Grant Thornton
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Interim condensed consolidated financial information and review report

Kuwait Real Estate Holding Company – KPSC and Subsidiaries

Kuwait

30 September 2026 (Unaudited)

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Report on Review of Interim Condensed Consolidated Financial Information

To the board of directors of
Kuwait Real Estate Holding Company – KPSC
Kuwait

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

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

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

Emphasis of matter
We draw attention to Note 2.2 to the interim condensed consolidated financial information which indicates that as at 30 September 2026 the Group's current liabilities exceeded its current assets by KD1,755,758. As stated in Note 2.2, these events or conditions, along with other matters as set forth in Note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Report on review of other legal and regulatory requirements
Based on our review, the interim condensed consolidated financial information is in agreement with the books of the Parent Company. We further report that, to the best of our knowledge and belief, no violations of the Companies Law No. 1 of 2016 and its Executive Regulations, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, have occurred during the nine-month period ended 30 September 2026 that might have had a material effect on the business or financial position of the Parent Company.

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Report on Review of Interim Condensed Consolidated Financial Information of Kuwait Real Estate Holding Company– KPSC (continued)

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

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any material violations of the provisions of Law No. 7 of 2010 concerning the Capital Markets Authority and its related regulations during the nine-month period ended 30 September 2026 that might have had a material effect on the business or financial position of the Parent Company.



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

Kuwait
11 November 2026

Interim condensed consolidated statement of profit or loss

	Note	Three months ended 30 Sept. 2026 (Unaudited) KD	Three months ended 30 Sept. 2025 (Unaudited) KD	Nine months ended 30 Sept. 2026 (Unaudited) KD	Nine months ended 30 Sept. 2025 (Unaudited) KD
Income					
Real estate rental income		-	68,720	**26,850**	207,840
Real estate management and maintenance income		**27,977**	29,102	**95,115**	88,368
Real estate operating revenue		**27,977**	97,822	**121,965**	296,208
Real estate operating expenses		**(36,070)**	(41,876)	**(116,253)**	(157,499)
Net real estate (loss)/income		**(8,093)**	55,946	**5,712**	138,709
Gain on sale of investment properties	6	-	-	**258,000**	-
Change in fair value of investment properties	6	**(21,003)**	-	**123,145**	-
Dividend income		-	33,631	-	33,631
Gain on settlement of borrowings	9.1	-	3,689,558	-	3,689,558
Other income		**16,631**	131	**17,673**	359
		(12,465)	3,779,266	**404,530**	3,862,257
Expenses and other charges					
General and administrative expenses		**(175,474)**	(178,058)	**(593,648)**	(639,873)
Provision charge for legal case	13	-	-	-	(915,325)
Finance costs		**(22,402)**	(50,753)	**(75,473)**	(151,171)
		(197,876)	(228,811)	**(669,121)**	(1,706,369)
(Loss)/profit for the period before provision for taxation		**(210,341)**	3,550,455	**(264,591)**	2,155,888
Provision for Zakat		**360**	(22,589)	**(1,740)**	(22,589)
Provision for National Labour Support Tax		-	(55,631)	-	(55,631)
(Loss)/profit for the period		**(209,981)**	3,472,235	**(266,331)**	2,077,668
Attributable to:					
Owners of the Parent Company		**(210,260)**	3,467,723	**(263,782)**	2,075,755
Non-controlling interests		**279**	4,512	**(2,549)**	1,913
(Loss)/profit for the period		**(209,981)**	3,472,235	**(266,331)**	2,077,668
Basic and diluted (losses)/earnings per share attributable to owners of the Parent Company (Fils)	5	**(1.12)**	18.43	**(1.40)**	11.03

The notes set out on pages 9 to 20 form an integral part of this interim condensed consolidated financial information.

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

	Three months ended		Nine months ended	
	30 Sept. 2026 (Unaudited) KD	30 Sept. 2025 (Unaudited) KD	**30 Sept. 2026 (Unaudited) KD**	30 Sept. 2025 (Unaudited) KD
(Loss)/profit for the period	**(209,981)**	3,472,235	**(266,331)**	2,077,668
Other comprehensive (loss)/income:				
Items that will not be reclassified subsequently to consolidated statement of profit or loss				
Net change in fair value of financial assets at FVTOCI	**(1,134,753)**	1,187,859	**(1,196,533)**	(5,738)
Total other comprehensive (loss)/income	**(1,134,753)**	1,187,859	**(1,196,533)**	(5,738)
Total comprehensive (loss)/income for the period	**(1,344,734)**	4,660,094	**(1,462,864)**	2,071,930
Attributable to:				
Owners of the Parent Company	**(1,183,769)**	4,638,230	**(1,227,637)**	2,048,099
Non-controlling interests	**(160,965)**	21,864	**(235,227)**	23,831
Total comprehensive (loss)/income for the period	**(1,344,734)**	4,660,094	**(1,462,864)**	2,071,930

Interim condensed consolidated statement of financial position

	Note	30 Sept. 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 Sept. 2025 (Unaudited) KD
Assets				
Non-current assets				
Investment properties	6	**500,754**	2,069,609	4,732,309
Financial assets at fair value through other comprehensive income	7	**5,838,473**	7,038,854	8,343,294
Total non-current assets		**6,339,227**	9,108,463	13,075,603
Current assets				
Accounts receivable and other assets		**197,182**	210,743	392,972
Bank balances		**533,065**	379,233	593,337
Total current assets		**730,247**	589,976	986,309
Total assets		**7,069,474**	9,698,439	14,061,912
Equity and liabilities				
Equity				
Share capital		**19,103,898**	19,103,898	19,103,898
Statutory reserve		**1,452,034**	1,452,034	1,452,034
Treasury shares	8	**(1,452,034)**	(1,452,034)	(1,452,034)
Treasury shares reserve		**46,038**	46,038	46,038
Cumulative changes in fair value		**(5,837,714)**	(4,877,628)	(3,761,664)
Accumulated losses		**(10,826,988)**	(10,559,437)	(10,292,744)
Equity attributable to the owners of the Parent Company		**2,485,234**	3,712,871	5,095,528
Non-controlling interests		**972,512**	1,207,739	1,398,049
Total equity		**3,457,746**	4,920,610	6,493,577
Liabilities				
Non-current liabilities				
Borrowings	9	**-**	951,750	900,000
Provision for employees' end of service indemnity		**1,125,723**	1,093,497	1,091,765
Total non-current liabilities		**1,125,723**	2,045,247	1,991,765
Current liabilities				
Borrowings	9	**949,500**	1,101,750	3,900,000
Provision for legal cases	13	**974,080**	974,080	974,080
Accounts payable and other liabilities		**562,425**	656,752	702,490
Total current liabilities		**2,486,005**	2,732,582	5,576,570
Total liabilities		**3,611,728**	4,777,829	7,568,335
Total liabilities and equity		**7,069,474**	9,698,439	14,061,912

Muhammad Barrak Al-Mutair
Chairman

The notes set out on pages 9 to 20 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity

	Equity attributable to the owners of the Parent Company							Non-controlling interests	Total
	Share capital KD	Statutory reserve KD	Treasury shares KD	Treasury shares reserve KD	Cumulative changes in fair value KD	Accumulated losses KD	Sub-total KD	KD	KD
Balance at 1 January 2026 (audited)	19,103,898	1,452,034	(1,452,034)	46,038	(4,877,628)	(10,559,437)	3,712,871	1,207,739	4,920,610
Loss for the period	-	-	-	-	-	(263,782)	(263,782)	(2,549)	(266,331)
Other comprehensive loss for the period	-	-	-	-	(963,855)	-	(963,855)	(232,678)	(1,196,533)
Total comprehensive loss for the period	-	-	-	-	(963,855)	(263,782)	(1,227,637)	(235,227)	(1,462,864)
Loss on disposal of financial assets at FVTOCI	-	-	-	-	3,769	(3,769)	-	-	-
Balance at 30 September 2026 (unaudited)	19,103,898	1,452,034	(1,452,034)	46,038	(5,837,714)	(10,826,988)	2,485,234	972,512	3,457,746

The notes set out on pages 9 to 20 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity (continued)

	Equity attributable to the owners of the Parent Company							Non-controlling interests	Total
	Share capital KD	Statutory reserve KD	Treasury shares KD	Treasury shares reserve KD	Cumulative changes in fair value KD	Accumulated losses KD	Sub-total KD	KD	KD
Balance at 1 January 2025 (audited)	19,103,898	1,452,034	(1,452,034)	46,038	(3,735,534)	(12,366,973)	3,047,429	1,374,218	4,421,647
Profit for the period	-	-	-	-	-	2,075,755	2,075,755	1,913	2,077,668
Other comprehensive (loss)/income for the period	-	-	-	-	(27,656)	-	(27,656)	21,918	(5,738)
Total comprehensive (loss)/income for the period	-	-	-	-	(27,656)	2,075,755	2,048,099	23,831	2,071,930
Loss on disposal of financial assets at FVTOCI	-	-	-	-	1,526	(1,526)	-	-	-
Balance at 30 September 2025 (unaudited)	19,103,898	1,452,034	(1,452,034)	46,038	(3,761,664)	(10,292,744)	5,095,528	1,398,049	6,493,577

The notes set out on pages 9 to 20 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

	Nine months ended 30 Sept. 2026 (Unaudited) KD	Nine months ended 30 Sept. 2025 (Unaudited) KD
OPERATING ACTIVITIES		
(Loss)/ profit for the period	**(266,331)**	2,077,668
Adjustments:		
Change in fair value of investment properties	**(123,145)**	-
Gain on sale of investment properties	**(258,000)**	-
Provision charge for legal cases	**-**	915,325
Dividend income	**-**	(33,631)
Finance costs	**75,473**	151,171
Gain on settlement of borrowings	**-**	(3,689,558)
Provision charge for employees' end of service indemnity	**43,718**	71,263
	(528,285)	(507,762)
Changes in operating assets and liabilities:		
Accounts receivable and other assets	**13,561**	(114,613)
Accounts payable and other liabilities	**(94,327)**	165,565
Employees' end of service indemnity paid	**(11,492)**	-
Net cash used in operating activities	**(620,543)**	(456,810)
INVESTING ACTIVITIES		
Proceeds from sale of financial assets at FVTOCI	**3,848**	3,749
Proceeds from sale of investment properties	**1,950,000**	-
Dividend income received	**-**	33,631
Net cash from investing activities	**1,953,848**	37,380
FINANCING ACTIVITIES		
Net decrease in borrowings	**(1,104,000)**	-
Finance costs paid	**(75,473)**	(151,171)
Net cash used in financing activities	**(1,179,473)**	(151,171)
Net increase/(decrease) in bank balances	**153,832**	(570,601)
Bank balances at the beginning of the period	**379,233**	1,163,938
Bank balances at the end of the period	**533,065**	593,337

Notes to the interim condensed consolidated financial information

1 Incorporation and activities of the Parent Company

Kuwait Real Estate Holding Company – KPSC (the "Parent Company") was incorporated on 19 January 1980 as a Kuwaiti Shareholding Company in accordance with the provisions of the Commercial Companies Law in the State of Kuwait. The Parent Company's shares are listed on Boursa Kuwait.

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

The main activities of the Parent Company are as follows:

- Acquisition of shares of Kuwait and foreign shareholding and limited liability companies as well as participating in those companies incorporation, administration, lending and providing third party guarantees for those companies.
- Grant loans to companies in which it holds shares, guarantee them before third parties and in this case the contribution ratio of the Parent Company in the capital of these investee companies shall not be less than 20% minimum.
- Acquisition of industrial rights and related intellectual properties or any other industrial trademarks or drawings and any other rights thereto, and renting thereof to other companies whether inside or outside Kuwait.
- Acquire movables and real estate properties necessary to conduct its activity within the limits permitted by the law and in compliance with its objectives.
- Utilize the surplus funds available with the Company by investing same in financial portfolios managed by specialized companies and entities inside and outside Kuwait.

The objectives for which the Parent Company was established shall be pursued in accordance with Islamic Sharia. These objectives shall not be interpreted as permitting the Parent Company, directly or indirectly, to engage in usurious activities or act in contravention of Islamic Sharia principles

The address of the Parent Company's registered office is P.O.Box 26371, Safat 13124, State of Kuwait.

This interim condensed consolidated financial information for the nine-month period ended 30 September 2026 was authorised for issue by the Parent Company's board of directors on 11 November 2026.

2 Basis of preparation, presentation and fundamental accounting concept

2.1 Basis of preparation and presentation

The interim condensed consolidated financial information of the Group for the nine-month period ended 30 September 2026 has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting".

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

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

This interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements prepared in accordance with the IFRS Accounting Standards.

Notes to the interim condensed consolidated financial information (continued)

2 Basis of preparation (continued)

2.1 Basis of preparation and presentation (continued)

In the opinion of the Parent Company's management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included.

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

The Group has consolidated its subsidiaries using management accounts for the nine-month period ended 30 September 2026.

2.2 Fundamental accounting concept

As at 30 September 2026, the Group's current liabilities exceeded its current assets by KD1,755,758 (31 December 2025: KD2,142,606 and 30 September 2025: KD4,590,261). The Group's current liabilities include borrowings of KD949,500 (31 December 2025: KD1,101,750 and 30 September 2025: KD3,900,000) which are contractually due within 12 months from the end of the reporting period. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

The interim condensed consolidated financial information has been prepared on a going concern basis, as management believes that the Group will be able to meet its obligations as they fall due, taking into consideration the following:

- During the year ended 31 December 2025, the Group implemented measures to strengthen its financial position, including entering into a formal debt settlement and restructuring agreement with a local bank to settle outstanding financing facilities. As a result, the Group's borrowings significantly reduced.

- During the period, the Group realised proceeds from the sale of investment properties amounting to KD1,950,000, which improved its liquidity position.

- The Group holds financial and non-financial assets which will generate income and provide additional liquidity, if required.

As described above, management has a reasonable expectation that the Group has taken measures and has adequate resources to continue in operational existence for the foreseeable future. Accordingly, this interim condensed consolidated financial information has been prepared on a going concern basis.

Had the going concern basis not been used, adjustments would be made relating to the recoverability of recorded asset amounts or to the amount of liabilities to reflect the fact that the Group may be required to realize its assets and extinguish its liabilities other than in the normal course of business, at amounts different from those stated in the interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information (continued)

3 Changes in accounting policies

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

3.1 New and amended IFRS Accounting Standards adopted by the Group

The following amendments to IFRS Accounting Standards were effective for the current period:

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

The amendments to IFRS 7 and IFRS 9 addresses three changes and are required to apply the amendments retrospectively without restating prior periods to reflect the application of the amendments, but may do so if, and only if, it is possible to do so without the use of hindsight.

a) Derecognition of a financial liability settled through electronic transfer whereby entities are permitted to deem a financial liability (or part of it) that will be settled in cash using an electronic payment system to be discharged before the settlement date if specified criteria are met. An entity that elects to apply this derecognition option would be required to apply it to all settlements made through the same electronic payment system.

b) Classification of financial assets based on a) contractual terms that are consistent with basic lending arrangements, b) assets with non-recourse description has been enhanced to include a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets, and c) contractually linked instruments have been clarified, and

c) Disclosures relating to a) financial assets at FVTOCI where entities are required to disclose fair value gain or loss separately for financial assets derecognised in the period and the fair value gain or loss that relates to investments held at the end of the period, and b) contractual terms that could change the timing or amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in a basic lending risks and costs.

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

Annual Improvements to IFRS Accounting Standards – volume 11

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

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

4 Judgement and estimates

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

Notes to the interim condensed consolidated financial information (continued)

4 Judgement and estimates (continued)

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

5 Basic and diluted (losses)/earnings per share attributable to the owners of the Parent Company

Basic and diluted (losses)/earnings per share attributable to owners of the Parent Company is calculated by dividing the (loss)/profit for the period attributable to the owners of the Parent Company by weighted average number of shares outstanding during the period excluding treasury shares. As there are no dilutive instruments outstanding, basic and diluted (loss)/earnings per share are identical.

	Three months ended		Nine months ended	
	30 Sept. 2026 (Unaudited) KD	30 Sept. 2025 (Unaudited) KD	**30 Sept. 2026 (Unaudited) KD**	30 Sept. 2025 (Unaudited) KD
(Loss)/profit for the period attributable to the owners of the Parent Company (KD)	**(210,260)**	3,467,723	**(263,782)**	2,075,755
Weighted average number of shares outstanding during the period (excluding treasury shares) (share)	**188,128,219**	188,128,219	**188,128,219**	188,128,219
Basic and diluted (losses)/earnings per share attributable to owners of the Parent Company (Fils)	**(1.12)**	18.43	**(1.40)**	11.03

6 Investment properties

Investment properties are located as follows:

	30 Sept. 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 Sept. 2025 (Unaudited) KD
Kuwait (a)	**-**	1,692,000	4,353,000
Other GCC countries (b)	**500,754**	377,609	379,309
	500,754	2,069,609	4,732,309

a) During the period, the Group disposed of investment properties located in Kuwait for a total consideration of KD1,950,000, resulting in a gain on disposal of KD258,000 which has been recognised in the interim condensed consolidated statement of profit or loss. The sale proceeds were used to fully settle the financing from a third party.

Notes to the interim condensed consolidated financial information (continued)

6 Investment properties (continued)

b) During the period, the Group valued investment properties with a carrying value of KD377,609 as of 31 December 2025, resulting in a fair value gain of KD123,145 which has been recognised in the interim condensed consolidated statement of profit or loss.

7 Financial assets at fair value through other comprehensive income

	30 Sept. 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 Sept. 2025 (Unaudited) KD
Quoted securities	**3,030,118**	2,770,178	2,774,881
Unquoted securities	**2,273,136**	3,662,101	4,961,960
Managed funds and portfolios	**535,219**	606,575	606,453
	5,838,473	7,038,854	8,343,294

These investments are held in equity instruments for medium to long term strategic objectives. Accordingly, the management has elected to identify these investments in equity instruments as investments at fair value through other comprehensive income where it is believed that the recognition of short-term fluctuations in the fair value of these investments in the consolidated statement of profit or loss will not be consistent with the Group's strategy to hold such investments for long-term purposes and realizing their performance potential in the long term.

Certain local quoted securities amounting to KD2,973,600 (31 December 2025: KD2,473,800 and 30 September 2025: 2,478,000) are pledged against Islamic financing (Note 9.1).

The hierarchy for determining and disclosing the fair values of financial instruments by valuation techniques is presented in Note 14.2.

8 Treasury shares

	30 Sept. 2026 (Unaudited)	31 Dec. 2025 (Audited)	30 Sept. 2025 (Unaudited)
Number of treasury shares	**2,910,761**	2,910,761	2,910,761
Percentage of ownership (%)	**1.52**	1.52	1.52
Market value (KD)	**183,669**	180,176	165,914
Cost (KD)	**1,452,034**	1,452,034	1,452,034

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

Notes to the interim condensed consolidated financial information (continued)

9 Borrowings

	30 Sept. 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 Sept. 2025 (Unaudited) KD
Financing from third parties	-	150,000	3,000,000
Islamic financing (9.1)	949,500	1,903,500	1,800,000
	949,500	2,053,500	4,800,000
Less: due within one year	(949,500)	(1,101,750)	(3,900,000)
Balance due after more than one year	-	951,750	900,000

9.1 Islamic financing

During the year ended 31 December 2024, the Group entered into a formal debt settlement agreement with a local Islamic bank to restructure outstanding Murabaha payable balance. Under the settlement agreement, the Group was required to make an upfront payment of KD4,000,000, settle legal fees of KD186,720 and obtain new financing of KD1,800,000 from the same bank. The agreement also included a debt waiver of KD3,689,558, conditional upon completion of the settlement terms. During the year ended 31 December 2024, the Group settled both the legal fees of KD186,720 and the payment of KD4,000,000 resulting in completion of settlement agreement during 2025.

Further, during the year ended 31 December 2025, the Group finalized a new Tawaruq financing facility amounting to KD1,800,000 with the same bank. The facility is repayable in two equal instalments over two years and is secured against certain local quoted securities with a carrying value of KD2,973,600 (31 December 2025: KD2,473,800 and 30 September 2025: KD2,478,000) (note 7).

10 Related party transactions

Related parties represent associates, directors and key management personnel of the Group, major shareholders and companies in which directors and key management personnel of the Parent Company are principal owners or over which they are able to exercise significant influence or joint control. Pricing policies and terms of these transactions are approved by the Parent Company management.

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

	Three months ended		Nine months ended	
	30 Sept. 2026 (Unaudited) KD	30 Sept. 2025 (Unaudited) KD	30 Sept. 2026 (Unaudited) KD	30 Sept. 2025 (Unaudited) KD
Interim condensed consolidated statement of profit or loss:				
Portfolio management fees	25	-	125	1,244
Key management compensation:				
Salaries and short-term benefits	83,532	76,034	303,534	244,577
Provision for employees' end of service indemnity	16,620	8,229	29,707	22,887

Notes to the interim condensed consolidated financial information (continued)

11 Segmental analysis

The Group's operating segments are real estate and financial investment. The segmental analysis of the total income and net profit for the business segments are as follows:

	Real estate KD	Financial investment KD	Unallocated KD	Total KD
For the three months ended 30 September 2026 (Unaudited)				
Total income	**6,974**	**-**	**16,631**	**23,605**
Loss for the period	**(29,096)**	**-**	**(180,885)**	**(209,981)**
For the nine months ended 30 September 2026 (Unaudited)				
Total income	**503,110**	**-**	**17,673**	**520,783**
Profit/(loss) for the period	**386,857**	**-**	**(653,188)**	**(266,331)**
Total assets	**697,936**	**6,371,538**	**-**	**7,069,474**
Total liabilities	**(2,099,803)**	**(1,511,925)**	**-**	**(3,611,728)**
Net assets	**(1,401,867)**	**4,859,613**	**-**	**3,457,746**
For the three months ended 30 September 2025 (Unaudited)				
Total income	97,822	3,723,189	131	3,821,142
Profit/(loss) for the period	55,946	3,723,189	(306,900)	3,472,235
For the nine months ended 30 September 2025 (Unaudited)				
Total income	296,208	3,723,189	359	4,019,756
(Loss)/profit for the period	(776,616)	3,723,189	(868,905)	2,077,668
Total assets	5,125,281	8,936,631	-	14,061,912
Total liabilities	(5,065,845)	(2,502,490)	-	(7,568,335)
Net assets	59,436	6,434,141	-	6,493,577
31 December 2025 (Audited)				
Total assets	2,280,352	7,418,087	-	9,698,439
Total liabilities	(2,217,577)	(2,560,252)	-	(4,777,829)
Net assets	62,775	4,857,835	-	4,920,610

Notes to the interim condensed consolidated financial information (continued)

11 Segmental analysis (continued)

Geographical information of revenue and assets:

	Kuwait KD	Outside Kuwait KD	Total KD
For the three months ended 30 September 2026 (Unaudited):			
Revenue	**27,977**	**-**	**27,977**
For the three months ended 30 September 2025 (Unaudited):			
Revenue	97,822	-	97,822
For the nine months ended 30 September 2026 (Unaudited):			
Revenue	**121,965**	**-**	**121,965**
For the nine months ended 30 September 2025 (Unaudited):			
Revenue	296,208	-	296,208
30 September 2026 (Unaudited):			
Total assets	**5,003,064**	**2,066,410**	**7,069,474**
31 December 2025 (Audited):			
Total assets	7,628,943	2,069,496	9,698,439
30 September 2025 (Unaudited):			
Total assets	11,826,722	2,235,190	14,061,912

12 Annual general assembly

The Annual General Assembly of the shareholders of the Parent Company held on 20 May 2026 approved the consolidated financial statements for the year ended 31 December 2025 and the board of directors' proposal not to distribute dividends for the year ended 31 December 2025.

13 Legal case

During 2021, the Abu Dhabi Commercial Conciliation and Arbitration Centre (ADCCAC) issued a ruling against one of the Group's subsidiaries in relation to the cancellation of a BOT investment contract between the subsidiary and the heirs of an Emirati individual. Pursuant to the ruling, the subsidiary was ordered to pay an amount of AED9,750,000 and legal fees of AED1,156,694.

During 2023, the heirs of the Emirati individual ("plaintiff") initiated legal proceedings in Kuwait to execute the ADCCAC decision. On 16 April 2023, the Kuwait Court of First Instance dismissed the case. Subsequently, the plaintiff initiated a new legal case to enforce the same ADCCAC ruling which resulted in a judgment in favor of the plaintiff.

The subsidiary appealed the decision and, on 21 January 2025, the Court of Appeals rejected the appeal and upheld the judgment in favor of the plaintiff. The subsidiary subsequently filed an appeal before the Court of Cassation. On 11 January 2026, the Court of Cassation rejected the appeal filed by the subsidiary. Subsequently, the plaintiff commenced enforcement proceedings against the subsidiary for an amount of KD922,700.

The subsidiary had separately initiated a counterclaim against the plaintiff seeking recovery of amounts previously paid under the contract. The court appointed expert confirmed the payments by the subsidiary but did not establish a breach of contract by the defendants and noted that the contract provides for disputes to be resolved by UAE courts.

Notes to the interim condensed consolidated financial information (continued)

13 Legal case (continued)

The next hearing is scheduled for 23 November 2026. Based on the advice of the subsidiary's legal counsel, the outcome remains uncertain, including the possibility that the Kuwaiti courts may decline jurisdiction or dismiss the claim.

Management has recognised appropriate provision in respect of this legal case representing its best estimate of the obligation based on currently available information.

14 Fair value measurement

14.1 Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the interim condensed consolidated statement of financial position are grouped into three Levels of a fair value hierarchy.

The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

14.2 Fair value measurement of financial instruments

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

	30 Sept. 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 Sept. 2025 (Unaudited) KD
Financial assets:			
At amortised cost:			
Accounts receivable and other assets	**168,679**	200,913	373,589
Bank balances	**533,065**	379,233	593,337
At fair value:			
Financial assets at fair value through other comprehensive income	**5,838,473**	7,038,854	8,343,294
	6,540,217	7,619,000	9,310,220
Financial liabilities:			
At amortised cost			
Accounts payable and other liabilities	**562,425**	656,752	702,490
Provision for legal cases	**974,080**	974,080	974,080
Borrowings	**949,500**	2,053,500	4,800,000
	2,486,005	3,684,332	6,476,570

Notes to the interim condensed consolidated financial information (continued)

14 Fair value measurement (continued)

14.2 Fair value measurement of financial instruments (continued)

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

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

The financial assets measured at fair value on a recurring basis in the interim condensed consolidated statement of financial position are grouped into the fair value hierarchy as follows:

	Level 1	Level 3	Total
	KD	KD	KD
30 September 2026 (Unaudited)			
Financial assets			
At fair value through other comprehensive income:			
Quoted securities	**3,030,118**	**-**	**3,030,118**
Unquoted securities	**-**	**2,273,136**	**2,273,136**
Managed portfolios and funds	**-**	**535,219**	**535,219**
	3,030,118	**2,808,355**	**5,838,473**
31 December 2025 (Audited)			
Financial assets			
At fair value through other comprehensive income:			
Quoted securities	2,770,178	-	2,770,178
Unquoted securities	-	3,662,101	3,662,101
Managed portfolios and funds	-	606,575	606,575
	2,770,178	4,268,676	7,038,854
30 September 2025 (Unaudited)			
Financial assets			
At fair value through other comprehensive income:			
Quoted securities	2,774,881	-	2,774,881
Unquoted securities	-	4,961,960	4,961,960
Managed portfolios and funds	-	606,453	606,453
	2,774,881	5,568,413	8,343,294

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

Valuation techniques and inputs

The valuation techniques used are consistent with those applied at 31 December 2025.

Level 1 fair value measurement

Quoted equity securities classified within Level 1 are valued using unadjusted quoted prices in active markets for identical securities at the reporting date.

Level 3 fair value measurement

The Group's finance team performs valuations of financial instruments, including those classified within Level 3. Valuation techniques are selected having regard to the characteristics of each investment and available market information.

Notes to the interim condensed consolidated financial information (continued)

14 Fair value measurement (continued)

14.2 Fair value measurement of financial instruments (continued)

Unquoted equity securities classified within Level 3 are principally valued using market multiples technique. Managed portfolios and funds classified within Level 3 are valued using the net asset values reported by the fund/portfolio managers as at the reporting date.

The significant unobservable inputs and valuation adjustments are summarised below:

Valuation technique	Significant unobservable input	Value/range applied
Market multiples	Price-to-earnings multiple Price-to-book equity multiple	15.6 – 17.3 1.17 – 2.47
NAV	Reported net asset value of the underlying investments	NA

Level 3 fair value measurements

The Group's measurement of financial assets and liabilities classified in level 3 uses valuation techniques inputs that are not based on observable market data.

The financial instruments within this level can be reconciled from beginning to ending balances as follows:

	30 Sept. 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 Sept. 2025 (Unaudited) KD
Opening balance	**4,268,676**	5,422,695	5,422,695
Disposals	**(3,850)**	(3,749)	(3,749)
Change in fair value	**(1,456,471)**	(1,150,270)	149,467
Closing balance	**2,808,355**	4,268,676	5,568,413

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

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

15 Contingent liabilities

	30 Sept. 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 Sept. 2025 (Unaudited) KD
Issued letters of guarantee	**411,856**	411,856	411,856

Notes to the interim condensed consolidated financial information (continued)

16 Geopolitical developments

The Group operates in the real estate and investment sectors across various geographical markets that may be affected by geopolitical developments in the Middle East. Such developments may result in volatility in real estate and financial markets, commodity and energy prices, foreign exchange rates, financing costs and regional supply chains.

Management has assessed the potential impact of these developments on the Group's operations, financial position and future cash flows, taking into consideration the nature of its business activities.

At the reporting date, management reviewed the carrying amounts of the Group's financial and non-financial assets and considered whether current conditions indicate any impairment or require changes to related estimates. Relevant valuation assumptions, cash flow forecasts and expected credit loss assessments have been reviewed and updated, where appropriate, to reflect conditions existing at the reporting date. Some markets relevant to the Group's business remain volatile and asset carrying amounts remain sensitive to market fluctuations.

As at the reporting date, the Group has not experienced any material disruption to its principal operations. Management has not identified any additional impairment losses or credit loss allowances arising from these developments beyond the amounts recognised in this interim condensed consolidated financial information.

Management has also considered the potential impact of geopolitical developments on the Group's ability to continue as a going concern and concluded that the going concern basis of preparation remains appropriate.

The geopolitical environment remains subject to change, and its ultimate impact cannot be determined with certainty. Management will continue to monitor developments and will recognise or disclose any material effects in the future reporting periods, as appropriate.

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