

Condensed interim consolidated financial statements,
Sharia Supervisory Board report and review report

INOVEST B.S.C.

For the period from 1 January 2026 to 30 June 2026

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INOVEST B.S.C.

GENERAL INFORMATION

Commercial registration number

48848 obtained on 18 June 2002

Board of Directors

Yaqoub Yousef Bander
Hazem Abdulla El Bakry
Ahmed Mohammed Al Bassam
Mohammed Abdulwahab Al Matook
Dr. Abdulaziz Fahad Al Dakheel
Abdulla Mohammed Al Abduljader
Husain Abdulhameed Alshehab

- Chairman
- Vice-Chairman
- Director
- Director
- Director
- Director
- Director

Board Secretary

Riyadh Mahmood Mulla Ahmed

Sharia Supervisory Board

Sheikh Dr. Hamad Yousef Al Mazrouei
Sheikh Dr. Abdulrahman Mohammad Al Baloul
Dr. Mohammad Abdulrahman Al Shurafa

- Chairman
- Vice Chairman
- Member

Nomination and Remuneration Committee members

Mohammed Abdulwahab Al Matook
Ahmad Mohammed Al Bassam
Husain Abdulhameed Alshehab

- Chairman
- Vice-Chairman
- Member

Corporate Governance, Audit and Risk Committee members

Yaqoub Yousef Bander
Abdulla Mohammed Al Abduljader
Ahmed Mohammed Al Bassam

- Chairman
- Vice-Chairman
- Member

Executive Committee members

Dr. Abdulaziz Fahad Al Dakheel
Hazem Abdulla El Bakry
Mohammed Abdulwahab Al Matook
Talal A. Aziz Al Mulla

- Chairman
- Vice-Chairman
- Member
- Member

Registered head office

35th floor, East Tower
Bahrain Financial Harbour
P.O. Box 18334
Manama
Kingdom of Bahrain

INOVEST B.S.C.

GENERAL INFORMATION

Bankers

Bahrain Islamic Bank B.S.C.
Ithmaar Bank B.S.C.
Kuwait Finance House (Kuwait)
Khaleeji Bank B.S.C.
Al Baraka Islamic Bank B.S.C. (c)
Al Salam Bank, Bahrain B.S.C.
Bank of Bahrain and Kuwait B.S.C.

Auditor

Grant Thornton - Abdulaal
P.O. Box 11175
12th Floor, Al Nakheel Tower
Seef District, Kingdom of Bahrain

Share registrars

Bahrain Clear
Bahrain Financial Harbour, Harbour
Level 4, P.O. Box 3203
Manama
Kingdom of Bahrain

Kuwait Clearing Company S.A.K.
P.O. Box 22077
Safat 13081
State of Kuwait

In the name of Allah, The Beneficent, The Merciful

Sharia Supervisory Board Report on the activities of INOVEST Company B.S.C For the Six Months Period Ended 30 June 2026.

All praise is due to Allah , Lord of the worlds, Prayers and Peace are upon the last messenger, our prophet Mohammed, his family and companions.

To the Shareholders of INOVEST B.S.C **"the Company"**,

Acting as Sharia Supervisory Board **"SSB"** pursuant to the appointment resolution passed by the General Assembly of the Company and SSB meeting on Thursday 30th July 2026 in State of Kuwait, we are required to provide the following report:

The SSB has reviewed the Company's principles, contracts related transactions, and applications submitted by the Company's management for the Six months period ended 30 June 2026 , and based on the Sharia auditor presentation of the Company's activities for the abovementioned period,

The Company's management is responsible for ensuring that the Company conducts its business in accordance with the Islamic Shari'a Rules and principles. It is our responsibility to form an independent opinion, based on our review of the Company's operations and to report to you.

We planned and performed our review so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Company has not violated Islamic Shari rules and principles.

In our opinion:

The contracts and transactions concluded by the Company during the Six Months Period Ended 30 June 2026 that we have reviewed are in compliance with the Islamic Shari'a Rules and Principles.

Also, the SSB has approved the financial statements and concluded that it's prepared in an acceptable form from Islamic Sharia view. The respective report has been prepared based on the information provided by the Company.

Prayers and Peace are upon the last messenger, our prophet Mohammed, his family and companions.

Dr. Hamad Yusuf AlMazrouie

Chairman

Dr. Abdulrahman Mohamad Al-Baloul

Vice Chairman

Dr. Mohamad Abdulrahman AlShurafa

Member

Independent auditors' report on review of the condensed interim consolidated financial statements

**To the Board of Directors of
Inovest B.S.C.
Kingdom of Bahrain**

Grant Thornton Abdulaal

PO Box 11175
12th Floor, Al Nakheel Tower
Seef District
Kingdom of Bahrain

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[instagram.com/grantthornton_bahrain/](https://www.instagram.com/grantthornton_bahrain/)

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of Inovest B.S.C. (the "Company") and its subsidiaries (together the "Group"), which comprises:

- the condensed interim consolidated statement of financial position as at 30 June 2026;
- the condensed interim consolidated statement of income and other comprehensive income for the three-month and six-month periods ended 30 June 2026;
- the condensed interim consolidated statement of changes in owners equity for the six-month period ended 30 June 2026;
- the condensed interim consolidated statement of cash flows for the six-month period ended 30 June 2026;
- the condensed interim consolidated statement of changes in off-balance-sheet assets under management for the six-month period ended 30 June 2026; and
- notes to the condensed interim consolidated financial statements.

The Board of Directors of the Company is responsible for the preparation and presentation of this condensed interim consolidated financial statements in accordance with Financial Accounting Standard (FAS) 41, "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed interim consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with the 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 Auditing standards for Islamic Financial Institutions 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.

Other matter

The condensed interim consolidated financial statements of the Group for the six months period ended 30 June 2025 were reviewed by another auditor who expressed an unmodified conclusion on 12 August 2025. The consolidated financial statements of the Group for the year ended 31 December 2025, were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 28 February 2026.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements is not prepared, in all material respects, in accordance with FAS 41, "Interim Financial Reporting".



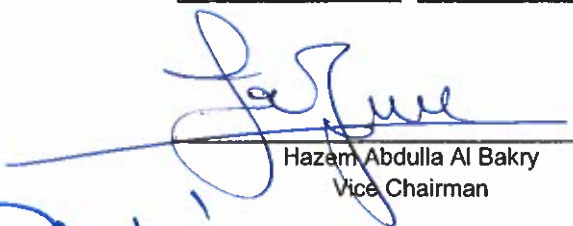
Partner's Registration No. 198
2 August 2026
Manama, Kingdom of Bahrain

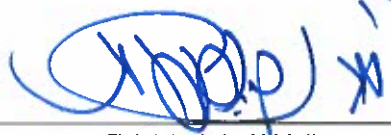
INOVEST B.S.C.**CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 30 June 2026

		30 June 2026 US\$ '000 (reviewed)	31 December 2025 US\$ '000 (audited)
	<i>Note</i>		
ASSETS			
Cash and bank balances	4	9,120	10,468
Accounts receivable	5	12,443	11,531
Investments	6	10,731	10,353
Investments in joint ventures and associates	7	91,601	91,407
Investments in real estate	8	87,166	83,937
Property, plant and equipment	9	3,701	6,930
Other assets	10	359	227
Right of use asset		97	149
TOTAL ASSETS		215,218	215,002
LIABILITIES AND OWNERS' EQUITY			
Liabilities			
Other liabilities and accounts payable	11	70,942	71,654
Ijarah liability		72	120
Total liabilities		71,014	71,774
Owners' equity			
Share capital		122,741	122,741
Less: Treasury shares		(1,338)	(1,338)
		121,403	121,403
Reserves		7,222	6,999
Accumulated losses		(10,300)	(10,902)
Equity attributable to Parent's equity shareholders		118,325	117,500
Non-controlling interests		25,879	25,728
Total owners' equity		144,204	143,228
TOTAL LIABILITIES AND OWNERS' EQUITY		215,218	215,002


 Yaqoub Yousef Bander
 Chairman


 Hazam Abdulla Al Bakry
 Vice Chairman


 Talal A. Aziz Al Mulla
 Chief Executive Officer

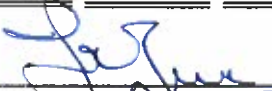
The accompanying notes 1 to 21 form an integral part of the condensed interim consolidated financial statements.

INOVEST B.S.C.**CONDENSED INTERIM CONSOLIDATED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME**

For the six months period ended 30 June 2026

		Three months ended 30 June		Six months ended 30 June	
	Note	2026 US\$ '000 (reviewed)	2025 US\$ '000 (reviewed)	2026 US\$ '000 (reviewed)	2025 US\$ '000 (reviewed)
OPERATING INCOME					
Income from investments in real estate	12	1,227	689	2,366	1,617
Income from investments	13	30	30	99	99
Fee from management and other services		490	442	877	869
Share of income / (loss) from joint ventures and associates		93	32	194	(1,807)
Other income	14	259	310	556	1,377
TOTAL OPERATING INCOME		2,099	1,503	4,092	2,155
OPERATING EXPENSES					
Staff costs		523	364	1,152	1,180
General and administrative expenses		464	436	835	1,102
Property related expenses		560	513	1,008	1,040
Depreciation		62	113	103	255
Net Ijarah cost		29	32	59	64
TOTAL OPERATING EXPENSES		1,638	1,458	3,157	3,641
NET OPERATING PROFIT / (LOSS)		461	45	935	(1,486)
(Impairment) / Reversal of impairment losses on financial assets		(100)	158	(182)	439
PROFIT / (LOSS) FOR THE PERIOD		361	203	753	(1,047)
OTHER COMPREHENSIVE INCOME					
Items that will be reclassified subsequently to statement of income:					
Change in fair value on investments		(144)	-	223	-
Total other comprehensive income for the period		(144)	-	223	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		217	203	976	(1,047)
Profit / (Loss) for the period attributable to :					
Equity shareholders of the Parent		271	200	602	(1,064)
Non-controlling interests		90	3	151	17
		361	203	753	(1,047)
BASIC AND DILUTED EARNINGS / (LOSS)					
PER SHARE (US\$ cents)	15	0.09	0.07	0.20	(0.35)


 Yaqoub Yousef Bander
 Chairman


 Hazem Attoula Al Bakry
 Vice Chairman


 Talal A. Aziz Al Mulla
 Chief Executive Officer

The accompanying notes 1 to 21 form an integral part of the condensed interim consolidated financial statements.

INOVEST B.S.C.
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN OWNERS EQUITY

For the six months period ended 30 June 2026

	Equity attributable to Parent's shareholders							
	Reserves							
	Share capital	Treasury shares	Statutory reserve	Fair value through equity reserve	Retained earnings	Total equity	Non-controlling interests	Total owners' equity
	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000
At 1 January 2025	122,741	(1,338)	5,206	1,758	7,732	136,099	25,692	161,791
Loss for the period	-	-	-	-	(1,064)	(1,064)	17	(1,047)
Other comprehensive income								
Change in fair value of investments	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(1,064)	(1,064)	17	(1,047)
As at 30 June 2025 (reviewed)	122,741	(1,338)	5,206	1,758	6,668	135,035	25,709	160,744

	Equity attributable to Parent's shareholders							
	Reserves							
	Share capital	Treasury shares	Statutory reserve	Fair value through equity reserve	Accumulated losses	Total equity	Non-controlling interests	Total owners' equity
	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000
At 1 January 2026	122,741	(1,338)	5,206	1,793	(10,902)	117,500	25,728	143,228
Profit for the period	-	-	-	-	602	602	151	753
Other comprehensive income								
Change in fair value of investments	-	-	-	223	-	223	-	223
Total comprehensive income for the period	-	-	-	223	602	825	151	976
As at 30 June 2026 (reviewed)	122,741	(1,338)	5,206	2,016	(10,300)	118,325	25,879	144,204

The accompanying notes 1 to 21 form an integral part of the condensed interim consolidated financial statements.

INOVEST B.S.C.**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

For the six months period ended 30 June 2026

		Six months ended 30 June	
	<i>Note</i>	2026 US\$ '000 (reviewed)	2025 US\$ '000 (reviewed)
OPERATING ACTIVITIES			
Net profit / (loss) for the period		753	(1,047)
Adjustments for:			
Depreciation	9	103	255
Impairment / (Reversal) losses on financial assets		182	(439)
Profit on disposal of property, plant and equipment	14	(177)	(1,048)
Loss on sale of investments in real estate	12	-	355
Share of (income) / loss from joint ventures and associates	7	(194)	1,807
Net ijarah cost		59	64
		726	(53)
Net changes in operating assets and liabilities:			
Short-term deposits			
(with an original maturity of more than 90 days)		(4)	3,835
Accounts receivable		(1,113)	2,359
Other assets		(132)	18
Other liabilities and accounts payable		(712)	(5,808)
Ijarah payments		(55)	(66)
Net cash (used in)/ from operating activities		(1,290)	285
INVESTING ACTIVITIES			
Additions to investments in real estate		(189)	(69)
Proceeds from disposal of investments in real estate		-	1,609
Additions to investments		(155)	-
Proceeds from disposal of property, plant and equipment		266	1,098
Purchase of property, plant and equipment	9	(3)	-
Proceeds from disposals of investments in joint venture and associates		-	1,007
Net cash (used in)/ from investing activities		(81)	3,645
NET MOVEMENT IN CASH AND CASH EQUIVALENTS		(1,371)	3,930
Cash and cash equivalents at the beginning of the period		9,772	5,720
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	4	8,401	9,650

During the six months period ended 30 June 2026, non-cash transactions of transfer of building on leasehold land from "Property, plant and equipment" to "Investments in real estate" in the amount of US\$ 3,040 thousands has not been included in the above condensed interim consolidated statement of cash flows.

The accompanying notes 1 to 21 form an integral part of the condensed interim consolidated financial statements.

INOVEST B.S.C.**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN
OFF-BALANCE-SHEET ASSETS UNDER MANAGEMENT**

For the six months period ended 30 June 2026

2026 (reviewed)

Opening Balance US\$ '000	Additions during the period US\$ '000	Income US\$ '000	Wakala Fee US\$ '000	Distributions / Withdrawals US\$ '000	NAV Movement US\$ '000	Closing Balance US\$ '000
73,138	-	159	-	-	(1,531)	71,766

2025 (reviewed)

Opening Balance US\$ '000	Additions during the period US\$ '000	Income US\$ '000	Wakala Fee US\$ '000	Distributions / Withdrawals US\$ '000	NAV Movement US\$ '000	Closing Balance US\$ '000
73,192	-	43	-	-	(45)	73,190

The accompanying notes 1 to 21 form an integral part of the condensed interim consolidated financial statements.

INOVEST B.S.C.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months period ended 30 June 2026

1 CORPORATE INFORMATION AND NATURE OF OPERATIONS

a) Corporate Information

Inovest B.S.C. (the "Company") is a public shareholding company incorporated in the Kingdom of Bahrain (Bahrain) on 18 June 2002 and operates under Commercial Registration (CR) number 48848. The Company commenced operations on 1 October 2002. Under the terms of its Memorandum and Articles of Association, the duration of the Company is 50 years, renewable for further similar periods unless terminated earlier by law or as stated in the Memorandum and Articles of Association. The address of the Company's registered office is 35th floor, East Tower, Bahrain Financial Harbour, Manama, Kingdom of Bahrain.

The Company is listed on the Bahrain Bourse and cross-listed on the Kuwait Stock Exchange.

The Company operates under an Investment Business Firm License – Category 1 (Islamic Principles) issued by the Central Bank of Bahrain ("CBB"), to operate under the Islamic Sharia principles, and is supervised and regulated by the CBB.

b) Nature of operations

The principal activities of the Company together with its subsidiaries (the "Group") include:

- Engaging directly in all types of investments, including direct investment and securities, and various types of investment funds;
- Establishing and managing various investment funds;
- Dealing in financial instruments in the local, regional and international markets;
- Providing information and studies related to different types of investments for others;
- Providing financial services and investment consultations to others;
- Establishing joint ventures with real estate, industrial and services companies inside or outside the Kingdom of Bahrain;
- Engaging in contracting activities;
- Engaging in the management of commercial and industrial centers and residential buildings, property leasing, development and their maintenance; and
- Having interest in or participating in any way with companies and other entities engaged in similar activities that may work and co-operate to achieve the Group's objectives inside and outside the Kingdom of Bahrain, and also merge its activities with the above mentioned entities and/or buy or join with them.

The number of staff employed by the Group as at 30 June 2026 was 61 employees (31 December 2025: 56 employees).

The condensed interim consolidated financial statements of the Group were authorised for issue in accordance with a resolution of the Board of Directors dated 2 August 2026.

2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

The condensed interim consolidated financial statements of the Group has been prepared in accordance with Financial Accounting Standard FAS 41, Interim Financial Reporting ("FAS 41") issued by the Accounting and Auditing Organisation of Islamic Financial Institutions ("AAOIFI"). In line with the requirements of AAOIFI and the Central Bank of Bahrain (CBB) rule book, for matters not covered under AAOIFI standards the group uses guidance from the relevant IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). The condensed interim consolidated financial statements of the Group does not contain all information and disclosures required for the annual consolidated financial statements and should be read in conjunction with the Group's audited annual consolidated financial statements for the year ended 31 December 2025. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2025.

The condensed interim consolidated financial statements are presented in United States Dollars ("US Dollars") being the reporting currency of the Group. All values are rounded to the nearest US Dollar thousands unless otherwise indicated.

3 ACCOUNTING POLICIES

The accounting policies and methods of computation applied by the Group in the preparation of the condensed interim consolidated financial statements are the same as those used in the preparation of the Group's last audited consolidated financial statements for the year ended 31 December 2025 except for the adoption of new standards, amendments and interpretations.

3.1 New standards, amendments and interpretations

The Group has adopted the following new standards as of 1 January 2026:

FAS 46 Off - Balance - Sheet Assets Under Management

The standard is to establish the principles of financial reporting related off-balance-sheet assets under management in line with with the "AAOIFI Conceptual Framework for Financial Reporting". The Group has adopted the standard and included a condensed interim consolidated statement of changes in off-balance-sheet assets under management as part of its primary statements.

The adoption of the following standards as of 1 January 2026 had no impact on the Group's condensed interim consolidated financial statements.

FAS 45 Quasi - Equity (Including Investment Accounts)

The standard is to establish the principles of financial reporting related to instruments classified as Quasi - Equity, such as investment accounts and similar instruments invested with Islamic financial institutions. Quasi - Equity is an element of financial statements of an institution in line with the "AAOIFI Conceptual Framework for Financial Reporting".

FAS 47 Transfer of Assets between Investment Pools

The standard is to establish the principles that apply in respect of transfer of assets between various investment pools of an Islamic financial institution.

FAS 48 Promotional Gifts and Prizes

The standard is to establish the principles that prescribe the accounting and financial reporting requirements applicable to promotional gifts and prizes awarded by the Islamic financial institutions (IFIs / the institutions) to their customers, including quasi-equity and other investment accountholders.

3 ACCOUNTING POLICIES (continued)

3.1 New standards, amendments and interpretations (continued)

FAS 49 Financial Reporting for Institutions Operating in Hyperinflationary Economies

The standard is to establish the principles of financial reporting for the institutions applying AAOIFI Financial Accounting Standards (FASs) operating in hyperinflationary economies, duly considering the relevant Shari'ah principles and rules and their unique business models.

3.2 New standards, amendments and interpretations issued but not effective

Standards, interpretations and amendments to existing standards issued but not yet effective up to the date of issuance of the Group's condensed interim consolidated financial statements are disclosed below. The Group reasonably expects these issued standards, interpretations and amendments to existing standards to be applicable at a future date. The Group intends to adopt these standards, interpretations and amendments to existing standards, if applicable, when they become effective:

FAS 50 Financial Reporting for Islamic Investment Institutions (applicable from 1 January 2027)

The standard is to establish the principles of financial reporting for Islamic investment institutions (IIIs) particularly prescribing overall requirements for the presentation, minimum contents and recommended structure of their financial statements in a manner that facilitates truthful and fair presentation in line with Shari'ah principles and rules.

FAS 51 Participatory Ventures (applicable from 1 January 2027)

The standard is to establish the principles of accounting and financial reporting for the participatory ventures.

FAS 52 Deferred Delivery Sales - Salam and Istisna (applicable from 1 January 2027)

This standard prescribes the accounting and financial reporting principles for recognition, measurement, presentation and disclosures related to deferred delivery sales transactions, applicable to the respective buyers and sellers. Such transactions include both, Salam and Istisna based deferred delivery sales transactions, but do not include Istisna based development contracts which are a subject of another standard being simultaneously issued.

FAS 26 Investment in Real Estate and Related Transitional Provisions (Withdrawal)

The Accounting and Auditing Organization for Islamic Financial Institutions' (AAOIFI's) issued a guidance relating to withdrawal of FAS 26 – Investment in Real Estate and related transitional provisions ("Guidance"). Following the withdrawal, investment in real estate shall be accounted for in accordance with IAS 40– Investment property.

This guidance is effective for the periods beginning on or after 1 January 2027 and with an option to early adopt. The Group is assessing the impact of adopting this standard; however, no material impact is currently anticipated.

INOVEST B.S.C.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months period ended 30 June 2026

4 CASH AND BANK BALANCES

	30 June 2026 US\$ '000 (reviewed)	31 December 2025 US\$ '000 (audited)
Short-term deposits (with an original maturity of 90 days or less)	6,704	6,593
Current account balances with banks	1,691	3,173
Cash in hand	6	6
Total cash and cash equivalents	8,401	9,772
Short-term deposits (with an original maturity of more than 90 days)	757	753
Less: Provision for expected credit losses	(38)	(57)
Total cash and bank balances	9,120	10,468

Movements in the provision for expected credit loss:

	30 June 2026 US\$ '000 (reviewed)	31 December 2025 US\$ '000 (audited)
At 1 January	57	72
Reversal during the period / year	(19)	(15)
As at period / year end	38	57

5 ACCOUNTS RECEIVABLE

	30 June 2026 US\$ '000 (reviewed)	31 December 2025 US\$ '000 (audited)
Amounts due from related parties (note 16)	13,905	13,683
Trade receivables	3,436	3,529
Rent receivable	1,840	1,400
Other receivables	17,248	16,704
	36,429	35,316
Less: Provision for expected credit losses	(23,986)	(23,785)
	12,443	11,531

Amounts due from related parties are unsecured, bear no profit, have no fixed repayment terms and are authorised by the Group's management.

INOVEST B.S.C.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months period ended 30 June 2026

5 ACCOUNTS RECEIVABLE (continued)

The movement in the Group's provision for expected credit losses is as follows:

	30 June 2026 US\$ '000 (reviewed)	31 December 2025 US\$ '000 (audited)
At 1 January	23,785	23,961
Charge / (reversal) during the period / year	201	(176)
As at period / year end	23,986	23,785

6 INVESTMENTS

	30 June 2026 US\$ '000 (reviewed)	31 December 2025 US\$ '000 (audited)
Investments in equity-type instruments - real estate	7,483	7,059
Investments in debt type instruments	3,248	3,294
	10,731	10,353

7 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

	30 June 2026 US\$ '000 (reviewed)	31 December 2025 US\$ '000 (audited)
At 1 January	91,407	95,928
Disposals during the period / year	-	(1,007)
Share of income / (loss)	194	(3,045)
Distributions during the period / year	-	(469)
As at period / year end	91,601	91,407

INOVEST B.S.C.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months period ended 30 June 2026

8 INVESTMENTS IN REAL ESTATE

	30 June 2026 US\$ '000 (reviewed)	31 December 2025 US\$ '000 (audited)
At 1 January	83,937	85,510
Additions / transfer in during the period / year	3,229	111
Disposals / transfer out during the period / year	-	(1,684)
As at period / year end	87,166	83,937

9 PROPERTY, PLANT AND EQUIPMENT

	Buildings on Capital WIP US\$ '000	leasehold land US\$ '000	Machinery, equipment, furniture and fixtures US\$ '000	Computer hardware and software US\$ '000	Motor vehicles US\$ '000	Total US\$ '000
Cost						
At 1 January 2026	3,160	4,196	9,016	1,792	1,531	19,695
Additions	-	-	1	2	-	3
Disposals	-	-	(134)	(1)	-	(135)
Transfer to investments in real estate	-	(4,196)	-	-	-	(4,196)
As at 30 June 2026 (reviewed)	3,160	-	8,883	1,793	1,531	15,367
Accumulated depreciation						
At 1 January 2026	-	1,143	8,395	1,766	1,461	12,765
Charge	-	11	66	12	14	103
Disposals	-	-	(45)	(1)	-	(46)
Transfer to investments in real estate	-	(1,154)	-	(2)	-	(1,156)
As at 30 June 2026 (reviewed)	-	-	8,416	1,775	1,475	11,666
Net book amount:						
As at 30 June 2026 (reviewed)	3,160	-	467	18	56	3,701
Net book amount:						
As at 31 December 2025 (audited)	3,160	3,053	621	26	70	6,930

10 OTHER ASSETS

	30 June 2026 US\$ '000 (reviewed)	31 December 2025 US\$ '000 (audited)
Advances to contractors	1,928	1,918
Less: Provision for expected credit losses	(1,755)	(1,755)
	173	163
Prepayments	186	64
	359	227

INOVEST B.S.C.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six months period ended 30 June 2026

11 OTHER LIABILITIES AND ACCOUNTS PAYABLE

	30 June 2026 US\$ '000 (reviewed)	31 December 2025 US\$ '000 (audited)
Payable to the Government of Bahrain (note 11.1)	50,105	50,105
Accruals and other payables	3,535	3,997
Trade payables	2,171	2,431
Retentions payable	1,058	1,182
Advances from construction clients	698	698
Amounts due to related parties (Note 16)	67	62
Other provisions (note 11.2)	13,308	13,179
	70,942	71,654

Note 11.1

The Group entered into a long term lease contract with the Ministry of Industry and Commerce ("MOIC") in December 2005, effective from May 2006, for a period of 50 years.

In accordance with the terms of the agreement with the MOIC, from the date of signing the agreement, no lease rent is payable for the first two years of the lease period, from 2006 to 2007. Lease rent payable, for the lease period (from 2008-2025), was deferred due to the cost incurred by the Group on the reclamation of the leasehold land. Thereafter, the Group is required to pay lease rental over thirty years (from 2026 to 2056). No payments have been made by the Group to the MOIC during the six months period ended 30 June 2026.

Note**11.2**

A subsidiary of the Group was engaged in a legal dispute relating to a long-term land lease arrangement, with a claim amounting to approximately US\$34 million. During the course of proceedings, multiple adverse rulings were issued against the subsidiary. The matter had been contested through the relevant legal channels and was ultimately heard by the Court of Cassation. A final judgment has been issued by the Court of Cassation against the subsidiary on 4 May 2026. The matter is currently progressing through the Court of Execution.

The Group had previously recognized a provision representing management's best estimate of the potential financial impact associated with this matter. As of the reporting date, the Group has fully provided for the net impact arising from the judgment during the year ended 31 December 2025. Therefore, no additional provision has been recorded for the final judgment during the six month period ended 30 June 2026.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months period ended 30 June 2026

12 INCOME FROM INVESTMENTS IN REAL ESTATE

	Three months ended 30 June		Six months ended 30 June	
	2026	2025	2026	2025
	US\$ '000	US\$ '000	US\$ '000	US\$ '000
	(reviewed)	(reviewed)	(reviewed)	(reviewed)
Rental Income	1,227	1,044	2,366	1,972
Loss on sale of investments in real estate	-	(355)	-	(355)
	1,227	689	2,366	1,617

13 INCOME FROM INVESTMENTS

	Three months ended 30 June		Six months ended 30 June	
	2026	2025	2026	2025
	US\$ '000	US\$ '000	US\$ '000	US\$ '000
	(reviewed)	(reviewed)	(reviewed)	(reviewed)
Profit on debt-type instruments	30	30	99	99

14 OTHER INCOME

	Three months ended 30 June		Six months ended 30 June	
	2026	2025	2026	2025
	US\$ '000	US\$ '000	US\$ '000	US\$ '000
	(reviewed)	(reviewed)	(reviewed)	(reviewed)
(Loss) / Profit on disposal of property, plant and equipment	(10)	81	177	1,048
Profit on short-term deposits	85	64	166	109
Suppliers discount and others	136	165	165	218
Electricity and water services	48	-	48	2
	259	310	556	1,377

15 BASIC AND DILUTED EARNINGS / (LOSS) PER SHARE

Basic and diluted earnings / (loss) per share amounts are calculated by dividing net income / (loss) for the period attributable to equity holders of the parent by the weighted average number of shares outstanding during the period as follows:

	Three months ended 30 June		Six months ended 30 June	
	2026	2025	2026	2025
	US\$ '000	US\$ '000	US\$ '000	US\$ '000
	(reviewed)	(reviewed)	(reviewed)	(reviewed)
Profit / (Loss) attributable to the equity shareholders of the Parent for the period	271	200	602	(1,064)
Weighted average number of shares outstanding at the beginning and end of the period - in thousands	303,105	303,105	303,105	303,105
Earnings / (loss) per share - US\$ cents	0.09	0.07	0.20	(0.35)

The Company does not have any potentially dilutive ordinary shares, hence the diluted earnings per share and basic earnings per share are identical.

16 RELATED PARTY BALANCES AND TRANSACTIONS

Related parties comprise of major shareholders, directors of the Group, key management personnel, entities owned or controlled, jointly controlled or significantly influenced by them and companies affiliated by virtue of shareholding in common with that of the Group and Shari'a Supervisory Board members.

INOVEST B.S.C.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months period ended 30 June 2026

16 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Terms and conditions of transactions with related parties

The Group enters into transactions, arrangements and agreements with its related parties in the ordinary course of business at terms and conditions approved by the Board of Directors. The transactions and balances arose from the ordinary course of business of the Group. Outstanding balances at the period / year end are unsecured.

The related party balances included in the condensed interim consolidated statement of financial position are as follows:

	30 June 2026 (reviewed)					31 December 2025 (audited)				
	Associates and joint ventures US\$ '000	Key management personnel US\$ '000	Board members US\$ '000	Other related parties US\$ '000	Total US\$ '000	Associates and joint ventures US\$ '000	Key management personnel US\$ '000	Board members US\$ '000	Other related parties US\$ '000	Total US\$ '000
Accounts receivable - gross	10,434	-	-	3,471	13,905	10,393	-	-	3,290	13,683
Provision for expected credit losses	(2,998)	-	-	(2,166)	(5,164)	(2,998)	-	-	(2,166)	(5,164)
Accounts receivable - net	7,436	-	-	1,305	8,741	7,395	-	-	1,124	8,519
Other liabilities and accounts payable	6	12	-	49	67	-	28	-	34	62

The related party transactions included in the condensed interim consolidated statement of income and other comprehensive income are as follows:

	30 June 2026 (reviewed)					30 June 2025 (reviewed)				
	Associates and joint ventures US\$ '000	Key management personnel US\$ '000	Board members US\$ '000	Other related parties US\$ '000	Total US\$ '000	Associates and joint ventures US\$ '000	Key management personnel US\$ '000	Board members US\$ '000	Other related parties US\$ '000	Total US\$ '000
Income										
Fee from management and other services	142	-	-	-	142	118	-	-	-	118
Share of net income / (loss) from investment in joint ventures and associates	194	-	-	-	194	(1,807)	-	-	-	(1,807)
	336	-	-	-	336	(1,689)	-	-	-	(1,689)
Expenses										
Staff costs	-	648	-	-	648	-	567	-	-	567
General and administrative expenses	11	37	33	18	99	11	54	62	25	152
	11	685	33	18	747	11	621	62	25	719

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months period ended 30 June 2026

16 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Compensation of the key management personnel is as follows:

	Three months ended 30 June		Six months ended 30 June	
	2026	2025	2026	2025
	US\$ '000	US\$ '000	US\$ '000	US\$ '000
	(reviewed)	(reviewed)	(reviewed)	(reviewed)
Salaries and other benefits	233	227	648	567

17 SOURCES AND APPLICATION OF CHARITY

	Three months ended 30 June		Six months ended 30 June	
	2026	2025	2026	2025
	US\$ '000	US\$ '000	US\$ '000	US\$ '000
	(reviewed)	(reviewed)	(reviewed)	(reviewed)
Sources of charity funds				
Opening balance	21	21	21	21
Contributions for charitable purposes	-	-	-	-
Total sources of charity funds available	21	21	21	21
Uses of charity funds	(21)	-	(21)	-
Undistributed charity funds at end of the period	-	21	-	21

18 SEGMENTAL INFORMATION

Segmental information is presented in respect of the Group's business segments. A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. For management purposes, the Group is organised into three major business segments.

The accounting policies of the segments are the same as those applied in the preparation of the Group's condensed interim consolidated financial statements as set out in note 3 to the condensed interim consolidated financial statements.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months period ended 30 June 2026

18 SEGMENTAL INFORMATION (continued)

Segment information is disclosed as follows:

	30 June 2026 (reviewed)				
	<i>Investment and related services US\$ '000</i>	<i>Construction Contracts US\$ '000</i>	<i>Development and sale of industrial plots US\$ '000</i>	<i>Eliminations US\$ '000</i>	<i>Total US\$ '000</i>
Fee from management and other services	804	-	73	-	877
Inter-segment transactions	(114)	-	397	(283)	-
Income from investments and investments in real estate	2,230	-	235	-	2,465
Net share of income / (loss) from joint ventures and associates	289	-	(95)	-	194
Other income	165	309	82	-	556
Total revenue	3,374	309	692	(283)	4,092
Staff costs	809	111	232	-	1,152
General and administrative expenses	821	144	34	(164)	835
Property related expenses	1,037	-	204	(233)	1,008
Others	107	54	1	-	162
Total operating expense	2,774	309	471	(397)	3,157
Provisions (charge) / reversal	(61)	38	(159)	-	(182)
Segment profit	539	38	62	114	753
Segment assets	398,731	18,699	47,418	(249,630)	215,218
Segment liabilities	138,057	4,990	21,445	(93,478)	71,014

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months period ended 30 June 2026

18 SEGMENTAL INFORMATION (continued)

	30 June 2025 (reviewed)				
	<i>Investment and related services US\$ '000</i>	<i>Construction Contracts US\$ '000</i>	<i>Development and sale of industrial plots US\$ '000</i>	<i>Eliminations US\$ '000</i>	<i>Total US\$ '000</i>
Fee from management and other services	571	-	298	-	869
Inter-segment transactions	27	-	372	(399)	-
Income from investments and investments in real estate	1,012	-	704	-	1,716
Net share of loss from joint ventures and associates	(55)	(1,752)	-	-	(1,807)
Other income	41	1,248	88	-	1,377
Total revenue	1,596	(504)	1,462	(399)	2,155
Staff costs	1,055	(49)	174	-	1,180
General and administrative expenses	977	236	63	(174)	1,102
Property related expenses	1,060	-	178	(198)	1,040
Others	116	202	1	-	319
Total operating expense	3,208	389	416	(372)	3,641
Provisions (charge) / reversal	(59)	419	79	-	439
Segment (loss) / profit	(1,671)	(474)	1,125	(27)	(1,047)
Segment assets	431,123	23,734	99,954	(334,293)	220,518
Segment liabilities	141,247	6,968	50,984	(139,425)	59,774

19 CONTINGENCIES AND COMMITMENTS

Credit-related commitments include commitments to extend guarantees and acceptances which are designed to meet the requirements of the Group's customers. Guarantees and acceptances commit the Group to make payments to third parties on behalf of customers in certain circumstances.

The Group has the following credit related commitments:

	30 June 2026 US\$ '000 (reviewed)	31 December 2025 US\$ '000 (audited)
Guarantees	810	4,307

20 FIDUCIARY ASSETS

The assets managed on behalf of customers, to which the Group does not have any legal title are not included in the condensed interim consolidated statement of financial position. At 30 June 2026, the carrying value of such assets is US\$ 71,766 thousands (31 December 2025: US\$ 73,138 thousands).

21 COMPARATIVE FIGURES

Certain prior period / year figures have been reclassified to confirm to the current period presentation. Such reclassifications did not affect previously reported profit or loss or other comprehensive income, total assets, total liabilities and total equity of the Group.