KUWAIT FOUNDRY COMPANY K.S.C.P. AND SUBSIDIARY

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

30 JUNE 2026

Shape the future
with confidence

Shape the future
with confidence

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

Introduction
We have reviewed the accompanying interim condensed consolidated statement of financial position of Kuwait Foundry Company K.S.C.P. (the "Parent Company") and subsidiary (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 months and six months periods then ended and interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six months period then ended. Management is responsible for the preparation and presentation of the interim condensed consolidated financial information in accordance with International Accounting Standard 34, *Interim Financial Reporting* ("IAS 34"). Our responsibility is to express a conclusion on the interim condensed consolidated financial information based on our review.

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

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

Report on Other Legal and Regulatory Requirements
Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended, and its executive regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, during the six months 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, we have not become aware of any violations of the provisions of Law No 7 of 2010 concerning the establishment of Capital Markets Authority ("CMA") and organization of security activity and its executive regulations, as amended, during the six months period ended 30 June 2026 that might have had a material effect on the business of the Parent Company or on its financial position.

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

30 July 2026
Kuwait

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2026

	Note	***30 June 2026 KD***	*(Audited) 31 December 2025 KD*	*30 June 2025 KD*
ASSETS				
Non-current assets				
Property, plant and equipment		**310,935**	313,742	310,470
Financial assets at fair value through other comprehensive income	3	**18,889,189**	16,738,850	14,019,871
		19,200,124	17,052,592	14,330,341
Current assets				
Inventories		**581,789**	643,151	737,841
Trade and other receivables		**1,145,109**	136,559	106,784
Term deposits		**-**	650,000	-
Bank balances and cash		**937,831**	103,783	646,382
		2,664,729	1,533,493	1,491,007
TOTAL ASSETS		**21,864,853**	18,586,085	15,821,348
EQUITY AND LIABILITIES				
Equity				
Share capital		**6,500,000**	6,500,000	6,500,000
Statutory reserve		**3,250,000**	3,250,000	3,250,000
Fair value reserve		**3,071,414**	921,075	(1,797,904)
Foreign currency translation reserve		**(1,418,868)**	(1,418,868)	(1,418,868)
Retained earnings		**10,046,770**	8,852,179	8,823,993
		21,449,316	18,104,386	15,357,221
Liabilities				
Non-current liabilities				
Employees' end of service benefits		**147,741**	139,169	126,662
Current liabilities				
Trade and other payables		**267,796**	342,530	337,465
Total liabilities		**415,537**	481,699	464,127
TOTAL EQUITY AND LIABILITIES		**21,864,853**	18,586,085	15,821,348

Ali Mohammed Al-Shaya
Vice Chairman

Al Muthana Mohammed Al-Maktoum
Board member and Chief Executive Officer

The attached notes 1 to 10 form 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*		*Six months ended 30 June*	
		2026 KD	*2025 KD*	***2026 KD***	*2025 KD*
Revenue from contracts with customers		**244,065**	200,152	**440,976**	321,441
Cost of sales		**(171,455)**	(146,152)	**(311,841)**	(227,172)
GROSS PROFIT		**72,610**	54,000	**129,135**	94,269
Dividend income	3	**1,542,000**	2,296,125	**1,542,000**	2,296,125
Other income		**23,203**	5,032	**33,254**	23,950
Interest income		**885**	18,790	**7,133**	29,527
Foreign currency exchange gain(loss)		**1,936**	(413)	**1,684**	(256)
Selling and marketing expenses		**(5,243)**	(5,913)	**(10,239)**	(11,256)
General and administrative expenses		**(52,941)**	(59,759)	**(112,089)**	(108,243)
PROFIT BEFORE PROVISION FOR TAX		**1,582,450**	2,307,862	**1,590,878**	2,324,116
Contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS")		**(15,825)**	(23,117)	**(15,909)**	(23,319)
National Labour Support Tax ("NLST")		**(39,460)**	(51,160)	**(39,556)**	(51,655)
Zakat		**(15,783)**	(20,542)	**(15,822)**	(20,740)
PROFIT FOR THE PERIOD		**1,511,382**	2,213,043	**1,519,591**	2,228,402
BASIC AND DILUTED EARNINGS PER SHARE	4	**23.25 Fils**	34.05 Fils	**23.38 Fils**	34.28 Fils

The attached notes 1 to 10 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 June 2026

	Note	*Three months ended 30 June*		*Six months ended 30 June*	
		2026	*2025*	***2026***	*2025*
		KD	*KD*	***KD***	*KD*
PROFIT FOR THE PERIOD		**1,511,382**	2,213,043	**1,519,591**	2,228,402
Other comprehensive income (loss):					
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:					
Net gain (loss) on equity instruments designated at FVOCI	8	**1,031,929**	(98,825)	**2,150,339**	(221,452)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**2,543,311**	2,114,218	**3,669,930**	2,006,950

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 June 2026

	Share capital KD	*Statutory reserve KD*	*Fair value reserve KD*	*Foreign currency translation reserve KD*	*Retained earnings KD*	*Total equity KD*
As at 1 January 2026 (Audited)	6,500,000	3,250,000	921,075	(1,418,868)	8,852,179	18,104,386
Profit for the period	-	-	-	-	1,519,591	1,519,591
Other comprehensive income	-	-	2,150,339	-	-	2,150,339
Total comprehensive income for the period	-	-	2,150,339	-	1,519,591	3,669,930
Dividend (Note 9)	-	-	-	-	(325,000)	(325,000)
As at 30 June 2026	**6,500,000**	**3,250,000**	**3,071,414**	**(1,418,868)**	**10,046,770**	**21,449,316**
As at 1 January 2025 (Audited)	6,500,000	3,250,000	(1,576,452)	(1,418,868)	9,195,591	15,950,271
Profit for the period	-	-	-	-	2,228,402	2,228,402
Other comprehensive loss	-	-	(221,452)	-	-	(221,452)
Total comprehensive (loss)income for the period	-	-	(221,452)	-	2,228,402	2,006,950
Dividends (Note 9)	-	-	-	-	(2,600,000)	(2,600,000)
At 30 June 2025	6,500,000	3,250,000	(1,797,904)	(1,418,868)	8,823,993	15,357,221

The attached notes 1 to 10 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the period ended 30 June 2026

	Notes	*Six months ended 30 June*	
		2026	*2025*
		KD	*KD*
OPERATING ACTIVITIES			
Profit before tax		**1,590,878**	2,324,116
Non-cash adjustments to reconcile profit before tax to net cash flows:			
Depreciation of property, plant and equipment		**7,381**	1,703
Dividend income	3	**(1,542,000)**	(2,296,125)
Provision for employees' end of service benefits		**8,572**	6,809
Interest income		**(7,133)**	(29,527)
		57,698	6,976
Working capital changes:			
Inventories		**61,362**	(6,498)
Trade and other receivables		**(81,450)**	(52,643)
Trade and other payables		**(33,834)**	(27,978)
Cash flows used in operations		**3,776**	(80,143)
Directors renumeration paid	5	**(30,000)**	-
Employees' end of service benefits paid		**-**	(5,398)
KFAS paid		**(23,928)**	(72,321)
Taxe paid		**(59,108)**	(253,046)
Net cash flows used in operating activities		**(109,260)**	(410,908)
INVESTING ACTIVITIES			
Purchase of items of property, plant and equipment		**(4,574)**	(5,792)
Dividend income received	3	**614,900**	2,296,125
Net movement of deposit		**650,000**	500,000
Interest income received		**7,133**	28,712
Net cash flows from investing activities		**1,267,459**	2,819,045
FINANCING ACTIVITIES			
Dividend paid	9	**(324,151)**	(2,596,416)
Net cash flows used in financing activities		**(324,151)**	(2,596,416)
NET INCREASE (DECREASE) IN BANK BALANCES AND CASH		**834,048**	(188,279)
Bank balances and cash as at the 1 January		**103,783**	834,661
BANK BALANCES AND CASH AS AT 30 JUNE		**937,831**	646,382

The attached notes 1 to 10 form part of this interim condensed consolidated financial information.

1 CORPORATE INFORMATION

The interim condensed consolidated financial information of Kuwait Foundry Company K.S.C.P. (the "Parent Company") and Subsidiary (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 30 July 2026.

The Parent Company is a public shareholding company, incorporated and domiciled in Kuwait and whose shares are publicly traded in Boursa Kuwait. The Parent Company's registered office is located at Al Rai Industrial Area, Street (10), Kuwait.

The Parent Company's primary objectives are, as follows:

- Casting of iron and other metals, manufacturing the sanitary tools,
- Manufacturing the accessories for sewage systems, manufacturing of casting joint for "Asbestos" pipes,
- Manufacturing of water valves, manufacturing of water pumps, manufacturing casting accessories for Rain water drains,
- Manufacturing casting joints for water extensions, manufacturing casting pipes by centrifugal method,
- Manufacturing all the requirements related to casting industry, importing the materials necessary to achieve its objectives and all the commercial activities related to marketing and distribution of its products.
- The Parent Company may have an interest or participate under any manner in the entities carrying out works similar to its objective or which may assist the Group to achieve its objectives in Kuwait or abroad. It may buy these entities or take it as its subsidiaries.
- The Parent Company may invest its available excess funds through portfolios managed by specialised companies and parties. The Parent Company may also pledge the its's properties, provide guarantees, make loans and lend to subsidiaries, associates and companies in which the Parent Company's ownership is 5% or more.

The interim condensed consolidated financial information of the Group include the financial statements of following subsidiary:

Name of the Company	*Country of incorporation*	*Principal activities*	***% equity interest 30 June 2026***	*% equity interest 31 December 2025*	*% equity interest 30 June 2025*
Kuwait Foundry Holding Company K.S.C. (Closed)	Kuwait	Investment activities	**100%**	100%	100%

The Group established a subsidiary "Kuwait Foundry Holding Company K.S.C. (Closed)" with an issued and paid-up share capital of KD 525,000. The Group owns 99.9% equity interest in the subsidiary. The Group's effective interest in the subsidiary is 100%. The remaining shares/ units are held indirectly in the name of nominees on behalf of the Parent Company. The nominees have confirmed in writing that the Parent Company is the beneficial owner of the shares/ units in the subsidiary.

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The interim condensed consolidated financial information, for the six months ended 30 June 2026 has been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting* ("IAS 34").

The interim condensed consolidated financial information is presented in Kuwaiti Dinars ("KD"), which is also the functional currency of the Group.

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

Further, results for the six months period ended 30 June 2026, are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.1 Basis of preparation (continued)

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 used in the preparation of the 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 other standard, interpretation or amendment that has been issued but is not yet effective.

The amendments apply for the first time in 2026 but do 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.

Contracts Referencing Nature -dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity, and they:

- Clarify the application of the 'own-use' requirements for in-scope contracts
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in -scope contracts
- Add new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows

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

3 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 June 2026 KD	*(Audited) 31 December 2025 KD*	*30 June 2025 KD*
Unquoted equity securities	**18,889,189**	**16,738,850**	14,019,871

During the period, the Goup recorded dividend income from financial asset at fair value through other comprehensive income amount of KD 1,542,000 (30 June 2025: KD 2,296,125) and received during the period amount of KD 614,900 (30 June 2025 2,296,125) and amount of KD 927,100 (30 June 2025 Nil) recorded as dividend receivables in trade and other receivables in the interim condensed consolidated statement of financial position.

The hierarchy for determining the fair values of the financial assets at fair value through other comprehensive income by valuation techniques is presented in Note 8.

4 BASIC AND DILUTED EARNINGS PER SHARE (EPS)

Basic EPS is calculated by dividing the profit for the period by the weighted average number of shares outstanding during the period. Diluted EPS is calculating by dividing the profit for the period by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical.

	Three months ended 30 June		*Six months ended 30 June*	
	2026	*2025*	***2026***	*2025*
Profit for the period (KD)	**1,511,382**	2,213,043	**1,519,591**	2,228,402
Weighted average number of ordinary shares	**65,000,000**	65,000,000	**65,000,000**	65,000,000
Basic and diluted EPS (Fils)	**23.25**	34.05	**23.38**	34.28

5 RELATED PARTY DISCLOSURES

These represent transactions with certain parties (major shareholders, directors and key management personnel of the Parent Company, and entities controlled, jointly controlled or significantly influenced by such parties) entered 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 with related parties during the six months ended 30 June 2026 and 2025:

		Six months ended 30 June	
	Major shareholder KD	***2026 KD***	*2025 KD*
Condensed consolidated statement of profit or loss:			
Revenue from contracts with customers	**530**	**530**	284

Dividend payable as at 30 June 2026 amount of KD 115,206 (31 December 2025 KD 114,357 and 30 June 2025 KD 118,806) are included within trade and other payables in interim condensed consolidated statement of financial position.

Terms and conditions of transactions with related parties
Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash, there have been no guarantees provided or received for any related party receivables or payables.

Transactions with 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 related to key management personnel were as follows:

	Three months ended 30 June		*Six months ended 30 June*	
	2026 KD	*2025 KD*	***2026 KD***	*2025 KD*
Salaries and other short-term benefits	**17,256**	15,431	**34,511**	32,108
Post-employment benefits	**1,903**	807	**4,591**	1,578
	19,159	16,238	**39,102**	33,686

The Board of Directors of the Parent Company at the meeting held on 19 February 2026 proposed a directors' remuneration amounting to KD 30,000 (2024: KD 30,000) for the year ended 31 December 2025. The ordinary annual general assembly meeting for the year ended 31 December 2025 on 26 March 2026 approved the proposal.

6 SEGMENT INFORMATION

For management purposes, the Group is organised into two major business segments. The principal activities and services under these segments are as follows:

- **Manufacturing:** which represents the manufacturing of iron and other metal products.
- **Investment:** which represents the Group's investments in securities and investment units to utilise the Group's financial surplus.

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:

	Manufacturing KD	***Investment KD***	***Unallocated KD***	***Total KD***
Six months ended 30 June 2026				
Revenue and other income	**440,976**	**1,549,133**	**33,254**	**2,023,363**
Segment profit	**120,580**	**1,549,133**	**(150,122)**	**1,519,591**
Depreciation of property, plant and equipment	**(6,575)**	**-**	**(806)**	**(7,381)**

	Manufacturing KD	*Investment KD*	*Unallocated KD*	*Total KD*
Six months ended 30 June 2025				
Revenue and other income	321,441	2,325,652	23,950	2,671,043
Segment profit	82,757	2,325,652	(180,007)	2,228,402
Depreciation of property, plant and equipment	(846)	-	(857)	(1,703)

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

	Manufacturing KD	***Investment KD***	***Unallocated KD***	***Total KD***
As at 30 June 2026				
Total assets	**892,789**	**18,889,189**	**2,082,875**	**21,864,853**
Total liabilities	**72,582**	**-**	**342,954**	**415,537**

	Manufacturing KD	*Investment KD*	*Unallocated KD*	*Total KD*
As at 31 December 2025 (audited)				
Total assets	959,804	17,388,850	237,431	18,586,085
Total liabilities	64,970	-	416,729	481,699

	Manufacturing KD	*Investment KD*	*Unallocated KD*	*Total KD*
As at 30 June 2025				
Total assets	1,048,065	14,519,871	253,412	15,821,348
Total liabilities	113,095	-	351,032	464,127

7 LEGAL CASE

During the year ended 31 December 2023, the Parent Company filed an arbitration claim with the Cairo Regional Centre for International Commercial Arbitration (“CRCICA”) against the two partners in Egyptian Kuwaiti Foundry Company S.A.E (“EKF” or “the associate”), which is located at Egypt. The two partners jointly hold 50% of the associate’s shares. The Parent Company claimed a compensation for its losses in the associate. And one of partners filed a counter claim for a compensation for his losses. The other partner filed another arbitration claim against the Parent Company claiming a compensation for his losses and requesting a ruling mandating the Parent Company to sell one of its shares in the associate. The arbitrations for these claims are still under consideration by “CRCICA” at various stages.

On 6 October 2025 the Parent Company was served with a Partial Arbitral Award requiring the enforcement of Clause No. (10) of the Shareholders’ Agreement, pursuant to which the Parent Company is obliged to sell all of its shares in the Associate for a total consideration of USD 3,500,000. The Parent Company has filled nullity action against that Partial Arbitral Award which is still going on in the court and the Parent Company is taking the necessary legal actions in this regard. The associate was fully impaired by the Parent Company in previous years.

As at the reporting date, no final ruling has been issued, based on the management’s assessment and legal counsel’s opinion, these cases are not expected to have any material financial impact on the Group’s financial position.

8 FAIR VALUE MEASUREMENT

For assets and liabilities that are recognised 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.

There were no changes in the Group’s valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

Valuation methods and assumptions
The following methods and assumptions were used to estimate the fair values:

Unlisted equity investments
The Group invests in private equity companies that are not quoted in an active market. Transactions in such investments do not occur on a regular basis. The Group uses market comparison valuation techniques for the majority of these positions. The Group determines comparable public companies (peers) based on industry, size, leverage and strategy, and calculates an appropriate trading multiple for each comparable company identified. The trading multiple is then discounted for considerations such as illiquidity and size differences between the comparable companies based on company-specific facts and circumstances. The discounted multiple is applied to the corresponding earnings measure of the investee company to measure the fair value. The Group classifies the fair value of these investments as Level 3.

There were no changes in the Group’s valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

Reconciliation of Level 3 fair values
The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

30 June 2026	***Non-listed equity instruments Financial assets at FVOCI KD***
As at 1 January 2026	**16,738,850**
Remeasurement recognised in OCI	**2,150,339**
As at 30 June 2026	**18,889,189**

8 FAIR VALUE MEASUREMENT (continued)

31 December 2025 (Audited)	*Non-listed equity instruments Financial assets at FVOCI KD*
As at 1 January 2025	14,241,323
Remeasurement recognised in OCI	2,497,527
As at 31 December 2025	16,738,850

30 June 2025	*Non-listed equity instruments Financial assets at FVOCI KD*
As at 1 January 2025	14,241,323
Remeasurement recognised in OCI	(221,452)
As at 30 June 2025	14,019,871

The fair value measurements for the unquoted securities have been categorised as Level 3 fair values based on the inputs to the valuation techniques used.

There were no transfers between Level 1 and Level 2 fair value measurements during the period, and no transfers into or out of Level 3 fair value measurements during the six months ended 30 June 2026.

The Group has performed a sensitivity analysis to the range of significant unobservable inputs used in the fair value measurements during the period. Based on such analysis, there is no material impact on the interim condensed consolidated financial information.

Description of significant unobservable inputs to valuation of financial assets:
The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis are as shown below:

FVOCI	***Valuation technique***	***Significant unobservable inputs***	***Multiplier***	***Sensitivity of the input to fair value***
Unquoted securities	Market multiple approach	Sector multiple	1.8	10% increase (decrease) in the Sector PBV multiple would result in an increase (decrease) in fair value by KD 1,851,187 (31 December 2025: KD 1,669,596, 30 June 2025: KD 1,395,291)
		DLOM	25%	5% increase (decrease) in the DLOM would result in (decrease) increase in fair value by KD 1,255,820 (31 December 2025: KD 2,086,994, 30 June 2025: KD 1,162,742)

8 FAIR VALUE MEASUREMENT (continued)

* Discount for lack of marketability "DLOM" represents the amounts that the Group has determined that market participants would take into account when pricing the investments.

Management assessed that fair value of other financial instruments approximates their carrying amounts due to the short-term nature maturity of these instruments.

9 ANNUAL GENERAL ASSEMBLY MEETING ("AGM")

The ordinary annual general assembly meeting for the parent Company' shareholders has convened on 26 March 2026 approved the consolidated financial statements of the Group for the year ended 31 December 2025, and approved for a cash dividends of 5 fils per share (2024: 40 fils) amounting to KD 325,000 (2024: KD 2,600,000). During the period, the Company paid dividends amounting to KD 324,151, total dividend payable as at 30 June 2026 amount of KD 115,206 (31 December 2025 KD 114,357 and 30 June 2025 KD 118,806) are included within trade and other payables in interim condensed consolidated statement of financial position (Note 5).

10 IMPACT OF GEOPOLITICAL ESCALATION RISK AND RELATED UNCERTAINTY

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

- Fair value volatility of investments, particularly those exposed to emerging markets, energy-sensitive sectors, or regions indirectly affected by supply-chain disruptions and energy market instability.
- Market liquidity risk, including the ability to realise investments at quoted or observable market prices in periods of heightened volatility.
- Counterparty and credit risk, particularly for investments in debt instruments, funds, or structured products whose underlying counterparties may be affected by adverse economic conditions.
- Foreign exchange risk, arising from increased currency volatility in markets linked to the region.

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

The Group maintains liquidity buffers and capital resources that management considers sufficient to meet its commitments and operating expenses as they fall due.

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