



Interim condensed consolidated financial information and review report

Sanam Group Holding Company – KPSC and Subsidiaries

Kuwait

31 March 2026 (Unaudited)

Sanam Group Holding Company – KPSC and Subsidiaries
Interim Condensed Consolidated Financial Information
31 March 2026 (Unaudited)

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Report on Review of Interim Condensed Consolidated Financial Information

To the board of directors of
Sanam Group Holding Company – KPSC
Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Sanam Group Holding Company – KPSC (the “Parent Company”) and Subsidiaries (collectively the “Group”) as at 31 March 2026 and the related interim condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended. Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

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

Conclusion

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

Emphasis of matter

We draw attention to Note 7 to the interim condensed consolidated financial information which describes that the valuation carried out for a right of use land included under investment properties is based on the fact that the Group will renew the right of use land lease contract for a further 30 years upon expiry of the lease contract in 2039. Though the management intends to develop the property and renew the lease upon expiry, the renewal itself depends upon the approval of such renewal request by the relevant authorities. The ultimate outcome of the said renewal cannot be determined presently and consequently no adjustments have been done to the carrying value of the right of use of land. Our conclusion is not modified in respect to this matter.

Report on 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 three-month period ended 31 March 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
Sanam Group Holding Company – KPSC (Formerly: Sanam Real Estate Company – KPSC)**

Report on other legal and regulatory requirements (continued)

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any material violations of the provisions of Law No. 7 of 2010 concerning the Capital Markets Authority and its related regulations during the three-month period ended 31 March 2026 that might had a material effect on the business or financial position of the Parent Company.

A handwritten signature in blue ink, appearing to read 'Sara A. Al-Aiban', with a horizontal line above it.

Sara A. Al-Aiban
(Licence No. 288-A)
Grant Thornton – Al-Qatami, Al-Aiban & Partners

Kuwait
14 May 2026

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

	Note	Three months ended 31 March 2026 (Unaudited) KD	Three months ended 31 March 2025 (Unaudited) KD (Restated)
Net gain / (loss) from financial assets at FVTPL		7,057	(1,633)
Share of results of associates	8	321,674	83,638
Management fees		68,229	68,555
Interest and other income		139,498	44,584
		536,458	195,144
Expenses and other charges			
Staff costs		(56,515)	(59,239)
General, administrative and other expenses		(43,038)	(38,247)
Depreciation expenses		(4,006)	(3,290)
		(103,559)	(100,776)
Profit for the period before provision for contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), provision for Zakat and National Labour Support Tax (NLST)		432,899	94,368
Provision for contribution to KFAS		(2,253)	(938)
Provision for Zakat		(2,744)	(235)
Provision for NLST		(11,401)	(2,679)
Profit for the period from continuing operations		416,501	90,516
Discontinued operations			
Profit for the period from discontinued operations	5.3	18,556	9,897
Profit for the period		435,057	100,413
Other comprehensive (loss) / income:			
<i>Items that will be reclassified subsequently to Interim condensed consolidated statement of profit or loss:</i>			
-Exchange differences arising on translation of foreign operations		36,336	-
<i>Items that will not be reclassified subsequently to the Interim condensed consolidated statement of profit or loss:</i>			
-Net change in fair value of financial assets at FVTOCI		(3,045)	-
Total other comprehensive income		33,291	-
Total comprehensive income for the period		468,348	100,413
Basic and diluted earnings per share attributable to shareholders of the Parent Company:			
- From continuing operations		1.81 Fils	0.75 Fils
- From discontinued operations		0.08 Fils	0.08 Fils
Basic and diluted earnings per share attributable to shareholders of the Parent Company	6	1.89 Fils	0.83 Fils

The notes set out on pages 7 to 20 form an integral part of these interim condensed consolidated financial information.

Interim condensed consolidated statement of financial position

	Note	31 March 2026 (Unaudited) KD	31 Dec 2025 (Audited) KD	31 March 2025 (Unaudited) KD
Assets				
Non-current assets				
Property, plant and equipment		348,628	224,500	1,751,910
Investment properties	7	2,336,887	2,328,116	2,348,695
Financial assets at fair value through other comprehensive income		122,293	125,338	107,115
Investment in associates	8	17,684,824	16,826,814	5,969,605
Fixed deposit		-	-	50,000
		20,492,632	19,504,768	10,227,325
Current assets				
Assets included in disposal group classified as held for sale	5.3	1,794,664	1,828,062	-
Inventory		-	-	45,500
Financial assets at fair value through profit or loss		234,446	227,389	317,539
Accounts receivable and other assets		172,472	115,032	517,685
Cash and cash equivalents	9	2,834,971	3,829,759	1,208,357
		5,036,553	6,000,242	2,089,081
Total assets		25,529,185	25,505,010	12,316,406
Equity and liabilities				
Equity				
Share capital	10	22,050,000	22,050,000	10,500,000
Legal reserve		397,073	397,073	183,893
Voluntary reserve		397,073	397,073	183,893
Foreign currency translation reserve		23,793	(12,543)	8,036
Treasury shares	15	(441,260)	(37,403)	-
Treasury shares profit reserve		12,863	12,863	12,863
Cumulative changes in fair value		(10,207)	(7,162)	(25,385)
Retained earnings		2,432,611	1,997,554	1,031,490
Total equity		24,861,946	24,797,455	11,894,790
Liabilities				
Non-current liabilities				
Provision for end of service indemnity		100,195	96,323	160,611
Current liabilities				
Liabilities included in disposal group classified as held for sale	5.3	276,108	328,062	-
Accounts payable and other liabilities		290,936	283,170	261,005
		567,044	611,232	261,005
Total liabilities		667,239	707,555	421,616
Total equity and liabilities		25,529,185	25,505,010	12,316,406


Waleed Hamad Al-Sumait
Chairman


Dr. Sulaiman Tareq Al-Abduljader
Vice chairman & CEO

The notes set out on pages 7 to 20 form an integral part of these interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity

	Share capital KD	Legal reserve KD	Voluntary reserve KD	Foreign currency translation reserve KD	Treasury shares KD	Treasury shares profit reserve KD	Cumulative changes in fair value KD	Retained earnings KD	Total KD
Balance at 1 January 2026 (Audited)	22,050,000	397,073	397,073	(12,543)	(37,403)	12,863	(7,162)	1,997,554	24,797,455
Purchase of treasury shares	-	-	-	-	(403,857)	-	-	-	(403,857)
Transactions with owners	-	-	-	-	(403,857)	-	-	-	(403,857)
Profit for the period	-	-	-	-	-	-	-	435,057	435,057
Total other comprehensive income / (loss)	-	-	-	36,336	-	-	(3,045)	-	33,291
Total comprehensive income / (loss) for the period	-	-	-	36,336	-	-	(3,045)	435,057	468,348
Balance at 31 March 2026 (Unaudited)	22,050,000	397,073	397,073	23,793	(441,260)	12,863	(10,207)	2,432,611	24,861,946
Balance at 1 January 2025 (Audited)	10,500,000	183,893	183,893	8,036	-	12,863	(25,385)	931,077	11,794,377
Total comprehensive income for the period	-	-	-	-	-	-	-	100,413	100,413
Balance at 31 March 2025 (Unaudited)	10,500,000	183,893	183,893	8,036	-	12,863	(25,385)	1,031,490	11,894,790

The notes set out on pages 7 to 20 form an integral part of these interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

	Note	Three months ended 31 March 2026 (Unaudited) KD	Three months ended 31 March 2025 (Unaudited) KD (Restated)
OPERATING ACTIVITIES			
Profit for the period before provision for contribution to KFAS, provision for Zakat and NLST		432,899	94,368
Adjustments:			
Share of results of associates		(321,674)	(83,638)
Depreciation expenses		4,006	3,290
Interest income		(33,526)	(30,685)
Provision for end of service indemnity		3,872	2,896
		85,577	(13,769)
Changes in operating assets and liabilities:			
Accounts receivable and other assets		(57,440)	(2,533)
Financial assets at fair value through profit or loss		(7,057)	1,633
Accounts payable and other liabilities		(8,632)	(5,609)
Cash flows from / (used in) operation		12,448	(20,278)
KFAS paid		-	(9,767)
Net cash from / (used in) continuing operations		12,448	(30,045)
Net cash (used in) / from discontinued operations		(26,412)	11,281
Net cash used in operating activities		(13,964)	(18,764)
INVESTING ACTIVITIES			
Additions to property, plant and equipment		(128,134)	(37,182)
Additions to Investment properties		(8,771)	-
Investment in associates		(500,000)	-
Interest income received		33,526	-
Net cash used in investing activities from continuing operations		(603,379)	(37,182)
Net cash used in investing activities from discontinued operations		-	(42,689)
Net cash used in investing activities		(603,379)	(79,871)
FINANCING ACTIVITIES			
Purchase of treasury shares		(403,857)	-
Net cash used in financing activities		(403,857)	-
Net decrease in cash and cash equivalents		(1,021,200)	(98,635)
Cash and cash equivalents attributable to discontinued operations		26,412	33,509
Cash and cash equivalents at the beginning of the period		3,829,759	273,483
Cash and cash equivalents at the end of the period for continuing operations	9	2,834,971	208,357

The notes set out on pages 7 to 20 form an integral part of these interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information

1 Incorporation and activities of the Parent Company

Sanam Group Holding Company – KPSC (Formerly: Sanam Real Estate Company – KPSC) (“the Parent Company”) was incorporated in 23 February 1982 as a Kuwaiti public shareholding company in accordance with the provisions of the Companies Law in the State of Kuwait.

The Parent Company’s shares were listed on Boursa Kuwait on 28 December 2004.

The Group comprises the Parent Company and Subsidiaries (collectively referred to as “the Group”). The details of the Subsidiaries are described in (Note 5).

The shareholders at the extraordinary general assembly held on 15 May 2025 approved to change the Company’s name to Sanam Group Holding Company –KPSC and the required approval from Ministry of Commerce and Industry was obtained on 26 May 2025. Further, at the same extraordinary general assembly the shareholders also approved to change the Company’s activity from a real estate company to a holding company and also approved to amend the Articles of Association and the Memorandum of Association to enable the company to conduct its business in Compliance with Sharia principles and the required approval from Ministry of Commerce and Industry was obtained on 27 May 2025.

The amended objectives of the Parent Company were as follows:

- 1- Holding company activities.
- 2- Managing its subsidiaries or participating in the management of other companies in which it holds shares and providing the necessary support to them.
- 3- Investing its funds in trading shares, bonds, and other securities.
- 4- Owning real estate and movable assets necessary for conducting its business within the limits permitted by law.
- 5- Financing or lending to companies in which it holds shares or stakes, and providing guarantees for them with third parties. In this case, the holding company's share in the capital of the borrowing company must not be less than twenty percent.
- 6- Owning intellectual property rights, such as patents, trademarks, industrial designs, franchise rights, and other intangible rights, and utilizing and leasing them to its subsidiaries or third parties.
- 7- Holding activities business management office.

The Parent Company may have an interest in or engage in any way with entities that carry out activities similar to its own or that may assist it in achieving its objectives, both in Kuwait and abroad. It is also allowed to purchase these entities or merge them with itself.

The address of the Parent Company’s registered office is Kuwait City - Salhiya Mall – Floor 5 - Kuwait.

This interim condensed consolidated financial information for the three-month period ended 31 March 2026 was authorised for issue by the Parent Company’s board of directors on 14 May 2026.

The annual consolidated financial statements for the year ended 31 December 2025 were approved by the shareholders at the Annual General Assembly Meeting held on 3 May 2026.

2 Basis of preparation and presentation

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

Notes to the interim condensed consolidated financial information (continued)

2 Basis of preparation and presentation (continued)

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”).

This interim condensed consolidated financial information is presented in Kuwaiti Dinars (“KD”) which is the functional and presentation currency of the Parent Company.

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

Operating results for the three-month period ended 31 March 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025. For further details, refer to the consolidated financial statements and its related disclosures for the year ended 31 December 2025.

3 Changes in accounting policies

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

3.1 New and amended IFRS Accounting Standards adopted by the Group

The following amendments were effective for the current period:

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

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

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

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

Notes to the interim condensed consolidated financial information (continued)

3 Changes in accounting policies (continued)

3.1 New and amended IFRS Accounting Standards adopted by the Group (continued)

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 expenses. Actual results may differ from these estimates.

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

5 Investment in subsidiaries

The details of the direct and indirect subsidiaries are as follows:

Name of Subsidiaries	Country of incorporation	Percentage of ownership			Activity
		31 March 2026	31 Dec. 2025	31 March 2025	
Sanam Limited FZC (5.1)	UAE	100%	100%	100%	Real estate and investment
Sanam Innovation Holding - WLL (Holding)	Kuwait	99.6%	99.6%	99.6%	Real estate and investment
Sanam Capital Holding Company - WLL (Holding)	Kuwait	99%	99%	99%	Real estate and investment
Medcap Medical Company– KSC (Closed) (Subsidiary of Sanam Capital Holding Company - WLL) (5.2)	Kuwait	99.8%	99.8%	99.8%	Health care
European Concrete Ready-Mix Company - WLL (Subsidiary of Sanam Innovation Holding Company - WLL) (5.3)	Kuwait	99%	99%	99%	Ready mixed concrete production

The subsidiaries are consolidated based on the management accounts for the period ended 31 March 2026 except

5.1 Sanam Limited - Free Zone Company was incorporated during the year 2023 by the Parent Company with a share capital of AED 100,000. During the year 2023, the concession agreement referred to in note (7) to the interim condensed consolidated financial information was transferred to the subsidiary from another local subsidiary of the Group.

Notes to the interim condensed consolidated financial information (continued)

5 Investment in subsidiaries (continued)

During December 2023, the Group's management approved to increase the capital of the subsidiary - Sanam Limited -FZC to reach AED 50 million through increase in cash and in kind, and decided that a new investor (a related party) will invest in cash an amount of AED 25Mn to own a stake of 50% of the subsidiary's capital. Consequently, the Group on 28 December 2023 signed an agreement with the related party to this effect, and the increase in capital along with execution of other requirements stated in the agreement was expected to occur during the year 2024.

On 21 January 2026, the board of directors of the Parent Company approved amendments to the above partnership agreement of Sanam Limited – FZC, reducing the Parent Company's ownership from 50% to 40% and increasing the share capital of Sanam Limited – FZC from AED 100,000 to AED 90,282,000. Management will assess the classification of the investment in Sanam Limited – FZC and the related financial impact to be recorded once the capital increase procedures are completed.

5.2 On 9 March 2026, the board of directors of the Parent Company approved for its subsidiary, Sanam Capital Holding Company to enter into a partnership, through its fully owned subsidiary (Medcap Medical Company ("Medcap")), with a third party who is a specialised medical company. This will be carried out through the acquisition by Medcap, a medical centre owned by the third party for which Sanam Capital Holding Company will pay an amount of KD500,000 for 27.8% of Germania Medical Centre. The remaining 72.2%, valued at KD 1,300,000 will be acquired by Medcap in exchange for the third party obtaining a 55% ownership stake in Medcap, which is subject to regulatory approvals. This may result in an amendment to the ownership structure of Medcap, whereby the ownership of Sanam Capital Holding Company in Medcap would become 45%, after obtaining the approval of the relevant regulatory authorities. Following completion and regulatory approvals, management will assess in the future the classification of the investment in Medcap and the related financial impact to be recorded.

5.3 Disposal group classified as held for sale and discontinued operations

During the third quarter of the year 2025, management of the Group decided to discontinue and sell its entire stake in European Concrete Ready-Mix Company – WLL ("ECRMC"), a sub-subsidiary, in line with the Group's strategy to focus on its core activities. Consequently, assets and liabilities allocable to this sub-subsidiary are classified as a disposal group. Revenue and expenses, gains and losses relating to the discontinuation of this subgroup have been eliminated from profit or loss from the Group's continuing operations and are shown as a single line item in the consolidated statement of profit or loss and other comprehensive income and the comparative information have been reclassified accordingly.

Operating profit of the discontinued operations and disposal of assets and liabilities classified as held for sale are summarised as follows:

	31 March 2026 KD	31 Dec. 2025 KD
Assets included in disposal group classified as held for sale:		
Property, plant and equipment	1,353,540	1,353,540
Inventory	64,277	64,277
Accounts receivable and other assets	300,435	319,784
Cash and cash equivalents	76,412	90,461
Total	1,794,664	1,828,062
Liabilities included in disposal group classified as held for sale:		
Provision for end of service indemnity	49,271	71,522
Accounts payable and other liabilities	226,837	256,540
Total	276,108	328,062

Notes to the interim condensed consolidated financial information (continued)

5 Investment in subsidiaries (continued)

Operating profit of the discontinued operations.

	Three months ended 31 March 2026 (Unaudited) KD	Three months ended 31 March 2025 (Unaudited) KD
Income		
Sales	-	278,346
Cost of sales	-	(202,814)
Gross profit	-	75,532
Interest and other income	34,456	3,113
Staff costs	(5,991)	(49,973)
General, administrative and other expenses	(9,909)	(10,675)
Depreciation expenses	-	(8,100)
(Loss) /profit for the period from discontinued operations	18,556	9,897

The Group's management has taken the necessary steps for the sale process, including obtaining serious offers from potential buyers. The Group's management expects to complete the sale and dispose of the sub-subsidiary within a period not exceeding twelve months from the date of the consolidated financial statements.

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

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

	Three months ended 31 March 2026 (Unaudited)	Three months ended 31 March 2025 (Unaudited) (Restated)
Profit for the period attributable to shareholders of the Parent Company (KD)		
- From continuing operations	416,501	90,516
- From discontinued operations	18,556	9,897
Total	435,057	100,413
Weighted average number of shares outstanding during the period (excluding treasury shares) (share)	230,244,939	121,275,000
Basic and diluted earnings per share		
- From continuing operations	1.81 Fils	0.75 Fils
- From discontinued operations	0.08 Fils	0.08 Fils
Total	1.89 Fils	0.83 Fils

The basic and diluted earnings per calculations for the period ended 31 March 2026 and 31 March 2025 have been adjusted to take account of the bonus shares to be issued in 2026 (note 12) The basic and diluted earnings per share reported during the previous period for the three months ended 31 March 2025 was 0.91 Fils before the retroactive adjustments relating to the bonus share issue.

Notes to the interim condensed consolidated financial information (continued)

7 Investment properties

	31 March 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	31 March 2025 (Unaudited) KD
Leased properties			
Balance at beginning of the period/year	2,328,116	2,348,695	2,348,695
Additions during the period/year	8,771	-	-
Foreign currency translation reserve during the period/year	-	(20,579)	-
Balance at the end of the period/year	2,336,887	2,328,116	2,348,695

Leased properties represent right to use a land in United Arab Emirates (UAE), where the Group has signed a concession agreement to lease part of a land in Al Jaddaf, Dubai (on a Build-Operate-Transfer (BOT) basis), owned by the Dubai Municipality – Department of Dubai Train. The lease period is 30 years commencing on 9 September 2009.

The land was evaluated by an authorized independent valuer in the United Arab Emirates and the value amounted to AED28,000,000 (equivalent to KD2,328,116) as at 31 December 2025, and this value was determined by the valuer on the assumption that the BOT period will be renewed for an equal term of 30 years on its expiry (which is after 15 years on 8 September 2039). In order to arrive at the market value of the property, the valuer has considered the comparable method of valuation, which involves making adjustments to the sale price of comparable properties to account for differences in location, plot area and shape, potential built-up area allowance, height allowance, date of sale, potential views and other individual characteristics.

Though transactional evidence provides the most accurate (when examined and extrapolated) means of assessing value, the Valuer has stated that there is a definitive lack of transparency within the current Dubai property market, and as such there is limited publicly reported comparable transactional evidence of land or building sales. The current lack of such evidence within Dubai means that the valuer assessed on a notional value basis, subject to professional opinion, with the potential inherent flaws that this may produce in the reported value. The valuer has valued in accordance with typical Concession Agreement terms, on the basis that the existing concession agreement can be transferred to any intending third party and that any Lessee may sub-lease the subject property together with any improvements erected thereon. In order to arrive at a value the valuer has analysed evidence of Leasehold land transactions in the United Arab Emirates and have analysed this evidence in comparison to that of similar Freehold Land in the UAE to derive a benchmark discount rate for Leasehold Land and this benchmark discount rate has been applied to the aforementioned comparable evidence to derive the subject property's Fair Value. In conclusion, taking into account the inherent characteristics and tenure of the subject property the valuer has used AED 300-400 per sq. ft (equivalent to KD 25 – 33 per sq. ft) to value the concession right land area.

The Group has decided to develop the land according to the concession agreement and intends to renew the right of use land agreement on its expiry for another 30 years, as such renewal is in line with industry practice. Accordingly, in order to facilitate development of the property and to bring in a new investor to finance the development, the Group transferred the property from a local subsidiary to a 100% owned foreign subsidiary located in the United Arab Emirates (UAE). Consequently, the concession agreement has been transferred in the name of a 100% owned UAE subsidiary, and during December 2023 the Group has signed an agreement with a related party to jointly develop the property where the related party will participate in the increase in capital (in cash) of the subsidiary for a stake in the subsidiary (refer Note 5.1).

Notes to the interim condensed consolidated financial information (continued)

8 Investment in associates

Details of the associates are set out below:

<u>Name of associate</u>	<u>Country of incorporation</u>	<u>Ownership percentage</u>			<u>Principle activities</u>
		<u>31 Mar. 2026</u>	<u>31 Dec. 2025</u>	<u>31 Mar. 2025</u>	
Eradat International Real Estate Company – KSC (Closed)	Kuwait	37.53%	37.53%	37.53%	Real estate
Technical Integrated Aquaculture Company – WLL	Kuwait	20%	20%	20%	Aquaculture
Spirit Health Care for Importing Medicines & Medical Supplies -WLL	Kuwait	20%	20%	20%	Health Care Investment (Education)
Addax -BSC (Closed)	Bahrain	54.41%	54.41%	-	
National Medical Consumable Industries Company -KSCC ("NATMED")	Kuwait	24%	24%	-	Industry
Germania Clinic Center - WLL (8.1)	Kuwait	27.8%	-	-	Health Care

All the above associates are unquoted.

8.1 During the 1st quarter of 2026, on 9 March 2026, the Group has acquired 27.8% equity stake of Germania Medical Centre for a total purchase consideration of KD 500,000 (also refer note 5.2). The Group classified this investment as an associate using the equity method due to its significant influence over the investee. . The formalities related to the transfer of ownership for the investment in associate is in the process of being finalised.

Summarised financial information at acquisition and the related provisional goodwill in respect of this associate is set out below:

	KD
Total assets	1,474,790
Total liabilities	(857,550)
Fair value of identifiable net assets	617,240
Group's share of the fair value of the identifiable net assets	171,593
Total purchase consideration for the investment	500,000
Provisional goodwill included in the carrying value of the investment in associate	328,407

The initial accounting for the business combination is provisional due to its complexity, and will be adjusted retrospectively (if required) when the final purchase price allocation is completed during the one-year measurement period from the acquisition date.

Notes to the interim condensed consolidated financial information (continued)

8 Investment in associates (continued)

8.2 Movement of investment in associate during the period /year is as follows:

	31 March 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	31 March 2025 (Unaudited) KD
Balance at beginning of the period/year	16,826,814	5,531,967	5,531,967
Additions	500,000	8,186,734	354,000
Gain on bargain purchase of associates	-	1,421,270	-
Impairment loss on investment in associates	-	(54,889)	-
Foreign currency translation reserve	36,336	-	-
Share of results	321,674	1,741,732	83,638
Balance at the end of the period /year	17,684,824	16,826,814	5,969,605

The Group accounted for its share of results in the above associates using 31 March 2026 unaudited interim condensed financial information except

9 Cash and cash equivalents

	31 March 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	31 March 2025 (Unaudited) KD
Cash and bank balances	769,333	764,121	141,748
Cash in portfolios (a)	65,638	65,638	66,609
Short term bank deposits (b)	2,000,000	3,000,000	1,000,000
Cash and cash equivalents for the purpose of the consolidated statement of financial position	2,834,971	3,829,759	1,208,357
Less: pledged deposit	-	-	(1,000,000)
Cash and cash equivalents for the purpose of the consolidated statement of cash flows	2,834,971	3,829,759	208,357

- a) Cash in portfolios are placed with and managed by a related party (Notes 11).
- b) Short term deposits are placed with local banks and mature within one year and carry effective interest rate ranging from 3.65% to 3.95% (31 December 2025: ranging from 4% to 4.1% and 31 March 2025: 4%) per annum.

10 Share capital

	Authorised	Issued	Paid up
31 March 2026			
Shares of 100 Fils each	220,500,000	220,500,000	220,500,000
31 December 2025			
Shares of 100 Fils each	220,500,000	220,500,000	220,500,000
31 March 2025			
Shares of 100 Fils each	105,000,000	105,000,000	105,000,000

Notes to the interim condensed consolidated financial information (continued)

10 Share capital (continued)

At the Extraordinary General Assembly held on 15 May 2025, the shareholders approved an increase in the Company's authorized, issued, and fully paid-up share capital from KD10,500,000 to KD22,050,000, representing an increase of KD 11,550,000. The capital increase was implemented through the following:

- Issuance of bonus shares at a rate of 5%, totaling KD 525,000, distributed over 5,250,000 shares with a nominal value of 100 fils per share.
- Cash capital increase through the issuance of 110,250,000 new shares at a nominal value of 100 fils per share, without a share premium, totaling KD 11,025,000. This represents a 100% capital increase following the inclusion of the above-mentioned bonus shares.

During the year 2025, the Parent Company's share capital increased by KD525,000 as a result of issuance of bonus shares (note 12). The share capital increase was registered in the commercial register on 26 May 2025.

Following approval of the Capital Markets Authority (CMA), the Parent Company's issued capital was increased by KD11,025,000 and registered in the commercial register of the Ministry of Commerce on 27 July 2025. The capital increase was fully subscribed and on 20 July 2025.

Subsequent event

Subsequent to the reporting date, the Parent Company's share capital increased by KD1,102,500 as a result of issuance of bonus shares (note 12). The Parent Company is in the process of completing the necessary legal formalities.

11 Related party transactions

Related parties represent 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's management.

The significant transactions and balances with related parties included in the interim condensed consolidated financial information are as follows:

	31 March 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	31 March 2025 (Unaudited) KD
Amounts included in the interim condensed consolidated statement of financial position			
Financial assets at fair value through profit or loss (managed by related party)	220,396	214,099	308,555
Cash and cash equivalents	65,638	65,638	66,609
Due from associate company	71,849	72,842	74,982
Transactions with related parties:			
Acquisition of investment in associates	-	5,340,001	-

Notes to the interim condensed consolidated financial information (continued)

11 Related party transactions (continued)

	Three months ended 31 March 2026 (Unaudited) KD	Three months ended 31 March 2025 (Unaudited) KD
Transactions included in the interim condensed consolidated statement of profit or loss and other comprehensive income		
Portfolio management fees – included within general, administrative and other expenses	-	105
Management fees - from associate *	68,229	68,555
Other income – from associate	96,367	3,000
Compensation of key management personnel:		
Salaries and short-term benefits	16,500	16,500
End of service benefits	1,626	1,626

*The Group signed a management agreement with an associate company to manage all activities of this company.

As explained in note 5.1 to the interim condensed consolidated financial information, during December 2023, the group had entered into an agreement with a related party, where the related party will invest in a real estate development project with the Group for a stake in a subsidiary (refer note 5.1 & 7).

The Group's investments at fair value through profit or loss with a carrying value of KD220,396 (31 December 2025: KD214,099 and 31 March 2025: KD308,555) and cash and cash equivalents include an amount KD65,638 (31 December 2025: KD65,638 and 31 March 2025: KD66,609) (refer note 9) which are managed/held by a related party.

12 Dividend distribution and Annual General Assembly

At the Annual General Assembly of the Parent company held on 3 May 2026, the shareholders approved the consolidated financial statements for the year ended 31 December 2025 and the board of directors' proposal to issue 5% bonus shares, not to distribute any cash dividends and to pay a remuneration of KD30,000 to the board of directors for the year ended 31 December 2025. However, due to the absence of a quorum, The Extraordinary General Assembly meeting, to approve the increase in the authorised, issued and paid-up share capital by issuing bonus shares, was postponed to 10 May 2026.

The Extraordinary General Assembly was held on 10 May 2026 and the shareholders approved to increase the Parent Company's authorized, issued and paid-up capital from KD 22,050,000 to KD 23,152,500, by issuing bonus shares of KD1,102,500 distributed into 11,025,000 shares with a nominal value of 100 fils per share.

At the Annual General Assembly of the Parent company held on 20 April 2025, the shareholders approved the consolidated financial statements for the year ended 31 December 2024 and the board of directors' proposal to issue 5% bonus shares, not to distribute any cash dividends and to pay a remuneration of KD12,500 to the board of directors for the year ended 31 December 2024.

The approved bonus share issuance will result in an increase in the number of issued and fully paid-up shares by 5,250,000 (2024: 5,000,000 shares), and an increase in the share capital by KD 525,000 (2024: KD 500,000).

The amendment to the Company's Articles of Association to reflect the increase in share capital resulting from the bonus share issuance was subsequently approved at the Extraordinary General Assembly held on 15 May 2025.

Notes to the interim condensed consolidated financial information (continued)

13 Segmental analysis

The Group operates its activities in real estate, investment and ready mixed concrete production segments. The following is the segments information, which conforms with the internal reporting presented to management:

	Investments		Real estate		Ready mixed concrete production		Unallocated		Total	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025
	(Unaudited) KD	(Unaudited) KD	(Unaudited) KD	(Unaudited) KD	(Unaudited) KD	(Unaudited) KD	(Unaudited) KD	(Unaudited) KD	(Unaudited) KD	(Unaudited) KD
Three -month ended:										
Segment revenue (continuing operations)	362,257	112,690	-	-	-	-	174,201	82,454	536,458	195,144
Segment revenue (discontinued operations)	-	-	-	-	34,456	281,459	-	-	34,456	281,459
(Deduct)/Add:										
Net (profit) / loss from financial assets at FVTPL									(7,057)	1,633
Share of results of associates									(321,674)	(83,638)
Management fees									(68,229)	(68,555)
Interest and other income									(139,498)	(44,584)
Revenue from sales and customer contracts as per interim condensed consolidated statement of profit or loss									34,456	281,459
Segment results (continuing operations)	362,257	112,585	(2,865)	(1,564)	-	-	174,201	82,454	533,593	193,475
Segment results (discontinued operations)	-	-	-	-	34,456	70,545	-	-	34,456	70,545
Unallocated expenses									(132,992)	(163,607)
Profit for the period as per interim condensed consolidated statement of profit or loss									435,057	100,413
Depreciation	-	-	-	-	-	8,100	4,006	3,290	4,006	11,390
Total assets	20,876,534	7,569,107	2,336,887	2,348,695	1,794,664	1,959,021	521,100	439,583	25,529,185	12,316,406
Total liabilities	-	-	-	-	276,108	291,537	391,131	130,079	667,239	421,616
Net assets	20,876,534	7,569,107	2,336,887	2,348,695	1,518,556	1,667,484	129,969	309,504	24,861,946	11,894,790

Notes to the interim condensed consolidated financial information (continued)

14 Fair value measurement

14.1 Fair value hierarchy

Fair value represents the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date.

Financial assets and financial liabilities measured at fair value in the 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 may be categorized as follows:

	31 March 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	31 March 2025 (Unaudited) KD
Financial assets:			
Amortised cost:			
Cash and cash equivalents	2,834,971	3,829,759	1,208,357
Fixed deposit	-	-	50,000
Accounts receivable and other assets	98,207	104,577	451,181
At fair value:			
Financial assets at fair value through profit or loss	234,446	227,389	317,539
Financial assets at fair value through other comprehensive income	122,293	125,338	107,115
	3,289,917	4,287,063	2,134,192
Financial liabilities:			
At amortised cost:			
Accounts payable and other liabilities	290,936	283,170	261,005
	290,936	283,170	261,005

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

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

Notes to the interim condensed consolidated financial information (continued)

14 Fair value measurement (continued)

14.2 Fair value measurement of financial instruments (continued)

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

	Level 1 KD	Level 2 KD	Level 3 KD	Total KD
31 March 2026 (Unaudited)				
At FVTPL:				
Foreign quoted securities	14,050	-	-	14,050
Managed portfolios	-	-	220,396	220,396
At FVTOCI:				
- Unquoted securities	-	-	122,293	122,293
	14,050	-	342,689	356,739
31 December 2025 (Audited)				
At FVTPL:				
Foreign quoted securities	13,290	-	-	13,290
Managed portfolios	-	-	214,099	214,099
At FVTOCI:				
- Unquoted securities	-	-	125,338	125,338
	13,290	-	339,437	352,727
31 March 2025 (Unaudited)				
At FVTPL:				
Foreign quoted securities	8,984	-	-	8,984
Managed portfolios	-	-	308,555	308,555
At FVTOCI:				
- Unquoted securities	-	-	107,115	107,115
	8,984	-	415,670	424,654

There have been no significant transfers between levels 1 and 2 during the reporting period.

Measurement at fair value

Valuation methods and techniques used for the purpose of measuring fair value have not been changed compared to the previous reporting period.

Notes to the interim condensed consolidated financial information (continued)

14 Fair value measurement (continued)

14.2 Fair value measurement of financial instruments (continued)

Level 3 fair value measurements

The Group's financial assets and liabilities classified in Level 3 uses valuation techniques based on significant inputs that are not based on observable market data. The financial instruments within this level can be reconciled from beginning to ending of the financial period/year as follows:

	31 March 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	31 March 2025 (Unaudited) KD
Opening balance	339,437	415,670	415,670
Gains or losses recognised in:			
-Profit or loss	6,297	(94,456)	-
-Other comprehensive income	(3,045)	18,223	-
Closing balance	342,689	339,437	415,670

The Group's finance team performs valuations of financial items for financial reporting purposes, including Level 3 fair values, in consultation with third party valuation specialists for complex valuations, where required. Valuation techniques are selected based on the characteristics of each financial instrument, with the overall objective of maximizing the use of market-based information.

15 Treasury shares

	31 March 2026 (Unaudited)	31 Dec. 2025 (Audited)	31 March 2025 (Unaudited)
Number of treasury shares	2,101,369	200,000	-
Percentage of issued shares	0.95%	0.09%	-
Market value (KD)	390,855	41,000	-
Cost (KD)	441,260	37,403	-

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

16 Geopolitical developments

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

Management has performed an assessment of the potential impacts of these developments on the Group's interim condensed consolidated financial information in accordance with IAS 34. Based on the information available as of the issuance date, no material impact has been identified requiring adjustments to this interim condensed consolidated financial information.

However, given the evolving nature of the situation, certain estimates and judgements applied in the preparation of these interim condensed consolidated financial information may be subject to increased uncertainty. Management will continue to monitor developments and assess the potential impact, if any, on the Group's financial position, financial performance and cash flows in future reporting periods.