NATIONAL PETROLEUM SERVICES COMPANY - K.S.C.P.
AND ITS SUBSIDIARIES
STATE OF KUWAIT

INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION
FOR THE PERIOD ENDED JUNE 30, 2026
(UNAUDITED)
WITH
REPORT ON REVIEW OF INTERIM CONDENSED
CONSOLIDATED FINANCIAL INFORMATION

NATIONAL PETROLEUM SERVICES COMPANY - K.S.C.P.
AND ITS SUBSIDIARIES
STATE OF KUWAIT

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

To the Board of Directors of
National Petroleum Services Company - K.S.C.P. and its Subsidiaries
State of Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of National Petroleum Services Company - K.S.C.P. (the “Parent Company") and its subsidiaries (“the Group”) as at June 30, 2026, and the 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, changes in equity and cash flows for the six-month period then ended. Management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 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.

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016 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 June 30, 2026, that might have had a material effect on the Parent Company’s financial position or results of its operations.

We further report that, during the course of our review, we have not become aware of any material violations of Law No. 7 of 2010 and its Executive Regulations, as amended, relating to the Capital Markets Authority and Regulating Securities Activities during the period ended June 30, 2026, that might have had a material effect on the Parent Company's financial position or results of its operations.

State of Kuwait
August 11, 2026

Nayef M. Al Bazie
License No. 91-A
RSM Albazie & Co.

NATIONAL PETROLEUM SERVICES COMPANY - K.S.C.P. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT JUNE 30, 2026
(All amounts are in Kuwaiti Dinar)

	Notes	**June 30, 2026**	December 31, 2025 (Audited)	June 30, 2025
ASSETS				
Non-current assets:				
Property, plant and equipment		**13,013,296**	13,386,207	15,311,787
Investment in associates	3	**18,987,338**	19,666,210	18,733,341
Financial assets at fair value through other comprehensive income ("FVOCI")	4	**620,853**	620,853	605,467
Right-of-use assets		**413,325**	455,251	350,797
Total non-current assets		**33,034,812**	34,128,521	35,001,392
Current assets:				
Inventories		**7,326,363**	7,496,880	6,692,100
Trade receivables and contract assets	5	**11,701,442**	11,802,952	12,783,386
Prepayments and other debit balances	6	**3,267,426**	2,110,820	3,421,032
Financial assets at fair value through profit or loss ("FVPL")		**1,881**	1,785	1,292
Term deposits	7	**23,122,592**	23,857,568	18,221,219
Cash and cash equivalents	8	**11,520,469**	12,152,465	5,726,128
Total current assets		**56,940,173**	57,422,470	46,845,157
Total assets		**89,974,985**	91,550,991	81,846,549
EQUITY AND LIABILITIES				
Equity:				
Share capital		**10,000,000**	10,000,000	10,000,000
Share premium		**3,310,705**	3,310,705	3,310,705
Treasury shares	9	**(6,002,371)**	(6,002,371)	(6,002,371)
Treasury shares reserve		**33,825**	33,825	33,825
Statutory reserve		**5,858,895**	5,858,895	5,858,895
Voluntary reserve		**5,858,895**	5,858,895	5,858,895
Cumulative changes in fair value		**(281,370)**	(281,370)	(289,923)
Effect of changes in other comprehensive income of associates		**101,440**	106,119	30,898
Foreign currency translation reserve		**(21,006)**	(14,767)	(13,668)
Retained earnings		**38,346,537**	38,678,275	31,882,284
Equity attributable to shareholders of the Parent Company		**57,205,550**	57,548,206	50,669,540
Non-controlling interests		**17,925,627**	17,764,145	16,574,767
Total equity		**75,131,177**	75,312,351	67,244,307
Non-current liabilities:				
Provision for employees' end of service benefits	10	**4,029,370**	3,931,447	3,668,623
Lease liabilities		**307,683**	305,046	227,458
Total non-current liabilities		**4,337,053**	4,236,493	3,896,081
Current liabilities:				
Accounts payable and accruals	11	**9,471,612**	10,618,626	10,075,782
Due to related parties	20	**942,097**	1,242,857	516,368
Lease liabilities		**93,046**	140,664	114,011
Total current liabilities		**10,506,755**	12,002,147	10,706,161
Total liabilities		**14,843,808**	16,238,640	14,602,242
Total equity and liabilities		**89,974,985**	91,550,991	81,846,549

The accompanying notes from (1) to (23) form an integral part of the interim condensed consolidated financial information.

Sheikh Sabah Mohammad Abdulaziz Al Sabah
Chairman

Mr. Muhaiman Ali Sayed Naser Al-Behbehani
Vice Chairman & CEO

NATIONAL PETROLEUM SERVICES COMPANY - K.S.C.P. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2026
(All amounts are in Kuwaiti Dinar)

	Notes	Three months ended June 30 **2026**	Three months ended June 30 2025	Six months ended June 30 **2026**	Six months ended June 30 2025
Sales and services revenue	12	**13,804,498**	13,678,052	**28,609,564**	28,405,004
Cost of sales and services rendered		**(8,744,901)**	(8,622,065)	**(17,838,730)**	(18,180,304)
Gross profit		**5,059,597**	5,055,987	**10,770,834**	10,224,700
Interest income		**292,541**	196,823	**605,099**	400,991
Investment income	13	**25,456**	20,006	**25,552**	20,506
Other income		**17,042**	12,817	**49,549**	27,360
Group's share of results from associates	3	**623,071**	547,157	**1,341,596**	1,177,961
Provision for expected credit loss	5 – a	**(17,796)**	(53,611)	**(50,690)**	(82,304)
General, administrative and selling expenses	14	**(1,448,646)**	(1,457,078)	**(3,035,991)**	(2,601,629)
Profit for the period before taxes and Board of Directors' remuneration		**4,551,265**	4,322,101	**9,705,949**	9,167,585
Contribution to Kuwait Foundation for the Advancement of Sciences (KFAS)		**(38,100)**	(37,360)	**(76,587)**	(64,649)
National Labor Support Tax (NLST)		**-**	73,973	**-**	-
Zakat		**-**	29,589	**-**	-
Board of Directors' remuneration		**(55,898)**	(72,565)	**(113,628)**	(113,499)
Profit for the period		**4,457,267**	4,315,738	**9,515,734**	8,989,437
Attributable to:					
Shareholders of the Parent Company		**3,955,313**	3,903,337	**8,250,570**	7,637,068
Non-controlling interests		**501,954**	412,401	**1,265,164**	1,352,369
		4,457,267	4,315,738	**9,515,734**	8,989,437
Basic and diluted earnings per share attributable to the Parent Company's Shareholders (fils)	16	**43.78**	43.21	**91.33**	84.54

The accompanying notes from (1) to (23) form an integral part of the interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2026
(All amounts are in Kuwaiti Dinar)

	Notes	Three months ended June 30		Six months ended June 30	
		2026	2025	**2026**	2025
Profit for the period		**4,457,267**	4,315,738	**9,515,734**	8,989,437
Other comprehensive loss:					
Items that may be reclassified subsequently to the interim condensed consolidated statement of profit or loss:					
Foreign currency translation adjustments		**(2,728)**	3,018	**(6,239)**	2,785
Group's share of other comprehensive loss of associates	3	**(1,309)**	(2,468)	**(2,192)**	(2,030)
Item that will not be reclassified subsequently to the interim condensed consolidated statement of profit or loss:					
Group's share of other comprehensive loss of associates	3	**(5,159)**	(4,510)	**(6,225)**	(3,464)
Total other comprehensive loss for the period		**(9,196)**	(3,960)	**(14,656)**	(2,709)
Total comprehensive income for the period		**4,448,071**	4,311,778	**9,501,078**	8,986,728
Attributable to:					
Shareholders of the Parent Company		**3,948,989**	3,902,476	**8,239,652**	7,636,799
Non-controlling interests		**499,082**	409,302	**1,261,426**	1,349,929
		4,448,071	4,311,778	**9,501,078**	8,986,728

The accompanying notes from (1) to (23) form an integral part of the interim condensed consolidated financial information.

NATIONAL PETROLEUM SERVICES COMPANY - K.S.C.P. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2026
(All amounts are in Kuwaiti Dinar)

	Equity attributable to Shareholders of the Parent Company												
	Share capital	Share premium	Treasury shares	Treasury shares reserve	Statutory reserve	Voluntary reserve	Cumulative changes in fair values	Effect of changes in other comprehensive income of associates	Foreign currency translation reserve	Retained earnings	Subtotal	Non-controlling interests	Total equity
As at January 1, 2026	10,000,000	3,310,705	(6,002,371)	33,825	5,858,895	5,858,895	(281,370)	106,119	(14,767)	38,678,275	57,548,206	17,764,145	75,312,351
Profit for the period	-	-	-	-	-	-	-	-	-	8,250,570	8,250,570	1,265,164	9,515,734
Other comprehensive loss for the period	-	-	-	-	-	-	-	(4,679)	(6,239)	-	(10,918)	(3,738)	(14,656)
Total comprehensive (loss) income for the period	-	-	-	-	-	-	-	(4,679)	(6,239)	8,250,570	8,239,652	1,261,426	9,501,078
Cash dividends (Note 17)	-	-	-	-	-	-	-	-	-	(8,582,308)	(8,582,308)	-	(8,582,308)
Cash dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(1,099,944)	(1,099,944)
As at June 30, 2026	**10,000,000**	**3,310,705**	**(6,002,371)**	**33,825**	**5,858,895**	**5,858,895**	**(281,370)**	**101,440**	**(21,006)**	**38,346,537**	**57,205,550**	**17,925,627**	**75,131,177**
As at January 1, 2025	10,000,000	3,310,705	(6,002,371)	33,825	5,858,895	5,858,895	(289,923)	33,952	(16,453)	30,569,022	49,356,547	16,104,793	65,461,340
Profit for the period	-	-	-	-	-	-	-	-	-	7,637,068	7,637,068	1,352,369	8,989,437
Other comprehensive (loss) income for the period	-	-	-	-	-	-	-	(3,054)	2,785	-	(269)	(2,440)	(2,709)
Total comprehensive (loss) income for the period	-	-	-	-	-	-	-	(3,054)	2,785	7,637,068	7,636,799	1,349,929	8,986,728
Cash dividends (Note 17)	-	-	-	-	-	-	-	-	-	(6,323,806)	(6,323,806)	-	(6,323,806)
Cash dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(879,955)	(879,955)
As at June 30, 2025	10,000,000	3,310,705	(6,002,371)	33,825	5,858,895	5,858,895	(289,923)	30,898	(13,668)	31,882,284	50,669,540	16,574,767	67,244,307

The accompanying notes from (1) to (23) form an integral part of the interim condensed consolidated financial information.

NATIONAL PETROLEUM SERVICES COMPANY - K.S.C.P. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2026
(All amounts are in Kuwaiti Dinar)

	Notes	Six months ended June 30 **2026**	2025
Cash flows from operating activities:			
Profit for the period before taxes and after Board of Directors' remuneration		**9,592,321**	9,054,086
Adjustments to reconcile profit before taxes and after Board of Directors' remuneration:			
Depreciation expense		**1,354,520**	1,599,446
Amortization of right-of-use assets		**72,837**	66,774
Group's share of results from associates	3	**(1,341,596)**	(1,177,961)
Retirement of property, plant and equipment		**-**	6,037
Provision for slow moving inventories (no longer required) charged		**(139,120)**	276,265
Provision for expected credit loss	5 – a	**50,690**	82,304
Dividends income	13	**(25,456)**	(20,006)
Change in fair value of financial assets at FVPL	13	**(96)**	(500)
Interest income		**(605,099)**	(400,991)
Net foreign exchange differences		**23,219**	23,219
Interest expense on lease liabilities	14	**12,508**	6,753
Provision for employees' end of service benefits	10	**358,868**	525,444
		9,353,596	10,040,870
Change in working capital:			
Inventories		**309,637**	(530,099)
Trade receivables and contract assets		**50,820**	(1,589,752)
Prepayments and other debit balances		**(263,909)**	(953,494)
Net movement in due to related parties		**(300,760)**	502,275
Accounts payable and accruals		**(1,285,398)**	(263,159)
Cash flows generated from operations		**7,863,986**	7,206,641
Provision for employees' end of service benefits paid	10	**(260,945)**	(128,643)
Taxes paid		**(165,339)**	(713,940)
Net cash flows generated from operating activities		**7,437,702**	6,364,058
Cash flows from investing activities:			
Purchase of property, plant and equipment		**(981,609)**	(988,261)
Dividend income received	13	**25,456**	20,006
Dividend income received from associates		**1,100,931**	827,665
Interest income received		**623,522**	498,562
Net movement in term deposits		**734,976**	895,464
Net cash flows generated from investing activities		**1,503,276**	1,253,436
Cash flows from financing activities:			
Cash dividends paid to shareholders of the Parent Company		**(8,462,949)**	(6,219,963)
Cash dividends paid to non-controlling interests		**(1,015,386)**	(832,279)
Payment of lease liabilities		**(88,400)**	(83,476)
Net cash flows used in financing activities		**(9,566,735)**	(7,135,718)
Foreign currency translation adjustments		**(6,239)**	2,785
Net (decrease) increase in cash and cash equivalents		**(631,996)**	484,561
Cash and cash equivalents at the beginning of the period		**12,152,465**	5,241,567
Cash and cash equivalents at the end of the period	8	**11,520,469**	5,726,128
Non-cash items excluded from the interim condensed consolidated statement of cash flows:			
Additions to right-of-use assets		**(30,911)**	(354,051)
Additions to lease liabilities		**30,911**	354,051
		-	-

The accompanying notes from (1) to (23) form an integral part of the interim condensed consolidated financial information.

1- <u>Incorporation and activities</u>

National Petroleum Services Company - K.S.C.P. (the “Parent Company”) is a Kuwaiti Public Shareholding Company incorporated on January 3, 1993, and its shares are publicly traded in Boursa Kuwait. The Parent Company is registered in the Commercial Register under No. 49911 dated March 28, 1993.

The main objectives of the Parent Company are as follows:

- Performing all support services for wells drilling, repairing and preparation for production as well as wells maintenance-related services.
- Establishing industrial firms for the purpose of manufacturing and producing the equipment and materials necessary for achieving such objectives after obtaining the approval of the competent authorities.
- Importing and owning machines, tools and materials necessary for achieving its objectives.
- Owning lands and real estate necessary for establishing its facilities and equipment.
- Importing and exporting chemicals necessary for the execution of the works stated above.
- Concluding agreements and obtaining privileges which it deems necessary for achieving its objectives.
- Possessing the required patents, and trademarks.
- Obtaining and granting agencies in respect of the Parent Company’s business operations.
- Conducting studies, queries and researches relevant to the Parent Company’s main objectives.

The Parent Company may carry out all of the above-mentioned activities inside the State of Kuwait or abroad. The Parent Company may also have an interest or participate in any way with entities practicing activities similar to its own or which may assist it in achieving its objectives inside the State of Kuwait or abroad, or may acquire or become affiliated with such entities.

The Parent Company is a subsidiary of Kuwait Projects Company Holding K.S.C. (Public) (“Ultimate Parent Company” or “KIPCO”)

The Parent Company is located at Shuaiba Industrial Area, Al-Ahmadi, Plot 3 and its registered postal address is P.O. Box 9801, 61008, State of Kuwait.

The interim condensed consolidated financial information was authorized for issue by the Parent Company’s Board of Directors on August 11, 2026.

2- <u>Basis of presentation</u>

The interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting”. The accounting policies used in the preparation of this interim condensed consolidated financial information for the period are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2025.

The Group has not early adopted any other standard, interpretation or amendments that has been issued but is not effective. Other amendments and interpretations which are effective for the first time on or after January 1, 2026, do not have material impact on the interim condensed consolidated financial information of the Group.

The interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2025. In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation of interim condensed consolidated financial information have been included. Operating results for the period ended June 30, 2026, are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2026.

3- Investment in associates

Movement during the period / year is as follows:

	June 30, 2026	December 31, 2025 (Audited)	June 30, 2025
Balance at the beginning of the period / year	**19,666,210**	18,388,539	18,388,539
Additions	**-**	293,206	-
Group's share of results from associates	**1,341,596**	2,698,905	1,177,961
Group's share of other comprehensive (loss) income of associates	**(8,417)**	129,821	(5,494)
Cash dividends	**(2,012,051)**	(1,844,261)	(827,665)
Balance at the end of the period / year	**18,987,338**	19,666,210	18,733,341

4- Financial assets at fair value through other comprehensive income ("FVOCI")

	June 30, 2026	December 31, 2025 (Audited)	June 30, 2025
Unquoted equity securities	**620,853**	620,853	605,467

Financial assets at FVOCI are measured at fair value as shown in Note (21).

5- Trade receivables and contract assets

	June 30, 2026	December 31, 2025 (Audited)	June 30, 2025
Trade receivables	**7,688,051**	8,460,894	8,750,423
Contract assets	**4,471,452**	3,749,429	4,433,883
Less: provision for expected credit loss (a)	**(458,061)**	(407,371)	(400,920)
	11,701,442	11,802,952	12,783,386

(a) Provision for expected credit loss:

Movement in provision for expected credit loss during the period / year is as follows:

	June 30, 2026	December 31, 2025 (Audited)	June 30, 2025
Balance at the beginning of the period / year	**407,371**	426,588	426,588
Charged during the period / year	**50,690**	89,689	82,304
Utilized during the period / year	**-**	(108,906)	(107,972)
Balance at the end of the period / year	**458,061**	407,371	400,920

6- Prepayments and other debit balances

	June 30, 2026	December 31, 2025 (Audited)	June 30, 2025
Advance payments to suppliers	**1,244,185**	982,715	1,978,006
Staff receivables	**276,708**	361,378	428,420
Deposits and other debit balances	**1,748,273**	768,467	1,014,606
Less: provision for expected credit loss (a)	**(1,740)**	(1,740)	-
	3,267,426	2,110,820	3,421,032

(a) Provision for expected credit loss:
Movement in provision for expected credit loss during the period / year is as follows:

	June 30, 2026	December 31, 2025 (Audited)	June 30, 2025
Balance at the beginning of the period / year	**1,740**	-	-
Charged during the period / year	**-**	1,740	-
Balance at the end of the period / year	**1,740**	1,740	-

7- Term deposits

As at June 30, 2026, the Group has term deposits amounting to KD 23,122,592 (December 31, 2025: KD 23,857,568 and June 30, 2025: KD 18,221,219). These deposits carry interest rates ranging from 3.94% to 4.35% per annum (December 31, 2025: from 3.62% to 4.6% per annum and June 30, 2025: from 3.88% to 4.3% per annum).

Term deposits have an original maturity period ranging from three to nine months (December 31, 2025: from three to nine months and June 30, 2025: from three to twelve months) and are denominated in Kuwaiti Dinars and placed with local banks.

8- Cash and cash equivalents

	June 30, 2026	December 31, 2025 (Audited)	June 30, 2025
Cash on hand	**7,459**	5,358	7,994
Cash at banks	**8,872,522**	7,588,130	4,850,591
Cash in portfolio	**2,021,293**	558,977	867,543
Short-term deposits	**619,195**	4,000,000	-
	11,520,469	12,152,465	5,726,128

Short-term deposits carry effective interest rates of 4.35% per annum (December 31, 2025: 4% per annum). These deposits have an original maturity of less than three months (December 31, 2025: two months) and are denominated in Kuwaiti Dinars and placed with local banks.

9- Treasury shares

	June 30, 2026	December 31, 2025 (Audited)	June 30, 2025
Number of treasury shares	**9,659,912**	9,659,912	9,659,912
Percentage of issued shares	**9.66%**	9.66%	9.66%
Market value (KD)	**14,238,710**	15,446,199	12,751,084
Cost (KD)	**(6,002,371)**	(6,002,371)	(6,002,371)

Reserves equivalent to the cost of the treasury shares are held against voluntary reserve and not available for distribution during the holding period of such shares by the Group as per Capital Markets Authority guidelines.

10- Provision for employees' end of service benefits

	June 30, 2026	December 31, 2025 (Audited)	June 30, 2025
Balance at the beginning of the period / year	**3,931,447**	3,271,822	3,271,822
Charged during the period / year	**358,868**	885,115	525,444
Paid during the period / year	**(260,945)**	(225,490)	(128,643)
Balance at the end of the period / year	**4,029,370**	3,931,447	3,668,623

11- Accounts payable and accruals

	June 30, 2026	December 31, 2025 (Audited)	June 30, 2025
Trade payables	**3,638,540**	3,666,021	3,478,219
Dividends payable (Note 20)	**653,216**	533,857	557,144
Other dividends payable	**428,452**	343,894	351,015
Accrued staff costs	**1,142,463**	1,895,472	1,526,475
Advances received	**356,655**	356,973	356,655
Taxes payable	**220,608**	175,306	99,945
Accrued Board of Directors' remuneration (Note 20)	**113,628**	203,471	113,499
Contract liabilities	**270,889**	741,799	702,393
Other accrued expenses and provisions	**2,647,161**	2,701,833	2,890,437
	9,471,612	10,618,626	10,075,782

12- Sales and services revenue

The disaggregation of the Group's sales and services revenue is as follows:

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Type of goods or services				
Oil field contracts				
Pumping services and sales of chemicals and other materials	**12,038,416**	12,054,025	**24,990,809**	25,241,619
Non-oil field contracts				
Health, safety, environment and man-power supply services	**943,336**	856,983	**1,960,372**	1,584,355
Other services	**154,939**	207,291	**486,375**	467,209
Sale of chemicals and other materials	**667,807**	559,753	**1,172,008**	1,111,821
Total sales and services revenue	**13,804,498**	13,678,052	**28,609,564**	28,405,004
Timing of revenue recognition				
Goods and services transferred at a point in time	**3,494,094**	3,134,000	**7,177,957**	8,327,275
Goods and services transferred over time	**10,310,404**	10,544,052	**21,431,607**	20,077,729
Total sales and services revenue	**13,804,498**	13,678,052	**28,609,564**	28,405,004
Geographical markets				
State of Kuwait	**13,542,841**	13,500,413	**28,154,193**	28,022,329
Others	**261,657**	177,639	**455,371**	382,675
	13,804,498	13,678,052	**28,609,564**	28,405,004

13- Investment income

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Dividends income	**25,456**	20,006	**25,456**	20,006
Change in fair value of financial assets at FVPL	**-**	-	**96**	500
	25,456	20,006	**25,552**	20,506

14- General, administrative and selling expenses

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Staff costs	**689,970**	664,379	**1,399,244**	1,342,871
DMTT expense (Note 15 & 20)	**406,500**	502,275	**928,000**	502,275
Depreciation expense	**13,010**	15,869	**28,759**	31,514
Amortization of right-of-use assets	**22,871**	8,637	**38,796**	16,760
Interest expense on lease liabilities	**6,369**	4,404	**12,508**	6,753
Professional fees	**66,526**	44,389	**106,925**	87,112
Marketing and business development expenses	**3,076**	45,120	**31,581**	77,802
Charity expense	**48,411**	49,274	**102,446**	98,422
Other expenses	**191,913**	122,731	**387,732**	438,120
	1,448,646	1,457,078	**3,035,991**	2,601,629

15- Taxation

‘Pillar 2 Income Taxes’

On December 31, 2024, the State of Kuwait enacted Law No. 157 of 2024 (the “Law”), introducing a Domestic Minimum Top-Up Tax (DMTT) effective from 2025 on entities which are part of MNE Group with annual revenues of EUR 750 million or more. The Law provides that a top-up tax shall be payable on the taxable income at a rate equal to the difference between 15% and the effective tax rate of all constituent entities of the MNE Group operating within Kuwait. This Law effectively replaces the existing National Labour Support Tax (NLST) and Zakat tax regimes in Kuwait for MNEs within the scope of this Law.

On June 29, 2025, the Ministry of Finance issued Executive Regulations outlining the mechanisms for calculating taxable income, determining the effective tax rate, and implementing the Law.

The Ultimate Parent Company (“KIPCO”) is located in the State of Kuwait and constitute an Ultimate Parent Entity (UPE) for the purpose of the DMTT law for the Group.

KIPCO, as the Group Tax Function, is responsible for computing the Top-up Tax for each jurisdiction, leveraging its oversight and access to all entities across sub-groups and is responsible for computation and allocation of the amounts to each sub-group for financial reporting purposes.

In line with the above responsibility as UPE under the DMTT law, the Ultimate Parent Company has performed an estimated Top-Up Tax computation at Kuwait jurisdiction level, aggregating all the entities located in Kuwait.

The Group has recorded a Charge out tax amounting to KD 928,000 under the tax sharing arrangement with the Ultimate Parent Company, which has been recorded under “General, administrative and selling expenses” in the interim condensed consolidated statement of profit or loss (Notes 14 & 20), with a corresponding entry to KIPCO’s current account, as it bears the ultimate liability under the DMTT Law.

16- Basic and diluted earnings per share attributable to the Parent Company's Shareholders

There are no potential dilutive ordinary shares. The information necessary to calculate basic and diluted earnings per share based on the weighted average number of shares outstanding during the period is as follows:

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Profit for the period attributable to the Parent Company's Shareholders	**3,955,313**	3,903,337	**8,250,570**	7,637,068
Number of shares outstanding:				
Weighted average number of ordinary shares	**100,000,000**	100,000,000	**100,000,000**	100,000,000
Less: Weighted average number of treasury shares	**(9,659,912)**	(9,659,912)	**(9,659,912)**	(9,659,912)
Weighted average number of shares outstanding during the period	**90,340,088**	90,340,088	**90,340,088**	90,340,088
Basic and diluted earnings per share attributable to the Parent Company's Shareholders (fils)	**43.78**	43.21	**91.33**	84.54

17- Ordinary General Assembly of the Parent Company's Shareholders

The Ordinary General Assembly of the Parent Company's Shareholders held on May 7, 2026 approved the consolidated financial statements for the year ended December 31, 2025 and approved the recommendations of the Board of Directors to distribute cash dividends of 95 fils per share (totaling KD 8,582,308), and remuneration for the Parent Company's Board of Directors amounting to KD 203,471 for the year ended December 31, 2025.

The Ordinary General Assembly of the Parent Company's Shareholders held on May 25, 2025 approved the consolidated financial statements for the year ended December 31, 2024 and approved the recommendations of the Board of Directors to distribute cash dividends of 70 fils per share (totaling KD 6,323,806), and remuneration for the Parent Company's Board of Directors amounting to KD 169,381 for the year ended December 31, 2024.

18- Contingent liabilities and capital commitments

Contingent liabilities

The Group provided guarantees for the performance of certain contracts as follows:

	June 30, 2026	December 31, 2025 (Audited)	June 30, 2025
Letters of guarantee and letters of credit	**37,440,376**	34,839,719	36,537,578
Letters of guarantee and letters of credit – related to the Group's subsidiaries	**9,199,872**	5,692,871	8,169,126
	46,640,248	40,532,590	44,706,704

Letters of guarantee are secured by the assignment of revenue from certain contracts.

Capital commitments

At June 30, 2026, the Group has capital commitments relating to the purchase of property, plant and equipment amounting to KD 1,443,448 (December 31, 2025: KD 1,746,417 and June 30, 2025: KD 822,300).

19- Segment information

For management purposes, the Group is organized into business units based on the products and services and has two reportable operating segments i.e., oil field services and non-oil field services. Management treats the operations of these segments separately for the purposes of decision making, resource allocation and performance assessment. The segment performance is evaluated based on the operating profit or loss.

- **Oil field services** : Oil field services comprise cementing and stimulation formulations for different applications and operating environments for oil rigs. It mainly includes well cementing services, sale of chemicals and other materials and drilling services.
- **Non-oil field services** : Non-oil field services comprise a number of diversified activities including health, safety and environmental services, engineering and consultancy services.

The table below presents revenue and profit information for the Group's operating segments for the six-month period ended June 30, 2026 and 2025 as follows:

	Six months ended June 30, 2026				Six months ended June 30, 2025			
	Oil field services	**Non-oil field services**	**Unallocated items**	**Total**	Oil field services	Non-oil field services	Unallocated items	Total
Sales and services revenue	**24,990,809**	**3,618,755**	**-**	**28,609,564**	25,241,619	3,163,385	-	28,405,004
Cost of sales and services rendered (1)	**(13,622,158)**	**(2,856,770)**	**-**	**(16,478,928)**	(13,869,840)	(2,692,518)	-	(16,562,358)
Depreciation expense	**(1,134,938)**	**(190,823)**	**(28,759)**	**(1,354,520)**	(1,378,881)	(189,051)	(31,514)	(1,599,446)
Amortization of right-of-use assets	**(20,082)**	**(13,959)**	**(38,796)**	**(72,837)**	(18,613)	(31,401)	(16,760)	(66,774)
General, administrative and selling expenses (1)	**-**	**-**	**(2,968,436)**	**(2,968,436)**	-	-	(2,553,355)	(2,553,355)
Tax expenses	**-**	**-**	**(76,587)**	**(76,587)**	-	-	(64,649)	(64,649)
Board of Directors' remuneration	**-**	**-**	**(113,628)**	**(113,628)**	-	-	(113,499)	(113,499)
Unallocated income (2)	**-**	**-**	**1,971,106**	**1,971,106**	-	-	1,544,514	1,544,514
Profit (loss) for the period	**10,213,631**	**557,203**	**(1,255,100)**	**9,515,734**	9,974,285	250,415	(1,235,263)	8,989,437

(1) These amounts exclude depreciation expense and amortization on right-of-use assets.

(2) Unallocated income includes interest income, investment income, the Group's share of results from associates, provision for expected credit loss and other income.

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

	June 30, 2026			December 31, 2025 (Audited)			June 30, 2025		
	Oil field services	**Non-oil field services**	**Total**	Oil field services	Non-oil field services	Total	Oil field services	Non-oil field services	Total
Segment assets	**59,731,968**	**10,632,945**	**70,364,913**	61,612,940	9,649,203	71,262,143	54,353,853	8,152,596	62,506,449
Unallocated assets			**19,610,072**			20,288,848			19,340,100
Total assets			**89,974,985**			91,550,991			81,846,549
Segment liabilities	**12,905,238**	**1,938,570**	**14,843,808**	13,907,913	2,330,727	16,238,640	13,016,123	1,586,119	14,602,242
Total liabilities			**14,843,808**			16,238,640			14,602,242

20- Related parties' disclosures

In the normal course of business, the Group has entered into various transactions with related parties, i.e., Shareholders and entities under common control. Prices and terms of payment relating to these transactions are approved by Group's management. Significant related party transactions and balances are as follows:

	Entities under common control	Shareholders	Total		
			June 30, 2026	December 31, 2025 (Audited)	June 30, 2025
Balances included in the interim condensed consolidated statement of financial position:					
Financial assets at FVPL	1,881	-	**1,881**	1,785	1,292
Prepayments and other debit balances	96,806	-	**96,806**	71,166	143,854
Term deposits	9,813,757	-	**9,813,757**	9,393,762	10,788,118
Cash and cash equivalents	8,030,148	-	**8,030,148**	3,427,478	3,310,163
Dividends payable (Note 11)	-	(653,216)	**(653,216)**	(533,857)	(557,144)
Due to related parties	(14,097)	(928,000)	**(942,097)**	(1,242,857)	(516,368)
Contingent liabilities:					
Letters of guarantee and letters of credit	8,879,766	-	**8,879,766**	8,860,723	9,885,977

	Entities under common control	Shareholders	Six months ended June 30	
			2026	2025
Transactions included in the interim condensed consolidated statement of profit or loss:				
Cost of sales and services rendered	(6,471)	-	**(6,471)**	(1,880)
Interest income	337,982	-	**337,982**	237,802
Investment income	96	-	**96**	-
General, administrative and selling expenses	(60,484)	(928,000)	**(988,484)**	(537,576)

During the period ended June 30, 2026, the Group recognized DMTT expense of KD 928,000 (December 31, 2025: KD 1,228,760, June 30, 2025: KD 502,275), which is included within "General, administrative and selling expenses" in the interim condensed consolidated statement of profit or loss, with a corresponding payable recorded to the current account of KIPCO Group (the Ultimate Parent Company), as the Ultimate Parent Company ultimately bears the liability under DMTT Law (Notes 14 & 15).

Compensation to key management personnel:

	Transactions values for the Six months ended June 30		Balances outstanding as at June 30	
	2026	2025	**2026**	2025
Salaries and other short-term benefits	**277,315**	278,238	**109,000**	108,000
Employees' end of service benefits	**7,435**	7,269	**54,311**	39,490
Board of Directors' remuneration (Note 11)	**113,628**	113,499	**113,628**	113,499
	398,378	399,006	**276,939**	260,989

21- Fair value measurement

All assets and liabilities, measured or disclosed at fair value, are classified in the interim condensed consolidated financial information through a fair value hierarchy based on the lowest significant inputs level in proportion to the fair value measurement as a whole, as follows:

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

The following table shows an analysis of captions recorded at fair value by level of the fair value hierarchy:

	June 30, 2026		
	Level 1	**Level 3**	**Total**
Financial assets at FVPL	**1,881**	**-**	**1,881**
Financial assets at FVOCI	**-**	**620,853**	**620,853**
	1,881	**620,853**	**622,734**

	December 31, 2025 (audited)		
	Level 1	Level 3	Total
Financial assets at FVPL	1,785	-	1,785
Financial assets at FVOCI	-	620,853	620,853
	1,785	620,853	622,638

	June 30, 2025		
	Level 1	Level 3	Total
Financial assets at FVPL	1,292	-	1,292
Financial assets at FVOCI	-	605,467	605,467
	1,292	605,467	606,759

The Parent Company's management believes that there has been no significant change in the fair value of financial assets at FVOCI during the six-months period ended June 30, 2026.

There were no transfers between any levels of the fair value hierarchy during the period ended June 30, 2026.

The detailed movement for items measured within level 3 is as follows:

		Total		
	Financial assets at FVOCI	**June 30, 2026**	December 31, 2025 (Audited)	June 30, 2025
As at the beginning of the period / year	620,853	**620,853**	605,467	605,467
Change in fair value	-	**-**	15,386	-
Balance at the end of the period / year	620,853	**620,853**	620,853	605,467

22- Comparative figures

Certain amounts for the period ended June 30, 2025 have been reclassified to conform to the amounts of current period presentation. The reclassification had no impact on the Group's profit or equity of the previous period.

23- Significant events

On February 28, 2026, a military conflict arose in the Middle East, creating significant geopolitical uncertainty in the region.

This event could adversely affect the Group's business environment. Potential impacts include, but are not limited to, supply chain disruptions, higher energy costs, margin pressures, and heightened refinancing and credit risk.

As the situation remains new and still evolving, management is currently unable to determine with reasonable certainty the extent or duration of the conflict or its ultimate financial effect on the accompanying interim condensed consolidated financial information of the Group. The management continues to monitor the market outlook and assess potential impact, if any, in response to future developments.