

Interim condensed consolidated financial information and review report

Kuwait Financial Centre – KPSC and Subsidiaries

Kuwait

30 June 2026 (Unaudited)

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Report on Review of Interim Condensed Consolidated Financial Information

To the Board of Directors of
Kuwait Financial Centre – KPSC
Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Kuwait Financial Centre – KPSC (“the Parent Company”) and its subsidiaries (together referred to as the “Group”) as at 30 June 2026 and the related interim condensed consolidated statements of profit or loss, and 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 the basis of preparation set out in Note 2. 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 the basis of preparation set out in Note 2.

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, we have not become aware of any violation of the Companies Law No. 1 of 2016, as amended and its Executive Regulations, as amended, or of the Parent Company’s Memorandum of Incorporation and Articles of Association, as amended, during the six-month period ended 30 June 2026 that might have had a material effect on the business or financial position of the Parent Company.



Report on Review of Interim Condensed Consolidated Financial Information of Kuwait Financial Centre – KPSC (continued)

Report on review of other legal and regulatory requirements (continued)

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any material violations of the provisions of Law No. 32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the organisation of banking business, and its related regulations, or 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
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Kuwait
11 August 2026

Interim condensed consolidated statement of profit or loss

	Three months ended		Six months ended	
	30 June 2026 (Unaudited) KD '000	30 June 2025 (Unaudited) KD '000	30 June 2026 (Unaudited) KD '000	30 June 2025 (Unaudited) KD '000
Note				
Income				
Interest income	285	330	584	634
Dividend income	554	442	1,010	932
Management fees and commission income	2,319	2,434	4,344	4,456
Gain from financial assets at fair value through profit or loss	2,875	1,392	926	1,590
Gain / (loss) on sale of financial assets at fair value through OCI	3	(1)	4	(1)
Share of results of associates	4,131	2,643	72	5,250
Loss on partial redemption of investment in associates	-	(40)	-	(28)
Deemed gain on derecognition of a subsidiary	-	-	-	370
Gain on sale of investment properties	-	-	75	178
Net rental income	358	360	737	538
Foreign currency exchange gain	143	345	227	462
Other income	14	55	37	72
	10,682	7,960	8,016	14,453
Expenses and other charges				
General and administrative expenses	(2,860)	(3,201)	(5,665)	(6,336)
Other expenses	(46)	(65)	(486)	(201)
Finance costs	(936)	(829)	(1,792)	(1,477)
	(3,842)	(4,095)	(7,943)	(8,014)
Profit before provisions for contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labour Support Tax (NLST) and Zakat	6,840	3,865	73	6,439
Provision for contribution to KFAS	-	(35)	-	(61)
Provision for NLST	-	(107)	-	(181)
Provision for Zakat	-	(43)	-	(72)
Profit for the period	6,840	3,680	73	6,125
Profit for the period attributable to:				
Owners of the Parent Company	6,790	3,634	32	6,409
Non-controlling interests	50	46	41	(284)
Profit for the period	6,840	3,680	73	6,125
Basic and diluted earnings per share attributable to the owners of the Parent Company	6	14.01 Fils	7.42 Fils	0.07 Fils
				13.08 Fils

The notes set out on pages 10 to 22 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 '000	30 June 2025 (Unaudited) KD '000	30 June 2026 (Unaudited) KD '000	30 June 2025 (Unaudited) KD '000
Profit for the period	6,840	3,680	73	6,125
Other comprehensive income / (loss):				
<i>Items that will not be reclassified to statement of profit or loss in subsequent periods:</i>				
<i>Fair value reserve:</i>				
- Share of other comprehensive loss of associates	-	(74)	-	(123)
<i>Items to be reclassified to statement of profit or loss in subsequent periods:</i>				
<i>Fair value reserve:</i>				
- Net change in fair value of financial assets at fair value through OCI	2	(18)	(5)	(18)
<i>Foreign currency translation reserve:</i>				
- Exchange differences arising on translation of foreign operations	72	84	(172)	104
- Share of other comprehensive income / (loss) of associates	21	(13)	15	(3)
Total other comprehensive income / (loss)	95	(21)	(162)	(40)
Total comprehensive income / (loss) for the period	6,935	3,659	(89)	6,085
Total comprehensive income / (loss) for the period attributable to:				
Owners of the Parent Company	6,861	3,622	(177)	6,376
Non-controlling interests	74	37	88	(291)
	6,935	3,659	(89)	6,085

The notes set out on pages 10 to 22 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of financial position

	Notes	30 June 2026 (Unaudited) KD '000	31 Dec. 2025 (Audited) KD '000	30 June 2025 (Unaudited) KD '000
Assets				
Cash and bank balances	7	6,420	8,390	5,887
Time deposits	7	114	693	83
Accounts receivable and other assets		6,675	7,081	5,365
Loans to customers		2,373	2,404	2,431
Financial assets at fair value through profit or loss	8	80,461	79,954	73,616
Financial assets at fair value through OCI		602	1,306	4,222
Financial assets at amortised cost		3,599	3,651	3,757
Investments in associates		68,349	68,467	65,296
Investment properties		18,993	18,002	27,237
Right-of-use assets		3,556	3,900	1,674
Equipment		1,012	1,011	809
Total assets		192,154	194,859	190,377
Liabilities and equity				
Liabilities				
Accounts payable and other liabilities		8,144	10,826	9,057
Financial liabilities at fair value through profit or loss		7	12	-
Lease liabilities		3,780	3,955	1,679
Borrowings	9	28,173	23,057	25,700
Bonds issued		35,000	35,000	35,000
Total liabilities		75,104	72,850	71,436
Equity				
Share capital		50,484	50,484	50,484
Share premium		7,902	7,902	7,902
Treasury shares	10	(2,431)	(2,045)	(1,814)
Statutory reserve		20,717	20,717	19,567
Voluntary reserve		19,072	19,072	17,922
Other components of equity		943	1,152	855
Retained earnings		13,133	16,787	14,972
Equity attributable to the owners of the Parent Company		109,820	114,069	109,888
Non-controlling interests		7,230	7,940	9,053
Total equity		117,050	122,009	118,941
Total liabilities and equity		192,154	194,859	190,377


Diraar Yusuf Alghanim
Chairman


Ali Hassan Khalil
Chief Executive Officer

The notes set out on pages 10 to 22 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 '000	Share premium KD '000	Treasury shares KD '000	Statutory reserve KD '000	Voluntary reserve KD '000	Other components of equity KD '000	Retained earnings KD '000	Sub total KD '000	KD '000
Balance at 1 January 2026	50,484	7,902	(2,045)	20,717	19,072	1,152	16,787	114,069	7,940
Net change in non-controlling interests	-	-	-	-	-	-	-	-	(607)
Effect of change in ownership percentage of subsidiaries (Note 5.1)	-	-	-	-	-	-	191	191	(191)
Purchase of treasury shares	-	-	(386)	-	-	-	-	(386)	-
Cash dividend (Note 11)	-	-	-	-	-	-	(3,877)	(3,877)	-
Transactions with owners	-	-	(386)	-	-	-	(3,686)	(4,072)	(798)
Profit for the period	-	-	-	-	-	-	32	32	41
Total other comprehensive (loss) / income for the period	-	-	-	-	-	(209)	-	(209)	47
Total comprehensive (loss) / income for the period	-	-	-	-	-	(209)	32	(177)	88
Balance at 30 June 2026	50,484	7,902	(2,431)	20,717	19,072	943	13,133	109,820	7,230
								109,820	117,050

The notes set out on pages 10 to 22 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity (continued)

	Equity attributable to the owners of the Parent Company							Non-controlling interests		Total
	Share capital KD '000	Share premium KD '000	Treasury shares KD '000	Statutory reserve KD '000	Voluntary reserve KD '000	Other components of equity KD '000	Retained earnings KD '000	Sub total KD '000	KD '000	KD '000
Balance at 1 January 2025	50,484	7,902	(1,606)	19,567	17,922	888	12,177	107,334	10,947	118,281
Net change in non-controlling interests	-	-	-	-	-	-	-	-	3,555	3,555
Effect of change in ownership percentage of subsidiaries	-	-	-	-	-	-	(184)	(184)	184	-
Arising on de-recognition of a subsidiary	-	-	-	-	-	-	-	-	(5,342)	(5,342)
Purchase of treasury shares	-	-	(208)	-	-	-	-	(208)	-	(208)
Cash dividend	-	-	-	-	-	-	(3,430)	(3,430)	-	(3,430)
Transactions with owners	-	-	(208)	-	-	-	(3,614)	(3,822)	(1,603)	(5,425)
Profit / (loss) for the period	-	-	-	-	-	-	6,409	6,409	(284)	6,125
Total other comprehensive loss for the period	-	-	-	-	-	(33)	-	(33)	(7)	(40)
Total comprehensive (loss) / income for the period	-	-	-	-	-	(33)	6,409	6,376	(291)	6,085
Balance at 30 June 2025	50,484	7,902	(1,814)	19,567	17,922	855	14,972	109,888	9,053	118,941

The notes set out on pages 10 to 22 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 '000	Six months ended 30 June 2025 (Unaudited) KD '000
OPERATING ACTIVITIES			
Profit for the period		73	6,125
Adjustments for:			
Interest income		(584)	(634)
Depreciation and amortization		813	707
(Gain) / loss on sale of financial assets at fair value through OCI		(4)	1
Share of results of associates		(72)	(5,250)
Loss on partial redemption of investment in associates		-	28
Deemed gain on derecognition of a subsidiary		-	(370)
Gain on sale of investment properties		(75)	(178)
Provisions for credit losses		481	197
Finance costs		1,792	1,477
		2,424	2,103
Changes in operating assets and liabilities:			
Financial assets at fair value through profit or loss		(507)	(3,264)
Financial liabilities at fair value through profit or loss		(5)	-
Accounts receivable and other assets		64	(230)
Loans to customers		31	67
Accounts payable and other liabilities		(2,732)	4,770
Net cash (used in) / from operating activities		(725)	3,446
INVESTING ACTIVITIES			
Change in time deposits with contractual maturity exceeding three months		(39)	(11)
Purchase of equipment		(231)	(111)
Purchase of financial assets at amortised cost		(25)	-
Proceeds from redemption of financial assets at amortised cost		-	340
Additions to financial assets at fair value through OCI		-	(5,511)
Proceeds from sale of financial assets at fair value through OCI		713	1,240
Additions to investment properties		(1,615)	(4,870)
Proceeds from sale of investment properties		472	433
Additions to investment in associates		-	(82)
Proceeds from partial redemption of investment in associates		-	304
Cash outflow due to deconsolidation of a subsidiary		-	(1,106)
Dividend received from associates		205	177
Interest income received		445	370
Net cash used in investing activities		(75)	(8,827)

The notes set out on pages 10 to 22 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows (continued)

	Note	Six months ended 30 June 2026 (Unaudited) KD '000	Six months ended 30 June 2025 (Unaudited) KD '000
FINANCING ACTIVITIES			
Dividend paid		(3,842)	(3,428)
Purchase of treasury shares		(386)	(208)
Proceeds from borrowings		19,798	13,476
Repayment of borrowings		(14,750)	(6,750)
Finance costs paid		(1,638)	(1,410)
Payment of lease liabilities		(303)	(348)
Net change in non-controlling interests		(607)	3,555
Net cash (used in) / from financing activities		(1,728)	4,887
Decrease in cash and cash equivalents		(2,528)	(494)
Foreign currency adjustments		(60)	(707)
Cash and cash equivalents at the beginning of the period	7	9,008	7,092
Cash and cash equivalents at the end of the period	7	6,420	5,891

The notes set out on pages 10 to 22 form an integral part of this interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information

1 Incorporation and activities

Kuwait Financial Centre – KPSC (“the Parent Company”) was incorporated in 1974 in accordance with the Commercial Companies Law in the State of Kuwait. The Parent Company along with its subsidiaries are jointly referred to as “the Group”. The Parent Company is listed on Boursa Kuwait and is governed under the directives of the Central Bank of Kuwait and Capital Markets Authority of Kuwait.

The principal activities of the Parent Company are as follows:

- Funding import and export operations, whether by direct credit or accepting drafts drawn on the company for short terms, as well as brokerage in securing the banking facilities for clients in Kuwait and abroad.
- Undertake the job of broker between borrowers and lenders, undertake approved agency works for the payment processes arising from issuing medium and long term securities, in addition to keeping securities on behalf of the clients.
- Dealing and trading in the foreign currencies and the precious metal markets inside and outside Kuwait.
- Undertake all the services which assist to extend and support the money and capital market capacity in Kuwait and fulfil its needs within the limits of the law and the procedures or instructions issued by the Central Bank of Kuwait. The company may have an interest or participate in any manner with the bodies practicing business similar to its business or which may assist it to achieve its objectives inside or outside Kuwait and it may acquire such bodies or append them to itself.
- Offering personal, commercial and consumer loans, undertake finance operations on the basis of margin related to investment operations in the local and international markets, trading currencies, as well as the finance operations related to pledging investment portfolios and securities, and undertaking finance and brokerage in international and local commercial operations.
- Investment in the various economic sectors such as the industrial, real estate, agricultural, services and other sectors, whether directly or by contribution through existing companies or incorporating these companies related to the said activity or acquire projects which fulfil such objective.
- Performing the functions of a security agent, mortgage trustee, and payment agent for all types of assets, cash, and portfolios on behalf of or for the benefit of others.
- Unregistered securities broker in the stock exchange.
- Investment portfolio manager.
- Collective investment scheme manager.
- Investment advisor.
- Placement agent.
- Custodian.
- Market maker

The address of the Parent Company’s registered office is PO Box 23444, Safat 13095, Burj Al Shaya, Floor 8, Al Soor Street, Al Mirqab, Kuwait City, State of Kuwait.

Notes to the interim condensed consolidated financial information (continued)

1 Incorporation and activities (continued)

The Board of Directors of the Parent Company approved this interim condensed consolidated financial information for issue on 11 August 2026.

2 Basis of preparation

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” except as noted below.

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”), modified for use by the Government of Kuwait for financial services institutions regulated by the Central Bank of Kuwait (“CBK”). The modification requires adoption of all IFRS Accounting Standards for such institutions except for the IFRS 9 requirement for estimated credit losses (“ECL”) for loans and receivables, which has been replaced by the CBK requirement for the ECL to be measured at the higher of the ECL on credit facilities computed under IFRS 9 under CBK guidelines and the provision required under CBK instructions, and the consequent impact on the related disclosures.

The interim condensed consolidated financial information has been presented in Kuwaiti Dinars which is the functional and presentation currency of the Parent Company.

This interim condensed consolidated financial information does not contain all information and disclosures required for complete consolidated 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 months ended 30 June 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026. For more details, refer to the annual audited consolidated financial statements and its related disclosures for the year ended 31 December 2025.

3 Changes in accounting policies

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

3.1 New and amended IFRS Accounting Standards adopted by the Group

The following amendments to IFRS 7 and IFRS 9 were effective for the current period:

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

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

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)

IFRS 7 and IFRS 9 Classification and Measurement of Financial Instruments - Amendments (continued)

- 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.

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 Judgment and estimates

The preparation of interim condensed consolidated financial information requires management to make judgments, 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 judgments 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.

Notes to the interim condensed consolidated financial information (continued)

5 Subsidiary companies

During the period, the Group's ownership changed in the following subsidiaries:

Name	Country of incorporation	Ownership percentage			Principal activity
		30 June 2026 (Unaudited)	31 Dec. 2025 (Audited)	30 June 2025 (Unaudited)	
Markaz Arabian Fund (Note 5.1)	Bahrain	94.39%	94.59%	94.57%	Investment Fund
Markaz Fixed Income Fund (Note 5.1 & 5.5)	Kuwait	97.62%	94.04%	92.64%	Investment Fund
GCC Momentum Fund (Note 5.1)	Kuwait	48.50%	46.44%	44.93%	Investment Fund
Azzuri Real Estate Company WLL (Note 5.2)	Kuwait	-	100%	100%	Real Estate
MKZ Development 32 (Note 5.2)	Cayman Islands	-	100%	100%	Real Estate

- 5.1 During the period, the ownership of Markaz Arabian Fund, Markaz Fixed Income Fund and GCC Momentum Fund changed due to changes in the number of investment units owned by the non-controlling interests as a result of subscription and redemption of the funds' units. These changes in the ownerships resulted in a net gain of KD191 thousand which has been recognised in interim condensed consolidated statement of changes in equity.

Although the Group's ownership interest in GCC Momentum Fund ("GCC Fund") is below 50%, the Group continues to control the GCC Fund as it retains control in accordance with IFRS 10 due to its ability to direct relevant activities and its exposure to variable returns.

- 5.2 During the period, the Group completed the liquidation of these two subsidiaries. The liquidation had no material impact on the interim condensed consolidated financial information of the Group.
- 5.3 During the period, the Group incorporated a new subsidiary, "Margulf Invest Company – WLL" registered in Saudi Arabia with 100% ownership. The subsidiary did not commence operations during the period and, accordingly, had no impact on the interim condensed consolidated financial information.
- 5.4 During the period, the Group consolidated subsidiary, "Marmore Mena Consulting Studies and Research LLC – SPC" registered in UAE with 100% ownership.
- 5.5 During the period, the Unit Holders of the Subsidiary "Markaz Fixed Income Fund" approved a resolution to liquidate the Fund and appointed the Parent Company as the liquidator.

Subsequent to the reporting date, the Fund obtained the required approvals from the Capital Markets Authority to proceed with its liquidation.

Notes to the interim condensed consolidated financial information (continued)

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

Basic and diluted earnings per share attributable to the owners of the Parent Company is calculated 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 (excluding treasury shares).

	Three months ended		Six months ended	
	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Profit for the period attributable to the owners of the Parent Company (KD '000)	6,790	3,634	32	6,409
Weighted average number of shares outstanding during the period (excluding treasury shares)	484,578,138	489,640,703	485,109,838	489,812,318
Basic and diluted earnings per share attributable to the owners of the Parent Company	14.01 Fils	7.42 Fils	0.07 Fils	13.08 Fils

7 Cash and cash equivalents

Cash and cash equivalents included in the interim condensed consolidated statement of cash flows comprise of the following accounts:

	30 June 2026 (Unaudited) KD '000	31 Dec. 2025 (Audited) KD '000	30 June 2025 (Unaudited) KD '000
Cash and bank balances	6,420	8,390	5,887
Time deposits	114	693	83
	6,534	9,083	5,970
Less: Time deposits with contractual maturity exceeding three months	(114)	(75)	(79)
Cash and cash equivalents for the purpose of interim condensed consolidated statement of cash flows	6,420	9,008	5,891

At 30 June 2026, the total unsecured overdraft facilities available to the Group from local commercial banks which carry interest at 1.75% to 2.25% (31 December 2025 and 30 June 2025: 2.00% to 2.25%) above Central Bank of Kuwait discount rate is KD3,000 thousand (31 December 2025 and 30 June 2025: KD3,000 thousand). As at 30 June 2026, no amount has been availed from these facilities (31 December 2025 and 30 June 2025: Nil).

Notes to the interim condensed consolidated financial information (continued)

8 Financial assets at fair value through profit or loss

	30 June 2026 (Unaudited) KD '000	31 Dec. 2025 (Audited) KD '000	30 June 2025 (Unaudited) KD '000
Local quoted securities	3,554	3,976	3,389
Foreign quoted securities	24,054	25,774	24,234
Local managed funds	7,361	7,351	6,963
Foreign managed funds	13,879	11,095	9,131
Fixed income securities	14,875	16,511	18,831
Equity participation	16,738	15,247	11,068
	80,461	79,954	73,616

9 Borrowings

This represents the following borrowings:

			Outstanding balance			
Interest rates			Available facility limit KD '000	30 June 2026 (Unaudited) KD '000	31 Dec. 2025 (Audited) KD '000	30 June 2025 (Unaudited) KD '000
Secured*:						
Foreign						
conventional loans	2.45% over SOFR**	-	-	-	-	4,735
	2.75% over USTCMYI*** (3M)	11,343	9,423	8,307		8,115
Unsecured:						
Local Islamic						
borrowings	KD loans: 1.7% to 2.0% over CBDR	10,000	5,250	4,000		3,000
	USD loans: 2.0% over SOFR (6M)	6,158	-	-		-
Local conventional						
loans	KD loans: 0.9% to 1.8% over CBDR	20,000	13,500	10,750		9,850
		47,501	28,173	23,057		25,700

*These facilities are secured by certain foreign investment properties.

**SOFR: Secured Overnight Financing Rate.

***USTCMYI: US Treasury Constant Maturity Yield Index.

Movement in borrowings is as follows:

	30 June 2026 (Unaudited) KD '000	31 Dec. 2025 (Audited) KD '000	30 June 2025 (Unaudited) KD '000
Opening balance	23,057	19,085	19,085
Proceeds from bank borrowings	19,798	15,853	13,476
Repayment of bank borrowings	(14,750)	(11,780)	(6,750)
Effect of change in foreign exchange rates	68	(101)	(111)
Closing balance	28,173	23,057	25,700

Notes to the interim condensed consolidated financial information (continued)

10 Treasury shares

	30 June 2026 (Unaudited) KD '000	31 Dec. 2025 (Audited) KD '000	30 June 2025 (Unaudited) KD '000
Number of shares	20,545,894	17,937,712	16,380,492
Percentage of issued shares	4.07%	3.55%	3.24%
Market value (KD '000)	2,733	2,780	2,392
Cost (KD'000)	2,431	2,045	1,814

Reserves of the Parent Company equivalent to the cost of treasury shares have been earmarked as non-distributable.

11 Annual General Assembly of the Shareholders

The shareholders of the Parent Company at the Annual General Assembly held on 8 April 2026 approved the consolidated financial statements of the Group for the year ended 31 December 2025 and the Board of Directors' proposal to distribute cash dividend of 8 Fils per share (31 December 2024: 7 Fils per share) and an amount of KD175 thousand as directors' remuneration for the year ended 31 December 2025 (31 December 2024: KD105 thousand).

12 Related party transactions

Related parties represent associates, joint ventures, major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management. Details of transactions and balances between the Group and its related parties are disclosed below.

	Three months ended		Six months ended	
	30 June 2026 (Unaudited) KD '000	30 June 2025 (Unaudited) KD '000	30 June 2026 (Unaudited) KD '000	30 June 2025 (Unaudited) KD '000
Transactions included in the interim condensed consolidated statement of profit or loss:				
Interest income on financial assets at amortised cost	71	71	141	137
Management fees and commission	1,201	1,561	2,331	2,583
General and administrative expenses	(131)	(131)	(262)	(262)
Finance costs	(15)	(28)	(39)	(58)
Key management compensation:				
Salaries and other short-term benefits	179	381	372	631
End of service benefits	22	27	46	47
	201	408	418	678

Notes to the interim condensed consolidated financial information (continued)

12 Related party transactions (continued)

	30 June 2026 (Unaudited) KD '000	31 Dec. 2025 (Audited) KD '000	30 June 2025 (Unaudited) KD '000
Balances included in the interim condensed consolidated statement of financial position:			
Loans to customers	18	24	40
Financial assets at amortised cost	3,599	3,651	3,757
Right-of-use assets	1,094	1,356	1,618
Accounts receivable and other assets	4,322	3,424	2,558
Accounts payable and other liabilities	(1,112)	(1,471)	(1,234)
Lease liabilities	(1,143)	(1,407)	(1,679)
Commitments:			
Unsold borrowed equity securities	614	654	406

Notes to the interim condensed consolidated financial information (continued)

13 Segmental information

Operating segments are identified based on internal management reporting information that is regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance and is reconciled to Group's profit or loss. The measurement policies the Group uses for segment reporting under IFRS 8 are the same as those used in its annual consolidated financial statements.

The revenues and profits or losses generated during the period from and assets allocated to Group's segments are as follows:

	Asset Management (Unaudited)		Investment Banking (Unaudited)		Others (Unaudited)		Total (Unaudited)	
	30 June 2026 (Unaudited) KD'000	30 June 2025 (Unaudited) KD'000	30 June 2026 (Unaudited) KD'000	30 June 2025 (Unaudited) KD'000	30 June 2026 (Unaudited) KD'000	30 June 2025 (Unaudited) KD'000	30 June 2026 (Unaudited) KD'000	30 June 2025 (Unaudited) KD'000
Segment revenue	7,516	13,156	245	438	255	859	8,016	14,453
Segment result	1,640	7,764	(262)	(71)	(1,305)	(1,254)	73	6,439
Provisions for KFAS, NLST and Zakat	-	(314)	-	-	-	-	-	(314)
Profit / (loss) for the period	1,640	7,450	(262)	(71)	(1,305)	(1,254)	73	6,125
Total assets	183,523	181,773	112	109	8,519	8,495	192,154	190,377

Notes to the interim condensed consolidated financial information (continued)

14 Fiduciary accounts

The Group manages portfolios and mutual funds on behalf of others, and maintains cash balances and securities in fiduciary accounts, which are not reflected in the interim condensed consolidated statement of financial position. Assets under management at 30 June 2026 amounted to KD1,572,024 thousand (31 December 2025: KD1,520,496 thousand and 30 June 2025: KD1,561,244 thousand) which include related party assets under management at 30 June 2026 amounting to KD595,835 thousand (31 December 2025: KD520,808 thousand and 30 June 2025: KD495,805 thousand). The Group earned management fees of KD4,058 thousand (30 June 2025: KD3,939 thousand) from the asset management activities.

15 Commitments

	30 June 2026 (Unaudited) KD '000	31 Dec. 2025 (Audited) KD '000	30 June 2025 (Unaudited) KD '000
Commitments for purchase of investments	869	716	754
Commitments for investment properties	1,908	2,962	1,688
Unsold borrowed equity securities	2,369	2,610	1,817
	5,146	6,288	4,259

As at 30 June 2026, the Group had contingent liabilities representing a letter of guarantee amounting to KD1,137 thousand (31 December 2025: KD1,117 thousand and 30 June 2025: KD502 thousand) issued in respect of its right of use from which no material liability is expected to arise.

16 Forward foreign exchange contracts

The contractual amounts of outstanding derivative instruments together with the fair values are as follows:

	30 June 2026 (Unaudited)		31 Dec. 2025 (Audited)		30 June 2025 (Unaudited)	
	Contractual amounts KD'000	Assets/ (liabilities) KD'000	Contractual amounts KD'000	Assets/ (liabilities) KD'000	Contractual amounts KD'000	Assets/ (liabilities) KD'000
<i>At fair value through profit or loss:</i>						
Forward foreign exchange contracts	10,771	2	10,679	32	10,686	35

17 Fair value measurement

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.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

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:

Notes to the interim condensed consolidated financial information (continued)

17 Fair value measurement (continued)

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

	KD'000			
	Level 1	Level 2	Level 3	Total
30 June 2026 (Unaudited)				
Financial assets at FVTPL				
Quoted securities	27,608	-	-	27,608
Managed funds	9,422	11,818	-	21,240
Fixed income securities	13,475	-	1,400	14,875
Equity participation	-	-	16,738	16,738
	<u>50,505</u>	<u>11,818</u>	<u>18,138</u>	<u>80,461</u>
Financial assets at FVTOCI				
Fixed income securities	602	-	-	602
Financial liabilities at FVTPL				
Financial liabilities at FVTPL	(7)	-	-	(7)
Derivative				
Forward foreign currency contracts held for trading	-	2	-	2
	<u>51,100</u>	<u>11,820</u>	<u>18,138</u>	<u>81,058</u>
31 December 2025 (Audited)				
Financial assets at FVTPL				
Quoted securities	29,750	-	-	29,750
Managed funds	5,438	13,008	-	18,446
Fixed income securities	15,111	-	1,400	16,511
Equity participations	-	-	15,247	15,247
	<u>50,299</u>	<u>13,008</u>	<u>16,647</u>	<u>79,954</u>
Financial assets at FVTOCI				
Fixed income securities	1,306	-	-	1,306
Financial liabilities at FVTPL				
Financial liabilities at FVTPL	(12)	-	-	(12)
Derivative				
Forward foreign currency contracts held for trading	-	32	-	32
	<u>51,593</u>	<u>13,040</u>	<u>16,647</u>	<u>81,280</u>

Notes to the interim condensed consolidated financial information (continued)

17 Fair value measurement (continued)

	KD'000			
	Level 1	Level 2	Level 3	Total
30 June 2025 (Unaudited)				
Financial assets at FVTPL				
Quoted securities	27,623	-	-	27,623
Managed funds	2,162	13,932	-	16,094
Fixed income securities	17,431	-	1,400	18,831
Equity participation	-	-	11,068	11,068
	47,216	13,932	12,468	73,616
Financial assets at FVTOCI				
Fixed income securities	4,222	-	-	4,222
Derivative				
Forward foreign currency contracts held for trading	-	35	-	35
	51,438	13,967	12,468	77,873

Fair value of financial assets carried at amortised cost are not materially different from their carrying values.

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

Measurement at fair value

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

Level 3 fair value measurements

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

	30 June 2026 (Unaudited) KD '000	31 Dec. 2025 (Audited) KD '000	30 June 2025 (Unaudited) KD '000
Opening balance	16,647	12,571	12,571
Net purchase / (sale)	1,188	6,039	(38)
Reclassification	-	(1,426)	-
Net change in fair value	303	(537)	(65)
Closing balance	18,138	16,647	12,468

Notes to the interim condensed consolidated financial information (continued)

18 Geopolitical developments

The Group operates across various industries and geographical markets that may be affected by geopolitical developments in the Middle East and other international markets. Such developments may result in volatility in financial markets, 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 operations, supply chains and contractual obligations;
- changes in market conditions, 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 represent management's best estimate 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 assets 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 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 bank 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.