Grant Thornton
Al-Qatami, Al-Aiban & Partners

Interim condensed consolidated financial information and review report

IFA Hotels and Resorts – KPSC and Subsidiaries

Kuwait

30 June 2026 (Unaudited)

Contents

Grant Thornton
Al-Qatami, Al-Aiban & Partners

Souq Al-Kabeer Building
Block A - 9th Floor
P. O. Box 2986 Safat 13030
State of Kuwait
T+965-2244-3900/9
F+965-2243-8451
www.grantthornton.com.kw

Report on Review of Interim Condensed Consolidated Financial Information

To the board of directors of
IFA Hotels and Resorts – KPSC
Kuwait

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

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

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

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

Report on Review of Interim Condensed Consolidated Financial Information of IFA Hotels and Resorts – KPSC (continued)

Report on review of other legal and regulatory requirements (continued)
We further report that, during the course of our review, we have not become aware of any material violations of the provisions of Law No. 7 of 2010 concerning the Capital Markets Authority and its related regulations during the six-month period ended 30 June 2026 that might have had a material effect on the business or financial position of the Parent Company.

Hend Abdullah Al Surayea
(Licence No. 141-A)
of Grant Thornton – Al-Qatami, Al-Aiban & Partners

Kuwait
9 August 2026

Interim condensed consolidated statement of profit or loss

	Note	Three months ended 30 June 2026 (Unaudited) KD	Three months ended 30 June 2025 (Unaudited) KD	Six months ended 30 June 2026 (Unaudited) KD	Six months ended 30 June 2025 (Unaudited) KD
Continuing operations					
Revenue	6	**4,311,879**	4,820,775	**11,197,451**	11,309,107
Cost of revenue		**(2,820,116)**	(2,884,476)	**(5,998,481)**	(6,858,788)
		1,491,763	1,936,299	**5,198,970**	4,450,319
Net income from ticket sales and related services		**72,351**	148,803	**157,135**	242,440
Change in fair value of investments at fair value through profit or loss		**(284,799)**	-	**(439,688)**	-
Share of results of associates and joint ventures	10	**1,884,939**	3,802,323	**3,670,896**	6,266,446
Interest income		**71,457**	142,774	**179,758**	274,352
Other income		**177,447**	369,956	**233,278**	492,964
		3,413,158	6,400,155	**9,000,349**	11,726,521
Expenses and other charges					
Staff costs		**(1,050,401)**	(757,564)	**(1,877,978)**	(1,419,298)
Sales and marketing expenses		**(103,500)**	(190,814)	**(253,343)**	(322,285)
Other operating expenses and charges		**(991,413)**	(1,193,423)	**(2,388,097)**	(2,189,217)
Depreciation & amortisation		**(252,614)**	(184,509)	**(494,904)**	(351,742)
Finance costs		**(467,762)**	(476,857)	**(940,370)**	(990,386)
		(2,865,690)	(2,803,167)	**(5,954,692)**	(5,272,928)
Profit for the period before taxation		**547,468**	3,596,988	**3,045,657**	6,453,593
Taxation	7	**135,957**	(9,665)	**(78,568)**	(1,615,984)
Profit for the period from continuing operations		**683,425**	3,587,323	**2,967,089**	4,837,609
Discontinued operations					
Profit for the period from discontinued operations	5.2	**-**	-	**-**	11,100,955
Profit for the period		**683,425**	3,587,323	**2,967,089**	15,938,564
Attributable to:					
Owners of the Parent Company		**517,356**	2,880,924	**2,544,010**	14,376,745
Non-controlling interests		**166,069**	706,399	**423,079**	1,561,819
		683,425	3,587,323	**2,967,089**	15,938,564
Basic and diluted earnings per share attributable to the owners of the Parent Company (Fils)					
- From continuing operations		**1.42 Fils**	7.92 Fils	**6.99 Fils**	10.16 Fils
- From discontinued operations		**-**	-	**-**	29.36 Fils
	8	**1.42 Fils**	7.92 Fils	**6.99 Fils**	39.52 Fils

The notes set out on pages 9 to 28 form an integral part of this interim condensed consolidated financial information.

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

	Three months ended		Six months ended	
	30 June 2026 (Unaudited) KD	30 June 2025 (Unaudited) KD	**30 June 2026 (Unaudited) KD**	30 June 2025 (Unaudited) KD
Profit for the period	**683,425**	3,587,323	**2,967,089**	15,938,564
Other comprehensive income /(loss):				
Items that may be reclassified subsequently to consolidated statement of profit or loss:				
Exchange differences arising from translation of foreign operations	**762,371**	(834,276)	**846,552**	(412,679)
Total other comprehensive income/(loss) for the period	**762,371**	(834,276)	**846,552**	(412,679)
Total comprehensive income for the period	**1,445,796**	2,753,047	**3,813,641**	15,525,885
Attributable to:				
Owners of the Parent Company	**1,146,034**	2,341,099	**3,148,364**	14,174,767
Non-controlling interests	**299,762**	411,948	**665,277**	1,351,118
	1,445,796	2,753,047	**3,813,641**	15,525,885

The notes set out on pages 9 to 28 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of financial position

	Note	30 June 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Assets				
Non-current assets				
Goodwill		**1,186,069**	1,177,269	1,173,674
Property, plant and equipment	9	**13,766,377**	12,120,046	12,900,537
Right-of-use assets		**549,612**	626,082	537,079
Investment properties		**8,449,516**	8,339,108	6,968,711
Investment in associates and joint ventures	10	**114,101,249**	109,372,777	102,816,019
Accounts receivable and other assets	11	**2,955,581**	3,007,110	4,950,058
Net investment in sub-finance lease		**-**	-	521,659
Investments at fair value through other comprehensive income		**1,305,923**	1,305,923	1,079,425
Total non-current assets		**142,314,327**	135,948,315	130,947,162
Current assets				
Accounts receivable and other assets	11	**19,085,076**	18,070,754	22,933,382
Investments at fair value through profit or loss	12	**10,399,335**	8,827,258	9,080,821
Trading properties		**10,313,878**	9,211,065	8,215,202
Net investment in sub-finance lease		**476,165**	1,107,903	1,194,597
Cash and cash equivalents	13	**5,794,390**	12,495,291	5,800,774
Total current assets		**46,068,844**	49,712,271	47,224,776
Total assets		**188,383,171**	185,660,586	178,171,938
Equity and Liabilities				
Equity				
Share capital	14	**36,398,309**	29,118,647	29,118,647
Share premium	14	**246,011**	246,011	246,011
Treasury shares	15	**(246,011)**	(246,011)	(246,011)
Statutory and voluntary reserves		**9,600,640**	9,600,640	5,705,248
Other components of equity	16	**(11,593,453)**	(12,197,807)	(13,089,590)
Retained earnings		**20,029,063**	24,764,715	24,419,489
Equity attributable to the owners of the Parent Company		**54,434,559**	51,286,195	46,153,794
Non-controlling interests		**26,942,222**	26,276,945	24,463,701
Total equity		**81,376,781**	77,563,140	70,617,495

The notes set out on pages 9 to 28 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of financial position (continued)

	Note	30 June 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Liabilities				
Non-current liabilities				
Borrowings	17	**8,493,646**	6,367,091	5,897,574
Lease liabilities		**258,101**	97,981	1,029,411
Redeemable preference shares		**3,504,232**	3,387,945	3,299,030
Advances received from customers		**2,554,862**	2,499,228	2,729,755
Due to related parties	20	**5,866,278**	6,084,294	7,639,842
Deferred tax		**1,493,242**	1,621,285	1,332,456
Provision for employees' end of service benefits		**1,556,189**	1,439,940	1,341,763
Total non-current liabilities		**23,726,550**	21,497,764	23,269,831
Current liabilities				
Due to related parties	20	**51,947,328**	55,639,155	55,867,259
Accounts payable and other liabilities	18	**27,289,120**	26,360,700	25,117,105
Lease liabilities		**706,037**	1,313,618	566,081
Borrowings	17	**2,818,540**	2,748,389	2,074,297
Advances received from customers		**518,815**	537,820	659,870
Total current liabilities		**83,279,840**	86,599,682	84,284,612
Total liabilities		**107,006,390**	108,097,446	107,554,443
Total equity and liabilities		**188,383,171**	185,660,586	178,171,938

Talal Jassim Mohammed Al-Bahar
Vice-Chairman

The notes set out on pages 9 to 28 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity

	Equity attributable to the owners of the Parent Company							Non-controlling interests	Total
	Share capital KD	Share premium KD	Treasury shares KD	Statutory and voluntary reserves KD	Other components of equity KD	Retained earnings KD	Sub-total KD	KD	KD
Balance as at 1 January 2026 (Audited)	**29,118,647**	**246,011**	**(246,011)**	**9,600,640**	**(12,197,807)**	**24,764,715**	**51,286,195**	**26,276,945**	**77,563,140**
Issue of bonus shares (note 21)	**7,279,662**	-	-	-	-	**(7,279,662)**	-	-	-
Profit for the period	-	-	-	-	-	**2,544,010**	**2,544,010**	**423,079**	**2,967,089**
Total other comprehensive income for the period	-	-	-	-	**604,354**	-	**604,354**	**242,198**	**846,552**
Total comprehensive income for the period	-	-	-	-	**604,354**	**2,544,010**	**3,148,364**	**665,277**	**3,813,641**
Balance as at 30 June 2026 (Unaudited)	**36,398,309**	**246,011**	**(246,011)**	**9,600,640**	**(11,593,453)**	**20,029,063**	**54,434,559**	**26,942,222**	**81,376,781**
Balance as at 1 January 2025 (Audited)	22,928,069	246,011	(246,011)	5,705,248	(12,887,612)	16,233,322	31,979,027	37,702,734	69,681,761
Issue of bonus shares (note 21)	6,190,578	-	-	-	-	(6,190,578)	-	-	-
Arising on disposal of subsidiary	-	-	-	-	-	-	-	(14,590,151)	(14,590,151)
Profit for the period	-	-	-	-	-	14,376,745	14,376,745	1,561,819	15,938,564
Total other comprehensive loss for the period	-	-	-	-	(201,978)	-	(201,978)	(210,701)	(412,679)
Total comprehensive income for the period	-	-	-	-	(201,978)	14,376,745	14,174,767	1,351,118	15,525,885
Balance as at 30 June 2025 (Unaudited)	29,118,647	246,011	(246,011)	5,705,248	(13,089,590)	24,419,489	46,153,794	24,463,701	70,617,495

The notes set out on pages 9 to 28 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

	Note	Six months ended 30 June 2026 (Unaudited) KD	Six months ended 30 June 2025 (Unaudited) KD
OPERATING ACTIVITIES			
Profit for the period		**2,967,089**	15,938,564
Adjustments:			
Depreciation and amortisation		**494,904**	1,235,884
Finance costs		**940,370**	1,780,317
Share of results of associates and joint ventures		**(3,670,896)**	(6,266,446)
Gain on disposal of a subsidiary	5.2	**-**	(10,471,036)
Interest income		**(179,758)**	(274,352)
Provision charge for employees' end of service benefits		**183,833**	127,487
		735,542	2,070,418
Changes in operating assets and liabilities:			
Accounts receivable and other assets		**(962,793)**	(2,394,712)
Investments at fair value through profit or loss		**(1,492,638)**	-
Trading properties		**(954,572)**	(2,201,749)
Due to related parties		**(3,909,843)**	2,211,302
Accounts payable and other liabilities		**1,000,098**	3,377,185
Advances received from customers		**36,629**	37,117
		(5,547,577)	3,099,561
Payment of employees' end of service benefits		**(76,280)**	(67,882)
Net cash (used in)/from operating activities		**(5,623,857)**	3,031,679
INVESTING ACTIVITIES			
Additions to property, plant and equipment		**(1,910,270)**	(844,237)
Proceeds from net investment in sub-finance lease		**653,445**	640,477
Net cash outflow on disposal of a subsidiary		**-**	(2,817,208)
Net movement in associates and joint ventures		**(113,614)**	(59,249)
Interest income received		**179,758**	234,294
Net cash used in investing activities		**(1,190,681)**	(2,845,923)
FINANCING ACTIVITIES			
Net increase/(decrease) in borrowings		**1,843,953**	(368,861)
Repayment of lease liabilities		**(1,124,378)**	(1,087,949)
Finance costs paid		**(683,342)**	(985,517)
Net cash from/(used in) financing activities		**36,233**	(2,442,327)
Decrease in cash and cash equivalents		**(6,778,305)**	(2,256,571)
Cash and cash equivalents at beginning of the period	13	**12,061,330**	7,623,519
Cash and cash equivalents at end of the period	13	**5,283,025**	5,366,948

The notes set out on pages 9 to 28 form an integral part of this interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information

1 Incorporation and activities

IFA Hotels and Resorts was established as a limited liability company on 19 July 1995, under the name "Offset Consulting and Project Management Company – WLL – Najwa Ahmed Abdelaziz Al-Qatami and Partners". On 14 May 2005, the Company's name and legal status were changed to IFA Hotels and Resorts – KPSC. The Parent Company's shares are listed on Boursa Kuwait.

IFA Hotels and Resorts – KPSC ("the Parent Company") and its subsidiaries are collectively referred to as ("the Group").

The Parent Company is principally engaged in the following:

- Developing, managing and marketing hotels and resorts.

- Purchasing, selling and development of real estate and land on behalf of the company within or outside the State of Kuwait. In addition, managing trust holdings, as well as trading private residential plots, in a manner that is not in violation of the laws relevant to these activities and their respective provision.

- Holding, purchasing, and selling shares and bonds of real estate companies based both in Kuwait and outside Kuwait, solely for the company's benefit and purposes.

- Providing and presenting studies and consultations on all types of real estate issues, subject to the relevant conditions required of these services.

- Performing maintenance services relating to buildings and real estate owned by the company including all types of maintenance work and the implementation of civil, mechanical, electrical, elevator and air conditioning related works whose purpose it is to preserve these buildings and to ensure their well-being.

- Organizing private real estate exhibitions to promote the real estate company's projects, in accordance with the ministry's regulations.

- Preparing real estate auctions.

- Holding and managing commercial and residential complexes.

- Utilization of excess cash in the company's possession by investing in financial and real estate portfolios which are managed by specialized and professional parties.

- Direct participation in the establishment of building foundations for residential, commercial, maintenance, touristic, urban, and athletic buildings and projects using the "Build-Operate-Transfer" (BOT) method and using BOT to manage the real estate location either for the company's, or other parties, benefit.

- The Company is also permitted to subscribe and have interests in any activities of parties that are performing similar activities or that otherwise will help the company realize its objectives within or outside Kuwait. The company is permitted to participate in construction, to cooperate in joint ventures, or to purchase these parties either fully or partially.

- The Company conducts its business in accordance with Islamic Sharia and must adhere to the provisions of Islamic Sharia in all its transactions. The Company is bound in the practice of its business by the teachings and provisions of the tolerant Islamic Sharia, and under no circumstances may any of the aforementioned objectives be interpreted as permitting the Company to engage, directly or indirectly, in any usurious activities, whether in the form of interest or any other form (note 21).

Notes to the interim condensed consolidated financial information (continued)

1 Incorporation and activities (continued)

The address of the Parent Company's registered office is Souk Al-Kuwait Building Block A, Floor 8, Darwazat Al-Abdulrazzak, State of Kuwait.

The Board of Directors of the Parent Company approved this interim condensed consolidated financial information for the six months period ended 30 June 2026 for issuance on 9 August 2026.

2 Basis of preparation, presentation and fundamental accounting concept

2.1 Basis of preparation and presentation

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

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

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

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

Operating results for the six-month period ended 30 June 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026. For further details, refer to the consolidated financial statements and their disclosures for the year ended 31 December 2025.

2.2 Fundamental accounting concept

As at 30 June 2026, the Group's current liabilities exceeded its current assets by KD37,210,996 (31 December 2025: KD36,887,411 and 30 June 2025: KD37,059,836). The current liabilities include instalments of borrowings of KD2,818,540 (31 December 2025: KD2,748,389 and 30 June 2025: KD2,074,297) which are contractually due within 12 months from the end of the reporting period, and due to related parties of KD51,947,328 (31 December 2025: KD55,639,155 and 30 June 2025: KD58,867,259) of which majority do not have any specific repayment terms.

The interim condensed consolidated financial information has been prepared on a going concern basis, which assumes that the Group will be able to meet the mandatory repayment terms of the borrowings taking into consideration the following assumptions:

- The Group has generated a net profit of KD2,967,089 for the six-month period ended 30 June 2026.
- Expected future operating cash inflows from ongoing projects and operations.
- Dividends and equity release from joint ventures projects to be completed within next 12 months.
- The Group's ability to refinance or reschedule existing borrowings, including successful restructuring achieved in prior periods
- The availability of funding support and flexibility in settlement of related party balances

Notes to the interim condensed consolidated financial information (continued)

2 Basis of preparation and presentation and fundamental accounting concept (continued)

2.2 Fundamental accounting concept (continued)

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

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

3 Changes in accounting policies

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

3.1 New and amended IFRS Accounting Standards adopted by the Group

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

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

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

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

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

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

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

Notes to the interim condensed consolidated financial information (continued)

3 Changes in accounting policies (continued)

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

Annual Improvements to IFRS Accounting Standards – volume 11
The annual improvement project updates a number of standards primarily providing clarifications and removing inconsistencies.

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

4 Judgement and estimates

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

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

5 Disposal of a subsidiary and discontinued operations

5.1 Disposal of a subsidiary

During the previous year, the Group entered into a share purchase agreement with AIM Hospitality (Cayman) Limited for the sale of its subsidiary, IFA Hotels and Resorts 1. The share purchase agreement was executed, and control was transferred on 31 March 2025.

In the interim condensed consolidated financial information for the six months ended 30 June 2025, the gain on disposal was reported based on the information available at that date and amounted to KD10,471,036 and profit from discontinued operations amounted to KD11,100,955.

Subsequently, during the period ended 30 September 2025, the consideration was revised pursuant to the original sale purchase agreement and an addendum, and the final agreed consideration was reduced from USD 325 million to USD312.5 million. Consequently, the final gain on disposal amounted to KD9,136,573 which was recognised in the audited consolidated financial statements for the year ended 31 December 2025. The comparative amounts for the six months ended 30 June 2025 have been presented as previously reported.

Notes to the interim condensed consolidated financial information (continued)

5 Disposal of a subsidiary and discontinued operations (continued)

5.2 Discontinued operations

Profit from discontinued operations comprises of the following:

	Three months ended		Six months ended	
	30 June 2026 (Unaudited) KD	30 June 2025 (Unaudited) KD	**30 June 2026 (Unaudited) KD**	30 June 2025 (Unaudited) KD
Gain on disposal of a subsidiary (5.1)	**-**	-	**-**	10,471,036
Profit for the period	**-**	-	**-**	629,919
	-	-	**-**	11,100,955

6 Revenue

	Three months ended		Six months ended	
	30 June 2026 (Unaudited) KD	30 June 2025 (Unaudited) KD	**30 June 2026 (Unaudited) KD**	30 June 2025 (Unaudited) KD
Property development	**(321,943)**	(36,775)	**235,052**	216,395
Hospitality operations	**934,967**	1,600,423	**2,579,759**	3,316,292
Property management	**3,067,133**	2,709,757	**6,993,853**	6,701,715
Rental and leasing income	**595,959**	532,704	**1,311,814**	1,042,432
Project commissions and other income	**35,763**	14,666	**76,973**	32,273
	4,311,879	4,820,775	**11,197,451**	11,309,107

Revenue includes an amount of KD764,143 (30 June 2025: KD879,003) arising from project commissions and related costs, representing commissions and staff costs charged to Qaryat Al Nakheel (a related party) under the project sales and management agreement entered into between the parties.

The Group's revenue disaggregated by pattern of revenue recognition is as follows:

	Three months ended		Six months ended	
	30 June 2026 (Unaudited) KD	30 June 2025 (Unaudited) KD	**30 June 2026 (Unaudited) KD**	30 June 2025 (Unaudited) KD
Revenue recognised over time	**2,745,190**	3,755,589	**7,228,905**	6,918,110
Revenue recognised at a point in time	**1,566,689**	1,065,186	**3,968,546**	4,390,997
	4,311,879	4,820,775	**11,197,451**	11,309,107

Notes to the interim condensed consolidated financial information (continued)

7 Taxation

	Three months ended		Six months ended	
	30 June 2026 (Unaudited) KD	30 June 2025 (Unaudited) KD	**30 June 2026 (Unaudited) KD**	30 June 2025 (Unaudited) KD
Taxation (credit)/charge on overseas subsidiaries	**(158,987)**	(124,838)	**(41,270)**	927,815
Provision charge for KFAS	**3,814**	28,907	**26,226**	160,536
Provision charge for Zakat	**5,490**	30,170	**26,746**	150,752
Provision charge for National Labour Support Tax	**13,726**	75,426	**66,866**	376,881
	(135,957)	9,665	**78,568**	1,615,984

8 Basic and diluted earnings per share attributable to the owners of the Parent Company

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

	Three months ended		Six months ended	
	30 June 2026 (Unaudited) KD	30 June 2025 (Unaudited) KD	**30 June 2026 (Unaudited) KD**	30 June 2025 (Unaudited) KD
Profit for the period attributable to owners of the Parent Company				
- From continuing operations (KD)	**517,356**	2,880,924	**2,544,010**	3,697,167
- From discontinued operations (KD)	**-**	-	**-**	10,679,578
	517,356	2,880,924	**2,544,010**	14,376,745
Weighted average number of shares outstanding during the period (excluding treasury shares)	**363,784,991**	363,784,991	**363,784,991**	363,784,991
Basic and diluted earnings per share attributable to owners of the Parent Company (Fils)				
- From continuing operations	**1.42 Fils**	7.92 Fils	**6.99 Fils**	10.16 Fils
- From discontinued operations	**-**	-	**-**	29.36 Fils
	1.42 Fils	7.92 Fils	**6.99 Fils**	39.52 Fils

The basic and diluted earnings per share reported during the comparative period for the three-month and six-month periods ended 30 June 2025 was 9.90 Fils and 49.40 Fils, respectively, before retroactive adjustments relating to bonus share issue (Note 21). There were no potential dilutive shares.

Notes to the interim condensed consolidated financial information (continued)

9 Property, plant and equipment

The movement in property, plant and equipment during the period/year is as follows:

	30 June 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Balance as at 1 January	**12,120,046**	82,922,485	82,922,485
Additions	**1,910,270**	1,413,386	844,603
Disposals - net	**-**	(1,012)	(24)
Arising on disposal of a subsidiary	**-**	(69,830,735)	(69,830,735)
Depreciation	**(379,686)**	(606,990)	-
Transfer to investment properties	**-**	(1,135,488)	(1,037,896)
Foreign exchange adjustment – net	**115,747**	(641,600)	2,104
	13,766,377	12,120,046	12,900,537

10 Investment in associates and joint ventures

	30 June 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Investment in associates (10.1)	**11,186,424**	11,075,076	10,991,114
Investment in joint ventures (10.2)	**102,914,825**	98,297,701	91,824,905
	114,101,249	109,372,777	102,816,019

10.1 Investment in associates

The movement in associates during the period/year is as follows:

	30 June 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Balance as at 1 January	**11,075,076**	11,553,982	11,553,982
Share of results of associates	**(123,277)**	(2,421,727)	(743,140)
Increase in shareholders' loan	**113,614**	106,612	59,249
Reversal of expected credit losses	**-**	1,363,124	-
Foreign exchange adjustment	**121,011**	473,085	121,023
	11,186,424	11,075,076	10,991,114

10.2 Investment in joint ventures

The movement in joint ventures during the period/year is as follows:

	30 June 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Balance as at 1 January	**98,297,701**	85,638,632	85,638,632
Share of results of joint ventures (a)	**3,794,173**	13,451,794	7,009,586
Foreign exchange adjustment	**822,951**	(792,725)	(823,313)
	102,914,825	98,297,701	91,824,905

Notes to the interim condensed consolidated financial information (continued)

10 Investment in associates and joint ventures (continued)

10.2 Investment in joint ventures (continued)

a) This includes a share of profits of KD3,008,323 (31 December 2025: KD8,966,393 and 30 June 2025: KD3,902,416) from C Seventeen which is allocated between the joint venture partners based on terms and conditions of the Joint Venture agreement.
b) The investment in joint venture C Sixteen is subject to a settlement plan for amounts due to a related party (Note 20c)

11 Accounts receivable and other assets

	30 June 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Financial assets:			
Trade receivables	**14,182,162**	13,686,551	14,122,939
Provision for doubtful debts	**(185,144)**	(256,874)	(250,809)
	13,997,018	13,429,677	13,872,130
Receivable on sale of a subsidiary (note 12)	**-**	1,854,523	6,934,677
Due from related parties (note 20)	**1,935,307**	999,412	3,022,161
Other financial assets	**3,457,211**	2,874,574	2,017,135
	19,389,536	19,158,186	25,846,103
Non-financial assets:			
Advances to contractors	**103,348**	-	-
VAT receivable	**347,505**	322,808	254,355
Deferred tax assets	**201,676**	152,384	216,665
Prepaid expenses	**1,795,804**	1,292,397	1,417,276
Other non-financial assets	**202,788**	152,089	149,041
	2,651,121	1,919,678	2,037,337
Total accounts receivable and other assets	**22,040,657**	21,077,864	27,883,440
Less: current portion	**(19,085,076)**	(18,070,754)	(22,933,382)
Non-current portion	**2,955,581**	3,007,110	4,950,058

12 Investments at fair value through profit or loss

This represents the Group's investment in a Hospitality Fund managed by AIM GP Sàrl (the General Partner), in which the Group participates as a Limited Partner (LP). As an LP, the Group holds a passive ownership interest with limited liability and no direct involvement in the management of the fund. The ultimate parent of the General Partner has a common directorship with the Parent Company of the Group.

The investment was acquired as part of the consideration received in connection with the disposal of a subsidiary (Note 5). The fair value of investment is categorised within Level 3 of the fair value hierarchy under IFRS 13 (Note 22.2).

During the current period, the Group agreed with the fund manager to settle the consideration receivable by increasing its contribution in the fund by KD1,932,326.

Notes to the interim condensed consolidated financial information (continued)

13 Cash and cash equivalents

	30 June 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Cash and bank balances	**5,283,025**	12,061,330	5,366,948
Term deposits	**511,365**	433,961	433,826
Cash and cash equivalents as per interim condensed consolidated statement of financial position	**5,794,390**	12,495,291	5,800,774
Less: blocked deposits	**(511,365)**	(433,961)	(433,826)
Cash and cash equivalents as per interim condensed consolidated statement of cash flows	**5,283,025**	12,061,330	5,366,948

14 Share capital and share premium

As of 30 June 2026, the authorized, issued and paid-up share capital of the Parent Company consists of 363,983,090 shares of 100 fils each (31 December 2025: 291,186,472 shares of 100 fils each and 30 June 2025: 291,186,472 shares of 100 fils each). All shares are in cash.

During the period, the Parent Company's share capital was increased by KD7,279,662 as a result of issuance of bonus shares (Note 21). The share capital increase was registered in the commercial register on 1 June 2026.

Share premium is not available for distribution.

15 Treasury shares

The Group holds treasury shares as follows:

	30 June 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Number of shares	**198,099**	158,261	158,093
Percentage of issued shares	**0.05%**	0.05%	0.05%
Market value (KD)	**122,425**	161,426	140,703
Cost (KD)	**246,011**	246,011	246,011

Share premium equivalent to the cost of treasury shares has been earmarked as non-distributable.

Notes to the interim condensed consolidated financial information (continued)

16 Other components of equity

	Cumulative changes in fair value KD	Foreign currency translation reserve KD	Total KD
Balance as at 1 January 2026 (Audited)	**146,152**	**(12,343,959)**	**(12,197,807)**
Arising on translation of foreign operations	-	**604,354**	**604,354**
Balance as at 30 June 2026 (Unaudited)	**146,152**	**(11,739,605)**	**(11,593,453)**
Balance at 1 January 2025 (Audited)	(80,346)	(12,807,266)	(12,887,612)
Arising on translation of foreign operations	-	(201,978)	(201,978)
Balance at 30 June 2025 (Unaudited)	(80,346)	(13,009,244)	(13,089,590)

17 Borrowings

Borrowings represent terms loans and Islamic financing facilities as follows:

	30 June 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Borrowings obtained in UAE			
- Term loans - AED	**4,321,673**	4,396,366	4,555,448
- Islamic financing facilities – AED	**489,863**	751,851	1,008,778
- Bank overdraft – AED	**2,296,836**	2,157,264	1,435,380
	7,108,372	7,305,481	6,999,606
Borrowings obtained in South Africa	**4,203,814**	1,809,999	972,265
	11,312,186	9,115,480	7,971,871
Less: amounts due within one year	**(2,818,540)**	(2,748,389)	(2,074,297)
Amount due after more than one year	**8,493,646**	6,367,091	5,897,574

The Group's borrowings comprise term loans, Islamic financing facilities and bank overdrafts obtained by subsidiaries in the United Arab Emirates and South Africa. These facilities are denominated primarily in AED and ZAR and carry variable interest/profit rates linked to EIBOR or other applicable market benchmarks.

Borrowings are measured at amortised cost and are repayable over agreed terms. Bank overdrafts are repayable on demand and form part of the Group's cash management arrangements.

The facilities are secured by corporate guarantees, mortgages over certain properties, assignment of rental income and other customary collateral arrangements.

Notes to the interim condensed consolidated financial information (continued)

18 Accounts payable and other liabilities

	30 June 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Financial liabilities:			
Trade payables	**9,693,606**	7,436,295	6,900,839
Accruals	**1,615,284**	1,388,465	1,701,277
Dividend payable	**163,818**	163,818	508,818
Provisions for taxation	**6,084,088**	5,964,250	5,853,688
Other payables	**3,588,444**	3,650,714	5,883,062
	21,145,240	18,603,542	20,847,684
Non-financial liabilities:			
Prepayments and deposits	**5,865,313**	7,573,916	4,065,754
VAT payable	**278,567**	183,242	203,667
	6,143,880	7,757,158	4,269,421
	27,289,120	26,360,700	25,117,105

19 Segmental information

The Group's activities are concentrated in four main segments: property development, hospitality and investments and others. The segment's results are reported to the senior management in the Group. The following is the segments information, which conforms with the internal reporting presented to management:

	Property development KD	Hospitality KD	Investments KD	Others/ Unallocated KD	Total KD
For the three months ended 30 June 2026					
Revenue	**274,016**	**934,967**	**3,144,106**	**(41,210)**	**4,311,879**
Segment gross profit/(loss)	**135,095**	**496,490**	**901,388**	**(41,210)**	**1,491,763**
Net income from ticket sales and related services	**-**	**-**	**-**	**72,351**	**72,351**
Share of results of associates and joint ventures	**-**	**-**	**1,884,939**	**-**	**1,884,939**
Change in fair value of investment at fair value through profit or loss	**-**	**-**	**(284,799)**	**-**	**(284,799)**
Interest income	**-**	**-**	**-**	**71,457**	**71,457**
Other income	**-**	**-**	**-**	**177,447**	**177,447**
Staff costs	**(555,673)**	**(346,348)**	**(36,906)**	**(111,474)**	**(1,050,401)**
Sales and marketing expenses	**(108,741)**	**5,241**	**-**	**-**	**(103,500)**
Other operating expenses and charges	**(611,064)**	**149,074**	**(493,260)**	**(36,163)**	**(991,413)**
Depreciation	**(75,294)**	**(150,014)**	**(26,682)**	**(624)**	**(252,614)**
Finance costs	**(198,056)**	**(163,151)**	**(106,555)**	**-**	**(467,762)**
Segment (loss)/profit for the period before taxation	**(1,413,733)**	**(8,708)**	**1,838,125**	**131,784**	**547,468**

Notes to the interim condensed consolidated financial information (continued)

19 Segment information (continued)

	Property development KD	Hospitality KD	Investments KD	Others/ Unallocated KD	Total KD
For the six months ended 30 June 2026					
Revenue	**1,546,866**	**2,579,759**	**7,070,826**	**-**	**11,197,451**
Segment gross profit	**704,201**	**1,512,328**	**2,982,441**	**-**	**5,198,970**
Net income from ticket sales and related services	**-**	**-**	**-**	**157,135**	**157,135**
Share of results of associates and joint ventures	**-**	**-**	**3,670,896**	**-**	**3,670,896**
Change in fair value of investment at fair value through profit or loss	**-**	**-**	**(439,688)**	**-**	**(439,688)**
Interest income	**-**	**-**	**-**	**179,758**	**179,758**
Other income	**-**	**-**	**-**	**233,278**	**233,278**
Staff costs	**(802,920)**	**(825,163)**	**(53,478)**	**(196,417)**	**(1,877,978)**
Sales and marketing expenses	**(187,872)**	**(65,471)**	**-**	**-**	**(253,343)**
Other operating expenses and charges	**(1,182,924)**	**(391,786)**	**(738,426)**	**(74,961)**	**(2,388,097)**
Depreciation	**(141,179)**	**(318,345)**	**(34,178)**	**(1,202)**	**(494,904)**
Finance costs	**(302,664)**	**(426,112)**	**(211,594)**	**-**	**(940,370)**
Segment (loss)/profit for the period before taxation	**(1,913,358)**	**(514,549)**	**5,175,973**	**297,591**	**3,045,657**
For the three months ended 30 June 2025					
Revenue	(586,679)	3,794,526	1,630,534	(17,606)	4,820,775
Segment gross profit/(loss)	526,765	717,171	709,969	(17,606)	1,936,299
Net income from ticket sales and related services	-	-	-	148,803	148,803
Share of results of associates and joint ventures	-	-	3,802,323	-	3,802,323
Interest income	-	-	-	142,774	142,774
Other income	-	-	-	369,956	369,956
Staff costs	(258,484)	(339,115)	(22,200)	(137,765)	(757,564)
Sales and marketing expenses	(74,867)	(55,183)	-	(60,764)	(190,814)
Other operating expenses and charges	(519,115)	(402,827)	(221,713)	(49,768)	(1,193,423)
Depreciation	(51,284)	(122,606)	(10,616)	(3)	(184,509)
Finance costs	(92,834)	(256,936)	(105,615)	(21,472)	(476,857)
Segment (loss)/profit for the period before taxation	(469,819)	(459,496)	4,152,148	374,155	3,596,988

Notes to the interim condensed consolidated financial information (continued)

19 Segment information (continued)

	Property development KD	Hospitality KD	Investments KD	Others/ Unallocated KD	Total KD
For the six months ended 30 June 2025					
Revenue	1,258,827	5,510,395	4,539,885	-	11,309,107
Segment gross profit	676,985	1,787,800	1,985,534	-	4,450,319
Net income from ticket sale and related services	-	-	-	242,440	242,440
Share of results of associates and joint ventures	-	-	6,266,446	-	6,266,446
Interest income	-	-	-	274,352	274,352
Other income	-	-	-	492,964	492,964
Staff costs	(466,452)	(637,136)	(53,587)	(262,123)	(1,419,298)
Sales and marketing expenses	(159,965)	(101,556)	-	(60,764)	(322,285)
Other operating expenses and charges	(1,275,604)	(451,600)	(375,020)	(86,993)	(2,189,217)
Depreciation	(123,368)	(214,203)	(12,203)	(1,968)	(351,742)
Finance costs	(239,967)	(500,223)	(211,132)	(39,064)	(990,386)
Segment (loss)/profit for the period before taxation	(1,588,371)	(116,918)	7,600,038	558,844	6,453,593
As at 30 June 2026					
Segment assets	**14,158,792**	**22,824,828**	**150,439,243**	**960,308**	**188,383,171**
Segment liabilities	**(4,189,350)**	**(7,767,220)**	**(94,637,422)**	**(412,398)**	**(107,006,390)**
Segment net assets	**9,969,442**	**15,057,608**	**55,801,821**	**547,910**	**81,376,781**
Other information:					
Investment in associates and joint ventures					**114,101,249**
Goodwill					**1,186,069**
Taxation					**(78,568)**
As at 31 December 2025					
Segment assets	12,325,778	24,079,152	148,197,299	1,058,357	185,660,586
Segment liabilities	(7,610,018)	(8,515,666)	(91,501,765)	(469,997)	(108,097,446)
Segment net assets	4,715,760	15,563,486	56,695,534	588,360	77,563,140
Other information:					
Investment in associates and joint ventures					109,372,777
Goodwill					1,177,269
Taxation					(1,073,317)

Notes to the interim condensed consolidated financial information (continued)

19 Segment information (continued)

	Property development KD	Hospitality KD	Investments KD	Others/ Unallocated KD	Total KD
As at 30 June 2025					
Segment assets	17,320,884	22,830,793	137,114,898	905,363	178,171,938
Segment liabilities	(9,001,090)	(6,818,152)	(91,374,561)	(360,640)	(107,554,443)
Segment net assets	8,319,794	16,012,641	45,740,337	544,723	70,617,495
Other information:					
Investment in associates and joint ventures					102,816,019
Goodwill					1,173,674
Taxation					(1,615,984)

20 Related party transactions

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

Significant transactions and balances with related parties included in the consolidated financial statements are as follows:

	30 June 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Balances included in the interim condensed consolidated statement of financial position:			
Amounts due from related parties included in accounts receivable and other assets (note 11)			
- Due from joint ventures	**586,825**	582,061	2,440,291
- Due from others	**1,348,482**	417,351	581,870
	1,935,307	999,412	3,022,161
Shareholders loan given to an associate - gross (included within investment in associate)	**6,530,441**	6,308,475	3,442,289
Redeemable preference shares	**3,504,232**	3,387,945	3,299,030
Amounts due to related parties:			
- Due to major shareholders	**38,844,425**	43,816,106	16,955,856
- Due to others	**18,969,181**	17,907,343	46,551,245
	57,813,606	61,723,449	63,507,101

Notes to the interim condensed consolidated financial information (continued)

20 Related party transactions (continued)

	Three months ended		Six months ended	
	30 June 2026 (Unaudited) KD	30 June 2025 (Unaudited) KD	**30 June 2026 (Unaudited) KD**	30 June 2025 (Unaudited) KD
Transactions included in interim condensed consolidated statement of profit or loss:				
Revenue	**1,241,326**	1,682,854	**3,825,801**	4,420,826
Finance costs	**106,425**	105,526	**211,356**	210,953
Key management compensation of the Group				
Long and short-term employees' benefits	**115,472**	202,032	**236,272**	284,154

a) The amounts due from related parties are interest free and have no specific repayment terms.

b) The Group holds an investment in a fund classified at FVTPL which is managed by a related party (Note 12).

c) Subsequent to the reporting date, the Board of Directors of the Parent Company, in their meeting held on 5 August 2026, considered various proposals to settle the amounts due by the Parent Company and its subsidiary, IFA Hotels & Resorts FZE (UAE) to International Financial Advisors Holding Company aggregating to KD16,198,723 as at 30 June 2026. In addition to the previous plan announced on 10 February 2026 through the transfer of ownership interests in IFA Kuwait Building General Trading & Contracting Company (which owns IFA Hotels & Resorts Limited (South Africa) and Zimbali Hotels & Resorts (South Africa)), the board also approved to submit an alternative plan for transfer of ownership interests in C16 Investments Limited (which owns C16 Limited, a joint venture). The value of the ownership interests to be transferred will be determined based on a fair valuation of the assets conducted by an independent specialised valuation firm.

d) Due to other related parties include the following:

- KD5,733,597 (31 December 2025: KD5,529,566 and 30 June 2025: KD5,127,254) payable on 30 June 2028 carrying fixed interest payable at maturity.
- KD1,535,065 (31 December 2025: KD1,470,980 and 30 June 2025: KD1,422,319) carrying fixed interest with no specific repayment terms.
- KD1,867,684 (31 December 2025: KD2,909,166 and 30 June 2025: KD4,347,679) after being discounted. The current portion amounts to KD 1,489,806 (31 December 2025: KD2,108,700 and 30 June 2025: KD1,835,091) and the non-current portion amounts to KD377,878 (31 December 2025: KD801,315 and 30 June 2025: KD2,512,588).
- KD10,594,110 (31 December 2025: KD10,382,754 and 30 June 2025: KD10,169,452) carrying interest rate per annum with no specific repayment dates.
- KD16,083,358 (31 December 2025: KD18,571,526 and 30 June 2025: KD19,315,363) non-interest bearing with no specific repayment terms.

21 General Assembly of shareholders and dividends

The Annual General Assembly of the shareholders of the Parent Company held on 10 May 2026 approved the consolidated financial statements of the Group for the year ended 31 December 2025 and the boards of directors' proposal to issue 25% bonus shares (2025: 27% bonus shares) and an amount of KD 45,000 as remuneration to the Board of Directors for the year ended 31 December 2025.

Notes to the interim condensed consolidated financial information (continued)

21 General Assembly of shareholders and dividends (continued)

The Extra-Ordinary General Assembly of the shareholders of the Parent Company held on 15 October 2025, approved the board of directors' proposal to conduct the activities of the Parent Company in accordance with Islamic Share'a, which was registered in the commercial register on 28 October 2025 (Note 1).

22 Fair value measurement

22.1 Fair value hierarchy

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

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

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

22.2 Fair value measurement of financial instruments

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

	30 June 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Financial assets:			
At amortised cost:			
- Accounts receivable and other assets (Note 11)	**19,389,536**	19,158,186	25,846,103
- Shareholders' loan to an associate	**6,530,441**	6,308,475	3,442,289
- Cash and cash equivalents	**5,794,390**	12,495,291	5,800,774
	31,714,367	37,961,952	35,089,166
At fair value:			
- Investments at FVTPL	**10,399,335**	8,827,258	9,080,821
- Investments at FVTOCI	**1,305,923**	1,305,923	1,079,425
	11,705,258	10,133,181	10,160,246
	43,419,625	48,095,133	45,249,412
Financial liabilities:			
At amortised costs:			
- Borrowings	**11,312,186**	9,115,480	7,971,871
- Lease liabilities	**964,138**	1,411,599	1,595,492
- Redeemable preference shares	**3,504,232**	3,387,945	3,299,030
- Due to related parties	**57,813,606**	61,723,449	63,507,101
- Accounts payable and other liabilities (Note 18)	**21,145,240**	18,603,542	20,847,684
	94,739,402	94,242,015	97,221,178

Notes to the interim condensed consolidated financial information (continued)

22 Fair value measurement (continued)

22.2 Fair value measurement of financial instruments (continued)

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

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

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

	Level 1 KD	Level 2 KD	Level 3 KD	Total KD
30 June 2026 (unaudited)				
Investments at FVTPL				
Foreign unquoted securities	-	-	**10,399,335**	**10,399,335**
Investments at FVTOCI				
Local unquoted securities	-	-	**138,823**	**138,823**
Foreign unquoted securities	-	-	**1,167,100**	**1,167,100**
	-	-	**11,705,258**	**11,705,258**
31 December 2025 (audited)				
Foreign unquoted securities	-	-	8,827,258	8,827,258
Investments at FVTOCI				
Local unquoted securities	-	-	138,823	138,823
Foreign unquoted securities	-	-	1,167,100	1,167,100
	-	-	10,133,181	10,133,181
30 June 2025 (unaudited)				
Investments at FVTPL				
Foreign unquoted securities	-	-	9,080,821	9,080,821
Investments at FVTOCI				
Local unquoted securities	-	-	97,055	97,055
Foreign unquoted securities	-	-	982,370	982,370
	-	-	10,160,246	10,160,246

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

Measurement at fair value

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

Notes to the interim condensed consolidated financial information (continued)

22 Fair value measurement (continued)

22.2 Fair value measurement of financial instruments (continued)

Measurement at fair value (continued)

The method and valuation technique used for the purpose of measuring fair value is as follows:

a) Foreign managed funds

The valuation is based on net asset value (NAV) of the fund, which is primarily driven by the fair value of underlying property with the carrying value of other assets and liabilities estimated to approximate fair value. The property is valued periodically by independent external valuers. The latest valuation was performed using the 'Profits Method' in accordance with RICS Valuation standards for hotels and other similar assets.

b) Unquoted shares

These represent holdings in local and foreign unlisted securities which are measured at fair value. Fair value is estimated based on the net asset value reported in the latest available financial information, discounted cash flow model or other valuation technique which includes some assumptions that are not supportable by observable market prices or rates.

Level 3 fair value measurements

The reconciliation of the carrying amounts of financial instruments classified within Level 3 is as follows:

	30 June 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 June 2025 (Unaudited) KD
Investments at FVTPL			
Balance at the beginning of the period/year	**8,827,258**	-	-
Additions during the year	**1,932,326**	7,842,991	9,080,821
Change in fair value	**(439,688)**	1,010,179	-
Foreign exchange adjustments	**79,439**	(25,912)	-
Balance at the end of period/year	**10,399,335**	8,827,258	9,080,821
Investments at FVTOCI			
Balance at the beginning of the period/year	**1,305,923**	1,079,425	1,079,425
Change in fair value	**-**	226,498	-
Balance at the end of period/year	**1,305,923**	1,305,923	1,079,425

23 Legal case

Certain Group entities are respondents in joint arbitration proceedings initiated by a real estate developer, a building contractor and an individual in connection with the termination of contractual arrangements relating to a construction project. The claimants are seeking compensation for alleged losses and damages arising from the termination. The Group disputes the claims and maintains that the relevant contractual obligations were not fulfilled by the claimants. The evidentiary hearing was completed in May 2026 and closing submissions were filed in June 2026. The proceedings are currently awaiting the final award of the arbitrator.

Notes to the interim condensed consolidated financial information (continued)

23 Legal case (continued)

Based on the assessment of management and the Group's external legal adviser, the Group considers that it has good prospects of successfully defending the claims. Accordingly, no provision has been recognized in this interim condensed consolidated financial information. However, the ultimate outcome of the proceedings remains uncertain. Certain details required in accordance with IAS 37 - Provisions, Contingent Liabilities and Contingent Assets, are not disclosed to prevent any potential prejudice to the litigation outcome.

24 Geopolitical developments and related uncertainties

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

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

- the valuation and recoverability of the Group's financial and non-financial assets;
- potential disruption to the Group's property development, hospitality and property management operations, supply chains and contractual obligations;
- changes in real estate market conditions, cost escalations, tourism and hospitality activity, customer demand and counterparty credit risk; and
- the Group's liquidity, financing arrangements and exposure to market risks.

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

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

The Group continues to maintain adequate liquidity through its available cash resources, operating cash flows and access to banking facilities. Management has assessed the Group's forecast funding requirements, debt obligations and compliance with financing arrangements and has not identified any material constraints on the Group's ability to meet its obligations as they fall due.

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

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

Notes to the interim condensed consolidated financial information (continued)

25 Comparative amounts

Certain comparative amounts have been reclassified to conform to the presentation in the current period. Such reclassification does not affect previously reported net assets, net equity, net results for the year or net increase in cash and cash equivalents.

About Grant Thornton
Grant Thornton is a global network of 80,000 people in member firms in over 150 countries with a common goal — to help you realise your ambitions. Which is why our network combines global scale and capability with local insights and understanding. So, whether you're growing in one market or many, looking to operate more effectively, managing risk and regulation, or realising stakeholder value, our member firms have the assurance, tax and advisory capabilities you need with the quality you expect.

Grant Thornton - Al-Qatami, Al-Aiban and Partners, established in 1973, is one of the oldest public accounting firms in the State of Kuwait and has been a full member of Grant Thornton International since 1985. This affiliation helps us draw on the expertise and resources of the international organization to provide world class professional services to our clients in Kuwait.

We invest in listening, building relationships and understanding your concerns to deliver an experience that's more personal, agile and proactive.

We work at the pace that matters. Yours.

That's why we celebrate fresh thinking and diverse perspectives to find better solutions.

We don't predict the future. We help you shape it.

grantthornton.com.kw