,400 |
| **Other comprehensive income (loss):** | | | | | |
| Items that may be reclassified subsequently to the interim condensed consolidated statement of profit or loss: | | | | | |
| Foreign currency translation adjustments | | **(220)** | 331 | **(6,459)** | 3,116 |
| Group's share of other comprehensive income (loss) of associates | 3 | **157** | (28) | **(2,035)** | (2,407) |
| Items that will not be reclassified subsequently to the interim condensed consolidated statement of profit or loss: | | | | | |
| Group's share of other comprehensive income (loss) of associates | 3 | **102,821** | - | **96,596** | (3,115) |
| **Total other comprehensive income (loss) for the period** | | **102,758** | 303 | **88,102** | (2,406) |
| **Total comprehensive income for the period** | | **4,843,113** | 5,737,266 | **14,344,191** | 14,723,994 |
| **Attributable to:** | | | | | |
| Shareholders of the Parent Company | | **3,812,828** | 5,059,375 | **12,052,480** | 12,696,174 |
| Non-controlling interests | | **1,030,285** | 677,891 | **2,291,711** | 2,027,820 |
| | | **4,843,113** | 5,737,266 | **14,344,191** | 14,723,994 |

The accompanying notes from (1) to (25) form an integral part of the interim condensed consolidated financial information.

NATIONAL PETROLEUM SERVICES COMPANY - K.S.C.P. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2026
(All amounts are in Kuwaiti Dinar)

| | Equity attributable to Shareholders of the Parent Company | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Share capital | Share premium | Treasury shares | Treasury shares reserve | Statutory reserve | Voluntary reserve | Cumulative changes in fair value | Effect of changes in other comprehensive income of associates | Foreign currency translation reserve | Retained earnings | Subtotal | Non-controlling interests | Total equity |
| As at January 1, 2026 | 10,000,000 | 3,310,705 | (6,002,371) | 33,825 | 5,858,895 | 5,858,895 | (281,370) | 106,119 | (14,767) | 38,678,275 | 57,548,206 | 17,764,145 | 75,312,351 |
| Profit for the period | - | - | - | - | - | - | - | - | - | 12,006,373 | 12,006,373 | 2,249,716 | 14,256,089 |
| Other comprehensive income (loss) for the period | - | - | - | - | - | - | - | 52,566 | (6,459) | - | 46,107 | 41,995 | 88,102 |
| Total comprehensive income (loss) for the period | - | - | - | - | - | - | - | 52,566 | (6,459) | 12,006,373 | 12,052,480 | 2,291,711 | 14,344,191 |
| Cash dividends (Note 18) | - | - | - | - | - | - | - | - | - | (8,582,308) | (8,582,308) | - | (8,582,308) |
| Cash dividends to non-controlling interests | - | - | - | - | - | - | - | - | - | - | - | (1,099,944) | (1,099,944) |
| Effect of step acquisition of an associate (Note 23) | - | - | - | - | - | - | - | (158,685) | - | 158,685 | - | 25,009,788 | 25,009,788 |
| **As at September 30, 2026** | **10,000,000** | **3,310,705** | **(6,002,371)** | **33,825** | **5,858,895** | **5,858,895** | **(281,370)** | **-** | **(21,226)** | **42,261,025** | **61,018,378** | **43,965,700** | **104,984,078** |
| As at January 1, 2025 | 10,000,000 | 3,310,705 | (6,002,371) | 33,825 | 5,858,895 | 5,858,895 | (289,923) | 33,952 | (16,453) | 30,569,022 | 49,356,547 | 16,104,793 | 65,461,340 |
| Profit for the period | - | - | - | - | - | - | - | - | - | 12,696,128 | 12,696,128 | 2,030,272 | 14,726,400 |
| Other comprehensive (loss) income for the period | - | - | - | - | - | - | - | (3,070) | 3,116 | - | 46 | (2,452) | (2,406) |
| Total comprehensive (loss) income for the period | - | - | - | - | - | - | - | (3,070) | 3,116 | 12,696,128 | 12,696,174 | 2,027,820 | 14,723,994 |
| Cash dividends (Note 18) | - | - | - | - | - | - | - | - | - | (6,323,806) | (6,323,806) | - | (6,323,806) |
| Cash dividends to non-controlling interests | - | - | - | - | - | - | - | - | - | - | - | (879,955) | (879,955) |
| As at September 30, 2025 | 10,000,000 | 3,310,705 | (6,002,371) | 33,825 | 5,858,895 | 5,858,895 | (289,923) | 30,882 | (13,337) | 36,941,344 | 55,728,915 | 17,252,658 | 72,981,573 |

The accompanying notes from (1) to (25) form an integral part of the interim condensed consolidated financial information.

NATIONAL PETROLEUM SERVICES COMPANY - K.S.C.P. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2026
(All amounts are in Kuwaiti Dinar)

| | Notes | Nine months ended September 30 2026 | 2025 |
|---|---|---|---|
| **Cash flows from operating activities:** | | | |
| Profit for the period before taxes and after Board of Directors' remuneration | | **14,363,776** | 14,836,295 |
| Adjustments to reconcile profit before taxes and after Board of Directors' remuneration: | | | |
| Depreciation expense | | **2,029,595** | 2,378,374 |
| Amortization of right-of-use assets | | **109,255** | 101,091 |
| Group's share of results from associates | 3 | **(1,893,196)** | (1,867,891) |
| Impairment of property, plant and equipment | | **-** | 526,053 |
| Gain on sale of property, plant and equipment | | **(5,251)** | (10,300) |
| Retirement of property, plant and equipment | | **-** | 6,037 |
| Provision for slow moving inventories | | **16,661** | 276,265 |
| Provision for expected credit loss | 5 – a | **77,640** | 103,385 |
| Dividends income | 14 | **(25,456)** | (20,006) |
| Change in fair value of financial assets at FVPL | 14 | **21** | (1,013) |
| Loss on remeasurement of an associate | 3, 23 | **116,470** | - |
| Interest income | | **(881,803)** | (647,654) |
| Finance charges | | **11,062** | - |
| Net foreign exchange differences | | **21,853** | 16,023 |
| Interest expense on lease liabilities | 15 | **18,057** | 11,608 |
| Provision for employees' end of service benefits | 10 | **520,292** | 714,144 |
| | | **14,478,976** | 16,422,411 |
| Change in working capital: | | | |
| Inventories | | **132,648** | (568,057) |
| Trade receivables and contract assets | | **(1,494,714)** | (2,085,315) |
| Prepayments and other debit balances | | **7,332** | 50,255 |
| Net movement in due to related parties | | **162,954** | 1,016,270 |
| Account payables and accruals | | **(645,545)** | (217,815) |
| Cash flows generated from operations | | **12,641,651** | 14,617,749 |
| Provision for employees' end of service benefits paid | 10 | **(600,765)** | (141,102) |
| Taxes paid | | **(165,339)** | (713,940) |
| **Net cash flows generated from operating activities** | | **11,875,547** | 13,762,707 |
| **Cash flows from investing activities:** | | | |
| Purchase of property, plant and equipment | | **(1,220,134)** | (1,868,296) |
| Paid for purchase of Investment in associates | 3 | **-** | (293,206) |
| Cash consideration paid for acquisition of a subsidiary | 23 | **(23,000,000)** | - |
| Cash related to a consolidated subsidiary | 23 | **1,464,526** | - |
| Proceeds from sale of property, plant and equipment | | **5,251** | 10,300 |
| Dividend income received | 14 | **25,456** | 20,006 |
| Dividend income received from associates | 3 | **2,012,051** | 1,844,261 |
| Interest income received | | **899,906** | 720,680 |
| Net movement in term deposits | | **17,415,530** | (7,706,694) |
| **Net cash flows used in investing activities** | | **(2,397,414)** | (7,272,949) |
| **Cash flows from financing activities:** | | | |
| Cash dividends paid to shareholders of the Parent Company | | **(8,463,096)** | (6,238,704) |
| Cash dividends paid to non-controlling interests | | **(1,017,491)** | (839,109) |
| Payment of lease liabilities | | **(125,031)** | (111,151) |
| Net movement in bank facilities | | **5,000,000** | - |
| **Net cash flows used in financing activities** | | **(4,605,618)** | (7,188,964) |
| Foreign currency translation adjustments | | **(6,459)** | 3,116 |
| Net increase (decrease) in cash and cash equivalents | | **4,866,056** | (696,090) |
| Cash and cash equivalents at the beginning of the period | | **12,152,465** | 5,241,567 |
| Cash and cash equivalents at the end of the period | 8 | **17,018,521** | 4,545,477 |
| **Non-cash items excluded from the interim condensed consolidated statement of cash flows:** | | | |
| Additions to right-of-use assets | | **(30,911)** | (354,051) |
| Additions to lease liabilities | | **30,911** | 354,051 |
| | | **-** | - |

The accompanying notes from (1) to (25) form an integral part of the interim condensed consolidated financial information.

1- Incorporation and activities

National Petroleum Services Company - K.S.C.P. (the "Parent Company") is a Kuwaiti Public Shareholding Company incorporated on January 3, 1993, and its shares are publicly traded in Boursa Kuwait. The Parent Company is registered in the Commercial Register under No. 49911 dated March 28, 1993.

The main objectives of the Parent Company are as follows:

- Performing all support services for wells drilling, repairing and preparation for production as well as wells maintenance-related services.
- Establishing industrial firms for the purpose of manufacturing and producing the equipment and materials necessary for achieving such objectives after obtaining the approval of the competent authorities.
- Importing and owning machines, tools and materials necessary for achieving its objectives.
- Owning lands and real estate necessary for establishing its facilities and equipment.
- Importing and exporting chemicals necessary for the execution of the works stated above.
- Concluding agreements and obtaining privileges which it deems necessary for the achieving its objectives.
- Possessing the required patents, and trademarks.
- Obtaining and granting agencies in respect of the Parent Company's business operations.
- Conducting studies, queries and researches relevant to the Parent Company's main objectives.

The Parent Company may carry out all of the above-mentioned activities inside the State of Kuwait or abroad. The Parent Company may also have an interest or participate in any way with entities practicing activities similar to its own or which may assist it in achieving its objectives inside the State of Kuwait or abroad, or may acquire or become affiliated with such entities.

The Parent Company is a subsidiary of Kuwait Projects Company Holding K.S.C. (Public) ("Ultimate Parent Company" or "KIPCO").

The Parent Company is located at Shuaiba Industrial Area, Al-Ahmadi, Plot 3 and its registered postal address is P.O. Box 9801, 61008, State of Kuwait.

The interim condensed consolidated financial information was authorized for issue by the Parent Company's Board of Directors on November 10, 2026.

2- Basis of presentation

The interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". The accounting policies used in the preparation of this interim condensed consolidated financial information for the period are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2025, except for the change in the accounting policy relating to business combinations involving entities under common control, as disclosed in Note 23.

The Group has not early adopted any other standard, interpretation or amendments that have been issued but is not effective. Other amendments and interpretations which are effective for the first time on January 1, 2026, do not have material impact on the interim condensed consolidated financial information of the Group.

The interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2025. In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation of interim condensed consolidated financial information have been included. Operating results for the period ended September 30, 2026, are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2026.

3- Investment in associates

Movement during the period / year is as follows:

| | **September 30, 2026** | December 31, 2025 (Audited) | September 30, 2025 |
|---|---|---|---|
| Balance at the beginning of the period / year | **19,666,210** | 18,388,539 | 18,388,539 |
| Additions | **-** | 293,206 | 293,206 |
| Group's share of results from associates | **1,893,196** | 2,698,905 | 1,867,891 |
| Group's share of other comprehensive income (loss) of associates | **94,561** | 129,821 | (5,522) |
| Cash dividends received | **(2,012,051)** | (1,844,261) | (1,844,261) |
| Loss of remeasurement of an associate (Note 23) | **(116,470)** | - | - |
| Effect of a step acquisition of an associate (Note 23) | **(16,275,531)** | - | - |
| Balance at the end of the period / year | **3,249,915** | 19,666,210 | 18,699,853 |

The Group's share of results from associates for the nine-month period ended September 30, 2026 includes KD 888,008 representing the Group's share of the results of JTC Logistics Transportation & Stevedoring Company - K.S.C.P. ("JTC") up to September 30, 2026. Although the Group obtained control of JTC on September 10, 2026 (Note 23), JTC's results for the period from September 10, 2026 to September 30, 2026 were assessed as immaterial and were accordingly included within the Group's share of results from associates rather than consolidated.

4- Financial assets at fair value through other comprehensive income ("FVOCI")

| | **September 30, 2026** | December 31, 2025 (Audited) | September 30, 2025 |
|---|---|---|---|
| Quoted equity securities | **109,717** | - | - |
| Unquoted equity securities | **620,853** | 620,853 | 605,467 |
| | **730,570** | 620,853 | 605,467 |

Financial assets at FVOCI are measured at fair value as shown in Note (22).

5- Trade receivables and contract assets

| | **September 30, 2026** | December 31, 2025 (Audited) | September 30, 2025 |
|---|---|---|---|
| Trade receivables | **18,334,360** | 8,460,894 | 9,396,862 |
| Contract assets | **5,437,463** | 3,749,429 | 4,280,332 |
| Less: provision for expected credit losses (a) | **(2,356,039)** | (407,371) | (419,326) |
| | **21,415,784** | 11,802,952 | 13,257,868 |

(a) Provision for expected credit losses:

Movement in provision for expected credit losses during the period / year is as follows:

| | **September 30, 2026** | December 31, 2025 (Audited) | September 30, 2025 |
|---|---|---|---|
| Balance at the beginning of the period / year | **407,371** | 426,588 | 426,588 |
| Charged during the period / year | **77,640** | 89,689 | 103,385 |
| Related to acquisition of a subsidiary | **1,871,028** | - | - |
| Utilized during the period / year | **-** | (108,906) | (110,647) |
| Balance at the end of the period / year | **2,356,039** | 407,371 | 419,326 |

6- Prepayments and other debit balances

| | **September 30, 2026** | December 31, 2025 (Audited) | September 30, 2025 |
|---|---|---|---|
| Advance payments to suppliers | **1,938,574** | 982,715 | 1,161,711 |
| Staff receivables | **1,378,100** | 361,378 | 391,800 |
| Refundable deposits and other debit balances | **751,648** | 768,467 | 888,317 |
| Less: provision for expected credit losses (a) | **(1,740)** | (1,740) | - |
| | **4,066,582** | 2,110,820 | 2,441,828 |

(a) Provision for expected credit losses:
Movement in provision for expected credit losses during the period / year is as follows:

| | **September 30, 2026** | December 31, 2025 (Audited) | September 30, 2025 |
|---|---|---|---|
| Balance at the beginning of the period / year | **1,740** | - | - |
| Charged during the period / year | **-** | 1,740 | - |
| Balance at the end of the period / year | **1,740** | 1,740 | - |

7- Term deposits

As at September 30, 2026, the Group has term deposits amounting to KD 12,942,038 (December 31, 2025: KD 23,857,568 and September 30, 2025: KD 26,823,377). These deposits carry effective interest rates ranging from 3.44% to 4.2% per annum (December 31, 2025: from 3.62% to 4.6% per annum and September 30, 2025: from 3.62% to 4.4% per annum).

Term deposits have an original maturity period ranging from five to nine months (December 31, 2025: from three to nine months and September 30, 2025: from three to twelve months) and are denominated in Kuwaiti Dinars and placed with local banks.

8- Cash and cash equivalents

| | **September 30, 2026** | December 31, 2025 (Audited) | September 30, 2025 |
|---|---|---|---|
| Cash on hand | **31,206** | 5,358 | 8,320 |
| Cash at banks | **10,932,577** | 7,588,130 | 3,970,319 |
| Cash in portfolio | **54,738** | 558,977 | 566,838 |
| Short-term deposits | **6,000,000** | 4,000,000 | - |
| | **17,018,521** | 12,152,465 | 4,545,477 |

Short-term deposits carry effective interest rates ranging from 4.2% to 4.3% per annum (December 31, 2025: 4% per annum). These deposits have an original maturity of three months (December 31, 2025: two months) and are denominated in Kuwaiti Dinars and placed with local banks.

9- Treasury shares

| | **September 30, 2026** | December 31, 2025 (Audited) | September 30, 2025 |
|---|---|---|---|
| Number of treasury shares | **9,659,912** | 9,659,912 | 9,659,912 |
| Percentage of issued shares | **9.66%** | 9.66% | 9.66% |
| Market value (KD) | **14,972,864** | 15,446,199 | 13,398,298 |
| Cost (KD) | **(6,002,371)** | (6,002,371) | (6,002,371) |

Reserves equivalent to the cost of the treasury shares are held against voluntary reserve and not available for distribution during the holding period of such shares, by the Group as per Capital Markets Authority guidelines.

10- Provision for employees' end of service benefits

| | September 30, 2026 | December 31, 2025 (Audited) | September 30, 2025 |
|---|---|---|---|
| Balance at the beginning of the period / year | **3,931,447** | 3,271,822 | 3,271,822 |
| Charged during the period / year | **520,292** | 885,115 | 714,144 |
| Paid during the period / year | **(600,765)** | (225,490) | (141,102) |
| Related to acquisition of a subsidiary | **2,284,736** | - | - |
| Balance at the end of the period / year | **6,135,710** | 3,931,447 | 3,844,864 |

11- Bank facilities

Bank facilities are detailed as follows:

| | September 30, 2026 | December 31, 2025 (Audited) | September 30, 2025 |
|---|---|---|---|
| Term loan from a local bank bearing an effective interest rate of 3.5% per annum. The loan is repayable in semi-annual instalments, with the next instalment of KD 435,000 due on December 15, 2026, and the final instalment due on December 15, 2029. | **3,025,000** | - | - |
| Term loan from a local bank bearing an effective interest rate of 3.5% per annum. The loan is repayable in semi-annual instalments, with the next instalment of KD 450,000 due on March 15, 2027, and the final instalment due on March 15, 2031. | **4,787,816** | - | - |
| Term loan from a local bank bearing an effective interest rate of 4.5% per annum. 50% of the loan is repayable in five annual instalments, while the remaining 50% is payable upon maturity. The next instalment of KD 240,000 is due on December 31, 2026, and the final settlement is due on December 31, 2031. | **4,970,856** | - | - |
| Murabaha payable from a local bank bearing an effective profit rate of 4.75% per annum. The Murabaha balance is repayable in full on December 13, 2026. | **5,011,062** | - | - |
| | **17,794,734** | - | - |

Bank facilities are secured by the following collaterals:

| | September 30, 2026 | December 31, 2025 (Audited) | September 30, 2025 |
|---|---|---|---|
| Pledge of certain equipment included in "property, plant and equipment" | **8,919,756** | - | - |
| Leasehold land included in "property, plant and equipment" | **8,529,410** | - | - |
| Leasehold land included in "investment properties" | **4,182,340** | - | - |
| **Total** | **21,631,506** | - | - |

Bank facilities are classified in the interim condensed consolidated financial statements as follows:

| | **September 30, 2026** | December 31, 2025 (Audited) | September 30, 2025 |
|---|---|---|---|
| Non-current portion | **10,516,586** | - | - |
| Current portion | **7,278,148** | - | - |
| | **17,794,734** | - | - |

12- Account payables and accruals

| | **September 30, 2026** | December 31, 2025 (Audited) | September 30, 2025 |
|---|---|---|---|
| Trade payables | **6,783,932** | 3,666,021 | 3,965,579 |
| Dividends payable (Note 21) | **653,069** | 533,857 | 538,403 |
| Other dividends payable | **357,437** | 343,894 | 344,185 |
| Accrued staff costs | **1,645,888** | 1,895,472 | 1,710,347 |
| Advances received | **561,706** | 356,973 | 356,655 |
| Taxes payable | **203,237** | 175,306 | 155,404 |
| Accrued Board of Directors' remuneration (Note 21) | **153,904** | 203,471 | 191,905 |
| Contract liabilities | **280,101** | 741,799 | 518,388 |
| Other accrued expenses and provisions | **5,699,376** | 2,701,833 | 2,366,832 |
| | **16,338,650** | 10,618,626 | 10,147,698 |

13- Sales and services revenue

The disaggregation of the Group's sales and services revenue is as follows:

| | Three months ended September 30 | | Nine months ended September 30 | |
|---|---|---|---|---|
| | **2026** | 2025 | **2026** | 2025 |
| **Type of goods or services** | | | | |
| Oil field contracts | | | | |
| Pumping services and sales of chemicals and other materials | **14,156,936** | 15,853,889 | **39,147,745** | 41,095,508 |
| Non-oil field contracts | | | | |
| Health, safety, environment and man-power supply services | **869,312** | 1,043,464 | **2,829,684** | 2,627,819 |
| Other services | **374,703** | 176,158 | **861,078** | 643,367 |
| Sale of chemicals and other materials | **763,605** | 533,966 | **1,935,613** | 1,645,787 |
| **Total sales and services revenue** | **16,164,556** | 17,607,477 | **44,774,120** | 46,012,481 |
| **Timing of revenue recognition** | | | | |
| Goods and services transferred at a point in time | **5,434,270** | 4,091,305 | **12,612,227** | 12,418,580 |
| Goods and services transferred over time | **10,730,286** | 13,516,172 | **32,161,893** | 33,593,901 |
| **Total sales and services revenue** | **16,164,556** | 17,607,477 | **44,774,120** | 46,012,481 |
| **Geographical markets** | | | | |
| State of Kuwait | **15,396,225** | 17,430,484 | **43,550,418** | 45,452,813 |
| Others | **768,331** | 176,993 | **1,223,702** | 559,668 |
| | **16,164,556** | 17,607,477 | **44,774,120** | 46,012,481 |

14- Net Investment (loss) income

| | Three months ended September 30 | | Nine months ended September 30 | |
|---|---|---|---|---|
| | **2026** | 2025 | **2026** | 2025 |
| Dividends income | **-** | - | **25,456** | 20,006 |
| Change in fair value of financial assets at FVPL | **(117)** | 513 | **(21)** | 1,013 |
| | **(117)** | 513 | **25,435** | 21,019 |

15- General, administrative and selling expenses

| | Three months ended September 30 | | Nine months ended September 30 | |
|---|---|---|---|---|
| | **2026** | 2025 | **2026** | 2025 |
| Staff costs | **670,216** | 721,870 | **2,069,460** | 2,064,741 |
| DMTT expense (Notes 16, 21) | **274,000** | 499,902 | **1,202,000** | 1,002,177 |
| Depreciation expense | **20,827** | 15,558 | **49,586** | 47,072 |
| Amortization of right-of-use assets | **14,183** | 8,637 | **52,979** | 25,397 |
| Interest expense on lease liabilities | **5,549** | 4,855 | **18,057** | 11,608 |
| Professional fees | **69,393** | 80,461 | **176,318** | 167,573 |
| Marketing and business development expenses | **-** | 52,608 | **31,581** | 130,410 |
| Charity expense | **278,772** | 64,304 | **381,218** | 162,726 |
| Other expenses | **223,499** | 164,210 | **611,231** | 602,330 |
| | **1,556,439** | 1,612,405 | **4,592,430** | 4,214,034 |

16- Taxation

**'Pillar 2 Income Taxes'**

On December 31, 2024, the State of Kuwait enacted Law No. 157 of 2024 (the "Law"), introducing a Domestic Minimum Top-Up Tax (DMTT) effective from 2025 on entities which are part of MNE Group with annual revenues of EUR 750 million or more. The Law provides that a top-up tax shall be payable on the taxable income at a rate equal to the difference between 15% and the effective tax rate of all constituent entities of the MNE Group operating within Kuwait. This Law effectively replaces the existing National Labour Support Tax (NLST) and Zakat tax regimes in Kuwait for MNEs within the scope of this Law.

On June 29, 2025, the Ministry of Finance issued Executive Regulations outlining the mechanisms for calculating taxable income, determining the effective tax rate, and implementing the Law.

The Ultimate Parent Company ("KIPCO") is located in the State of Kuwait and constitute an Ultimate Parent Entity (UPE) for the purpose of the DMTT law for the Group.

KIPCO, as the Group Tax Function, is responsible for computing the Top-up Tax for each jurisdiction, leveraging its oversight and access to all entities across sub-groups and is responsible for computation and allocation of the amounts to each sub-group for financial reporting purposes.

In line with the above responsibility as UPE under the DMTT law, the Ultimate Parent Company has performed an estimated Top-Up Tax computation at Kuwait jurisdiction level, aggregating all the entities located in the State of Kuwait.

The Group has recorded a Charge out tax amounting to KD 1,202,000 (September 30, 2025: KD 1,002,177) under the tax sharing arrangement with the Ultimate Parent Company, which has been recorded under "General, administrative and selling expenses" in the interim condensed consolidated statement of profit or loss (Notes 15 & 21), with a corresponding entry to KIPCO's current account, as it bears the ultimate liability under the DMTT Law.

17- Basic and diluted earnings per share attributable to the Parent Company's Shareholders

There are no potential dilutive ordinary shares. The information necessary to calculate basic and diluted earnings per share based on the weighted average number of shares outstanding during the period is as follows:

| | Three months ended September 30 | | Nine months ended September 30 | |
|---|---|---|---|---|
| | **2026** | 2025 | **2026** | 2025 |
| Profit for the period attributable to the Parent Company's Shareholders | **3,755,803** | 5,059,060 | **12,006,373** | 12,696,128 |
| Number of shares outstanding: | | | | |
| Number of shares issued at the beginning of the period | **100,000,000** | 100,000,000 | **100,000,000** | 100,000,000 |
| Less: Weighted average number of treasury shares | **(9,659,912)** | (9,659,912) | **(9,659,912)** | (9,659,912) |
| Weighted average number of shares outstanding at the end of the period | **90,340,088** | 90,340,088 | **90,340,088** | 90,340,088 |
| Basic and diluted earnings per share attributable to the Parent Company's Shareholders (fils) | **41.57** | 56.00 | **132.90** | 140.54 |

18- Ordinary General Assembly of the Parent Company's Shareholders

The Ordinary General Assembly of the Parent Company's Shareholders held on May 7, 2026, approved the consolidated financial statements for the year ended December 31, 2025, and approved the recommendations of the Board of Directors to distribute cash dividends of 95 fils per share (totaling KD 8,582,308), and remuneration for the Parent Company's Board of Directors amounting to KD 203,471 for the year ended December 31, 2025.

The Ordinary General Assembly of the Parent Company's Shareholders held on May 25, 2025, approved the consolidated financial statements for the year ended December 31, 2024, and approved the recommendations of the Board of Directors to distribute cash dividends of 70 fils per share (totaling KD 6,323,806), and remuneration for the Parent Company's Board of Directors amounting to KD 169,381 for the year ended December 31, 2024.

19- Contingent liabilities and capital commitments

**Contingent liabilities**

The Group provided guarantees for the performance of certain contracts as follows:

| | **September 30, 2026** | December 31, 2025 (Audited) | September 30, 2025 |
|---|---|---|---|
| Letters of guarantee and letters of credit | **45,616,020** | 34,839,719 | 34,812,712 |
| Letters of guarantee and letters of credit – related to the Group's subsidiaries | **14,467,721** | 5,692,871 | 4,926,751 |
| | **60,083,741** | 40,532,590 | 39,739,463 |

Letters of guarantee are secured by the assignment of revenue from certain contracts and pledges over certain assets of the Group, as disclosed in Note (11).

**Capital commitments**

The Group has capital commitments as follows:

| | **September 30, 2026** | December 31, 2025 (Audited) | September 30, 2025 |
|---|---|---|---|
| Property, plant and equipment | **1,471,591** | 1,746,417 | 2,311,023 |
| Property, plant and equipment - related to the Group's subsidiaries | **70,950** | - | - |
| Investment properties - related to the Group's subsidiaries | **1,583,376** | - | - |
| | **3,125,917** | 1,746,417 | 2,311,023 |

20- Segment information

For management purposes, the Group is organized into business units based on the products and services and has two reportable operating segments i.e., oil field services and non-oil field services. Management treats the operations of these segments separately for the purposes of decision making, resource allocation and performance assessment. The segment performance is evaluated based on the operating profit or loss.

- **Oil field services** : Oil field services comprise of cementing and stimulation formulations for different applications and operating environments for oil rigs. It mainly includes well cementing services, sale of chemicals and other materials and drilling services.
- **Non-oil field services** : Non-oil field services comprise of a number of diversified activities including health, safety and environmental services, engineering and consultancy services.

The table below presents revenue and profit information for the Group's operating segments for the nine-month period ended September 30, 2026 and 2025 as follows:

| | Nine months ended September 30, 2026 | | | | Nine months ended September 30, 2025 | | | |
|---|---|---|---|---|---|---|---|---|
| | Oil field services | Non-oil field services | Unallocated items | Total | Oil field services | Non-oil field services | Unallocated items | Total |
| Sales and services revenue | 39,147,745 | 5,626,375 | - | 44,774,120 | 41,095,508 | 4,916,973 | - | 46,012,481 |
| Cost of sales and services rendered (1) | (22,074,885) | (4,270,399) | - | (26,345,284) | (22,225,977) | (4,113,685) | - | (26,339,662) |
| Depreciation expense | (1,699,867) | (280,142) | (49,586) | (2,029,595) | (2,043,891) | (287,411) | (47,072) | (2,378,374) |
| Amortization of right-of-use assets | (30,123) | (26,153) | (52,979) | (109,255) | (28,654) | (47,040) | (25,397) | (101,091) |
| General, administrative and selling expenses (1) | - | - | (4,489,865) | (4,489,865) | - | - | (4,141,565) | (4,141,565) |
| Finance charges | - | - | (11,062) | (11,062) | - | - | - | - |
| Tax expenses | - | - | (107,687) | (107,687) | - | - | (109,895) | (109,895) |
| Board of Directors' remuneration | - | - | (153,904) | (153,904) | - | - | (191,905) | (191,905) |
| Unallocated income (2) | - | - | 2,728,621 | 2,728,621 | - | - | 1,976,411 | 1,976,411 |
| Profit (loss) for the period | 15,342,870 | 1,049,681 | (2,136,462) | 14,256,089 | 16,796,986 | 468,837 | (2,539,423) | 14,726,400 |

(1) These amounts exclude depreciation expense and amortization on right-of-use assets.
(2) Unallocated income includes interest income, net investment (loss) income, other income, Group's share of results from associates, loss on remeasurement of associate, provision for expected credit loss and impairment of property, plant and equipment.

The table below presents assets and liabilities information for the Group's operating segments as at September 30, 2026, December 31, 2025 and September 30, 2025, respectively as follows:

| | September 30, 2026 | | | December 31, 2025 (Audited) | | | September 30, 2025 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Oil field services | Non-oil field services | Total | Oil field services | Non-oil field services | Total | Oil field services | Non-oil field services | Total |
| Segment assets | 46,349,417 | 104,767,458 | 151,116,875 | 61,612,940 | 9,649,203 | 71,262,143 | 59,659,581 | 9,342,348 | 69,001,929 |
| Unallocated assets | | | 3,982,249 | | | 20,288,848 | | | 19,307,125 |
| Total assets | | | 155,099,124 | | | 91,550,991 | | | 88,309,054 |
| Segment liabilities | 13,587,095 | 24,516,889 | 38,103,984 | 13,907,913 | 2,330,727 | 16,238,640 | 13,528,468 | 1,799,013 | 15,327,481 |
| Unallocated liabilities | | | 12,011,062 | | | - | | | - |
| Total liabilities | | | 50,115,046 | | | 16,238,640 | | | 15,327,481 |

21- Related parties' disclosures

In the normal course of business, the Group has entered into various transactions with related parties, i.e., Shareholders and entities under common control. Prices and terms of payment relating to these transactions are approved by Group's management. Significant related party transactions and balances are as follows:

| | Entities under common control | Shareholders | Total | | |
|---|---|---|---|---|---|
| | | | **September 30, 2026** | December 31, 2025 (Audited) | September 30, 2025 |
| Balances included in the interim condensed consolidated statement of financial position: | | | | | |
| Financial assets at FVPL | 1,764 | - | **1,764** | 1,785 | 1,805 |
| Prepayments and other debit balances | 31,471 | - | **31,471** | 71,166 | 75,774 |
| Term deposits | 12,624,685 | - | **12,624,685** | 9,393,762 | 11,388,118 |
| Cash and cash equivalents | 6,211,950 | - | **6,211,950** | 3,427,478 | 1,834,914 |
| Dividends payable (Note 12) | - | (653,069) | **(653,069)** | (533,857) | (538,403) |
| Due to related parties (a) | (14,097) | (8,391,714) | **(8,405,811)** | (1,242,857) | (1,016,270) |
| Contingent liabilities: | | | | | |
| Letters of guarantee | 11,452,075 | - | **11,452,075** | 8,860,723 | 8,004,602 |

| | Entities under common control | Shareholders | Nine months ended September 30 | |
|---|---|---|---|---|
| | | | **2026** | 2025 |
| Transactions included in the interim condensed consolidated statement of profit or loss: | | | | |
| Cost of sales and services rendered | (7,741) | - | **(7,741)** | (22,980) |
| Interest income | 413,644 | - | **413,644** | 354,414 |
| Net investment (loss) income | (21) | - | **(21)** | 1,013 |
| General, administrative and selling expenses | (93,802) | - | **(93,802)** | (64,586) |
| DMTT expense (b), (Note 15) | - | (1,202,000) | **(1,202,000)** | (1,002,177) |

(a) Due to related parties includes an amount of KD 7,000,000 payable to KIPCO, the Ultimate Parent Company, representing the outstanding consideration for the acquisition of a subsidiary for KD 30,000,000 (Note 23).

(b) During the period ended September 30, 2026, the Group recognized DMTT expense of KD 1,202,000 (December 31, 2025: KD 1,228,760, September 30, 2025: KD 1,002,177), which is included within "General, administrative and selling expenses" in the interim condensed consolidated statement of profit or loss, with a corresponding payable recorded to the current account of KIPCO Group (the Ultimate Parent Company), as the Ultimate Parent Company ultimately bears the liability under DMTT Law (Notes 15 & 16).

**Compensation to key management personnel:**

| | Transaction values for the nine months ended September 30 | | Balances outstanding as at September 30 | |
|---|---|---|---|---|
| | **2026** | 2025 | **2026** | 2025 |
| Salaries and other short-term benefits | **426,873** | 435,560 | **163,500** | 162,000 |
| Employees' end of service benefits | **12,073** | 10,962 | **58,949** | 43,183 |
| Board of Directors' remuneration (Note 12) | **153,904** | 191,905 | **153,904** | 191,905 |
| | **592,850** | 638,427 | **376,353** | 397,088 |

22- Fair value measurement

All assets and liabilities, measured or disclosed at fair value, are classified in the interim condensed consolidated financial information through a fair value hierarchy based on the lowest significant inputs level in proportion to the fair value measurement as a whole, as follows:

- 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.
- 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 captions recorded at fair value by level of the fair value hierarchy:

| | **September 30, 2026** | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| **Financial assets at FVPL** | **1,764** | **-** | **-** | **1,764** |
| **Financial assets at FVOCI** | **109,717** | **-** | **620,853** | **730,570** |
| **Investment properties** | **-** | **12,114,340** | **-** | **12,114,340** |
| **Total** | **111,481** | **12,114,340** | **620,853** | **12,846,674** |

| | December 31, 2025 (Audited) | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Financial assets at FVPL | 1,785 | - | - | 1,785 |
| Financial assets at FVOCI | - | - | 620,853 | 620,853 |
| Total | 1,785 | - | 620,853 | 622,638 |

| | September 30, 2025 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Financial assets at FVPL | 1,805 | - | - | 1,805 |
| Financial assets at FVOCI | - | - | 605,467 | 605,467 |
| Total | 1,805 | - | 605,467 | 607,272 |

The Parent Company's management believes that there is no significant change in fair value of financial assets at FVOCI during the nine months period ended September 30, 2026.

There were no transfers between any levels of the fair value hierarchy during the period ended September 30, 2026.

The detailed movement for items measured within level 3 is as follows:

| | | Total | | |
|---|---|---|---|---|
| | Financial assets at FVOCI | **September 30, 2026** | December 31, 2025 (Audited) | September 30, 2025 |
| Balance at the beginning of the period / year | 620,853 | **620,853** | 605,467 | 605,467 |
| Change in fair value | - | - | 15,386 | - |
| Balance at the end of the period / year | 620,853 | **620,853** | 620,853 | 605,467 |

23- Business Combination

On September 10, 2026, the Group obtained control of JTC Logistics Transportation & Stevedoring Company - K.S.C.P. ("JTC"), a Kuwaiti listed Company providing logistics, transportation and stevedoring services, in a step acquisition transaction by acquiring an additional 36.364% of JTC's share capital from Kuwait Projects Company Holding - K.S.C.P. ("KIPCO"), the Group's Ultimate Parent Company, under a share purchase agreement dated August 30, 2026. The total purchase consideration amounted to KD 30,000,000, of which KD 23,000,000 was paid during the period and KD 7,000,000 remained outstanding as at September 30, 2026 (Note 21).

The acquisition increased the Group's aggregate direct and indirect shareholding from 21.693%, previously accounted for as an investment in an associate, to 58.057%.

The Group consolidated JTC's assets and liabilities using its financial information at September 30, 2026. Management assessed that transactions, income and expenses between the control date and reporting date were immaterial; accordingly, no post-acquisition income or expenses were included in the Group's results except for the share of results from associates.

**Basis of accounting**

The transaction constitutes a business combination under common control ("BCUCC") and is outside the scope of IFRS 3. In the absence of specific IFRS requirements, management applied its BCUCC accounting policy, developed under IAS 8, using the acquisition-method principles of IFRS 3 by analogy, which require identifiable assets and liabilities to be measured at acquisition-date fair values, non-controlling interests at their proportionate share of identifiable net assets, and the previously held interest at fair value, with remeasurement recognized in profit or loss. Goodwill is recognized accordingly.

The remeasurement of the previously held interest resulted in the following:

| | September 30, 2026 |
|---|---|
| Fair value of the previously held interest in an associate (Note 3) | 16,275,531 |
| Carrying amount of the investment in an associate | (16,392,001) |
| **Loss on remeasurement of an associate (Note 3)** | **(116,470)** |

In addition, the Parent Company's share of the associate's accumulated other comprehensive income relating to items that will not be reclassified to interim condensed consolidated statement of profit or loss, amounting to KD 158,685, was transferred directly to retained earnings within equity.

**Provisional identifiable assets acquired and liabilities assumed**

The transaction has been accounted for using JTC provisional values pending completion of the purchase price allocation. The amounts below are based on JTC's financial information as at September 30, 2026, which management considers approximating the acquisition-date fair values.

| | September 30, 2026 |
|---|---|
| Provisional identifiable assets acquired: | |
| Property, plant and equipment | 48,954,727 |
| Investment properties | 12,114,340 |
| Trade receivables and contract assets | 8,224,379 |
| Term deposits | 6,500,000 |
| Cash and cash equivalents | 1,464,526 |
| Prepayments, other receivables and other assets | 4,708,628 |
| **Total identifiable assets acquired** | **81,966,600** |
| Provisional identifiable liabilities assumed: | |
| Bank facilities | 12,783,672 |
| Trade and other payables | 6,013,754 |
| Other liabilities | 3,541,180 |
| **Total identifiable liabilities assumed** | **22,338,606** |
| **Provisional identifiable net assets acquired** | **59,627,994** |
| Allocated as follows: | |
| Group's share of provisional identifiable net assets (58.057%) | 34,618,206 |
| Non-controlling interests' share of provisional identifiable net assets (41.943%) | 25,009,788 |
| **Provisional identifiable net assets** | **59,627,994** |

**Non-controlling interests and goodwill**

The acquisition resulted in a provisional goodwill of KD 11,657,325 and was calculated as follows:

| | September 30, 2026 |
|---|---|
| Purchase consideration | 30,000,000 |
| Fair value of the previously held interest | 16,275,531 |
| Non-controlling interests | 25,009,788 |
| Less: provisional identifiable net assets | (59,627,994) |
| **Provisional goodwill** | **11,657,325** |

Management is in the process of completing the purchase price allocation. Adjustments relating to facts and circumstances existing at the acquisition date will be recognized retrospectively within the 12-month measurement period.

**Cash flow impact**

The cash flow impact of the acquisition for the period ended September 30, 2026, is as follows:

| | September 30, 2026 |
|---|---|
| **Operating activities** | |
| Loss on remeasurement of an associate (Note 3) | **116,470** |
| **Investing activities** | |
| Cash consideration paid during the period | (23,000,000) |
| Cash and cash equivalents acquired upon obtaining control of JTC | 1,464,526 |
| **Net cash outflow used in investing activities** | **(21,535,474)** |

24- Comparative figures

Certain amounts for the period ended September 30, 2025, have been reclassified to conform to the amounts of current period presentation. The reclassification had no impact on the Group's profit or equity of the previous period.

25- Significant events

On February 28, 2026, a military conflict arose in the Middle East, creating significant geopolitical uncertainty in the region.

This event could adversely affect the Group's business environment. Potential impacts include, but are not limited to, supply chain disruptions, higher energy costs, margin pressures, and heightened refinancing and credit risk.

As the situation remains new and still evolving, management is currently unable to determine with reasonable certainty the extent or duration of the conflict or its ultimate financial effect on the accompanying interim condensed consolidated financial information of the Group. The management continues to monitor the market outlook and assess potential impact, if any, in response to future developments.