Sokouk Holding Company K.S.C.P.
and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

30 JUNE 2026

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO BOARD OF DIRECTORS OF SOKOUK HOLDING COMPANY K.S.C.P.

Report on the Interim Condensed Consolidated Financial Information

Introduction
We have reviewed the accompanying interim condensed consolidated statement of financial position of Sokouk Holding Company K.S.C.P. (the "Parent Company") and its subsidiaries (collectively, the "Group") as at 30 June 2026, and the related interim condensed consolidated statement of profit or loss, interim condensed consolidated statement of comprehensive income for the three-month and six-month periods then ended, interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of 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 ("IAS 34"). 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 IAS 34.

Emphasis of Matter
We draw attention to Note 8 to the interim condensed consolidated financial information, which describes the uncertainties relating to the final outcome of an ongoing litigation claim. Our conclusion is not modified in respect of this matter.

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO BOARD OF DIRECTORS OF SOKOUK HOLDING COMPANY K.S.C.P. (continued)

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

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any violations of the provisions of Law No 7 of 2010 concerning establishment of Capital Markets Authority "CMA" and organization of security activity and its executive regulations, as amended, during the six months period ended 30 June 2026 that might have had a material effect on the business of the Parent Company or on its financial position.

BADER A. AL-ABDULJADER
LICENCE NO. 207 A
EY
AL AIBAN, AL OSAIMI & PARTNERS

11 August 2026
Kuwait

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

For the period ended 30 June 2026

		Three months ended 30 June		*Six months ended 30 June*	
		2026	*2025*	***2026***	*2025*
	Notes	***KD***	*KD*	***KD***	*KD*
INCOME					
Hospitality income		**644,606**	1,278,119	**1,705,983**	2,521,657
Hospitality costs		**(386,728)**	(588,295)	**(934,482)**	(1,159,962)
Net hospitality income		**257,878**	689,824	**771,501**	1,361,695
Net rental income from investment properties		**97,623**	109,378	**201,328**	218,725
Share of results of investment in equity-accounted investees	5	**1,725,903**	1,433,809	**3,547,104**	3,281,887
Management fees income	9	**17,323**	17,514	**39,359**	39,717
Other income		**110,639**	96,851	**215,885**	173,773
Total income		**2,209,366**	2,347,376	**4,775,177**	5,075,797
EXPENSES AND OTHER CHARGES					
Staff costs		**(227,792)**	(203,657)	**(497,536)**	(413,514)
Administrative expenses		**(84,918)**	(181,208)	**(209,663)**	(356,910)
Depreciation of right-of-use assets		**(22,639)**	(22,257)	**(45,277)**	(44,513)
Allowance for expected credit losses		**(20)**	(2,600)	**(2,600)**	(6,920)
Financing costs on debts and loans		**(1,194,375)**	(275,625)	**(1,470,000)**	(551,250)
Financing costs on lease obligations		**(6,498)**	(6,987)	**(12,438)**	(14,381)
Total expenses and other charges		**(1,536,242)**	(692,334)	**(2,237,514)**	(1,387,488)
PROFIT BEFORE TAX		**673,124**	1,655,042	**2,537,663**	3,688,309
Taxation		**(35,487)**	(35,318)	**(35,487)**	(36,032)
PROFIT FOR THE PERIOD		**637,637**	1,619,724	**2,502,176**	3,652,277
Attributable to:					
Equity holders of the Parent Company		**780,235**	1,616,988	**2,656,729**	3,647,174
Non-controlling interests		**(142,598)**	2,736	**(154,553)**	5,103
		637,637	1,619,724	**2,502,176**	3,652,277
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	3	**1.36 Fils**	2.83 Fils	**4.65 Fils**	6.38 Fils

The attached notes 1 to 14 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 June 2026

		Three months ended 30 June		*Six months ended 30 June*	
		2026	*2025*	***2026***	*2025*
	Notes	***KD***	*KD*	***KD***	*KD*
PROFIT FOR THE PERIOD		**637,637**	1,619,724	**2,502,176**	3,652,277
Other comprehensive income (loss)					
Other comprehensive income (loss) that may be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations	5	**388**	(4,238)	**974**	(3,828)
Share of other comprehensive income (loss) of investment in equity-accounted investees	5	**36,615**	41,112	**(4,065)**	65,903
Other comprehensive income (loss) that may be reclassified to profit or loss in subsequent periods		**37,003**	36,874	**(3,091)**	62,075
Other comprehensive (loss) income that will not be reclassified to profit or loss in subsequent periods:					
Net gain (loss) on equity instruments at fair value through other comprehensive income	12	**(62,680)**	(35,555)	**3,011**	(64,404)
Other comprehensive income (loss) that will not be reclassified to profit or loss in subsequent periods		**(62,680)**	(35,555)	**3,011**	(64,404)
Net other comprehensive (loss) income for the period		**(25,677)**	1,319	**(80)**	(2,329)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**611,960**	1,621,043	**2,502,096**	3,649,948
Attributable to:					
Equity holders of the Parent Company		**754,558**	1,618,307	**2,656,649**	3,644,845
Non-controlling interests		**(142,598)**	2,736	**(154,553)**	5,103
		611,960	1,621,043	**2,502,096**	3,649,948

The attached notes 1 to 14 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2026

	Notes	***30 June 2026 KD***	*(Audited) 31 December 2025 KD*	*30 June 2025 KD*
ASSETS				
Cash and cash equivalents		**2,967,418**	1,668,525	978,827
Term deposits	4	**10,568,000**	11,088,000	10,616,000
Inventories		**35,038**	55,255	49,723
Accounts receivable and prepayments		**1,226,482**	761,657	1,177,364
Investment properties		**7,350,000**	7,350,000	7,153,000
Financial assets at FVOCI		**319,633**	316,622	348,627
Investment in equity-accounted investees	5	**25,250,776**	22,152,234	16,867,695
Right-of-use assets		**1,494,215**	1,505,537	1,602,489
Property and equipment	6	**25,644,672**	25,820,653	25,819,077
TOTAL ASSETS		**74,856,234**	70,718,483	64,612,802
EQUITY AND LIABILITIES				
Equity				
Share capital	7	**59,314,500**	59,314,500	59,314,500
Statutory reserve		**1,769,871**	1,769,871	1,769,871
Treasury shares	7	**(1,769,871)**	(1,769,871)	(1,769,871)
Effect of changes in other comprehensive income of investment in equity-accounted investees		**(612,967)**	(608,902)	(1,874,468)
Foreign currency translation reserve		**64,966**	63,992	63,858
Fair value reserve		**(3,592,702)**	(3,595,713)	(3,563,708)
Other reserve		**(272,250)**	(272,250)	(272,250)
Accumulated losses		**(10,180,689)**	(12,837,418)	(16,952,928)
Equity attributable to equity holders of the Parent Company		**44,720,858**	42,064,209	36,715,004
Non-controlling interests		**46,828**	201,381	214,478
Total equity		**44,767,686**	42,265,590	36,929,482
LIABILITIES				
Islamic finance payables	8	**27,615,000**	26,145,000	25,593,750
Accounts payable and accruals		**1,956,960**	1,859,073	1,658,955
Employees' end of service benefits		**516,588**	448,820	430,615
Total liabilities		**30,088,548**	28,452,893	27,683,320
TOTAL EQUITY AND LIABILITIES		**74,856,234**	70,718,483	64,612,802

Abdullateef Mohammad Alothman
Vice Chairman

Ahmad Mohammed Othman Al-Quraishi
Chief Executive Officer

The attached notes 1 to 14 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
For the period ended 30 June 2026

	Attributable to equity holders of the Parent Company										
	Share capital KD	***Statutory reserve KD***	***Treasury shares KD***	***Effect of changes in OCI of investment in equity-accounted investees KD***	***Foreign currency translation reserve KD***	***Fair value reserve KD***	***Other reserve KD***	***Accumulated losses KD***	***Sub-total KD***	***Non-controlling interests KD***	***Total equity KD***
At 1 January 2026	59,314,500	1,769,871	(1,769,871)	(608,902)	63,992	(3,595,713)	(272,250)	(12,837,418)	42,064,209	201,381	**42,265,590**
Profit (loss) for the period	-	-	-	-	-	-	-	2,656,729	2,656,729	(154,553)	**2,502,176**
Other comprehensive (loss) income	-	-	-	(4,065)	974	3,011	-	-	(80)	-	**(80)**
Total comprehensive (loss) income for the period	-	-	-	(4,065)	974	3,011	-	2,656,729	2,656,649	(154,553)	**2,502,096**
At 30 June 2026	**59,314,500**	**1,769,871**	**(1,769,871)**	**(612,967)**	**64,966**	**(3,592,702)**	**(272,250)**	**(10,180,689)**	**44,720,858**	**46,828**	**44,767,686**
At 1 January 2025	59,314,500	1,769,871	(1,769,871)	(1,940,371)	67,686	(3,499,304)	(272,250)	(20,600,102)	33,070,159	209,375	33,279,534
Profit for the period	-	-	-	-	-	-	-	3,647,174	3,647,174	5,103	3,652,277
Other comprehensive income (loss)	-	-	-	65,903	(3,828)	(64,404)	-	-	(2,329)	-	(2,329)
Total comprehensive income (loss) for the period	-	-	-	65,903	(3,828)	(64,404)	-	3,647,174	3,644,845	5,103	3,649,948
At 30 June 2025	59,314,500	1,769,871	(1,769,871)	(1,874,468)	63,858	(3,563,708)	(272,250)	(16,952,928)	36,715,004	214,478	36,929,482

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the period ended 30 June 2026

	Note	*Six months ended 30 June*	
		2026	*2025*
		KD	*KD*
OPERATING ACTIVITIES			
Profit before tax		**2,537,663**	3,688,309
Adjustments to reconcile profit before tax to net cash flows:			
Share of results of investment in equity-accounted investees	5	**(3,547,104)**	(3,281,887)
Depreciation of property and equipment		**267,860**	233,232
Depreciation of right-of-use assets		**115,650**	114,878
Allowance for expected credit losses		**36,808**	6,920
Interest income *(included under other income)*		**(215,880)**	(173,560)
Finance costs on debts and borrowings		**1,470,000**	551,250
Finance cost on lease liabilities		**12,438**	14,381
Provision for employees' end of service benefits		**95,494**	51,446
		772,929	1,204,969
Changes in operating assets and liabilities:			
Inventories		**20,217**	(642)
Accounts receivable and prepayments		**(527,113)**	(62,178)
Accounts payable and accruals		**(18,736)**	(132,414)
Cash flows from operating activities		**247,297**	1,009,735
Employees' end of service benefits paid		**(27,726)**	(34,395)
Net cash flows from operating activities		**219,571**	975,340
INVESTING ACTIVITIES			
Purchase of property and equipment		**(91,880)**	(89,188)
Net movement in term deposits		**520,000**	(1,031,000)
Interest income received		**241,360**	96,887
Dividend income received	5	**445,471**	-
Net cash flows from (used in) investing activities		**1,114,951**	(1,023,301)
FINANCING ACTIVITIES			
Payment of lease liabilities		**(35,629)**	(81,660)
Net cash flows used in financing activities		**(35,629)**	(81,660)
NET INCREASE (DECREASE) IN BANK BALANCES AND CASH		**1,298,893**	(129,621)
Bank balances and cash at 1 January		**1,668,525**	1,108,448
BANK BALANCES AND CASH AT 30 JUNE		**2,967,418**	978,827
Non-cash items excluded from the interim condensed consolidated statement of cash flows:			
Additions to right-of-use assets		**(104,327)**	-
Additions to lease liabilities		**104,327**	-

The attached notes 1 to 14 form part of this interim condensed consolidated financial information.

1 CORPORATE INFORMATION

The interim condensed consolidated financial information of Sokouk Holding Company K.S.C.P. (the "Parent Company") and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2026 was authorised for issue in accordance with a resolution of the directors on 11 August 2026.

The consolidated financial statements of the Group for the year ended 31 December 2025 were approved by the shareholders at the annual general assembly meeting ("AGM") held on 26 March 2026. No dividends have been declared by the Parent Company.

The Parent Company is a public shareholding company incorporated and domiciled in the State of Kuwait and whose shares are publicly traded in Boursa Kuwait.

The Parent Company's head office is located at ITS building 3rd Floor, Mubarak Al-Kabeer Street, Sharq and its registered postal address is at P.O. Box 29110, Safat 13152 - State of Kuwait.

The Parent Company is a subsidiary of Aref Investment Group S.A.K. (Closed) (referred to hereunder as "Aref" or the "Ultimate Parent Company"), a Kuwaiti shareholding company incorporated and domiciled in the State of Kuwait.

The principal activities of the Parent Company as per its Memorandum of Incorporation are, as follows:

- Owning shares of Kuwaiti or foreign shareholding companies or units in Kuwaiti or foreign limited liability companies, or establishing, managing, financing and sponsoring such companies.
- Financing and sponsoring entities in which the Parent Company has an ownership interest of not less than 20% in such entities.
- Owning industrial rights such as patents, industrial trademarks, sponsoring foreign companies or any other related industrial rights and leasing such rights for the benefit of companies inside or outside State of Kuwait.
- Owning movable assets or real estates required to pursue the Parent Company's activities within the limits acceptable by law.
- Utilising available surplus funds by investing these funds in portfolios managed by specialised parties.

All activities are conducted in accordance with Islamic Sharīʿa as approved by the Parent Company's Fatwa and Sharīʿa Supervisory Board.

The interim condensed consolidated financial information includes the financial information of the Parent Company and the following material subsidiaries:

			% equity interest		
	Principal activities	***Country of incorporation***	***30 June 2026***	*31 December 2025*	*30 June 2025*
Gulf Real Estate Development House Company K.S.C. (Closed)	Real Estate	Kuwait	**87.99%**	87.99%	87.99%
Sokouk Real Estate Company K.S.C. (Closed) *	Real Estate	Kuwait	**96.52%**	96.52%	96.52%

* The remaining shares/ units in the subsidiary is held by other related parties on behalf of the Parent Company. Therefore, the effective holding of the Parent Company in the subsidiary is 100%.

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial information of the Group has been prepared in accordance with IAS 34 *'Interim Financial Reporting'*. 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.

The Group has prepared the interim condensed consolidated financial information have been presented in Kuwaiti Dinar ("KD"), which is also the Group's functional currency.

The Group's management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the necessary resources to continue in business for the foreseeable future. The Group's net current liability position relates to its Subsidiary's obligation towards Islamic finance payables for which assets under Property and equipment are pledged (Notes 6 and 8). The Group's management believe that in the case of a negative outcome on this legal dispute, the Group's loss would be limited to its net investment in the subsidiary in addition to the contingency described in Note 13. Further, the Group is considering probable settlement plans in relation to the legal dispute. Accordingly, the interim condensed consolidated financial information has been prepared on a going concern basis.

The Group has not early adopted any other standards, interpretations or amendments that has been issued but not yet effective. Other amendments to IFRSs which are effective for annual accounting period starting from 1 January 2026 did not have any impact on the accounting policies, financial position or performance of the Group.

The interim condensed consolidated financial information does not contain all information and disclosures required for annual consolidated financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

In addition, results for the period ended 30 June 2026 may not necessarily be indicative of the results that may be expected for the financial year ending 31 December 2026. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included.

2.2 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of new standards effective as of 1 January 2026. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the 'settlement date' and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date.
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed.
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments.
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

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

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (continued)

2.2 New standards, interpretations and amendments adopted by the Group (continued)

Annual Improvements to IFRS Accounting Standards - Volume 11
In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows.

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

3 EARNINGS PER SHARE (EPS)

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

	Three months ended 30 June		*Six months ended 30 June*	
	2026	*2025*	***2026***	*2025*
Profit for the period attributable to equity holders of the Parent Company (KD)	**780,235**	1,616,988	**2,656,729**	3,647,174
Weighted average number of ordinary shares (excluding treasury shares) outstanding during the period	**571,645,336**	571,645,336	**571,645,336**	571,645,336
Basic and diluted earnings per share attributable to the equity holders of the Parent Company	**1.36 Fils**	2.83 Fils	**4.65 Fils**	6.38 Fils

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these interim condensed consolidated financial information.

4 TERM DEPOSITS

Term deposits are placed with a local bank, denominated in Kuwaiti Dinar and carry an effective profit rate ranging from 3.63% to 4.13% as at 30 June 2026 (31 December 2025: 3.6% to 4.1% and 30 June 2025: 3.86% to 4.13%) per annum and maturing within twelve months from the date of placement.

5 INVESTMENT IN EQUITY – ACCOUNTED INVESTEES

Set out below are the investment in equity-accounted investees of the Group as at the reporting date:

		% equity interest			*Carrying amounts*		
			(Audited)			*(Audited)*	
	Country	***30 June 2026 %***	*31 December 2025 %*	*30 June 2025 %*	***30 June 2026 KD***	*31 December 2025 KD*	*30 June 2025 KD*
Munshaat Real Estate Projects Company K.S.C.P. ("Munshaat")	Kuwait	**27.67**	27.67	27.67	**13,111,616**	11,542,250	6,579,997
Qitaf Joint Venture ("Qitaf")	Kuwait	**36.43**	36.43	36.43	**123,626**	118,662	511,309
The Zamzam 2013 JV ("Zamzam")	Kuwait	**23.48**	23.48	23.48	**12,015,534**	10,491,322	9,776,389
					25,250,776	22,152,234	16,867,695

The market value of investment in Munshaat (based on the quoted market price) as at 30 June 2026 was KD 20,046,915 (31 December 2025: KD 21,739,766 and 30 June 2025: KD 17,373,993).

The movement in the carrying amount of investment in equity-accounted investees during the period/ year is as follows:

Reconciliation to carrying amounts:	***30 June 2026 KD***	*(Audited) 31 December 2025 KD*	*30 June 2025 KD*
As at the beginning of the period/ year	**22,152,234**	13,523,733	13,523,733
Share of results	**3,547,104**	4,761,389	3,281,887
Share of other comprehensive (loss) income	**(4,065)**	1,331,469	65,903
Reversal of impairment	**-**	2,539,337	-
Exchange differences	**974**	(3,694)	(3,828)
Dividends received	**(445,471)**	-	-
As at the end of the period/ year	**25,250,776**	22,152,234	16,867,695

The Group performed an impairment test for its investment in equity-accounted investees during the fourth quarter of the preceding annual reporting period, which concluded that no impairment losses were required. As the assessment was performed at the end of the last annual reporting period, and in the absence of any new indicators of impairment during the current interim reporting period, management believes that there are no triggering events that would necessitate an update to the impairment test in accordance with IAS 36 *'Impairment of Assets'*.

6 PROPERTY AND EQUIPMENT

Property and equipment with a carrying amount of KD 25,643,591 (31 December 2025: KD 25,820,030, 30 June 2025: KD 25,818,123) are subject to a first charge to secure the Group's Islamic finance payables (Note 8).

6 PROPERTY AND EQUIPMENT (continued)

Impairment losses related to real estate property
As at 31 December 2025, the Group assessed whether there is an indication that land and building may be impaired through assessing factors such as significant external adverse changes including market, economic, technological or legal environment factors in which the Group operates or internal observable factors including failure to meet budgeted and forecasted earnings in the current and prior years; that may trigger indicators of impairment that will either impact the carrying value or the remaining useful life of land and building. The management has also considered certain additional factors such as maintenance status, market knowledge and historical transactions.

Based on management assessment and the valuation performed by two independent real estate valuers with experience in the locations and category of the property being valued during the year-end, no impairment indicators were noted. Management believes that there are no significant circumstances during the interim reporting period that have arisen since year-end which may have a significant impact on the recoverable amount.

7 EQUITY

7.1 Share capital
As at 30 June 2026, the authorised, issued and fully paid-up capital of the Parent Company is KD 59,314,500 (31 December 2025 and 30 June 2025: KD 59,314,500) comprises of 593,145,000 (31 December 2025: 593,145,000 and 30 June 2025: 593,145,000) shares of 100 fils each. All shares are paid in cash.

7.2 Treasury shares

	30 June 2026	*(Audited) 31 December 2025*	*30 June 2025*
Number of treasury shares	**21,499,664**	21,499,664	21,499,664
Percentage of share capital	**3.62%**	3.62%	3.62%
Cost of treasury shares – KD	**1,769,871**	1,769,871	1,769,871
Market value – KD	**1,762,972**	1,719,973	1,311,480
Weighted average market price – fils	**82**	80	61

Reserves equivalent to the cost of the treasury shares held are not available for distribution during the holding period of such shares as per CMA guidelines.

8 ISLAMIC FINANCE PAYABLES

	Currency	***Effective profit rate (EIR)***	***30 June 2026 KD***	*(Audited) 31 December 2025 KD*	*30 June 2025 KD*
Secured Ijara contract	Kuwaiti Dinar	5.25%	**27,615,000**	26,145,000	25,593,750

The secured Ijara contract amounting to KD 27,615,000 (31 December 2025: KD 26,145,000 and 30 June 2025: KD 25,593,750 represent a finance lease agreement ("Ijara contract") entered into between Gulf Real Estate Development House Company ("Subsidiary") and a local financial institution ("lender") in respect of a hotel property located in the State of Kuwait ("leased property"). The lease matured on 30 June 2020 ("maturity date"). Ijara payables are secured by a first charge over the Group's leased property, with a carrying value of KD 25,643,591 at 30 June 2026 (31 December 2025: KD 25,820,030 and 30 June 2025: KD 25,818,123) (Note 6).

Due to COVID-19 pandemic and the consequent financial difficulties, the lender officially notified the Subsidiary in August 2020 to surrender the leased property. On 5 April 2021, the Subsidiary was subpoenaed by the court to evict and surrender the leased property following a claim lodged by the lender. On 17 November 2021 the Court of First Instance ruled in favour of the lender and ordered the Subsidiary to hand over the leased property. The Subsidiary decided to appeal against the decision before the Court of Appeal. On 20 June 2022, the higher court decided to suspend the case until the outcome of the below counter litigation filed by the Group to prove its claim on the right of ownership on the property.

8 ISLAMIC FINANCE PAYABLES (continued)

On 4 July 2021, the lender filed another case against the Parent Company (in its capacity as a joint guarantor) and the Subsidiary requesting the court to refer the matter to experts to evaluate the ownership of the property and has also raised a demand for compensation for the period from the date of expiry of the contract. The matter has been referred to experts. The court received the experts report on 19 September 2022 and contravened on 23 October 2022 and decided to shift the case to a different department – Commercial Government department, which has decided to send the matters to their own set of experts. Further, on the same date, the Group filed a counter litigation to prove its claim on the right of ownership on the property. The court merged both cases and rendered a decision in favour of the Group on 25 December 2022. Furthermore, with respect to the joint guaranteed contract with the Parent Company towards the debt obligation, the Court of Appeal, ruled a final decision that the contract is void; accordingly, the Parent Company has no contractual obligation towards the Islamic finance payables. The Lender has appealed against the decision. On 15 April 2026, the court of cassation ruled to reject the appeal and ordered the appellants to pay the costs.

Furthermore, in 2024, the lender filed a new case against the Parent Company and the Subsidiary claiming the Islamic finance payables amounting to KD 21,000,000 with 5.25% profit. On 9 February 2025, the Court of First Instance dismissed the case. The lender filed an appeal against the decision. On 18 June 2025, the Court of First Instance issued a suspensive injunction, effective until the final adjudication of the above appeals pending before the Court of Cassation.

On 22 July 2026, the Court of Appeal ruled in favour of the lender, overturning the earlier decision that had dismissed the original claim, and ordered the Subsidiary to pay amounting to KD 21,000,000 together with interest at the rate of 5.25% per annum from 1 July 2020 until the date of full settlement. The Court further held the Parent Company (in its capacity as joint guarantor) jointly liable with the Subsidiary for an amount of KD 1,500,000. In the same judgment, the Court rejected the connected appeal and upheld the underlying judgment (as stated in the operative part of the judgement). During the period, the Group has accrued an additional KD 918,750 finance costs representing the difference between previously accrued financing costs and the amount determined by the judgment. The Group is evaluating the implications of the ruling, together with the legal remedies available to it, and the matter remains subject to further judicial proceedings.

Finance costs continue to be accrued by the Group since the expiry of the contract on 30 June 2020 in order to provide any such contingency.

9 RELATED PARTY DISCLOSURES

Related parties represent the Ultimate Parent Company, major shareholders, investment in equity-accounted investees, directors and key management personnel of the Group, and companies of which they 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 Parent Company's management.

The following table provides the total amounts of transactions that have been entered into with related parties during the six months ended 30 June 2026 and 2025:

	Six months ended 30 June			
	Investment in equity-accounted investees KD	***Other related parties KD***	***Total 2026 KD***	*Total 2025 KD*
Interim condensed consolidated statement of profit or loss:				
Management fees income	**39,359**	**-**	**39,359**	39,717
Management fees (*included under administrative expenses*)	**-**	**(19,429)**	**(19,429)**	(31,267)
Incentive fees (*included under administrative expenses*)	**-**	**(24,752)**	**(24,752)**	(55,986)
Marketing fees *(included under administrative expenses*)	**-**	**(12,953)**	**(12,953)**	(20,845)

9 RELATED PARTY DISCLOSURES (continued)

The following table provides the total balances with related parties as at 30 June 2026, 31 December 2025 and 30 June 2025:

	Major shareholder of the Ultimate Parent Company KD	***Investment in equity-accounted investees KD***	***Other related parties KD***	***30 June 2026 KD***	*(Audited) 31 December 2025 KD*	*30 June 2025 KD*
Interim condensed consolidated statement of financial position:						
Due from related parties	**-**	**518,771**	**37,375**	**556,146**	292,260	501,982
Due to related parties	**(121,844)**	**(72,964)**	**(39,944)**	**(234,752)**	(212,340)	(185,695)

Terms and conditions of transactions with related parties
Transactions with related parties are made on terms approved by the Group's management. All balances at the period-end are unsecured, interest free and have no fixed repayment schedule. There have been no guarantees provided or received for any related party receivables or payables. For the period ended 30 June 2026, the Group has not recognised any provision for expected credit losses relating to amounts owed by related parties (31 December 2025 and 30 June 2025: Nil).

Key management compensation
Key management personnel comprise of the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Group.
The aggregate value of transactions and balances outstanding related to key management personnel were as follows:

	Transaction values for the six months ended		*Balances outstanding as at*		
	30 June 2026 KD	*30 June 2025 KD*	***30 June 2026 KD***	*(Audited) 31 December 2025 KD*	*30 June 2025 KD*
Salaries and other short-term benefits	**54,728**	27,575	**83,442**	124,015	75,840
End of service benefits	**3,719**	1,870	**35,298**	32,407	28,994
Compensation to independent board member*	**-**	-	**-**	10,000	-
	58,447	29,445	**118,740**	166,422	104,834

* The Board of Directors of the Parent Company in their meetings held on 17 February 2026 proposed remuneration to the independent board member of KD 10,000 for the year ended 31 December 2025. This proposal was approved by the shareholders at the annual general assembly meeting ("AGM") held on 26 March 2026.

10 SEGMENT INFORMATION

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

- Hotel operations: Provision of hospitality services through the Millennium Hotel and Convention Center Kuwait
- Real estate: Managing investment properties
- Investment: Managing direct investments and investments in subsidiaries and investment in equity-accounted investees

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on return on investments. The Group does not have any inter-segment transactions.

The following table presents segment revenue, expenses, and results information of the Group's operating segments for the six months ended 30 June 2026 and 30 June 2025:

	Hotel operations KD	***Real estate KD***	***Investment KD***	***Other unallocated items KD***	***Total KD***
Six months ended 30 June 2026					
Segment revenue	**1,705,983**	**201,328**	**3,547,104**	**255,244**	**5,709,659**
Segment expenses	**(2,852,031)**	**(61,962)**	**-**	**(293,490)**	**(3,207,483)**
Segment results	**(1,146,048)**	**139,366**	**3,547,104**	**(38,246)**	**2,502,176**

	Hotel operations KD	*Real estate KD*	*Investment KD*	*Other unallocated items KD*	*Total KD*
Six months ended 30 June 2025					
Segment revenue	2,521,657	218,725	3,281,887	213,490	6,235,759
Segment expenses	(2,312,060)	(53,852)	-	(217,570)	(2,583,482)
Segment results	209,597	164,873	3,281,887	(4,080)	3,652,277

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

	Hotel operations KD	***Real estate KD***	***Investment KD***	***Other unallocated items KD***	***Total KD***
At 30 June 2026					
Total assets	**32,624,965**	**11,128,588**	**31,045,163**	**57,518**	**74,856,234**
Total liabilities	**(28,850,390)**	**(389,689)**	**(106,214)**	**(742,255)**	**(30,088,548)**

10 SEGMENT INFORMATION (continued)

At 31 December 2025 (Audited)					
Total assets	32,357,335	10,760,851	27,532,075	68,222	70,718,483
Total liabilities	(27,287,128)	(386,848)	(70,378)	(708,539)	(28,452,893)
At 30 June 2025					
Total assets	31,937,057	10,207,830	22,388,010	79,905	64,612,802
Total liabilities	(26,701,924)	(343,812)	(50,307)	(587,277)	(27,683,320)

11 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

30 June 2026	***Within 1 year KD***	***After 1 year KD***	***Total KD***
ASSETS			
Cash and cash equivalents	**2,967,418**	**-**	**2,967,418**
Term deposits	**10,568,000**	**-**	**10,568,000**
Inventories	**35,038**	**-**	**35,038**
Accounts receivable and prepayments	**1,226,482**	**-**	**1,226,482**
Investment properties	**-**	**7,350,000**	**7,350,000**
Financial assets at FVOCI	**-**	**319,633**	**319,633**
Investment in equity-accounted investees	**-**	**25,250,776**	**25,250,776**
Right-of-use assets	**-**	**1,494,215**	**1,494,215**
Property and equipment	**-**	**25,644,672**	**25,644,672**
TOTAL ASSETS	**14,796,938**	**60,059,296**	**74,856,234**
LIABILITIES			
Islamic finance payables	**27,615,000**	**-**	**27,615,000**
Accounts payable and accruals	**1,690,017**	**266,943**	**1,956,960**
Employees' end of service benefits	**-**	**516,588**	**516,588**
TOTAL LIABILITIES	**29,305,017**	**783,531**	**30,088,548**
NET LIQUIDTY GAP	**(14,508,079)**	**59,275,765**	**44,767,686**

11 MATURITY ANALYSIS OF ASSETS AND LIABILITIES (continued)

31 December 2025 (audited)			
ASSETS			
Cash and cash equivalents	1,668,525	-	1,668,525
Term deposits	11,088,000	-	11,088,000
Inventories	55,255	-	55,255
Accounts receivable and prepayments	761,657	-	761,657
Investment properties	-	7,350,000	7,350,000
Financial assets at FVOCI	-	316,622	316,622
Investment in equity-accounted investees	-	22,152,234	22,152,234
Right-of-use assets	-	1,505,537	1,505,537
Property and equipment	-	25,820,653	25,820,653
TOTAL ASSETS	13,573,437	57,145,046	70,718,483
LIABILITIES			
Islamic finance payables	26,145,000	-	26,145,000
Accounts payable and accruals	1,594,610	264,463	1,859,073
Employees' end of service benefits	-	448,820	448,820
TOTAL LIABILITIES	27,739,610	713,283	28,452,893
NET LIQUIDTY GAP	(14,166,173)	56,431,763	42,265,590

30 June 2025	*Within 1 year KD*	*After 1 year KD*	*Total KD*
ASSETS			
Cash and cash equivalents	978,827	-	978,827
Term deposits	10,616,000	-	10,616,000
Inventories	49,723	-	49,723
Accounts receivable and prepayments	1,177,364	-	1,177,364
Investment properties	-	7,153,000	7,153,000
Financial assets at FVOCI	-	348,627	348,627
Investment in equity-accounted investees	-	16,867,695	16,867,695
Right-of-use assets	-	1,602,489	1,602,489
Property and equipment	-	25,819,077	25,819,077
TOTAL ASSETS	12,821,914	51,790,888	64,612,802
LIABILITIES			
Islamic finance payables	25,593,750	-	25,593,750
Accounts payable and accruals	1,333,722	325,233	1,658,955
Employees' end of service benefits	-	430,615	430,615
TOTAL LIABILITIES	26,927,472	755,848	27,683,320
NET LIQUIDTY GAP	(14,105,558)	51,035,040	36,929,482

12 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value hierarchy
All financial assets and liabilities for which fair value is measured or disclosed in the interim condensed consolidated financial information are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 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

For assets and liabilities that are recognised in the interim condensed consolidated financial information at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

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

Unlisted equity securities
The fair value of unlisted equity investment has been estimated using a market-based valuation technique. The Group determines comparable public companies (peers) based on industry, size and leverage and calculates an appropriate trading multiple for the comparable company identified. The multiple is then discounted for considerations such as illiquidity and size differences between the comparable companies based on company specific facts and circumstances. The Group classifies the fair value of these investments as Level 3.

Other financial assets and liabilities
Fair value of other financial instruments is not materially different from their carrying values, at the reporting date, as most of these instruments are of short-term maturity or re-priced immediately based on market movement in profit rates.

Reconciliation of Level 3 fair values
The following table shows a reconciliation of all movements in the fair value of items categorised within Level 3 between the beginning and the end of the reporting period:

	Non-listed equity investments		
		(Audited)	
	30 June 2026 KD	*31 December 2025 KD*	*30 June 2025 KD*
As at 1 January	**316,622**	413,031	413,031
Remeasurement recognised in OCI	**3,011**	(96,409)	(64,404)
	319,633	316,622	348,627

The valuation techniques and inputs used in this interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025.

13 LEGAL CLAIM CONTINGENCIES

The Group is party to ongoing legal claims and proceedings before the respective judicial authorities, principally in relation to the Ijara contract and the associated Islamic finance payables described in Note 8. Based on the legal information available at the date of authorisation of these interim condensed consolidated financial information, the ultimate outcome of these matters cannot presently be determined with reasonable certainty.

Following the Court of Appeal ruling of 22 July 2026, the Parent Company (in its capacity as joint guarantor) has been held jointly liable with the Subsidiary for an amount of KD 1,500,000.

14 IMPACT OF GEOPOLITICAL ESCALATIONS RISK AND RELATED UNCERTAINITY

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

- Financing and liquidity, including the availability and cost of debt financing, refinancing risk, and compliance with financial covenants.
- Credit risk, particularly in sectors or geographies that may be indirectly affected by disruptions in trade, energy markets, or regional economic activity.
- Market liquidity risk, including the ability to realise investments at quoted or observable market prices in periods of heightened volatility.
- Foreign exchange risk, arising from increased currency volatility in markets linked to the region.

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

In assessing the carrying values of non financial assets which are prepared on a historical cost basis, management has not identified any indicators of impairment requiring recognition at the reporting date. However, future adverse developments in the geopolitical environment may result in changes to key valuation assumptions.

The Group's ECL models incorporate forward looking information reflecting multiple macroeconomic scenarios. While increased uncertainty has been incorporated into ECL calculations, management concluded that the allowance for expected credit losses appropriately reflects the level of credit risk inherent in the Group's trade receivable portfolio.

The Group maintains liquidity buffers and capital resources that management considers sufficient to meet its commitments and operating expenses as they fall due. The Group has assessed the potential impact of adverse market movements on its ability to realise investments or access funding, including under stressed market scenarios. No breaches of liquidity thresholds, investment restrictions, or capital management policies were identified as at the reporting date.

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

Management continues to monitor the situation and assess potential impacts on the Group. As of the date of authorization of these interim condensed financial information, the financial effects cannot be reliably estimated due to the evolving nature of the events.