KFIC Invest Company K.S.C. (Public) and its subsidiaries

Interim Condensed Consolidated Financial Information and Independent Auditor's Review Report
30 June 2026
(Unaudited)

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF KFIC INVEST COMPANY K.S.C. (PUBLIC)

Introduction
We have reviewed the accompanying interim condensed consolidated statement of financial position of KFIC Invest Company K.S.C. (Public) (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 and interim condensed consolidated statement of comprehensive income for the three-months and six-months periods then ended, the related interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six-months period then ended. The management of the Parent Company 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 condensed consolidated 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, it 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 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 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.

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF KFIC INVEST COMPANY K.S.C. (PUBLIC)

Report on 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 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-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.

SHEIKHA AL FULAIJ
LICENCE NO. 289-A
EY
(AL AIBAN AL OSAIMI & PARTNERS)

12 August 2026
Kuwait

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				
Bank balances and cash	3	**10,311,822**	14,114,376	6,010,253
Financial assets at fair value through profit or loss		**8,507,019**	7,702,801	3,940,657
Financial assets at fair value through other comprehensive income		**10,165**	107,781	121,186
Finance receivables at fair value through other comprehensive income	4a	**14,638,715**	14,273,771	10,203,711
Finance receivables at amortised cost	4b	**3,082,640**	1,970,480	1,803,459
Other assets	5	**5,370,297**	5,734,354	6,596,675
Investments in associates		**-**	-	1,090,513
Investment properties		**5,199,409**	5,022,918	7,259,323
Property and equipment		**949,696**	982,056	1,129,430
Intangible assets		**251,968**	251,968	251,968
TOTAL ASSETS		**48,321,731**	50,160,505	38,407,175
LIABILITIES AND EQUITY				
Liabilities				
Borrowings	6	**5,825,000**	3,730,000	4,740,945
Other liabilities		**11,008,003**	13,007,860	5,201,135
Total liabilities		**16,833,003**	16,737,860	9,942,080
Equity				
Share capital	7	**24,548,994**	24,548,994	24,548,994
Statutory reserve		**2,847,437**	2,847,437	-
Fair value reserve		**786,951**	365,735	(317,094)
Foreign currency translation reserve		**79,329**	74,848	70,522
Equity transactions reserve		**976,900**	976,900	1,156,426
Retained earnings		**58,394**	1,134,408	2,999,789
Equity attributable to the equity holders of the Parent Company		**29,298,005**	29,948,322	28,458,637
Non-controlling interests		**2,190,723**	3,474,323	6,458
Total equity		**31,488,728**	33,422,645	28,465,095
TOTAL LIABILITIES AND EQUITY		**48,321,731**	50,160,505	38,407,175

Waleed Mohammad Jassim Al-Sager
Chairman

Eisa Ali Al Hasawi
Vice Chairman & CEO

The attached notes from 1 to 15 form part of this interim condensed consolidated financial information.

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*
REVENUES					
Finance income		**404,580**	461,544	**909,926**	854,565
Management and advisory fees		**245,261**	259,200	**463,072**	501,663
Brokerage commissions		**644,023**	511,418	**976,826**	3,407,377
Investment income	8	**483,843**	349,204	**578,480**	153,228
Rental income		**73,920**	74,087	**147,860**	165,508
Income from associates		**-**	24,634	**-**	48,957
Foreign currency exchange gain (loss)		**54,991**	(80,784)	**63,470**	(78,113)
Other income		**103,992**	119,699	**241,191**	215,392
		2,010,610	1,719,002	**3,380,825**	5,268,577
EXPENSES					
Finance costs		**(171,057)**	(82,460)	**(342,137)**	(166,645)
Staff costs		**(612,419)**	(554,002)	**(1,334,592)**	(1,171,200)
General, administrative and marketing expenses		**(422,315)**	(319,972)	**(716,461)**	(650,438)
Lease liability interest expenses		**(5,384)**	(7,602)	**(9,119)**	(16,057)
Depreciation and amortization		**(92,142)**	(102,715)	**(178,177)**	(205,153)
Provision charge for expected credit losses for finance receivables – net	4c	**(152,400)**	(64,710)	**(314,799)**	(88,259)
Provision charge for expected credit losses on other assets		**(46,253)**	(735)	**(329,195)**	(3,839)
Provision recovery for expected liability		**45,280**	59,544	**42,599**	107,867
		(1,456,690)	(1,072,652)	**(3,181,881)**	(2,193,724)
PROFIT BEFORE PROVISION FOR TAX		**553,920**	646,350	**198,944**	3,074,853
NLST		**(7,307)**	(14,934)	**(7,307)**	(74,925)
ZAKAT		**(120)**	-	**(120)**	-
PROFIT FOR THE PERIOD		**546,493**	631,416	**191,517**	2,999,928
Attributable to:					
Equity holders of the Parent Company		**438,115**	631,333	**51,222**	2,999,789
Non-controlling interests		**108,378**	83	**140,295**	139
PROFIT FOR THE PERIOD		**546,493**	631,416	**191,517**	2,999,928
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	9	**1.78 fils**	2.57 fils	**0.21fils**	12.22 fils

The attached notes from 1 to 15 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 June 2026

	Notes	*Three months ended 30 June* ***2026 KD***	*Three months ended 30 June 2025 KD*	*Six months ended 30 June* ***2026 KD***	*Six months ended 30 June 2025 KD*
Profit for the period		**546,493**	631,416	**191,517**	2,999,928
Other comprehensive income (loss):					
Items that are or may be reclassified to interim condensed consolidated statement of profit or loss in subsequent periods:					
Net change in fair value of finance receivables at fair value through other comprehensive income		**(10,301)**	(6,189)	**(23,374)**	(8,888)
Net charge of provision for expected credit losses of finance receivables at fair value through other comprehensive income	4c	**99,734**	91,111	**256,388**	143,876
Write-off of finance receivables at fair value through other comprehensive income	4a	**(1,544)**	(405,506)	**(1,915)**	(405,506)
Exchange differences on translation of foreign operations		**2,468**	(31,889)	**6,494**	(23,044)
		90,357	(352,473)	**237,593**	(293,562)
Items that will not be reclassified to interim condensed consolidated statement of profit or loss in subsequent periods:					
Net change in fair value of equity instruments classified at fair value through other comprehensive income		**725**	1,188	**62,973**	1,326
Other comprehensive income (loss) for the period		**91,082**	(351,285)	**300,566**	(292,236)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**637,575**	280,131	**492,083**	2,707,692
Attributable to:					
Equity holders of the Parent Company		**528,397**	280,176	**349,683**	2,707,662
Non-controlling interests		**109,178**	(45)	**142,400**	30
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**637,575**	280,131	**492,083**	2,707,692

The attached notes from 1 to 15 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***	***Voluntary reserve KD***	***Fair value reserve KD***	***Foreign currency translation reserve KD***	***Equity transactions reserve KD***	***Retained earnings KD***	***Sub-total KD***	***Non-controlling interests KD***	***Total equity KD***
As at 1 January 2026	**24,548,994**	**2,847,437**	**-**	**365,735**	**74,848**	**976,900**	**1,134,408**	**29,948,322**	**3,474,323**	**33,422,645**
Profit for the period	**-**	**-**	**-**	**-**	**-**	**-**	**51,222**	**51,222**	**140,295**	**191,517**
Other comprehensive income for the period	**-**	**-**	**-**	**293,980**	**4,481**	**-**	**-**	**298,461**	**2,105**	**300,566**
Total comprehensive income for the period	**-**	**-**	**-**	**293,980**	**4,481**	**-**	**51,222**	**349,683**	**142,400**	**492,083**
Dividends distributions (Note 12)	**-**	**-**	**-**	**-**	**-**	**-**	**(1,000,000)**	**(1,000,000)**	**-**	**(1,000,000)**
Disposal of equity investments at fair value through other comprehensive income	**-**	**-**	**-**	**127,236**	**-**	**-**	**(127,236)**	**-**	**-**	**-**
Movement in non-controlling interests related to capital reduction of a subsidiary	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1,426,000)**	**(1,426,000)**
As at 30 June 2026	**24,548,994**	**2,847,437**	**-**	**786,951**	**79,329**	**976,900**	**58,394**	**29,298,005**	**2,190,723**	**31,488,728**
As at 1 January 2025	32,249,138	-	36,321	(48,011)	93,566	1,156,426	(7,736,465)	25,750,975	6,428	25,757,403
Profit for the period	-	-	-	-	-	-	2,999,789	2,999,789	139	2,999,928
Other comprehensive loss for the period	-	-	-	(269,083)	(23,044)	-	-	(292,127)	(109)	(292,236)
Total comprehensive (loss) income for the period	-	-	-	(269,083)	(23,044)	-	2,999,789	2,707,662	30	2,707,692
Extinguishment of accumulated losses	(7,700,144)	-	(36,321)	-	-	-	7,736,465	-	-	-
As at 30 June 2025	24,548,994	-	-	(317,094)	70,522	1,156,426	2,999,789	28,458,637	6,458	28,465,095

The attached notes from 1 to 15 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the period ended 30 June 2026

	Notes	*Six months ended 30 June* **2026** *KD*	*2025 KD*
OPERATING ACTIVITIES			
Profit for the period		**191,517**	2,999,928
Adjustments to reconcile profit for the period to net cash flows:			
Dividend income	8	**(80,476)**	(84,894)
Income from associates		**-**	(48,957)
Change in fair value of investment properties (gain)	8	**(170,000)**	(180,000)
Gain on sale of subsidiary		**-**	(140,576)
Finance costs		**342,137**	166,645
Lease liability interest expenses		**9,119**	16,057
Depreciation and amortization		**178,177**	205,153
Provision charge for expected credit losses for finance receivables - net	4c	**314,799**	88,259
Provision charge for expected credit losses on other assets		**329,195**	3,839
Provision recovery for expected liability		**(42,599)**	(107,867)
Charge of provision for employees' end of service benefits		**101,409**	63,526
National Labour Support Tax		**7,307**	74,925
Zakat		**120**	-
		1,180,705	3,056,038
Changes in operating assets and liabilities:			
Financial assets at fair value through profit or loss		**(804,218)**	387,311
Finance receivables at fair value through other comprehensive income		**(390,233)**	(2,970,624)
Finance receivables at amortised cost		**(1,170,571)**	249,703
Other assets		**87,866**	(180,973)
Other liabilities		**(2,871,874)**	(117,302)
Cash flows (used in) from operations		**(3,968,325)**	424,153
Employees' end of service benefits paid		**(165,068)**	(133,706)
Net cash flows (used in) from operating activities		**(4,133,393)**	290,447
INVESTING ACTIVITIES			
Net movement of property and equipment		**(145,817)**	(67,958)
Dividend received	8	**27,475**	39,283
Net proceeds from sale of a subsidiary		**-**	318,229
Proceed from sale of equity investments at fair value through other comprehensive income		**160,589**	-
Fixed deposits with original maturity greater than three months withdrawn (placed)		**1,999,657**	(349)
Placement of restricted cash and fixed deposits		**(2,628,706)**	(495,695)
Net cash flows used in investing activities		**(586,802)**	(206,490)
FINANCING ACTIVITIES			
Proceeds from borrowings		**4,990,000**	1,094,712
Repayments of borrowings		**(2,895,000)**	(950,433)
Finance costs paid		**(329,735)**	(142,533)
Payment of lease liabilities		**(50,673)**	(116,644)
Payment to non-controlling interests on capital reduction		**(1,426,000)**	-
Net cash flows from (used in) financing activities		**288,592**	(114,898)
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(4,431,603)**	(30,941)
Cash and cash equivalents as at 1 January		**9,996,866**	4,568,107
CASH AND CASH EQUIVALENTS AS AT 30 JUNE	3	**5,565,263**	4,537,166
Addition of financial assets at fair value through profit or loss against disposal of a subsidiary		**-**	(1,506,341)

The attached notes from 1 to 15 form part of this interim condensed consolidated financial information.

1 INCORPORATION, ACTIVITIES AND GROUP INFORMATION

KFIC Invest Company K.S.C. (Public) (the "Parent Company") is a Kuwaiti Shareholding Company incorporated on 29 March 2000 in accordance with Commercial Companies Law No. 15 of 1960 which was replaced by Law No. 1 of 2016 (New Companies' Law). The Parent Company is regulated by the Capital Markets Authority (CMA) as an investment company.

The Parent Company's shares are listed on the Kuwait Stock Exchange (Boursa Kuwait).

The Parent Company's registered office is at Khaled Tower, Al Qebla, P.O. Box 21521, Safat 13037 Kuwait.

This interim condensed consolidated financial information of the Group for the six months ended 30 June 2026 was authorized for issue by the Board of Directors on 12 August 2026.

The consolidated financial statements for the year ended 31 December 2025 were approved by the parent company's shareholders at the annual general assembly meeting ("AGM") held on 5 April 2026.

The Group is principally engaged in consumer and commercial lending activities, sell and buy vehicles, collection services, managing funds and portfolios on behalf of clients, investment banking activities, brokerage activities and providing financial and consulting services and investing in securities and real estate.

The interim condensed consolidated financial information of the Group includes:

			Ownership %		
Subsidiaries Name	***Activity***	***Incorporation***	***30 June 2026***	*(Audited) 31 December 2025*	*30 June 2025*
Held directly through the Parent Company					
KFIC Financial Brokerage Company – K.S.C. C.	Brokerage	Kuwait	**69**	69	100
KFIC for Financing Services Company – K.S.C.C.	Financing	Kuwait	**99.96**	99.96	99.96
KFIC for Management Consulting Company – S.P.C	Consultancy	Kuwait	**100**	100	100
KFIC Real Estate Company – S.P.C.	Real Estate	Kuwait	**100**	100	100
KFIC for Selling and Buying Cars Company– S.P.C.	Cars Trade	Kuwait	**100**	100	100
KFIC for Third Party Amicable Fund Collection Company – S.P.C.	Collection	Kuwait	**100**	100	100
KFIC for Rental and Leasing Cars Company – S.P.C. (a)	Car Rental & Leasing	Kuwait	**-**	100	100
Al-Wafra Future Agriculture Contracting Company – W.L.L	Agricultural contracting	Kuwait	**99**	99	99
Held through KFIC Financial Brokerage Company – K.S.C. C.					
Riffa District for Shares and Securities Company – W.L.L.	Real Estate	Bahrain	**100**	100	100
Al Salbookh Al Oula for General Trading Company – S.P.C.	General Trading	Kuwait	**100**	100	100
Jadwa International Marketing Consulting Company – S.P.C.	Consultancy	Kuwait	**100**	100	100

a) During prior year, the license of KFIC Rental and Leasing Cars Co. – S.P.C. was revoked by the Ministry of Commerce and Industry. During the period the liquidation process was registered with the Ministry of Justice, a liquidator had been appointed, and all liquidation procedures were completed.

During the period, ownership of Rasameel International Real Estate Company (K.S.C.C) was transferred to the Group, representing a portion of the assets included in the merger with Rasameel Investment Company. Moreover, A transfer of ownership agreement was signed between KFIC Invest Company (the merging company) and Rasameel Investment Company (the merged company), with all benefits and risks remaining with the merged company until the merger procedures are completed (Note 7).

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial information of the Group has been prepared in accordance with International Accounting Standard (IAS) 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 regulations issued by Central Bank of Kuwait (CBK) for financial services institutions in the State of Kuwait. These regulations require that the expected credit loss ("ECL") on credit facilities to be measured at the higher of the amount computed under IFRS 9 in accordance with CBK guidelines or provisions as required by CBK instructions; the consequent impact on related disclosures; and the adoption of all other requirements of International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB") (collectively referred to as IFRS Accounting Standards, as adopted by CBK for use by the State of Kuwait).

The interim condensed consolidated financial information does not contain all information and disclosures required for full consolidated financial statements. Accordingly, it should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2025.

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.

The interim condensed consolidated financial information has been presented in Kuwaiti Dinars. 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 did not have a material impact on the Group's interim condensed consolidated financial information.

Other amendments to IFRS which are effective for annual accounting period starting from 1 January 2026 did not have any material impact on the accounting policies, financial position or performance of the Group.

3 CASH AND CASH EQUIVALENTS

For the purpose of the interim condensed consolidated statement of cash flows, cash and cash equivalents comprise of the following:

	30 June 2026 KD	*(Audited) 31 December 2025 KD*	*30 June 2025 KD*
Cash at banks and on hand	**2,303,845**	6,641,200	3,330,027
Cash in investment portfolios	**4,090,075**	1,564,605	570,364
Fixed deposits	**3,917,902**	5,908,571	2,109,862
Bank balances and cash	**10,311,822**	14,114,376	6,010,253
Fixed deposits with a maturity greater than three months from the date of placement	**(8,914)**	(2,008,571)	(8,571)
Fixed deposits blocked	**(2,158,988)**	(500,000)	(500,000)
Cash at banks and cash in investment portfolios blocked	**(2,578,657)**	(1,608,939)	(964,516)
Total cash and cash equivalents	**5,565,263**	9,996,866	4,537,166

Fixed deposits duration varies from one to twelve months and carry an average effective interest rate of 3.7% as at 30 June 2026 (31 December 2025: 3.9% and 30 June 2025: 3.6%) per annum.

The Group pledged fixed deposits of KD 508,988 (31 December 2025: KD 500,000; 30 June 2025: KD 500,000) to a local bank as collateral against financing portfolios purchased by the bank. Further, the Group has also pledged fixed deposits amounting to KD 1,650,000 to a local bank against a revolving credit facility (Note 6).

Cash at banks and investment portfolios disclosed above include restricted bank balances of KD 2,578,657 (31 December 2025: KD 1,608,939 and 30 June 2025: KD 964,516) which represent the Group's share in the new Guarantee Fund established by the Kuwait Stock Exchange, in addition to cash in investment portfolios pledged as collateral for credit facilities from local banks. The Group's share in the new Guarantee Fund system is restricted in its use by the Kuwait Clearing Company to meet the Group's obligations regarding any shortfall in commercial transactions (if any).

4 FINANCE RECEIVABLES

The provisions computed as per IFRS 9 according to the CBK guidelines relating to finance receivables carried at fair value through other comprehensive income and finance receivables at amortised cost before the effect of intercompany elimination is amounted to KD 1,511,353 (31 December 2025: KD 1,198,666 and 30 June 2025: KD 841,963) which is higher (31 December 2025: higher and 30 June 2025: lower) than the than the provisions computed as required by the CBK instructions before the effect of intercompany elimination amounting to KD 1,340,454 (31 December 2025: KD 1,135,267 and 30 June 2025: KD 924,359). Hence, the provision for credit losses against the finance receivables is based on IFRS 9 according to the CBK guidelines as of 30 June 2026 (31 December 2025: based on IFRS 9 according to the CBK guidelines and 30 June 2025: based on CBK instructions).

The reported provisions computed as per IFRS 9 according to the CBK guidelines relating to finance receivables carried at fair value through other comprehensive income and finance receivables at amortised cost after elimination is KD 1,492,334 (31 December 2025: KD 1,179,450 as per IFRS 9 according to the CBK guidelines and 30 June 2025: KD 902,359 as per CBK instructions).

4 FINANCE RECEIVABLES (continued)

In 2023, the Parent Company has secured a loan from its subsidiary, "KFIC for Financing Services K.S.C.C.", classified as finance receivable at amortised cost. The loan amount is KD 2,200,000 and carries an interest rate of 1% per annum above the CBK discount rate and is repayable in full on 30 June 2030. The loan has an intercompany effect over provisions computed as required by the CBK instructions relating to finance receivables at amortised cost by KD 22,000 (31 December 2025: KD 22,000 and 30 June 2025: KD 22,000) and provisions computed as per IFRS 9 according to the CBK guidelines by KD 19,019 (31 December 2025: KD 19,216 and 30 June 2025: KD 16,846) (Note 11).

a- Finance receivables at fair value through other comprehensive income

	30 June 2026 KD	*(Audited) 31 December 2025 KD*	*30 June 2025 KD*
Gross finance receivables	**16,425,896**	16,147,059	11,638,706
Less: deferred income	**(1,834,786)**	(1,944,267)	(1,415,757)
	14,591,110	14,202,792	10,222,949
Fair value adjustment (Net)	**47,605**	70,979	(19,238)
	14,638,715	14,273,771	10,203,711

The provision of credit losses for finance receivable carried at fair value through other comprehensive income calculated under IFRS 9 as per CBK guidelines is KD 1,219,920 (31 December 2025: KD 965,447 under IFRS 9 as per CBK guidelines and 30 June 2025: KD 389,204 as per CBK instructions).

The movement in the provision of credit losses for finance receivable carried at fair value through other comprehensive income is as follows:

	30 June 2026 KD	*(Audited) 31 December 2025 KD*	*30 June 2025 KD*
Opening balance under IFRS 9 as per CBK guidelines (1 January 2025: as per CBK instructions)	**(965,447)**	(650,834)	(650,834)
Charge during the period/year (Note 4c)	**(256,388)**	(720,119)	(143,876)
Write off during the period/year	**1,915**	405,506	405,506
Ending balance under IFRS 9 as per CBK guidelines (31 December 2025: under IFRS 9 as per CBK guidelines and 30 June 2025: as per CBK instructions)	**(1,219,920)**	(965,447)	(389,204)

The analysis below shows the carrying amount in relation to finance receivables carried at FVOCI based on the staging criteria under IFRS 9 as per CBK guidelines:

Carrying amount	***Stage 1 KD***	***Stage 2 KD***	***Stage 3 KD***	***Total KD***
As at 30 June 2026	**13,369,670**	**276,349**	**945,091**	**14,591,110**
As at 31 December 2025 *(Audited)*	13,329,970	211,135	661,687	14,202,792
As at 30 June 2025	9,682,309	116,244	424,396	10,222,949

4 FINANCE RECEIVABLES (continued)

a- Finance receivables at fair value through other comprehensive income (continued)

The analysis below shows the changes in expected credit losses based on the staging criteria under IFRS 9 in accordance with CBK guidelines:

30 June 2026	***Stage 1 KD***	***Stage 2 KD***	***Stage 3 KD***	***Total KD***
As at 1 January 2026	**(249,576)**	**(54,184)**	**(661,687)**	**(965,447)**
Recovery (charge) during the period	**15,563**	**(37,883)**	**(234,068)**	**(256,388)**
Impact due to transfer between stages	**33,516**	**17,735**	**(51,251)**	**-**
Write off during the period	-	-	**1,915**	**1,915**
As at 30 June 2026	**(200,497)**	**(74,332)**	**(945,091)**	**(1,219,920)**

31 December 2025 *(Audited)*	*Stage 1 KD*	*Stage 2 KD*	*Stage 3 KD*	*Total KD*
As at 1 January 2025	(119,401)	(36,032)	(580,450)	(735,883)
Charge during the year	(325,968)	(32,231)	(276,871)	(635,070)
Impact due to transfer between stages	195,793	14,079	(209,872)	-
Write off during the year	-	-	405,506	405,506
As at 31 December 2025	(249,576)	(54,184)	(661,687)	(965,447)

30 June 2025	*Stage 1 KD*	*Stage 2 KD*	*Stage 3 KD*	*Total KD*
As at 1 January 2025	(119,401)	(36,032)	(580,450)	(735,883)
Charge during the period	(115,514)	(4,371)	(124,302)	(244,187)
Impact due to transfer between stages	111,348	13,802	(125,150)	-
Write off during the period	-	-	405,506	405,506
As at 30 June 2025	(123,567)	(26,601)	(424,396)	(574,564)

4 FINANCE RECEIVABLES (continued)

b- Finance receivables at amortised cost

	30 June 2026 KD	*(Audited) 31 December 2025 KD*	*30 June 2025 KD*
Gross finance receivables	**3,507,592**	2,334,027	2,542,019
Less: deferred income	**(152,538)**	(149,544)	(225,405)
	3,355,054	2,184,483	2,316,614
Less: General provision *	**-**	-	(320,746)
Less: Specific provision	**-**	-	(192,409)
Less: Expected credit losses	**(272,414)**	(214,003)	-
	3,082,640	1,970,480	1,803,459

*The general provision includes CBK precautionary provision KD 299,438.

The provision of credit losses for finance receivable carried at amortised cost calculated under IFRS 9 as per CBK guidelines is KD 272,414 (31 December 2025: KD 214,003 under IFRS 9 as per CBK guidelines and 30 June 2025: KD 513,155 calculated as per CBK instructions).

The movement in the provision of credit losses for finance receivable carried at amortised cost is as follows:

	30 June 2026 KD	*(Audited) 31 December 2025 KD*	*30 June 2025 KD*
Opening balance under IFRS 9 as per CBK guidelines (1 January 2025: as per CBK instructions)	**(214,003)**	(632,694)	(632,694)
(Charge) recovery during the period/year (Note 4c)	**(58,411)**	354,769	55,617
Write off during the period/year	**-**	63,922	63,922
Ending balance under IFRS 9 as per CBK guidelines (31 December 2025: under IFRS 9 as per CBK guidelines and 30 June 2025: as per CBK instructions)	**(272,414)**	(214,003)	(513,155)

The analysis below shows the carrying amount in relation to finance receivables at amortised cost based on the staging criteria under IFRS 9 as per CBK guidelines:

Carrying amount	***Stage 1 KD***	***Stage 2 KD***	***Stage 3 KD***	***Total KD***
As at 30 June 2026	**3,097,903**	**-**	**257,151**	**3,355,054**
As at 31 December 2025 *(Audited)*	1,927,002	69,843	187,638	2,184,483
As at 30 June 2025	2,053,689	21,395	241,530	2,316,614

4 FINANCE RECEIVABLES (continued)

b- Finance receivables at amortised cost (continued)

The analysis below shows the changes in expected credit losses based on the staging criteria under IFRS 9 in accordance with CBK guidelines:

30 June 2026	***Stage 1*** ***KD***	***Stage 2*** ***KD***	***Stage 3*** ***KD***	***Total*** ***KD***
As at 1 January 2026	**(10,749)**	**(15,616)**	**(187,638)**	**(214,003)**
Charge during the period	**(4,514)**	**-**	**(53,897)**	**(58,411)**
Impact due to transfer between stages	**-**	**15,616**	**(15,616)**	**-**
As at 30 June 2026	**(15,263)**	**-**	**(257,151)**	**(272,414)**

31 December 2025 *(Audited)*	*Stage 1* *KD*	*Stage 2* *KD*	*Stage 3* *KD*	*Total* *KD*
As of 1 January 2025	(11,472)	-	(310,270)	(321,742)
(Charge) recovery during the year	(67,618)	-	111,435	43,817
Impact due to transfer between stages	68,341	(15,616)	(52,725)	-
Write off during the year	-	-	63,922	63,922
As at 31 December 2025	(10,749)	(15,616)	(187,638)	(214,003)

30 June 2025	*Stage 1* *KD*	*Stage 2* *KD*	*Stage 3* *KD*	*Total* *KD*
As at 1 January 2025	(11,472)	-	(310,270)	(321,742)
(Charge) recovery during the period	(57,724)	-	64,991	7,267
Impact due to transfer between stages	61,183	(1,010)	(60,173)	-
Write off during the period	-	-	63,922	63,922
As at 30 June 2025	(8,013)	(1,010)	(241,530)	(250,553)

c- Finance receivables expected credit loss (ECL)

Provision for expected credit losses for finance receivables carried at amortised cost and finance receivables carried at fair value through other comprehensive income (FVOCI) as follows:

	Three months ended 30 June		*Six months ended 30 June*	
	2026 ***KD***	*2025* *KD*	***2026*** ***KD***	*2025* *KD*
Provision charge of expected credit loss for finance receivables at FVOCI (Net)	**(99,734)**	(91,111)	**(256,388)**	(143,876)
Provision (charge) recovery of expected credit loss for finance receivables at amortised cost (Net)	**(52,666)**	26,401	**(58,411)**	55,617
	(152,400)	(64,710)	**(314,799)**	(88,259)

5 OTHER ASSETS

	30 June 2026 KD	*(Audited) 31 December 2025 KD*	*30 June 2025 KD*
Accrued income	**986,870**	1,401,493	1,239,595
Other receivables*	**4,002,110**	4,009,320	4,200,410
Associates preferred shares	**208,758**	207,064	951,057
Prepayments	**172,559**	116,477	205,613
	5,370,297	5,734,354	6,596,675

* Other Receivables:
As at 30 June 2026, other assets include other gross receivables amounting to KD 6,698,478 (31 December 2025: KD 6,648,782 and 30 June 2025: KD 6,646,794) which represents three properties that have not been yet transferred to the Group as of the reporting date and other remaining balances as a result of the irrevocable agreement signed in 2020 and its amendments. The irrevocable agreement in 2020 was signed to acquire real estate properties with a total fair value of KD 12,500,000 in exchange for some of the Group's assets. The Group has pledged collaterals representing quoted, unquoted securities and cash against such gross receivable in addition to a promissory note of KD 12,500,000 as collateral to proportionally cover the non-transferred assets. The Group has executed their part of the agreement and has transferred all the assets. The other party has transferred investment properties amounting to KD 6,463,665 and the remining balance is recorded as other assets in the Group's subsidiary books.

On 22 January 2023, the Group's subsidiary "KFIC Financial Brokerage Company K.S.C.C" filed a legal case against the other party claiming an amount of KD 6.6 million. The case was registered in the Commercial Division of the Regional Court. On 27 November 2023, the court dismissed the case as a preliminary judgement on the basis that the original promissory note was not submitted. The preliminary judgement was appealed, and on 12 June 2024, the Court of Appeals ruled against the preliminary judgement dismissing the case and obliged the counter party to pay to the Group's subsidiary "KFIC Financial Brokerage Company K.S.C.C" an amount of KD 6,615,475, while both parties to the case filed a cassation appeal. On 23 September 2025, the Court of Cassation decided to accept the appeal and set a hearing date on 14 October 2025 then postponed to 21 October 2025 for judgement. On 21 October 2025, the Court of Cassation ruled to annul the appealed judgment for lack of jurisdiction, referring the case to the Capital Markets Court – First Instance Circuit for reconsideration. A session was scheduled on 27 January 2026 for hearing, in which the other party submitted a defence memorandum that includes a counterclaim requesting the annulment of the asset swap agreement. The court decided to postpone the case to 24 February 2026 then postponed to 17 March 2026 for judgement. On 17 March 2026, the court of first instance ruled to suspend the case pending the issuance of the final judgement in criminal cases No. 49/2023 and 218/2023. During the period, the Group's subsidiary "KFIC Financial Brokerage Company K.S.C.C" filed an appeal against the judgment issued on 17 March 2026, and the appeal hearing had been scheduled for 14 May 2026 then postponed to 11 June 2026. On 11 June 2026, the court rejected the appeal.

On 4 August 2024, the appellant filed a petition for reconsideration, and on 18 December 2024, the Court of Appeals has rejected the petition for reconsideration of the verdict submitted by the appellant. On 20 August 2024, a decision was issued by the Court of Cassation to approve the temporary suspension of the execution of the Court of Appeals' judgment until a decision is made in the Court of Cassation.

During the period, the Group assessed the fair value of the pledged collaterals and believes no additional provision against the receivable balance is necessary. As at 30 June 2026 the total provision for those receivables is KD 2,892,714 (31 December 2025: KD 2,892,714, 30 June 2025: KD 2,595,799) without taking in consideration the promissory note. The net outstanding balance from this counter party amounts to KD 3,805,764 (31 December 2025: KD 3,756,068 and 30 June 2025: KD 4,050,995).

5 OTHER ASSETS (continued)

Furthermore, this deal has been transferred to the Public Prosecution as referred by the Capital Markets Authority. On 3 December 2024, the Public Prosecution transferred the case registered under No. 49/2023 to the High Court - Criminal - Capital Markets Authority, then referred it to General Department of Experts – Ministry of Justice for reporting.

Moreover, on 3 April 2024, the counter party's subsidiary filed a lawsuit in Bahrain for financial compensation against the Group and others, where the first session was scheduled to be on 5 June 2024. On 26 February 2025, the court ruled to suspend the case pending the issuance of a final judgement in the criminal case filed in the State of Kuwait registered under No. 49/2023 of the Kuwait Capital Market Prosecution.

During prior year, the other party filed a lawsuit against the Parent Company as a portfolio manager where the first session was scheduled to be on 11 January 2026 for judgement. On 11 January 2026, the court rejected the case and referred it to the Capital Market Court where the first session was scheduled to be on 3 February 2026 then postponed to 17 February 2026 for judgement. On 17 February 2026 the Capital Market Court rejected the case which is considered in the Parent Company’s favour. During the period. The other party filed an appeal against the judgment issued on 17 February 2026, and the appeal hearing was scheduled for 14 May 2026. On 14 May 2026, the case was referred to General Department of Experts – Ministry of Justice for reporting. The case currently is still under the General Department of Experts investigation.

Other receivables also include gross receivables amounting to KD 0.6 million (31 December 2025: KD 0.6 million and 30 June 2025: KD 0.6 million) which represents the remaining balance from sale transaction of certain assets during December 2019. The Group has pledged collaterals representing unquoted securities and cash against such receivable in addition to a promissory note of KD 0.6 million.

On 3 May 2023, the Parent Company filed a legal case against the other party claiming an amount of KD 0.6 million. The case was registered in the Commercial Division and on 15 November 2023 the judgement was rendered in the case and considered as never existed.

On 30 November 2023, a new case was filed, and its first hearing was scheduled on 20 February 2024. On 21 May 2024, the case was ruled that it lacks jurisdiction and has been referred to the Commercial Division of Capital Markets Government. On 8 October 2024, the case was referred to General Department of Experts – Ministry of Justice for reporting. The General Department of Experts – Ministry of Justice issued the report in the Parent’s Company favor and a session was scheduled on 14 October 2025 to discuss it, then postponed to 28 October 2025 for judgement, On 28 October 2025, the Capital Markets Court - Commercial Civil Division Government ruled in favor of the Parent Company and obligated the counterparty to pay the due amount, then both parties appealed the judgement where the first session was scheduled on 18 December 2025 then postponed to 12 February 2026. On 12 February 2026 the court ruled to suspend the case until the criminal case registered under No. 49/2023 is decided.

The other receivable balance of KD 0.6 million is fully provided for in previous years.

6 BORROWINGS

Borrowings include local term loans and revolving loans and Murabaha which bear a floating interest rate between 1.50% to 1.75% per annum above CBK rate (31 December 2025: 1.75% to 2.50% per annum above CBK rate and 30 June 2025: 2% to 2.50% per annum above CBK rate).

The following is the classification of borrowings based on their maturity:

	30 June 2026 KD	*(Audited) 31 December 2025 KD*	*30 June 2025 KD*
Current	**4,325,000**	1,775,000	216,798
Non-current	**1,500,000**	1,955,000	4,524,147
	5,825,000	3,730,000	4,740,945

6 BORROWINGS (continued)

During prior years, the Parent Company obtained a borrowing from one of its major shareholders with an amount of KD 405,000 (31 December 2025: KD 405,000 and 30 June 2025: KD 405,000) with a tenor of 2 years which bear a floating interest rate from 2% to 2.5% (31 December 2025: from 2% to 2.5% and 30 June 2025: from 2% to 2.5%) per annum above CBK discount rate, which has been fully settled during the reporting period (Note 11).

During the period, the Parent Company has obtained a new loan facility from one its major shareholders with an amount of KD 1,000,000 with a tenor of 1 year which bear a floating interest rate of 1.75% above CBK discount rate. An amount of KD 575,000 has been utilised till reporting date (Note 11).

During the period, the Parent Company has fully settled term loan facility with amount of KD 2,000,000.

During the period, the Group subsidiary KFIC for financing service co "K.S.C.C", signed a new revolving loan facility from local bank with an amount of KD 1,500,000 with a tenor of 14 months which bears a floating interest rate 1.50% per annum, above CBK discount rate. This facility is collateralized by a fixed deposits of KD 1,650,000 placed with lender. The facility has been fully utilized during the reporting period.

Investment properties with carrying amount of KD 4,400,000 (31 December 2025: KD 4,230,000 and 30 June 2025: KD 6,470,000) are pledged against borrowings.

Subsequent to the reporting period, the Parent Company signed an addendum to increase the facility limit agreement of KD 9,000,000 signed in 2025 with a local bank to be KD 10,500,000 as follows:

1- Increase the revolving facility with amount of KD 4,000,000 to be KD 5,500,000 with a tenor of 12 months which bears a floating interest rate 1.5% per annum above CBK discount rate. This facility is collateralized by an investment portfolio under the custody of the lender.

2- Restructure the revolving facility with amount of KD 3,000,000 to be KD 5,000,000 through converting the term facility limit of KD 2,000,000 into revolving loan facility with a tenor of 12 months which bear a floating interest rate 1.750% per annum, above CBK discount rate.

3- The term of the revolving facilities was also extended through July 31, 2027, with certain amendments to the related collateral.

Subsequent to the reporting period, the Parent Company settled KD 4,325,000 of its outstanding borrowings.

7 SHARE CAPITAL

	Authorized, issued and paid capital		
	30 June 2026	*(Audited) 31 December 2025*	*30 June 2025*
Capital (KD)	**24,548,994**	24,548,994	24,548,994
Capital (shares)	**245,489,943**	245,489,943	245,489,943
Nominal value (fils)	**100**	100	100

During the period, the shareholders of the Parent Company held an extraordinary general assembly meeting on 1 February 2026 and approved an in-kind capital increase of KD 5,342,098. This increase in share capital is associated with the merging process between the Parent Company (the acquirer company) and Rasameel Investment Company K.S.C.C. (the acquiree company).

This approval has been authenticated in the Parent Company's commercial register on 25 March 2026. On 13 July 2027 the share capital increase by 53,420,983 shares is reflected in the Parent Company’s shareholders register as all the legal formalities related to the merger process have been completed.

8 INVESTMENT INCOME

	Three months ended 30 June		*Six months ended 30 June*	
Financial assets at fair value through profit or loss	***2026*** ***KD***	*2025* *KD*	***2026*** ***KD***	*2025* *KD*
Cash dividends	**18,895**	11,383	**18,895**	11,383
Realised gain (loss) on sale	**260,895**	(11,315)	**262,477**	(237,987)
Unrealised (loss) gain	**(1,267)**	(15,257)	**65,527**	(14,255)
	278,523	(15,189)	**346,899**	(240,859)
Financial assets at fair value through other comprehensive income				
Cash dividends	**8,580**	20,650	**8,580**	27,900
Income from preferred shares				
Dividends income	**26,740**	23,167	**53,001**	45,611
Sale of subsidiary				
Gain on sale of subsidiary	**-**	140,576	-	140,576
Investment properties				
Change in fair value gain	**170,000**	180,000	**170,000**	180,000
	483,843	349,204	**578,480**	153,228

9 EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY

Basic earnings per share are 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 earnings per share 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 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)	**438,115**	631,333	**51,222**	2,999,789
Weighted average of issued shares	**245,489,943**	245,489,943	**245,489,943**	245,489,943
Weighted average number of ordinary shares outstanding (share)	**245,489,943**	245,489,943	**245,489,943**	245,489,943
Earnings per share attributable to equity holders of the Parent Company (fils)	**1.78**	2.57	**0.21**	12.22

10 FAIR VALUE MEASURMENTS

The fair value of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Group determines fair values using valuation techniques.

The Group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted prices for identical or similar instruments in market that are considered less than active or other valuation techniques in which all significant inputs are observable from market data.

Level 3: valuation techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows the fair value measurement hierarchy of the Group's assets recorded at fair value:

As at 30 June 2026	***Level 1 KD***	***Level 2 KD***	***Level 3 KD***	***Total fair value KD***
Financial assets at fair value through profit or loss	**917,105**	**-**	**7,589,914**	**8,507,019**
Financial assets at fair value through other comprehensive income	**-**	**5,767**	**4,398**	**10,165**
Finance receivables at fair value through other comprehensive income	**-**	**-**	**14,638,715**	**14,638,715**
Investment properties	**-**	**799,409**	**4,400,000**	**5,199,409**

As at 31 December 2025 (Audited)	*Level 1 KD*	*Level 2 KD*	*Level 3 KD*	*Total fair value KD*
Financial assets at fair value through profit or loss	141,000	-	7,561,801	7,702,801
Financial assets at fair value through other comprehensive income	-	103,252	4,529	107,781
Finance receivables at fair value through other comprehensive income	-	-	14,273,771	14,273,771
Investment properties	-	792,918	4,230,000	5,022,918

As at 30 June 2025	*Level 1 KD*	*Level 2 KD*	*Level 3 KD*	*Total fair value KD*
Financial assets at fair value through profit or loss	386,610	-	3,554,047	3,940,657
Financial assets at fair value through other comprehensive income	-	116,652	4,534	121,186
Finance receivables at fair value through other comprehensive income	-	-	10,203,711	10,203,711
Investment properties	-	789,323	6,470,000	7,259,323

The valuation method used in Level 3 for equity instruments is consistent with that was used in the recent annual consolidated financial statements, which is the net book value method adjusted for illiquidity discounts by 20%.

10 FAIR VALUE MEASURMENTS (continued)

The valuation method used in Level 3 for finance receivables at fair value through other comprehensive income is consistent with method that was used in the recent annual consolidated financial statements, which is discounted cash flow method.

The valuation method used in Level 3 for investment properties is consistent with that was used in the recent annual consolidated financial statements.

The fair value of the financial assets and liabilities other than those mentioned above are not materially different than their carrying value.

The following table represents the changes in Level 3 instruments:

	As at 1 January 2026 KD	***Change in fair value KD***	***Net additions/ (settlements/ write off) KD***	***Net results in the interim condensed consolidated statement of profit or loss KD***	***As at 30 June 2026 KD***
Financial assets at fair value through profit or loss	**7,561,801**	**28,113**	**-**	**-**	**7,589,914**
Financial assets at fair value through other comprehensive income	**4,529**	**(131)**	**-**	**-**	**4,398**
Finance receivables at fair value through other comprehensive income	**14,273,771**	**(23,374)**	**388,318**	**-**	**14,638,715**
Investment properties	**4,230,000**	**170,000**	**-**	**-**	**4,400,000**
	26,070,101	**174,608**	**388,318**	**-**	**26,633,027**

	As at 1 January 2025 KD	*Change in fair value KD*	*Net additions / (settlements & write off) KD*	*Net results in the consolidated statement of profit or loss KD*	*As at 31 December 2025 KD*
Financial assets at fair value through profit or loss	2,047,706	2,404,204	3,109,891	-	7,561,801
Financial assets at fair value through other comprehensive income	4,366	163	-	-	4,529
Finance receivables at fair value through other comprehensive income	7,647,481	81,329	6,544,961	-	14,273,771
Investment properties	6,290,000	240,000	(3,000,000)	700,000	4,230,000
	15,989,553	2,725,696	6,654,852	700,000	26,070,101

10 FAIR VALUE MEASURMENTS (continued)

	As at 1 January 2025 KD	*Change in fair value KD*	*Net additions KD*	*Net results in the interim condensed consolidated statement of profit or loss KD*	*As at 30 June 2025 KD*
Financial assets at fair value through profit or loss	2,047,706	-	1,506,341	-	3,554,047
Financial assets at fair value through other comprehensive income	4,366	168	-	-	4,534
Finance receivables at fair value through other comprehensive income	7,647,481	(8,888)	2,565,118	-	10,203,711
Investment properties	6,290,000	180,000	-	-	6,470,000
	15,989,553	171,280	4,071,459	-	20,232,292

There were no transfers between Level 1 and Level 2 fair value measurements during the period / year, and no transfers into or out of Level 3 fair value measurements during the period / year.

11 RELATED PARTIES

Related parties represent shareholders who have representation in the Parent Company's Board of Directors and their close relatives, directors and key management personnel of the Parent Company, and entities controlled, jointly controlled or significantly influenced by such parties. All related party transactions are carried out on terms approved by Parent Company's management.

The related parties' balances and transactions included in the interim condensed consolidated financial information are as follows:

	30 June 2026 KD	*(Audited) 31 December 2025 KD*	*30 June 2025 KD*
Related parties' balances			
Financial assets at fair value through profit or loss – *entities under common control*	**7,589,909**	7,561,796	3,554,042
Other assets net - *associates*	**614,983**	841,619	1,609,855
Other assets – *key management personnel*	**59,833**	61,648	55,962
Other assets – *shareholders*	**417**	417	417
Other assets – *major shareholders*	**10,125**	-	-
Other assets – *entities under common control*	**2,500**	-	-
Borrowings - *major shareholders*	**(575,000)**	(405,000)	(405,000)
Other liabilities – *key management personnel*	**(152,938)**	(443,516)	(87,971)
Other liabilities – *major shareholders*	**(13,866)**	(8,785)	(8,877)
Other liabilities – *entities under common control*	**(1,667)**	-	-
Other liabilities – *board of directors*	**-**	(42,000)	-

11 RELATED PARTIES (continued)

	Three months ended 30 June		*Six months ended 30 June*	
	2026	*2025*	***2026***	*2025*
	KD	*KD*	***KD***	*KD*
Transactions with related parties				
Management and advisory fees – *associates*	**15,027**	14,546	**29,986**	32,254
Management and advisory fees – *major shareholders*	**37,525**	32,125	**76,196**	66,277
Management and advisory fees – *entities under common control*	**10,500**	-	**10,500**	-
Dividend income – *associates*	**26,740**	23,167	**53,001**	45,611
Unrealized gain on financial assets through profit or loss – *entities under common control*	-	-	**28,113**	-
Finance cost – *Major shareholders*	**(8,749)**	(6,370)	**(20,807)**	(11,855)
Provision for expected credit losses on other assets- *associate*	**(41,806)**	-	**(315,964)**	-

	30 June 2026	*(Audited) 31 December 2025*	*30 June 2025*
	KD	*KD*	*KD*
Fiduciary assets (Shareholders)			
Investments and funds managed in a fiduciary capacity	**42,444,975**	41,720,648	44,116,253

In 2023, the Parent Company has secured a loan from its subsidiary, "KFIC for Financing Services K.S.C.C., classified as financing receivables at amortised cost. The loan amount is KD 2,200,000 and carries an interest rate of 1% per annum above the CBK discount rate (Note 4).

Key management personnel

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 Parent Company.

The aggregate value of transactions related to key management personnel were as follows:

	Three months ended 30 June		*Six months ended 30 June*	
	2026	*2025*	***2026***	*2025*
	KD	*KD*	***KD***	*KD*
Key management compensation				
Salaries, other short-term benefits and end of services indemnity	**(88,659)**	(60,972)	**(198,425)**	(130,821)

12 DIVIDENDS

The Parent Company's shareholders annual general assembly meeting ("AGM") for the year ended 31 December 2025 held on 5 April 2026 approved an in-kind distribution representing a portion of the Parent Company's share in Estate Capital Investment Company K.S.C.C. (formerly Dimah Capital Investment Company K.S.C.C.) (classified in the interim condensed consolidated statement of financial position as financial assets at fair value through profit or loss), at a rate of approximately 3.890 shares for each 100 shares of the Parent Company's current shareholders.

13 SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports that are regularly reviewed by the decision makers (i.e. the Executive Committee) in order to allocate resources to the segments and to assess their performance.
The Group's main activities are organized and managed through four major segments as follows:

Finance
This segment provides consumer loans to individuals and commercial loans to corporate entities and individual customers.

Asset management
This segment provides services of portfolio management and custody services for clients, as well as management of mutual funds.

Investment and corporate finance
This segment monitors the Parent Company's direct investments and also provides investment banking services as well as financial consultancy services for clients.

Financial brokerage and online trading
This segment provides the brokerage and online trading services to the clients.

The following table presents revenues, expenses, results for the period, total assets and total liabilities information regarding the Group's reportable segments.

	Finance KD	*Asset management KD*	*Investment and corporate finance KD*	*Financial brokerage and online trading KD*	*Total KD*
30 June 2026					
Revenues	**1,237,724**	**263,992**	**791,634**	**1,085,697**	**3,379,047**
Expenses	**(1,096,459)**	**(375,095)**	**(1,044,595)**	**(577,449)**	**(3,093,598)**
Segment results	**141,265**	**(111,103)**	**(252,961)**	**508,248**	**285,449**
Unallocated revenues					**1,778**
Unallocated expenses					**(95,710)**
Profit for the period					**191,517**
Segment assets	**23,919,794**	**564,836**	**13,599,504**	**7,760,489**	**45,844,623**
Unallocated assets					**2,477,108**
Total assets					**48,321,731**
Segment liabilities	**10,447,640**	**168,115**	**1,821,988**	**420,471**	**12,858,214**
Unallocated liabilities					**3,974,789**
Total liabilities					**16,833,003**
31 December 2025 (Audited)					
Segment assets	23,817,320	811,900	12,945,406	12,294,497	49,869,123
Unallocated assets					291,382
Total assets					50,160,505
Segment liabilities	10,725,080	178,712	1,135,227	864,435	12,903,454
Unallocated liabilities					3,834,406
Total liabilities					16,737,860

13 SEGMENT INFORMATION (continued)

	Finance *KD*	*Asset management* *KD*	*Investment and corporate finance* *KD*	*Financial brokerage and online trading* *KD*	*Total* *KD*
30 June 2025					
Revenues	1,180,874	345,110	192,855	3,542,465	5,261,304
Expenses	(734,584)	(413,699)	(363,824)	(526,824)	(2,038,931)
Segment results	446,290	(68,589)	(170,969)	3,015,641	3,222,373
Unallocated revenues					7,273
Unallocated expenses					(229,718)
Profit for the period					2,999,928
Segment assets	15,139,625	636,888	9,480,508	11,756,045	37,013,066
Unallocated assets					1,394,109
Total assets					38,407,175
Segment liabilities	3,213,581	145,752	1,031,698	686,336	5,077,367
Unallocated liabilities					4,864,713
Total liabilities					9,942,080

14 FIDUCIARY ASSETS

Portfolios, funds, finance portfolios and other portfolios under the management of the Group amounted to KD 213,716,987 (31 December 2025: KD 213,344,196 and 30 June 2025: KD 209,096,360).

Management fee related to these fiduciary assets amounted to KD 297,984 for the six months period ended 30 June 2026 (30 June 2025: KD 393,491).

15 IMPACT OF GEOPOLITICAL ESCALATION RISK AND RELATED UNCERTAINTY

The Group operates in a 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 the 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:

- *Macroeconomic conditions*, including inflationary pressures, interest rate volatility, and economic growth trends that may influence trading activities at Boursa Kuwait.
- Tenant credit risk, particularly in sectors or geographies that may be indirectly affected by disruptions in stock 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 interim condensed consolidated financial information that require specific adjustment beyond.

15 IMPACT OF GEOPOLITICAL ESCALATION RISK AND RELATED UNCERTAINTY (continued)

In assessing the carrying values of investment properties and other non-financial assets, 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 has also assessed the ECL on its receivable, in light of the current geopolitical situation and concluded that no migration of balances to higher credit-risk stages was identified as at the reporting date due to the customer profiles and since the impact of current ongoing crises is also uncertain as the situation is still evolving. Management concluded that the allowance for expected credit losses appropriately reflects the level of credit risk inherent in the receivable balance at the reporting date.

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.