**Future Kid Entertainment and Real Estate Company K.P.S.C.**
**And its Subsidiaries**
**State of Kuwait**

**Interim Condensed Consolidated Financial Information (Unaudited)**
**And Independent Auditor's Review Report**
For the six month period ended 30 June 2026

**Future Kid Entertainment and Real Estate Company K.P.S.C. And its Subsidiaries**
**State of Kuwait**

**Interim Condensed Consolidated Financial Information (Unaudited)**
For the six month period ended 30 June 2026 and the Independent Auditor's Review Report

**Contents**

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Kuwait

**Future Kid Entertainment and Real Estate Company**
**Kuwait Public Shareholding Company**
**State of Kuwait**

**Independent Auditor's Review Report on the interim condensed consolidated financial information**
**To the Board of Directors of Future Kid Entertainment and Real Estate Company K.P.S.C.**

**Introduction**
We have reviewed the accompanying interim condensed consolidated statement of financial position of Future Kid Entertainment and Real Estate Company K.P.S.C. ("the Parent Company") and its subsidiaries (together referred to as "the Group") as at 30 June 2026, and the interim condensed consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the six month period then ended. The Parent Company's management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standards 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

**Scope of Review**
We conducted our review in accordance with the 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, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

**Emphasis of a matter**
Without qualifying our conclusion, we draw attention to Note (3-A) regarding the accompanying condensed consolidated interim financial information.

**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 accounts of the Parent Company. We further report that nothing has come to our attention indicating any violations during the six month period ended 30 June 2026, of the Commercial Companies' Law No. 1 of 2016 and its Executive Regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, which might have materially affected the Parent Company's activities or its interim condensed consolidated financial position. We further report that, to the best of our knowledge and belief, no material violations of provisions of the Law No. 7 of 2010 concerning Capital Markets Authority and related instructions, as amended, have occurred 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 interim condensed consolidated financial position.

**Faisal Saqer Al Saqer**
**License No. 172**
**BDO Al Nisf & Partners**

**Kuwait: 13 August 2026**

**Future Kid Entertainment and Real Estate Company K.P.S.C. And its Subsidiaries**
**State of 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** | | | | |
| **Non-current assets** | | | | |
| Property, plant and equipment | | 10,571,100 | 10,815,318 | 11,089,263 |
| Investment property | | 1,015,000 | 1,015,000 | 1,070,000 |
| Goodwill | | 6,648,495 | 6,648,495 | 6,882,594 |
| Intangible assets | | 41,758 | 46,486 | 95,750 |
| Right-of-use assets | 4 | 3,760,845 | 3,526,211 | 5,229,773 |
| Financial assets at fair value through other comprehensive income | | 14,337 | 14,337 | 14,337 |
| | | 22,051,535 | 22,065,847 | 24,381,717 |
| **Current assets** | | | | |
| Inventories | | 288,932 | 315,866 | 354,143 |
| Financial assets at fair value through profit or loss | | 625 | 625 | 950 |
| Trade receivables and other debit balances | 5 | 368,157 | 435,327 | 710,978 |
| Term deposits | 6 | 1,866,386 | 2,216,386 | 1,366,386 |
| Cash and cash equivalents | 7 | 993,297 | 837,145 | 1,286,092 |
| | | 3,517,397 | 3,805,349 | 3,718,549 |
| **Total assets** | | 25,568,932 | 25,871,196 | 28,100,266 |
| **Equity and liabilities** | | | | |
| **Equity** | | | | |
| Share capital | | 11,973,373 | 11,973,373 | 11,973,373 |
| Share premium | | 1,119,389 | 1,119,389 | 1,119,389 |
| Statutory reserve | | 275,727 | 275,727 | 275,727 |
| Treasury shares | 8 | (89,409) | (622,555) | (622,555) |
| Treasury shares reserve | | 58,888 | 37,956 | 37,956 |
| Revaluation reserve | | 999,466 | 999,466 | 999,466 |
| Foreign currency translation reserve | | (2,981) | (178) | (840) |
| (Accumulated losses) / retained earnings | | (1,283,448) | (482,517) | 230,688 |
| **Equity attributable to shareholders of the Parent Company** | | 13,051,005 | 13,300,661 | 14,013,204 |
| Non-controlling interests | | 193,756 | 269,101 | 280,052 |
| **Total equity** | | 13,244,761 | 13,569,762 | 14,293,256 |
| **Liabilities** | | | | |
| **Non-current liabilities** | | | | |
| Lease liabilities - non-current portion | 4 | 1,977,560 | 1,873,857 | 3,140,391 |
| Provision for employees' end of service indemnity | | 506,198 | 508,140 | 521,173 |
| Bank facilities – non current portion | 9 | 4,200,000 | 4,286,782 | 3,894,952 |
| | | 6,683,758 | 6,668,779 | 7,556,516 |
| **Current liabilities** | | | | |
| Lease liabilities - current portion | 4 | 1,982,017 | 1,941,504 | 2,486,175 |
| Bank facilities – current portion | 9 | 1,833,222 | 1,846,440 | 1,687,587 |
| Trade payables and other credit balances | | 1,792,140 | 1,795,178 | 2,027,199 |
| Due to a related party | 10 | 33,034 | 49,533 | 49,533 |
| | | 5,640,413 | 5,632,655 | 6,250,494 |
| **Total Liabilities** | | 12,324,171 | 12,301,434 | 13,807,010 |
| **Total equity and liabilities** | | 25,568,932 | 25,871,196 | 28,100,266 |

The accompanying notes on pages 7 to 17 form an integral part of this interim condensed consolidated financial information.

**Ahmad Hamad Aljoaan**
*Chief Executive Officer*

**Future Kid Entertainment and Real Estate Company K.P.S.C. And its Subsidiaries**
**State of Kuwait**

## Interim Condensed Consolidated Statement of Profit or Loss (Unaudited)
For the six month 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 |
|---|---|---|---|---|---|
| **Revenues** | | | | | |
| Operating revenues | | 1,230,381 | 2,867,142 | 2,307,938 | 4,085,520 |
| Cost of operating revenues | | (1,221,497) | (1,556,827) | (2,430,247) | (2,850,081) |
| **Gross (loss) / profit** | | 8,884 | 1,310,315 | (122,309) | 1,235,439 |
| Rent exemptions | 4 | 191,765 | 29,096 | 208,744 | 67,606 |
| Other revenues | | 17,571 | 2,183 | 21,606 | 12,739 |
| Net provision for expected credit loss | 5 | (90,449) | (106,298) | (191,241) | (212,596) |
| General and administrative expenses | 11 | (271,548) | (238,084) | (490,156) | (469,605) |
| Marketing expenses | | (53,541) | (125,160) | (88,651) | (175,533) |
| Loss on sale of property, plant and equipment | | (6,446) | - | (6,500) | - |
| **(Loss) / profit from operations** | | (203,764) | 872,052 | (668,507) | 458,050 |
| Interest income | | 20,743 | 16,373 | 43,027 | 33,977 |
| Finance costs | | (130,644) | (131,996) | (263,068) | (255,006) |
| Foreign exchange loss | | 4,678 | (12,838) | 12,272 | (11,378) |
| **Net (loss) / profit for the period before contribution KFAS, Zakat, NLST** | | (308,987) | 743,591 | (876,276) | 225,643 |
| Contribution to Kuwait Foundation for the Advancement of Sciences | | - | (1,733) | - | (1,733) |
| Zakat | | - | (4,183) | - | (4,183) |
| National Labour Support Tax | | - | (10,457) | - | (10,457) |
| **Net (loss) / profit for the period** | | (308,987) | 727,218 | (876,276) | 209,270 |
| **Attributable to:** | | | | | |
| The Parent Company's Shareholders | | (272,899) | 644,571 | (800,931) | 156,954 |
| Non-controlling interests | | (36,088) | 82,647 | (75,345) | 52,316 |
| **Net (loss) / profit for the period** | | (308,987) | 727,218 | (876,276) | 209,270 |
| **(Loss) / earning per share attributable to Shareholders of the Parent Company (basic and diluted) ("fils")** | 12 | (2.35) | 5.66 | (6.96) | 1.38 |

The accompanying notes on pages 7 to 17 form an integral part of this interim condensed consolidated financial information.

**Future Kid Entertainment and Real Estate Company K.P.S.C. And its Subsidiaries**
**State of Kuwait**

## Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
**(Unaudited)**
For the six month period ended 30 June 2026

| | Three months ended 30 June | | Six months ended 30 June | |
|---|---|---|---|---|
| | **2026** | **2025** | **2026** | **2025** |
| | KD | KD | KD | KD |
| **Net (loss) / profit for the period** | (308,987) | 727,218 | (876,276) | 209,270 |
| **Other comprehensive (loss) / income** | | | | |
| *Items that may be reclassified subsequently to the interim condensed consolidated statement of income* | | | | |
| Foreign currency translation difference | (1,780) | 4,421 | (2,803) | 1,834 |
| **Other comprehensive (loss) / income** | (1,780) | 4,421 | (2,803) | 1,834 |
| **Total comprehensive (loss) / income for the period** | (310,767) | 731,639 | (879,079) | 211,104 |
| **Attributable to:** | | | | |
| The Parent Company's Shareholders | (274,679) | 648,992 | (803,734) | 158,788 |
| Non-controlling interests | (36,088) | 82,647 | (75,345) | 52,316 |
| | (310,767) | 731,639 | (879,079) | 211,104 |

The accompanying notes on pages 7 to 17 form an integral part of this interim condensed consolidated financial information.

**Future Kid Entertainment and Real Estate Company K.P.S.C. And its Subsidiaries**
**State of Kuwait**

## Interim Condensed Consolidated Statement of Changes in Equity (Unaudited)
For the six month period ended 30 June 2026

| | Equity attributable to Shareholders of the Parent Company | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Share capital | Share premium | Statutory reserve | Treasury shares | Treasury shares reserve | Revaluation reserve | Translation reserve Foreign currency | Retained earnings / (accumulated losses) | Total | Non-controlling interests | Total Equity |
| | KD | KD | KD | KD | KD | KD | KD | KD | KD | KD | KD |
| **Balance at 1 January 2025** | 11,624,634 | 1,119,389 | 275,727 | (622,555) | 37,956 | 999,466 | (2,674) | 754,027 | 14,185,970 | 227,736 | 14,413,706 |
| Profit for the period | - | - | - | - | - | - | - | 156,954 | 156,954 | 52,316 | 209,270 |
| Other comprehensive income for the period | - | - | - | - | - | - | 1,834 | - | 1,834 | - | 1,834 |
| Total comprehensive income for the period | - | - | - | - | - | - | 1,834 | 156,954 | 158,788 | 52,316 | 211,104 |
| Share Capital increase | 348,739 | - | - | - | - | - | - | (348,739) | - | - | - |
| Dividends | - | - | - | - | - | - | - | (331,554) | (331,554) | - | (331,554) |
| **Balance at 30 June 2025** | 11,973,373 | 1,119,389 | 275,727 | (622,555) | 37,956 | 999,466 | (840) | 230,688 | 14,013,204 | 280,052 | 14,293,256 |
| **Balance at 1 January 2026** | 11,973,373 | 1,119,389 | 275,727 | (622,555) | 37,956 | 999,466 | (178) | (482,517) | 13,300,661 | 269,101 | 13,569,762 |
| loss for the period | - | - | - | - | - | - | - | (800,931) | (800,931) | (75,345) | (876,276) |
| Other comprehensive loss for the period | - | - | - | - | - | - | (2,803) | - | (2,803) | - | (2,803) |
| Total comprehensive loss for the period | - | - | - | - | - | - | (2,803) | (800,931) | (803,734) | (75,345) | (879,079) |
| Effect of sale treasury shares | - | - | - | 533,146 | 20,932 | - | - | - | 554,078 | - | 554,078 |
| **Balance at 30 June 2026** | 11,973,373 | 1,119,389 | 275,727 | (89,409) | 58,888 | 999,466 | (2,981) | (1,283,448) | 13,051,005 | 193,756 | 13,244,761 |

The accompanying notes on pages 7 to 17 form an integral part of this interim condensed consolidated financial information.

**Interim Condensed Consolidated Statement of Cash Flows (Unaudited)**
For the six month period ended 30 June 2026

| | Notes | Six months ended 30 June 2026 KD | Six months ended 30 June 2025 KD |
|---|---|---|---|
| **Operating activities** | | | |
| Net (loss) / profit for the period | | (876,276) | 209,270 |
| *Adjustments for:* | | | |
| Rent exemptions | 4 | (208,744) | (67,606) |
| Depreciation | | 589,854 | 608,571 |
| Amortisation of right of use assets | 4 | 1,180,579 | 1,290,644 |
| Amortization of intangible assets | | 11,608 | 15,789 |
| Impact of termination of leases | | (13,989) | - |
| Loss on sale of property, plant and equipment | | 6,500 | - |
| Net provision for expected credit loss | 5 | 191,241 | 212,596 |
| Interest income | | (43,027) | (33,977) |
| Finance costs | | 263,068 | 255,006 |
| Provision for employees' end of service indemnity | | 33,447 | 51,078 |
| | | 1,134,261 | 2,541,371 |
| *Changes in working capital:* | | | |
| Inventories | | 26,934 | 83,835 |
| Trade receivables and other debit balances | | (133,403) | (297,062) |
| Trade payables and other credit balances | | (3,038) | 100,239 |
| Due to a related party | | (16,499) | - |
| **Cash generated from operations** | | 1,008,255 | 2,428,383 |
| Employees' end of service indemnity paid | | (35,887) | (18,133) |
| **Net cash generated from operating activities** | | 972,368 | 2,410,250 |
| **Investing activities** | | | |
| Paid for purchase of property, plant and equipment | | (342,430) | (1,004,313) |
| Proceeds from sale of property, plant and equipment | | 442 | - |
| Net movement on term deposits | | 350,000 | 200,000 |
| Paid for purchase of intangible assets | | (6,880) | (5,000) |
| Interest income received | | 50,044 | 21,835 |
| **Net cash generated / (used in) from investing activities** | | 51,176 | (787,478) |
| **Financing activities** | | | |
| Finance costs paid | | (159,182) | (117,553) |
| Movement in bank facilities | | (100,000) | 739,975 |
| Lease liabilities paid | 4 | (1,153,675) | (1,324,735) |
| Proceed from sale treasury shares | | 554,078 | - |
| Dividends paid | | - | (323,004) |
| **Net cash used in financing activities** | | (858,779) | (1,025,317) |
| **Foreign currency translation difference** | | (8,613) | 16,021 |
| **Net increase in cash and cash equivalents** | | 156,152 | 613,476 |
| Cash and cash equivalents at beginning of the period | | 837,145 | 672,616 |
| **Cash and cash equivalents at the end of the period** | 7 | 993,297 | 1,286,092 |

The accompanying notes on pages 7 to 17 form an integral part of this interim condensed consolidated financial information.

## 1. General Information

Future Kid Entertainment and Real Estate Company K.P.S.C. (the "Parent Company") was incorporated as a Kuwaiti Shareholding Company in the State of Kuwait on 12 April 1999 under the former name of Unique Kid Entertainment Company K.S.C.C.

The Parent Company was listed on the Kuwait Stock Exchange on 18 December 2008.

The main objectives of the Parent Company are as follows:
- Acquisition, sale, purchase, development of real estates and lands in favor of the Parent Company inside and outside the State of Kuwait and management of third party properties.
- Acquisition, sale, purchase the shares of real estate companies only in favor of the Parent Company in Kuwait and abroad.
- Preparation of feasibility studies and provide consultancy in real estate sectors.
- Acquire, manage, lease and sub-lease of hotels, health clubs and touristic facilities according to the legal regulations.
- Utilizing the financial surpluses of the Parent Company by investing them in financial and real estate portfolios by specialized companies and entities.

The registered head office address of the Parent Company is P.O. Box 4277 Safat 13043, State of Kuwait.

The interim condensed consolidated financial information includes the interim condensed financial information of the Parent Company and its subsidiaries (referred to hereinafter as the "Group") (Note 3).

This interim condensed consolidated financial information of Future Kid Entertainment and Real Estate Company K.P.S.C. (the "Parent Company") and its subsidiaries (together referred to as "the Group") for the six month period ended 30 June 2026 were authorized for issue by virtue of the resolution of the Board of Directors of the Parent Company on 13 August 2026.

## 2. Basis of preparation

The interim condensed consolidated financial information for the six month period ended 30 June 2026 are prepared in accordance with International Accounting Standard: 34 "Interim Financial Reporting" and the instructions of CMA, and should be read in conjunction with the latest audited annual consolidated financial statements of the Group as at 31 December 2025.

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

Operating results for the six month period ended 30 June 2026 are not necessarily indicative of the results that may be expected for the financial year ended 31 December 2026. For further information, please refer to the annual audited consolidated financial statements of the Group for the year ended 31 December 2025.

## 2. Basis of preparation (Continued)

### 2.1 Changes in material accounting policies

**New standards, interpretations, and amendment adopted by the Group**
The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group 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 statements.

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

*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.

*Contracts Referencing Nature -dependent Electricity – Amendments to IFRS 9 and IFRS 7*
In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature dependent Electricity.
The amendments apply only to contracts that reference nature-dependent electricity, and they:

- Clarify the application of the 'own-use' requirements for in-scope contracts
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in -scope contracts
- Add new disclosure requirements to enable investors to understand the effect of these contracts on a Company' Group's consolidated financial performance and cash flows.

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

## 3. Basis of consolidation

This interim condensed consolidated financial information was consolidated based on the financial information prepared by the management for the six month period ended 30 June 2026 includes the Parent Company and its subsidiaries. The financial statements of the subsidiaries are consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Any intra-group balances and transactions, and any unrealized gains arising from intra-group transactions, are eliminated in preparing this interim condensed consolidated financial information.

Details of the subsidiaries are as follows:

| | Percentage of ownership (%) | | | | |
|---|---|---|---|---|---|
| **Subsidiary** | **30 June 2026** | **(Audited) 31 December 2025** | **30 June 2025** | **Country of incorporation** | **Principal activities** |
| Future Kid for Games and Toys Company W.L.L.* | 98% | 98% | 98% | State of Kuwait | Entertainment |
| Jazeera Entertainment Enterprises Company K.S.C. (Closed) (A) | 88.9 % | 88.9% | 88.9 % | State of Kuwait | Entertainment |
| Discovery Al Saif Company for Kids and Adults Entertainment W.L.L.* | 98% | 98% | 98% | State of Kuwait | Entertainment |
| Happy Land Entertainment Company L.L.C. | 100% | 100% | 100% | Kingdom of Saudi Arabia | Entertainment |

* The remaining ownership interests in these subsidiaries are held within the Group's companies.

(A) Following the date of the condensed consolidated interim financial information, the subsidiary, "Al Jazeera Entertainment Enterprises Company K.S.C. (Closed)", received a letter from the lessor of the H-1 waterfront area for the operation of B Zero, stating that the contract would not be renewed and that the site would be handed over on 31 December 2026. Currently, the Group's management is determining the financial impact resulting from this.

As of 30 June 2026, the total assets of the subsidiary, Al Jazeera Entertainment Enterprises Company K.S.C. (Closed), amounted to KD 7,794,513 (31 December 2025: KD 8,850,508 and 30 June 2025: KD 9,021,873), and its total liabilities amounted to KD 6,048,976 (31 December 2025: KD 6,426,189 and 30 June 2025: KD 6,098,893). Total equity amounted to KD 1,745,537 (31 December 2025: KD 2,424,319 and 30 June 2025: KD 2,922,980).

## 4. Leases

**The Group as a lessee**

The Group leases plots of land and gaming centers. Leases typically run for a period ranges from three to five years, with an option to renew the lease after that date. Lease payments are periodically renegotiated to reflect market rentals.

Information about leases for which the Group is a lessee is presented below.

**Right-of-use assets**

The carrying amounts of the Group's right of use assets and the movement during the period / year are set out below:

| | 30 June 2026 KD | (Audited) 31 December 2025 KD | 30 June 2025 KD |
|---|---|---|---|
| Balance at beginning of the period/year | 3,526,211 | 4,915,253 | 4,915,253 |
| Amortization charged for the period/year | (1,180,579) | (2,546,310) | (1,290,644) |
| Additions | 1,447,818 | 1,616,630 | 1,616,630 |
| Adjustments of cancelled contracts | (39,022) | (449,433) | - |
| Foreign currency translation difference | 6,417 | (9,929) | (11,466) |
| | 3,760,845 | 3,526,211 | 5,229,773 |

**Lease liabilities**

The lease liabilities are classified in the interim condensed consolidated statement of financial position as follows:

| | 30 June 2026 KD | (Audited) 31 December 2025 KD | 30 June 2025 KD |
|---|---|---|---|
| Lease liabilities - non-current portion | 1,977,560 | 1,873,857 | 3,140,391 |
| Lease liabilities - current portion | 1,982,017 | 1,941,504 | 2,486,175 |
| | 3,959,577 | 3,815,361 | 5,626,566 |

Movement in lease liabilities during the period / year is as follows:

| | 30 June 2026 KD | (Audited) 31 December 2025 KD | 30 June 2025 KD |
|---|---|---|---|
| Balance at beginning of the period / year | 3,815,361 | 5,278,347 | 5,278,347 |
| Additions | 1,447,818 | 1,616,630 | 1,616,630 |
| Paid during the period / year | (1,153,675) | (2,651,361) | (1,324,735) |
| Rent exemptions | (208,744) | (105,250) | (67,606) |
| Adjustments of cancelled contracts | (53,011) | (569,910) | - |
| Interests charged for the period / year | 103,886 | 258,751 | 137,453 |
| Foreign currency translation difference | 7,942 | (11,846) | (13,523) |
| | 3,959,577 | 3,815,361 | 5,626,566 |

## 4. Leases (Continued)

Below are the amounts recognised in the interim condensed consolidated statement of income:

| | 30 June 2026 | 30 June 2025 |
|---|---|---|
| | KD | KD |
| Amortization expenses of right-of-use assets (stated under cost of revenues) | 1,144,241 | 1,241,512 |
| Amortization expenses of right-of-use assets (stated under general and administrative expenses) (Note 11) | 36,338 | 49,132 |
| Interest expenses on lease liabilities | 103,886 | 137,453 |
| Expenses relating to short-term leases (stated under cost of revenue) | 87,432 | 141,194 |
| Expenses relating to short-term leases (stated under general and administrative expenses) (Note 11) | 19,313 | 15,919 |
| Rent exemptions | (208,744) | (67,606) |
| **Total amounts recognised in the interim condensed consolidated statement of income for leases** | 1,182,466 | 1,517,604 |

**The Group as a lessor**

The Group leases out stores inside the Group's branches and a plot in Shuwaikh Industrial Area. All leases are classified as operating leases from a lessor perspective. The rental income recognized by the Group was KD 298,572 (30 June 2025: KD 424,866).

## 5. Trade receivables and other debit balances

| | 30 June 2026 | (Audited) 31 December 2025 | 30 June 2025 |
|---|---|---|---|
| | KD | KD | KD |
| Trade receivables | 1,716,553 | 1,601,400 | 1,512,983 |
| Less: provision for expected credit loss | (1,677,787) | (1,550,381) | (1,230,867) |
| | 38,766 | 51,019 | 282,116 |
| Staff receivables | 1,736 | 1,321 | 1,345 |
| Refundable deposits | 214,534 | 259,092 | 259,536 |
| Prepaid expenses | 85,095 | 89,712 | 90,500 |
| Other | 28,026 | 34,183 | 77,481 |
| | 368,157 | 435,327 | 710,978 |

Movement in provision for ECLs during the period / year is as follows:

| | 30 June 2026 | (Audited) 31 December 2025 | 30 June 2025 |
|---|---|---|---|
| | KD | KD | KD |
| Balance at beginning of the period/year | 1,550,381 | 1,021,657 | 1,021,657 |
| Charged during the period/year | 212,595 | 583,196 | 212,596 |
| Reversal during the period/year | (21,354) | (51,651) | - |
| Bad debts | (66,150) | - | - |
| Foreign currency translation difference | 2,315 | (2,821) | (3,386) |
| | 1,677,787 | 1,550,381 | 1,230,867 |

## 6. Term deposits

Term deposits are placed with a local bank, dominated in Kuwaiti Dinar and carry an effective interest rate ranging from 3.25% to 3.85 % (31 December 2025: 3.8% to 4.125%, 30 June 2025: 3.875%) per annum and maturing within 12 months from the date of deposit. Some of term deposits are mortgaged against bank facilities (note 9).

## 7. Cash and cash equivalents

| | 30 June 2026 | (Audited) 31 December 2025 | 30 June 2025 |
|---|---|---|---|
| | KD | KD | KD |
| Cash on hand | 46,200 | 30,247 | 37,994 |
| Cash at banks | 474,597 | 506,898 | 898,098 |
| Short-term deposits (mature within 3 months from the placement date) | 472,500 | 300,000 | 350,000 |
| | 993,297 | 837,145 | 1,286,092 |

Term deposits are placed with a local bank, dominated in Kuwaiti Dinar and carry an effective interest rate 3.8% (31 December 2025: 3.65%, 30 June 2025: 3.825%) per annum and mature within three months from the date of deposit.

## 8. Treasury shares

| | 30 June 2026 | (Audited) 31 December 2025 | 30 June 2025 |
|---|---|---|---|
| | KD | KD | KD |
| Number of treasury shares (share) | 902,656 | 5,900,635 | 5,900,635 |
| Percentage of issued shares | 0.75% | 4.93% | 4.93% |
| Market value (KD) | 88,460 | 654,970 | 755,281 |
| Cost (KD) | 89,409 | 622,555 | 622,555 |

The Parent Company is committed to keeping reserves and share premium equal to the purchased treasury shares along acquisition period according to the instructions of the concerned regulatory authorities.

## 9. Bank facilities

| | Payment date of the last installment | 30 June 2026 | (Audited) 31 December 2025 | 30 June 2025 |
|---|---|---|---|---|
| | | KD | KD | KD |
| *Effective interest rate* | | | | |
| 1.75% over Central Bank of Kuwait discount rate | 31 December 2030 | 5,250,000 | 5,250,000 | 4,877,011 |
| 1.75% over Central Bank of Kuwait discount rate | 30 September 2025 | - | - | 13,399 |
| 1.75% over Central Bank of Kuwait discount rate | 31 December 2026 | 596,440 | 596,440 | 596,440 |
| 1.75% over Central Bank of Kuwait discount rate | 30 June 2028 | 186,782 | 286,782 | 95,689 |
| | | 6,033,222 | 6,133,222 | 5,582,539 |

## 9. Bank Facilities

Bank facilities were presented in the interim condensed consolidated statement of financial position as follows:

| | 30 June 2026 | (Audited) 31 December 2025 | 30 June 2025 |
|---|---|---|---|
| | KD | KD | KD |
| Bank facililties – non-current portion | 4,200,000 | 4,286,782 | 3,894,952 |
| Bank facilities – current portion | 1,833,222 | 1,846,440 | 1,687,587 |
| | 6,033,222 | 6,133,222 | 5,582,539 |

The Group obtained bank facilities from local banks represent in term loans, overdafts and Murabaha for purpose of settlement of letters of credit for importing games and other materials and works relating to renewal and expansion of aquapark and Group's other related works.

The bank facilities are included in Kuwaiti Dinars at a local banks and are secured against joint guarantees provided by the Parent company and one of its subsidiaries. As well as some term deposits (Note 6).

## 10. Related party transactions

Related parties comprise of the Group's shareholders who are members in the board of directors, board of directors, key management personnel and their families, associates, and subsidiaries in which the Group has representatives in their board. In the normal course of business, and subject to the approval of the Group's management, transactions were made with such parties during the period ended 30 June 2026. Balances and transactions between the Company and its subsidiaries, which are related parties of the Group, have been eliminated on consolidation and are not disclosed in this note.

The statement of related party balances and transactions included in the interim condensed consolidated statement of financial position is as follows:

| | 30 June 2026 | (Audited) 31 December 2025 | 30 June 2025 |
|---|---|---|---|
| | KD | KD | KD |
| Due to a related party - Shareholder | 33,034 | 49,533 | 49,533 |

The amount due to related party is not secured by a guarantee, is interest free and receivable / payable on demand.

| | Three months ended 30 June | | Six months ended 30 June | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| | KD | KD | KD | KD |
| ***Key management personnel remuneration*** | | | | |
| Salaries and other short term benefits | 40,029 | 39,199 | 76,478 | 72,221 |
| Employees' end of service indemnity | 4,522 | 860 | 6,309 | 7,106 |
| | 44,551 | 40,059 | 82,787 | 79,327 |

## 11. General and administrative expenses

| | Three months ended 30 June | | Six months ended 30 June | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| | KD | KD | KD | KD |
| Staff costs | 162,713 | 142,046 | 300,357 | 283,394 |
| Depreciation and amortization | 11,552 | 19,010 | 22,372 | 37,980 |
| Amortization of right-of-use assets (Note 4) | 18,169 | 24,566 | 36,338 | 49,132 |
| Consultancy fee | 23,586 | 7,927 | 39,512 | 15,179 |
| Insurance | 4,393 | 10,644 | 8,253 | 11,509 |
| Bank charges | 13,921 | 8,229 | 17,474 | 16,546 |
| Rent (Note 4) | 11,249 | 8,451 | 19,313 | 15,919 |
| Other | 25,965 | 17,211 | 46,537 | 39,946 |
| | 271,548 | 238,084 | 490,156 | 469,605 |

## 12. (Loss) / earning per share attributable to Shareholders of the Parent Company (Basic and diluted) (Fils)

Basic and diluted (loss) / earnings per share is calculated by dividing the (loss) / profit for the period attributable to the Shareholders of Parent Company by the weighted average number of the ordinary shares outstanding during the period except for the ordinary shares acquired by the Group and held as treasury shares.

The information necessary to calculate the (loss) / earnings per share is as follows:

| | Three months ended 30 June | | Six months ended 30 June | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| (Loss) / profit for the period attributable to the Shareholders of the Parent Company (KD) | (272,899) | 644,571 | (800,931) | 156,954 |
| Weighted average number of issued shares (shares) | 119,733,728 | 119,733,728 | 119,733,728 | 119,733,728 |
| Less: weighted average number of treasury shares (share) | (3,584,567) | (5,900,635) | (4,736,203) | (5,900,635) |
| Weighted average number of outstanding shares (shares) | 116,149,161 | 113,833,093 | 114,997,525 | 113,833,093 |
| Basic and diluted (loss) / profit per share attributable to Shareholders of the Parent Company | (2.35) | 5.66 | (6.96) | 1.38 |

## 13. Contingent liabilities

At the interim condensed consolidated financial position date, the Group is contingent liabilities in respect of the following, from which it is anticipated that no material liability will arise.

| | 30 June 2026 | (Audited) 31 December 2025 | 30 June 2025 |
|---|---|---|---|
| | KD | KD | KD |
| Letters of guarantee | 667,288 | 651,114 | 550,376 |
| Letters of credit | 28,820 | 64,302 | 118,552 |
| | 696,108 | 715,416 | 668,928 |

## 14. Segment information

The Group's board of directors is the chief operating decision maker. Management has determined the operating segments based on the information reviewed by the Board of Directors for the purpose of allocating resources and assessing performance. The management organizes the Group based on different geographical areas inside and outside the State of Kuwait as follows:

| | Period ended 30 June 2026 | | |
|---|---|---|---|
| | Inside the State of Kuwait | Outside the State of Kuwait | Total |
| | KD | KD | KD |
| Assets | 23,436,408 | 2,132,524 | 25,568,932 |
| Liabilities | 9,558,938 | 2,765,233 | 12,324,171 |
| Revenues | 2,142,597 | 450,990 | 2,593,587 |
| Expenses | (3,058,129) | (411,734) | (3,469,863) |
| **Loss for the period** | (915,532) | 39,256 | (876,276) |

| | (Audited) 31 December 2025 | | |
|---|---|---|---|
| | Inside the State of Kuwait | Outside the State of Kuwait | Total |
| | KD | KD | KD |
| Assets | 23,507,160 | 2,364,036 | 25,871,196 |
| Liabilities | 9,270,732 | 3,030,702 | 12,301,434 |
| Revenues | 7,457,705 | 796,391 | 8,254,096 |
| Expenses | (7,695,274) | (1,073,708) | (8,768,982) |
| **Loss for the year** | (237,569) | (277,317) | (514,886) |

## 14. Segment information (Continued)

| | Period ended 30 June 2025 | | |
|---|---|---|---|
| | **Inside the State of Kuwait** | **Outside the State of Kuwait** | **Total** |
| | KD | KD | KD |
| Assets | 25,100,675 | 2,999,591 | 28,100,266 |
| Liabilities | 10,322,703 | 3,484,307 | 13,807,010 |
| Revenues | 3,794,783 | 405,059 | 4,199,842 |
| Expenses | (3,490,808) | (499,764) | (3,990,572) |
| **Profit for the period** | 303,975 | (94,705) | 209,270 |

## 15. Fair value measurement

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

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, Grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

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

The level within which the financial assets are classified is determined based on the lowest level of significant input to the fair value measurement.

The assets measured at fair value in the interim condensed consolidated statement of financial position are grouped into the fair value hierarchy as follows:

| **30 June 2026** | **Level 3** |
|---|---|
| | KD |
| *Financial assets at fair value through other comprehensive income* | |
| Investment in unquoted securities | 14,337 |
| *Financial assets at fair value through profit or loss* | |
| Investment in unquoted securities | 625 |
| *Non – financial assets* | |
| Investment property | 1,015,000 |
| Total | 1,029,962 |

## 15. Fair value measurement (Continued)

| **31 December 2025 (Audited)** | **Level 3** |
|---|---|
| | KD |
| *Financial assets at fair value through other comprehensive income* | |
| Investment in unquoted securities | 14,337 |
| *Financial assets at fair value through profit or loss* | |
| Investment in unquoted securities | 625 |
| *Non – financial assets* | |
| Investment property | 1,015,000 |
| Total | 1,029,962 |

| **30 June 2025** | **Level 3** |
|---|---|
| | KD |
| *Financial assets at fair value through other comprehensive income* | |
| Investment in unquoted securities | 14,337 |
| *Financial assets at fair value through profit or loss* | |
| Investment in unquoted securities | 950 |
| *Non – financial assets* | |
| Investment property | 1,070,000 |
| Total | 1,085,287 |

## 16. Annual General Assembly of the Parent Company's Shareholders

The postponed Annual General Assembly of the Parent Company's Shareholders, in its meeting held on 7 May 2026, approved the consolidated financial statements for the financial year ended 31 December 2025. It also approved as follows:

- Not distribute dividends to the Shareholders for that year
- Not distribute remunerations for Board of Directors members. Also, it agreed to distribute an attendance allowance for the members of committees at a total amount of KD 26,250 for the financial year ended 31 December 2025.