Mabanee Company K.P.S.C. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
30 JUNE 2026

Shape the future
with confidence

Contents

Shape the future
with confidence

Ernst & Young
Al Aiban, Al Osaimi & Partners
P.O. Box 74
Burj Alshaya, 16th & 17th Floor
Al Soor Street, Mirqab
Safat 13001, State of Kuwait

Tel: +965 2295 5000
Fax: +965 2245 6419
kuwait@kw.ey.com
https://www.ey.com

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS' OF MABANEE COMPANY K.P.S.C.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Mabanee Company K.P.S.C. (the "Parent Company") and its subsidiaries (collectively, the "Group") as at 30 June 2026 and the related interim condensed consolidated statement of profit or loss, interim condensed consolidated statement of comprehensive income for the three-month and six-month periods then ended, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six-month period then ended. The 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 IAS 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*.

Report on Other Legal and Regulatory Requirements

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

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

BADER A. AL-ABDULJADER
LICENCE NO. 207A
EY
AL-AIBAN, AL-OSAIMI & PARTNERS

27 July 2026
Kuwait

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2026

	Notes	***30 June 2026 KD'000's***	*Audited 31 December 2025 KD'000's*	*30 June 2025 KD'000's*
ASSETS				
Non-current assets				
Property and equipment		**137,150**	139,174	139,218
Investment properties	3	**1,706,117**	1,487,108	1,262,703
Right-of-use assets		**62,266**	63,616	69,454
Investment in associates		**64,454**	63,432	60,647
Prepayments and advances		**61,304**	64,099	64,404
Investment securities		**1,891**	1,873	1,896
		2,033,182	1,819,302	1,598,322
Current assets				
Receivables from associates	9	**1,148**	318	434
Account receivables and other assets		**86,658**	56,063	51,872
Cash and short-term deposits	4	**80,592**	75,545	109,767
		168,398	131,926	162,073
TOTAL ASSETS		**2,201,580**	1,951,228	1,760,395
EQUITY AND LIABILITIES				
Equity				
Share capital	10	**156,760**	147,887	147,887
Share premium		**16,505**	16,505	16,505
Statutory reserve		**92,023**	92,023	83,083
Voluntary reserve		**92,023**	92,023	83,083
Treasury shares reserve		**42**	42	42
Foreign currency translation reserve		**9,933**	7,415	7,248
Fair value reserve		**(1,216)**	(1,234)	(1,329)
Other reserves		**(1,342)**	(1,342)	(2,028)
Retained earnings		**376,139**	382,207	365,936
Equity attributable to the equity holders of the Parent Company		**740,867**	735,526	700,427
Non-controlling interests		**121,537**	106,433	97,991
Total equity		**862,404**	841,959	798,418
Non-current liabilities				
Employees' end of service benefits		**7,835**	7,175	6,827
Loans and borrowings	5	**981,303**	835,494	554,264
Lease liabilities		**67,445**	65,191	63,524
Other non-current liabilities		**105,057**	86,613	68,774
		1,161,640	994,473	693,389
Current liabilities				
Loans and borrowings	5	**113,618**	43,853	201,134
Lease liabilities		**2,246**	424	447
Trade and other payables		**61,672**	70,519	67,007
		177,536	114,796	268,588
Total liabilities		**1,339,176**	1,109,269	961,977
TOTAL EQUITY AND LIABILITIES		**2,201,580**	1,951,228	1,760,395

Mohammad Abdulaziz Alshaya
Chairman

The accompanying notes 1 to 13 are an integral part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

For the period ended 30 June 2026

	Notes	*Three months ended 30 June* **2026** **KD'000's**	*Three months ended 30 June* 2025 KD'000's	*Six months ended 30 June* **2026** **KD'000's**	*Six months ended 30 June* 2025 KD'000's
REVENUE					
Revenue from investment properties		**29,212**	29,208	**58,147**	58,145
Revenue from hotel operations		**2,992**	5,148	**7,243**	10,329
		32,204	34,356	**65,390**	68,474
COST OF REVENUE					
Investment property's expenses		**(6,654)**	(6,267)	**(12,954)**	(13,526)
Depreciation expense on investment properties	3	**(2,837)**	(2,840)	**(5,680)**	(5,680)
Hotel operation's expenses		**(2,650)**	(3,609)	**(5,717)**	(7,217)
Depreciation expense on hotel properties		**(1,023)**	(1,026)	**(2,076)**	(2,049)
		(13,164)	(13,742)	**(26,427)**	(28,472)
GROSS PROFIT		**19,040**	20,614	**38,963**	40,002
Other income		**1,380**	620	**2,590**	2,257
Gain from disposal of asset held for sale	3	**-**	-	**-**	21,555
Share of results of associates		**153**	239	**497**	481
General and administrative expenses		**(2,493)**	(1,968)	**(5,206)**	(7,201)
Finance costs		**(1,868)**	(1,913)	**(3,407)**	(4,567)
PROFIT BEFORE TAX		**16,212**	17,592	**33,437**	52,527
Tax expense	7	**(701)**	(811)	**(1,472)**	(2,481)
PROFIT FOR THE PERIOD		**15,511**	16,781	**31,965**	50,046
Attributable to:					
Equity holders of the Parent Company		**15,572**	16,884	**32,382**	50,295
Non-controlling interests		**(61)**	(103)	**(417)**	(249)
		15,511	16,781	**31,965**	50,046
BASIC AND DILUTED EARNINGS PER SHARE (EPS) ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY (FILS)	8	**9.93**	10.77	**20.66**	32.08

The accompanying notes 1 to 13 are an integral part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 June 2026

	Three months ended 30 June		*Six months ended 30 June*	
	2026	*2025*	***2026***	*2025*
	KD'000's	*KD'000's*	***KD'000's***	*KD'000's*
PROFIT FOR THE PERIOD	**15,511**	16,781	**31,965**	50,046
Other comprehensive income				
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):				
Net gain on equity instruments at fair value through other comprehensive income	**18**	**-**	**18**	43
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):				
Exchange differences on translation of foreign operations	**4,778**	(3,358)	**6,465**	(1,081)
Other comprehensive income for the period	**4,796**	(3,358)	**6,483**	(1,038)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**20,307**	13,423	**38,448**	49,008
Attributable to:				
Equity holders of the Parent Company	**16,654**	14,159	**34,918**	50,455
Non-controlling interest	**3,653**	(736)	**3,530**	(1,447)
	20,307	13,423	**38,448**	49,008

The accompanying notes 1 to 13 are an integral part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 June 2026

	Equity attributable to equity holders of the Parent Company											
	Share capital KD'000's	***Share premium KD'000's***	***Statutory reserve KD'000's***	***Voluntary reserve KD'000's***	***Treasury shares reserve KD'000's***	***Foreign currency translation reserve KD'000's***	***Fair value reserve KD'000's***	***Other reserve KD'000's***	***Retained earnings KD'000's***	***Sub total KD'000's***	***Non-controlling interest KD'000's***	***Total equity KD'000's***
As at 1 January 2026 (Audited)	**147,887**	**16,505**	**92,023**	**92,023**	**42**	**7,415**	**(1,234)**	**(1,342)**	**382,207**	**735,526**	**106,433**	**841,959**
Profit (loss) for the period	-	-	-	-	-	-	-	-	32,382	32,382	(417)	31,965
Other comprehensive income for the period	-	-	-	-	-	2,518	18	-	-	2,536	3,947	6,483
Total comprehensive income for the period	-	-	-	-	-	2,518	18	-	32,382	34,918	3,530	38,448
Cash dividends (Note 10.2)	-	-	-	-	-	-	-	-	(29,577)	(29,577)	-	(29,577)
Bonus shares issue (Note 10.2)	8,873	-	-	-	-	-	-	-	(8,873)	-	-	-
Non-controlling interest contribution plan	-	-	-	-	-	-	-	-	-	-	11,574	11,574
At 30 June 2026	**156,760**	**16,505**	**92,023**	**92,023**	**42**	**9,933**	**(1,216)**	**(1,342)**	**376,139**	**740,867**	**121,537**	**862,404**
As At 1 January 2025 (Audited)	139,516	16,505	83,083	83,083	42	7,131	(1,372)	(2,028)	343,544	669,504	83,441	752,945
Profit (loss) for the period	-	-	-	-	-	-	-	-	50,295	50,295	(249)	50,046
Other comprehensive income (loss) for the period	-	-	-	-	-	117	43	-	-	160	(1,198)	(1,038)
Total comprehensive income (loss) for the period	-	-	-	-	-	117	43	-	50,295	50,455	(1,447)	49,008
Cash dividends (Note 10.2)	-	-	-	-	-	-	-	-	(19,532)	(19,532)	-	(19,532)
Bonus shares issue (Note 10.2)	8,371	-	-	-	-	-	-	-	(8,371)	-	-	-
Non-controlling interest contribution plan	-	-	-	-	-	-	-	-	-	-	15,997	15,997
At 30 June 2025	147,887	16,505	83,083	83,083	42	7,248	(1,329)	(2,028)	365,936	700,427	97,991	798,418

The accompanying notes 1 to 13 are an integral part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the period ended 30 June 2026

		Six months ended 30 June	
	Notes	***2026*** ***KD'000's***	*2025* *KD'000's*
OPERATING ACTIVITIES			
Profit before tax		**33,437**	52,527
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation of investment and hotel properties		**8,494**	8,301
Depreciation of rights-of-use assets		**2,392**	5,010
Provision for employees end of service benefits		**822**	562
Net investment loss		**-**	1
Finance costs		**3,407**	4,567
Bank deposit income		**(1,859)**	(2,701)
Gain on disposal of asset held for sale	3	**-**	(21,555)
Expected credit loss on tenant receivables		**-**	2,144
Share of results of associates		**(497)**	(481)
		46,196	48,375
Working capital changes:			
Receivables from associates		**(80)**	(26)
Account receivables, prepayments and other assets		**(22,797)**	(20,659)
Trade and other payables		**(26,397)**	(19,863)
Other non-current liabilities		**-**	6,002
Cash flows used in operations		**(3,078)**	13,829
Employees' end of service benefits paid		**(130)**	(61)
Director's remuneration paid		**(714)**	(724)
Taxes paid		**(4,036)**	(3,054)
Net cash flows (used in) generated from operating activities		**(7,958)**	9,990
INVESTING ACTIVITIES			
Purchase of property and equipment		**(777)**	(887)
Additions to investment properties		**(146,620)**	(97,084)
Additions to investment in associates		**(1,050)**	(3,117)
Proceeds from disposal of asset held for sale	3	**-**	28,000
Movement in term deposit with original maturities exceeding of three months	4	**1,915**	63,663
Bank deposit income received		**651**	772
Net cash flows used in investing activities		**(145,881)**	(8,653)
FINANCING ACTIVITIES			
Proceeds from loans and borrowings		**223,146**	120,556
Repayment of loans and borrowings		**(13,000)**	(48,717)
Loan arrangement fees paid		**(3,795)**	-
Payment of lease liabilities		**(364)**	(8,837)
Prepayments of bank fees		**(51)**	(1,020)
Dividend paid		**(29,577)**	(19,532)
Finance costs paid		**(30,613)**	(23,575)
Funding received from non-controlling interest		**11,574**	15,997
Net cash flows from financing activities		**157,320**	34,872
NET INCREASE IN CASH ANDCASH EQUIVALENTS		**3,481**	36,209
Effect of foreign currency translation		**2,972**	(830)
Cash and bank balances at 1 January		**22,530**	10,130
CASH AND CASH EQUIVALENTS AT 30 JUNE	4	**28,983**	45,509

The accompanying notes 1 to 13 are an integral part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
For the period ended 30 June 2026

Material non-cash transactions excluded from consolidated statement of cash flows:

	Six months ended 30 June	
	2026	*2025*
	KD'000's	*KD'000's*
OPERATING ACTIVITIES		
Movement in non-current liabilities	**18,444**	6,342
Movement in trade and other payables	**20,292**	29,743
INVESTING ACTIVITIES		
Additions to investment properties	**(42,096)**	(37,582)
Additions to right-of-use assets	**(2,558)**	(51,160)
FINANCING ACTIVITIES		
Net movement in loans and borrowings	**5,428**	(3,409)
Additions to lease liabilities	**2,558**	-

The accompanying notes 1 to 13 are an integral part of this interim condensed consolidated financial information.

1 CORPORATE INFORMATION

The interim condensed consolidated financial information of Mabanee Company K.P.S.C. (the "Parent Company") and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2026 was authorised for issue in accordance with a resolution of the Parent Company's Board of Directors on 27 July 2026.

The consolidated financial statements of the Group for the year ended 31 December 2025 were approved by the Parent Company's shareholders at the annual general assembly meeting ("AGM") held on 8 March 2026. Dividends declared and approved by the Group are disclosed in Note 10.

The Parent Company is a public shareholding company and was registered and incorporated in Kuwait in 1964. The registered postal address of the Parent Company is P.O. Box 5132, Safat 13052, State of Kuwait. The primary objectives of the Parent Company are as follows:

- Construction of buildings in prefabricated units and carrying out other construction works. For doing the same, the Parent Company may:
  - Establish factories and plants in order to achieve its objectives.
  - Trade in all materials, tools and machines associated with the nature of its business.
  - Carry out construction works.
  - Investing in construction, reconstruction and housing operations.
- Establish buildings, shopping malls, commercial exhibitions, stores, and different warehouses for itself and others', as well as sale, rent, manage and maintenance of those owned by others.
- Export, and import all types of materials, tools, equipment and others that are related to nature of the Parent Company's activity.
- Own, sale, and purchase of real estate properties and lands and developing them for the Parent Company's account inside and outside the State of Kuwait, as well as management of third parties' properties, all with no prejudice to the provisions set out in the applicable laws, which prohibit trading in private residential plots as stipulated by virtue of such laws.
- Own, sale, and purchase of shares and bonds of the real estate companies for the benefit of the Parent Company inside and outside Kuwait only.
- Prepare studies, provide consultations in real estate fields (of all types) provided that the service provider should meet the required conditions.
- Own, manage, lease, and rent hotels, health clubs and touristic utilities.
- Carry out all maintenance work related to buildings and real estate owned by the Parent Company and others, including steel and aluminium works, maintenance work, civil works, including sanitary works, paints, mechanical, electrical, elevators and air conditioning works including extensions and spare parts, and other complementary works for buildings and constructions to ensure the preservation of buildings and their safety.
- Manage, operate, invest, rent and lease hotels, health clubs, motels, hosting houses, rest places, parks and gardens, exhibitions, restaurants, cafes, residential complexes, touristic and health resorts, entertainment and sport projects, and shops of all levels and classes including all main and sub services, in addition to related utilities and other services.
- Organise real estate exhibitions for the Parent Company's real estate projects according to the regulations adopted in the ministry.
- Holding real estate auctions.
- Own and manage commercial shopping malls and residential complexes.
- Develop and manage real estate investment funds only rather than carrying out other types of utilizations and investment of funds for others.
- Utilise the Parent Company's financial surpluses through investment in financial and real estate portfolios managed by specialised authorities.
- Direct contribution to the development of infrastructure for residential, commercial and industrial areas and projects under BOT and management of real estate facilities under BOT.

1 CORPORATE INFORMATION (continued)

The Parent Company may carry out similar, complementary business or works that are essential or related to its business. The Parent Company may carry out the above business in the state of Kuwait or outside by itself or through agency. The Parent Company may establish its branches inside and outside State of Kuwait. Also, the Parent Company may have an interest or be involved in any way with the entities that are engaged in similar activities or that may assist the Parent Company in achieving its objectives in Kuwait and abroad. The Parent Company may also buy these entities or merge with them.

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

2.1 Basis of preparation

This interim condensed consolidated financial information of the Group is prepared in accordance with IAS 34: *Interim Financial Reporting*. 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.

The Group has prepared these interim condensed consolidated financial statements on a going concern basis. In making this assessment, management has considered the Group's net current liabilities position of KD 9,138 thousand as at 30 June 2026, which primarily reflects the timing of scheduled debt repayments and is supported by undrawn committed borrowing facilities of KD 613,362 thousand (Note 11) and the Group's strong liquidity position.

This interim condensed consolidated financial information does not contain all information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

The interim condensed consolidated financial information is presented in Kuwaiti Dinars ("KD"), all values rounded to the nearest thousand (KD '000) except when otherwise indicated.

Amendments and annual improvements to IFRS Accounting Standards, relevant to the Group which are effective for annual reporting period starting from 1 January 2026 did not result in any material impact on the accounting policies, financial position or performance of the Group.

2.2 New standards, interpretations and amendments adopted by the Group

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

One amendment applies for the first time in 2026 but does not have an impact on the interim condensed consolidated financial information of the Group.

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

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

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

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

3 INVESTMENT PROPERTIES

	30 June 2026 KD'000's	*(Audited) 31 December 2025 KD'000's*	*30 June 2025 KD'000's*
Cost			
At 1 January	**1,625,542**	1,250,640	1,250,640
Additions	**215,973**	381,884	151,129
Exchange differences	**8,716**	(6,982)	(6,318)
At 30 June (31 December)	**1,850,231**	1,625,542	1,395,451
Accumulated depreciation			
At 1 January	**(138,434)**	(127,068)	(127,068)
Depreciation charge for the period/year	**(5,680)**	(11,366)	(5,680)
At 30 June (31 December)	**(144,114)**	(138,434)	(132,748)
Carrying amount	**1,706,117**	1,487,108	1,262,703
Depreciation rates	**2% - 3.33%**	2% - 3.33%	2% - 3.33%

Investment properties comprise the following:

	30 June 2026 KD'000's	*(Audited) 31 December 2025 KD'000's*	*30 June 2025 KD'000's*
Kuwait			
Completed properties	**446,780**	452,390	458,076
Properties under development	**28,531**	15,656	6,698
Freehold land	**1,371**	1,371	1,371
	476,682	469,417	466,145
KSA			
Properties under development	**1,068,338**	857,882	636,802
Freehold land*	**156,062**	154,815	154,763
	1,224,400	1,012,697	791,565
Bahrain			
Freehold land	**5,035**	4,994	4,993
	5,035	4,994	4,993
	1,706,117	1,487,108	1,262,703

Additions to investment properties include costs of KD 203,030 thousand (31 December 2025: KD 368,212 thousand; 30 June 2025: KD 146,419 thousand) incurred on the development of property projects in the Kingdom of Saudi Arabia. These include capitalised borrowing costs of KD 27,257 thousand (31 December 2025: KD 47,399 thousand; 30 June 2025: KD 21,239 thousand) at a capitalisation rate ranging from 6.26% to 6.69% (31 December 2025: 4.87% to 6.69%; 30 June 2025: 4.93% to 6.45%).

3 INVESTMENT PROPERTIES (continued)

Management has assessed the carrying values of investment properties as at 30 June 2026, having regard to observable market data, valuation inputs from the most recent independent valuations and current operating performance. No impairment indicators requiring a full impairment assessment were identified as at the reporting date. Given the evolving geopolitical environment described in Note 13, management continues to monitor developments and will reassess the carrying values in future reporting periods, as appropriate.

⋆ Land in KSA amounting to KD 156,062 thousand (31 December 2025: KD 154,815 thousand; 30 June 2025: KD 154,763 thousand) has been pledged as security against bank borrowings (Note 5).

The Group's investment properties in Kuwait are held on leasehold land and comprise completed properties and properties under development.

In 2025, a subsidiary of the Group disposed off its freehold interest in a parcel of land located in the State of Kuwait pursuant to a binding sale agreement for a consideration of KD 28,000 thousand, resulting in a gain on disposal of KD 21,555 thousand recognised in profit or loss.

4 CASH AND SHORT-TERM DEPOSITS

For the purpose of the interim condensed consolidated statement of cashflows, cash and cash equivalents comprises of the following:

	30 June 2026 KD'000's	*(Audited) 31 December 2025 KD'000's*	*30 June 2025 KD'000's*
Cash in hand	**43**	61	49
Current and call account with banks	**17,146**	20,064	27,912
Short term deposits	**63,403**	55,420	81,806
Cash and short-term deposits	**80,592**	75,545	109,767
Less: Deposits with original maturities after three months	**(51,100)**	(53,015)	(64,258)
Less: Restricted cash*	**(509)**	-	-
Cash and cash equivalents	**28,983**	22,530	45,509

Deposits are held with local and regional commercial banks in Kuwaiti Dinars (KD), Saudi Riyals (SAR) and Bahraini Dinars (BD). The effective interest rates on these deposits as at 30 June 2026 ranged from 3.95% to 5.25% (31 December 2025: 2.63% to 5.40%, 30 June 2025: 4.75% to 6.05%) per annum.

⋆ Restricted cash represents balances held with financial institution in respect of the Group's ongoing development project in the Kingdom of Saudi Arabia. The balances are held under contractual arrangements with the financing bank and are not available for the Group's general use during the restriction period.

5 LOANS AND BORROWINGS

	30 June 2026 KD'000's	*(Audited) 31 December 2025 KD'000's*	*30 June 2025 KD'000's*
Current			
Murabaha and other Islamic financing activities	**38,605**	27,853	158,550
Bank overdraft facilities	**75,013**	16,000	42,584
	113,618	43,853	201,134
Non-current			
Murabaha and other Islamic financing activities	**981,303**	835,494	554,264
	981,303	835,494	554,264
	1,094,921	879,347	755,398
Bank borrowings denominated in KD	**346,980**	295,705	334,841
Bank borrowings denominated in SAR	**747,941**	583,659	420,557
	1,094,921	879,364	755,398

Bank borrowings are obtained from local and regional commercial banks denominated in KD and SAR. The facilities bear floating rates with an average effective interest rate of 6.26% (31 December 2025: 6.69%; 30 June 2025: 6.45%) per annum, with contractual maturity extending to 2036.

The following assets have been pledged as security against bank borrowings:

	30 June 2026 KD'000's	*(Audited) 31 December 2025 KD'000's*	*30 June 2025 KD'000's*
Freehold land in KSA (Note 3)	**156,062**	154,815	154,763

The pledged land relates to a development project with a carrying value of KD 1,068,338 thousand as at 30 June 2026 (31 December 2025: KD 857,882 thousand; 30 June 2025: KD 636,802 thousand).

6 SEGMENT INFORMATION

The Group is organised into business units based on the nature of its operations and internal reporting structure. The chief operating decision maker monitors the operating results of these business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with profit or loss in the interim condensed consolidated financial information.

- **Real estate investment and management**: comprises leasing of retail and commercial properties (including shopping malls), real estate development, project leasing, and asset and property management services.
- **Hospitality operations**: comprises of hotel operations and related services.

Unallocated items comprise head office and corporate expenses, finance income, finance costs and income taxes, which are not monitored by the chief operating decision maker on a segment basis.

6 SEGMENT INFORMATION (continued)

There are no inter-segment revenues.

Segment assets primarily comprise investment properties (including those under development) and property, plant and equipment relating to hotel operations.

Segment liabilities comprise loans and borrowings and other payables.

6 SEGMENT INFORMATION (continued)

The following tables present revenue and profit information for the Group's operating segments for the six months ended 30 June 2026 and 2025, respectively:

	As at and for the period ended 30 June							
	Real estate investment and management		***Hotel operations***		***Unallocated***		***Total***	
	2026 KD'000's	*2025 KD'000's*	***2026 KD'000's***	*2025 KD'000's*	***2026 KD'000's***	*2025 KD'000's*	***2026 KD'000's***	*2025 KD'000's*
Segment revenue	**58,643**	58,626	**7,243**	10,329	**2,590**	23,812	**68,476**	92,767
Segment expenses	**(26,632)**	(29,623)	**(7,793)**	(8,687)	**(2,086)**	(4,411)	**(36,511)**	(42,721)
Segment results	**32,011**	29,003	**(550)**	1,642	**504**	19,401	**31,965**	50,046
Segment assets	**2,062,814**	1,619,360	**132,057**	132,459	**6,709**	8,576	**2,201,580**	1,760,395
Segment liabilities	**1,334,806**	957,454	**2,646**	2,742	**1,724**	1,783	**1,339,176**	961,979

	Kuwait		***Saudi Arabia***		***Unallocated***		***Total***	
	2026 KD'000's	*2025 KD'000's*	***2026 KD'000's***	*2025 KD'000's*	***2026 KD'000's***	*2025 KD'000's*	***2026 KD'000's***	*2025 KD'000's*
Segment revenue	**66,664**	91,361	**642**	141	**1,170**	1,265	**68,476**	92,767
Segment expenses	**(33,648)**	(41,055)	**(2,530)**	(1,412)	**(333)**	(254)	**(36,511)**	(42,721)
Segment results	**33,016**	50,306	**(1,888)**	(1,271)	**837**	1,011	**31,965**	50,046

6 SEGMENT INFORMATION (continued)

	Kuwait			*Saudi Arabia*			*Unallocated*			*Total*		
	30 June 2026 KD'000's	*31 December 2025 KD'000's*	*30 June 2025 KD'000's*	***30 June 2026 KD'000's***	*31 December 2025 KD'000's*	*30 June 2025 KD'000's*	***30 June 2026 KD'000's***	*31 December 2025 KD'000's*	*30 June 2025 KD'000's*	***30 June 2026 KD'000's***	*31 December 2025 KD'000's*	*30 June 2025 KD'000's*
Segment assets	**872,235**	833,770	858,754	**1,297,213**	1,081,391	863,757	**32,132**	36,068	37,884	**2,201,580**	1,951,229	1,760,395
Segment liabilities	**487,733**	429,890	463,320	**851,320**	677,631	496,766	**123**	1,748	1,893	**1,339,176**	1,109,269	961,979

7 TAX EXPENSE

	Three months ended 30 June		*Six months ended 30 June*	
	2026	*2025*	***2026***	*2025*
	KD'000's	*KD'000's*	***KD'000's***	*KD'000's*
Contribution to Kuwait Foundation for the Advancement of Sciences (KFAS)	**163**	176	**339**	526
National Labour Support Tax (NLST)	**371**	451	**784**	1,394
Zakat	**167**	184	**349**	561
	701	811	**1,472**	2,481

8 BASIC AND DILUTED EARNINGS PER SHARE

Basic EPS is calculated by dividing the profit for the period attributable to ordinary equity holders of the Parent Company by the weighted average number of shares outstanding during the period. Diluted EPS is calculated by adjusting the profit attributable to ordinary equity holders of the Parent Company and the weighted average number of shares for the effects of dilutive potential ordinary shares, if any.

	Three months ended 30 June		*Six months ended 30 June*	
	2026	*2025*	***2026***	*2025*
Profit for the period attributable to equity holders of the Parent Company *(KD'000's)*	**15,572**	16,884	**32,382**	50,295
Weighted average number of ordinary shares outstanding during the period*	**1,567,594,254**	1,567,595,605	**1,567,593,524**	1,567,595,232
Basic and diluted EPS (Fils)	**9.93**	10.77	**20.66**	32.08

* The weighted average number of ordinary shares for the comparative period has been adjusted retrospectively to reflect the bonus issue during the year ended 31 December 2025, in accordance with IAS 33. '*Earnings per share'* and EPS for the prior period have been restated accordingly.

There have been no significant transactions involving ordinary shares or potential ordinary shares between the reporting date and the authorisation date of this interim condensed consolidated financial information.

9 RELATED PARTY DISCLOSURES

These represent transactions with major shareholders, directors, executive officers and key management personnel of the Group, close members of their families and companies of which they are principal owners or over which they are able to exercise control or significant influence entered into by the Group in the ordinary course of business. Pricing policies and terms of these transactions are approved by the Group's management.

The following table provides the total amount of transactions that have been entered into with related parties during the six months ended 30 June 2026 and 2025, as well as balances with related parties as at 30 June 2026, 31 December 2025 and 30 June 2025:

	Three months ended 30 June		*Six months ended 30 June*	
Interim condensed consolidated statement of profit or loss	***2026***	*2025*	***2026***	*2025*
	KD'000's	*KD'000's*	***KD'000's***	*KD'000's*
Entities under common control				
Revenue	**3,482**	3,512	**7,198**	7,322
Expenses	**42**	104	**121**	196
Management fees (included in revenue from investment properties)	**1,024**	389	**1,467**	766
Property and equipment/investment properties	**341**	14	**392**	138

Interim condensed consolidated statement of financial position	***30 June 2026***	*(Audited) 31 December 2025*	*30 June 2025*
	KD'000's	*KD'000's*	*KD'000's*
Right-of-use assets			
Office premises	**2,662**	429	491
Accounts receivable and other assets			
Lease and other receivables from lessees	**177**	106	215
Receivables from associates	**1,148**	318	434
Lease liabilities	**2,785**	484	475
Trade and other payables			
Rent received in advance within one year	**984**	1,629	1,189

Terms and conditions of transactions with related parties
Transactions with related parties are made on terms approved by the Group's management. Outstanding balances at the year-end are unsecured, interest free and have no fixed repayment schedule. For the period ended 30 June 2026, the Group has not recognised any provision for expected credit losses relating to amounts owed by related parties (31 December 2025: Nil; 30 June 2025: Nil).

Compensation of key management personnel:
Key management personnel comprise of the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Group. The aggregate value of transactions and outstanding balances related to key management personnel were as follows:

9 RELATED PARTY DISCLOSURES (continued)

	Transactional values for the three months ended		*Transactional value for the six months ended*	
	2026 KD'000's	*2025 KD'000's*	***2026 KD'000's***	*2025 KD'000's*
Salary and short-term benefits	**399**	374	**798**	749
Post-employment benefits	**50**	48	**100**	96
	449	422	**898**	845

	Balance outstanding as at		
	30 June 2026 KD'000's	*31 December 2025 KD'000's*	*30 June 2025 KD'000's*
Salary and short-term benefits	**3,031**	2,898	2,754
Post-employment benefits	**219**	176	183
	3,250	3,074	2,937

The proposed directors' remuneration of KD 714 thousand for the year ended 31 December 2025 was approved by the shareholders at the AGM held on 8 March 2026 and was paid subsequently during the interim reporting period.

10 SHARE CAPITAL AND DISTRIBUTIONS MADE

10.1 Share capital

The authorized share capital of the Parent Company as at 30 June 2026 is KD 180,000 thousand (31 December 2025 and 30 June 2025: KD 155,000 thousand) consisting of 1,800,000 thousand shares (31 December 2025 and 30 June 2025 : 1,550,000 thousand shares) of 100 fils each. The increase in authorized share capital was approved pursuant to the Extraordinary General Assembly meeting (EGM) held on 8 March 2026 and subsequently registered in the commercial register.

The issued and fully paid up share capital of the Parent Company as at 30 June 2026 is KD 156,760 thousand comprising of 1,567,597 thousand shares (31 December 2025 and 30 June 2025: KD 147,887 thousand comprising of 1,478,865 thousand shares) of 100 fils each.

The capital increase approved pursuant to the AGM held on 8 March 2026 is reflected in the share capital as at 30 June 2026 and was subsequently registered in the commercial register.

10.2 Distributions made

The shareholders at the AGM held on 8 March 2026 approved a cash dividend of 20 fils per share (2024: 14 fils per share) and 6% bonus shares for the year ended 31 December 2025 (2024: 6%).

The cash dividend amounting to KD 29,577 thousand (2024: KD 19,532 thousand) has been paid during the period.

The issued and fully paid share capital increased by 88,732 thousand bonus shares (2024: 83,709 thousand shares) resulting in increase of KD 8,873 thousand (2024: KD 8,371 thousand).

11 COMMITMENTS AND CONTINGENT LIABILITIES

11.1 Commitments

The Group's approved capital commitments in respect of development and expansion projects amounted to KD 538,911 thousand as at 30 June 2026 (31 December 2025: KD 689,911 thousand; 30 June 2025: KD 693,214 thousand).

The Group has secured financing to fund these commitments, with undrawn facilities amounting to KD 613,362 thousand as at 30 June 2026 (31 December 2025: KD 244,183 thousand; 30 June 2025: KD 408,803 thousand). These facilities form part of the Group's overall debt plan, in addition to funding provided by non-controlling shareholders at the subsidiary level. The significant increase in undrawn committed borrowing facilities during the period primarily reflects the syndicated financing arrangements secured to fund the Group's development pipeline, including The Avenues – Riyadh, Riyadh Towers, The Avenues – Khobar, Khobar Towers and other projects across the Kingdom of Saudi Arabia and Kuwait. These facilities are expected to be drawn progressively in line with project construction milestones and the certification of contractors' work.

11.2 Contingent liabilities

As at 30 June 2026, the Group had outstanding letters of credit, bank guarantees and corporate guarantees amounting to KD 74,115 thousand (31 December 2025: KD 73,884 thousand; 30 June 2025: KD 83,566 thousand). The Group does not expect any material liabilities to arise in respect of these guarantees.

12 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value hierarchy

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

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

For assets and liabilities that are recognised in the interim condensed financial information at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Investment securities are classified as level 3 under the fair value hierarchy.

Fair value

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

The fair value of financial instruments classified as level 3 are, in certain circumstances, measured using valuation techniques that incorporate assumptions that are not evidenced by the prices from observable current market transactions in the same instrument and are not based on observable market data. The Group employs valuation techniques, depending on the instrument type and available market data. For example, in the absence of active market, an investment's fair value is estimated on the basis of an analysis of the investee's financial position and results, risk profile and other factors. Favourable and unfavourable changes in the value of financial instruments are determined on the basis of changes in the value of the instruments as a result of varying the levels of the unobservable parameters, quantification of which is judgmental. The management assessed that the impact on other comprehensive income would be immaterial if the relevant risk variables used to fair value the financial instruments classified as Level 3 were altered by 5 percent.

For other financial assets and financial liabilities carried at amortised cost, the carrying value is not significantly different from their fair value as most of these assets and liabilities are of short-term maturity or are re-priced immediately based on market movement in interest rates.

13 IMPACT OF GEOPOLITICAL ESCALTION RISK AND UNCERTAINITY

The Group operates in a regional economic environment that continues to be affected by heightened geopolitical tensions in the Middle East. Recent developments have increased uncertainty in financial markets, energy prices, supply chains and regional economic activity, which may impact the Group's operating environment.

Management has assessed the potential implications of the current geopolitical situation on the Group's operations, financial position and future cash flows, taking into consideration the nature of its activities in real estate investment, retail mall operations and hospitality, as well as its ongoing development projects within the GCC region. Key considerations include:

- Macroeconomic conditions, including inflationary pressures, interest rate movements and economic growth trends, which may influence tenant demand, occupancy levels and rental rates across the Group's retail portfolio
- Construction and development activity, including potential increases in material and labour costs, supply chain disruptions, contractor and subcontractor performance, and possible delays in project execution timelines
- Financing and liquidity, including the availability and cost of funding, refinancing risk and compliance with financial covenants, particularly in light of the Group's ongoing capital expenditure programme
- Tenant credit risk, particularly for tenants operating in sectors sensitive to changes in consumer spending and regional economic conditions
- Market conditions, including the impact of volatility on property valuations and investor sentiment
- Operational considerations, including potential disruptions to supply chains and service delivery, as well as changes in regional travel patterns and consumer activity that may affect hospitality performance
- Foreign exchange exposure, which is limited given that the Group primarily operates in GCC currencies, including Kuwaiti Dinars, Saudi Riyals and Bahraini Dinars, which are relatively stable and largely pegged to the US Dollar

As at the reporting date, the Group has not experienced any material disruption to its core operations. While no material disruption has been observed to date, development activities remain sensitive to supply chain constraints and contractor performance, and hospitality operations remain sensitive to changes in regional travel patterns and consumer demand. Accordingly, management has not identified any material adverse impacts on the overall performance or valuation of its investment property portfolio beyond those reflected in observable market data and valuation inputs.

In assessing the carrying values of investment properties and other non-financial assets, management has not identified any indicators of impairment requiring recognition as at the reporting date. However, given the evolving nature of the geopolitical environment, future developments may impact key assumptions used in valuations.

The Group's expected credit loss models incorporate forward-looking information reflecting multiple macroeconomic scenarios. In light of current conditions, management has updated relevant assumptions, including:

- Adjustments to probability-weighted economic scenarios to reflect increased downside risks
- Consideration of sector-specific stress for tenants more exposed to changes in consumer spending and regional economic conditions
- Assessment of whether changes in the economic outlook give rise to a significant increase in credit risk for certain tenant balances

While increased uncertainty has been reflected in the Group's expected credit loss assessment, no significant migration of balances to higher credit risk categories has been identified as at the reporting date, and the allowance for expected credit losses is considered adequate.

The Group maintains sufficient liquidity buffers and access to funding to meet its operational requirements and committed capital expenditure. Management has assessed the potential impact of adverse market conditions on the Group's ability to fund its development pipeline and has not identified any material constraints as at the reporting date.

Management has also considered the impact of these 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 situation remains dynamic, and management continues to monitor developments closely and will reflect any material impacts in future reporting periods, as appropriate.