Burgan Company for Well Drilling, Trading and Maintenance K.S.C. (Public)
State of Kuwait

Interim Condensed Financial Information (Unaudited) and Independent Auditor's Review Report
For the three months period ended 30 June 2026

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Contents

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The Board of Directors

Burgan Company for Well Drilling, Trading and Maintenance K.S.C. (Public)
State of Kuwait

Independent Auditor's Review Report on Interim Condensed Financial Information

Introduction
We have reviewed the accompanying interim condensed statement of financial position of Burgan Company for Well Drilling, Trading and Maintenance K.S.C. (Public) (the "Company") as at 30 June 2026 and the interim condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three months period then ended. The Company's management is responsible for the preparation of this interim condensed financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed 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 Condensed Financial Information Performed by the Independent Auditor of the Entity". A review of interim condensed 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 financial information do not present fairly, in all material respects, in accordance with International Accounting Standard 34.

Report on Other Legal and Regulatory Requirements
Furthermore, based on our review, the interim condensed financial information is in agreement with the books of accounts of the Company. We further report that to the best of our knowledge and belief, we have not become aware of any violations of the Companies' Law No. 1 of 2016, and its Executive Regulations, as amended, or of the Company's Memorandum of Incorporation and Article of Association, as amended, have occurred during the three months period ended 30 June 2026, that might have had a material effect on the Company's financial position or its business results.

Furthermore, based on our review to the best of our knowledge and belief, we have not become aware of any material violations of the provisions of Law No. 7 of 2010 concerning the Capital Markets Authority and its related regulations, as amended, have occurred during the three months period ended 30 June 2026, that might have had a material effect on the Company's financial position or its business results.

Other Matter
The Annual General Assembly Meeting of the Company's Shareholders for the financial year ended 31 March 2026 has not been held until the reporting date. Accordingly, the financial statements for the year ended 31 March 2026 have not been approved yet by the Shareholders' General Assembly. The accompanying interim condensed financial information do not include any adjustments, which might have been required, had the Shareholders' General Assembly approved the financial statements for the financial year ended 31 March 2026. In addition, we have been appointed as the auditor by the Company's Board of Directors to review the interim condensed financial information for the three months period ended 30 June 2026. Such appointment is subject to approval of the Company's Shareholders Ordinary General Assembly.

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

Kuwait: 13 August 2026

Burgan Company for Well Drilling, Trading and Maintenance K.S.C. (Public)
State of Kuwait

Interim Condensed Statement of Financial Position (Unaudited)
As at 30 June 2026

	Notes	30 June 2026 KD	(Audited) 31 March 2026 KD	30 June 2025 KD
ASSETS				
Non-current assets				
Property, plant and equipment		168,008,800	170,016,613	170,726,430
Right-of-use assets		77,789	80,298	87,827
		168,086,589	170,096,911	170,814,257
Current assets				
Inventories		9,933,514	9,941,850	10,213,485
Prepayments and other debit balances	3	18,989,318	11,956,871	16,386,170
Contract receivables	4	3,639,213	5,359,128	5,866,413
Banks balances and cash		1,866,691	586,155	1,581,246
		34,428,736	27,844,004	34,047,314
Total assets		202,515,325	197,940,915	204,861,571
EQUITY AND LIABILITIES				
EQUITY				
Share capital		26,744,346	26,744,346	26,744,346
Share premium		12,240,000	12,240,000	12,240,000
Statutory reserve		8,133,452	8,133,452	7,734,863
Voluntary reserve		7,789,271	7,789,271	7,390,682
Treasury shares	5	(1,429,420)	(1,383,479)	(1,978,263)
Treasury shares reserve		762,513	762,513	314,285
Revaluation surplus		606,286	609,772	619,039
Retained earnings		32,305,683	25,568,881	25,245,984
Total equity		87,152,131	80,464,756	78,310,936
LIABILITIES				
Non-current liabilities				
Provision for end of service indemnity		4,745,316	4,753,632	5,096,416
Murabaha payable		6,756,766	8,331,352	10,130,878
Term loans	6	37,810,797	30,645,863	43,480,980
Lease liabilities		85,244	85,244	83,589
Accounts payable and other credit balances		8,902,044	9,780,479	11,474,878
		58,300,167	53,596,570	70,266,741
Current liabilities				
Due to banks		4,936,047	3,522,613	4,032,968
Murabaha payable		4,039,640	2,594,068	2,468,129
Notes payable		-	894,455	-
Term loans	6	24,179,628	29,239,961	29,358,469
Lease liabilities		9,775	9,775	20,694
Accounts payable and other credit balances		23,897,937	27,618,717	20,403,634
		57,063,027	63,879,589	56,283,894
Total liabilities		115,363,194	117,476,159	126,550,635
Total equity and liabilities		202,515,325	197,940,915	204,861,571

The accompanying notes on pages 6 to 14 form an integral part of this interim condensed financial information.

Mohammed Abdulrahman Al Meshaal
Chairman

Burgan Company for Well Drilling, Trading and Maintenance K.S.C. (Public)
State of Kuwait

Interim Condensed Statement of Profit or Loss and Other Comprehensive Income (Unaudited)
For the three months period ended 30 June 2026

	Notes	For the three months period ended 30 June 2026 KD	2025 KD
Revenue from contracts with customers	7	7,430,978	9,166,126
Cost of revenue		(5,192,593)	(6,832,512)
Gross profit		2,238,385	2,333,614
Other operating income	7	122,376	100,445
Depreciation		(7,328)	(10,899)
Amortisation of right-of-use assets		(2,509)	(2,509)
General, administrative and marketing expenses		(476,370)	(786,192)
Operating profit		1,874,554	1,634,459
Compensation gain from a legal claim	3&15	5,978,707	-
Finance costs		(863,681)	(679,009)
Net foreign currencies exchange differences		53,460	11,143
Profit for the period before deductions		7,043,040	966,593
Kuwait Foundation for the Advancement of Sciences		(63,387)	(8,699)
National Labor Support Tax		(175,955)	(26,180)
Zakat		(70,382)	(10,472)
Profit for the period		6,733,316	921,242
Other comprehensive income for the period		-	-
Total comprehensive income for the period		6,733,316	921,242
Basic and diluted earnings per share (fils)	8	26.4	3.69

The accompanying notes on pages 6 to 14 form an integral part of this interim condensed financial information.

Burgan Company for Well Drilling, Trading and Maintenance K.S.C. (Public)
State of Kuwait

Interim Condensed Statement of Changes in Equity (Unaudited)
For the three months period ended 30 June 2026

	Share capital KD	Share premium KD	Statutory reserve KD	Voluntary reserve KD	Treasury shares KD	Treasury shares reserve KD	Revaluation surplus KD	Retained earnings KD	Total equity KD
Balance as at 1 April 2025 (Audited)	26,744,346	12,240,000	7,734,863	7,390,682	(1,978,263)	314,285	622,525	24,321,256	77,389,694
Total comprehensive income for the period	-	-	-	-	-	-	-	921,242	921,242
Transferred from revaluation surplus to retained earnings	-	-	-	-	-	-	(3,486)	3,486	-
Balance as at 30 June 2025	26,744,346	12,240,000	7,734,863	7,390,682	(1,978,263)	314,285	619,039	25,245,984	78,310,936
Balance as at 1 April 2026 (Audited)	26,744,346	12,240,000	8,133,452	7,789,271	(1,383,479)	762,513	609,772	25,568,881	80,464,756
Total comprehensive income for the period	-	-	-	-	-	-	-	6,733,316	6,733,316
Transferred from revaluation surplus to retained earnings	-	-	-	-	-	-	(3,486)	3,486	-
Purchase of treasury shares	-	-	-	-	(45,941)	-	-	-	(45,941)
Balance as at 30 June 2026	26,744,346	12,240,000	8,133,452	7,789,271	(1,429,420)	762,513	606,286	32,305,683	87,152,131

The accompanying notes on pages 6 to 14 form an integral part of this interim condensed financial information.

Notes to Interim Condensed Financial Information (Unaudited)
For the three months period ended 30 June 2026

	For the three months period ended 30 June	
	2026	2025
	KD	KD
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period before deductions	7,043,040	966,593
Adjustments:		
Depreciation	2,761,491	1,635,998
Amortisation of right-of-use assets	2,509	2,509
Compensation gain from a legal claim	(5,978,707)	-
Finance costs	863,681	679,009
Net foreign currencies exchange differences	(53,460)	(11,143)
Provision for end of service indemnity	151,612	196,726
	4,790,166	3,469,692
Changes in operating assets and liabilities		
Inventories	8,336	1,616,977
Prepayments and other debit balances	(1,000,280)	566,856
Contract assets	-	2,181
Contract receivables	1,719,915	(1,113,518)
Accounts payable and other credit balances	(4,909,111)	2,872,991
Cash generated from operations	609,026	7,415,179
End of service indemnity paid	(159,928)	(119,595)
Net cash flows generated from operating activities	449,098	7,295,584
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(753,678)	(3,966,084)
Net cash flows used in investing activities	(753,678)	(3,966,084)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceed from term loans	6,724,692	1,209,257
Repayment of term loans	(4,620,091)	(3,291,042)
Net movement of Murabaha payables	(129,014)	(456,101)
Net movement of due to banks	1,413,434	420,973
Net movement of notes payable	(894,455)	-
Purchase of treasury shares	(45,941)	-
Finance costs paid	(863,509)	(200,497)
Net cash flows generated from / (used in) financing activities	1,585,116	(2,317,410)
Net increase in banks balances and cash	1,280,536	1,012,090
Banks balances and cash at the beginning of the period	586,155	569,156
Banks balances and cash at the end of the period	1,866,691	1,581,246
Material non-cash transactions:		
Purchase of property, plant and equipment	-	(2,985,125)
Prepayments and other debit balances – Advance to suppliers	-	2,985,125
Term loans	-	5,969,583
Notes payables	-	(5,969,583)

The accompanying notes on pages 6 to 14 form an integral part of this interim condensed financial information.

1. INCORPORATION AND ACTIVITIES

Hamad Al-Hamad and Partners for Well Drilling, Trading and Maintenance Company was incorporated pursuant to Memorandum of Incorporation of a Limited Liability Company authenticated at the Ministry of Justice, - Real Estate Registration and Authentication Department - in the State of Kuwait under reference No. 605 / Vol 2. on 7 September 1970. Pursuant to an amended contract authenticated at the Ministry of Justice, - Real Estate Registration and Authentication Department - in the State of Kuwait under reference No. 14 / Vol. 7 on 8 February 2005, the Company's legal entity was changed to a Kuwaiti Shareholding Company and the Company's name was changed to be "Burgan Company for Well Drilling, Trading and Maintenance K.S.C. (Public)".

The Company's shares were listed on Boursa Kuwait on 5 December 2005.

The Company has the following branch:

Name of the branch	Country of incorporation	Principal activity
Burgan Company Branch for Well Drilling, Trading and Maintenance	Kingdom of Saudi Arabia	Drilling oil wells

The principal activities of the Company are:

- Offering development and explorative services, drilling and maintenance of wells for oil and gas companies and institutions (after approval of Ministry of Oil).
- Undertake the above activities in the State of Kuwait and abroad, for itself or through agency.
- Establish, participate in or purchase these entities or affiliate them (as per the Memorandum of Incorporation mentioned above).
- Utilising the financial surpluses of the Company by investing in portfolios managed by specialised companies and entities.

The Company may have interests or participate in any suitable way with entities that are engaged in similar business activities or that the Company to achieve its objectives inside Kuwait and abroad without conflict with the Article of the Company.

The Company is registered in the Commercial Register under Ref. No. 15682 on 13 February 2005. The last amendment recorded in the Commercial Registry under No. 15682 dated 28 September 2022.

The Company's registered address is P.O. Box 47143, Fahaheel, 64022, State of Kuwait.

This interim condensed financial information of Burgan Company for Well Drilling, Trading and Maintenance K.S.C. (Public) for the three months period ended 30 June 2026 was authorised for issue by the Company's Board of Directors on 13 August 2026.

1.1 Fundamental accounting concept

The interim condensed financial information has been prepared on a going concern basis, which assumes that the Company will be able to realise its assets and discharge its liabilities in the normal course of business. The interim condensed financial information does not include any adjustments that might arise due to uncertainty of the Company's ability to continue as a going concern.

As at 30 June 2026, the Company's current liabilities exceeded its current assets by KD 22,634,291 (31 March 2026: KD 36,035,585 and 30 June 2025: KD 22,236,580).

The management of the Company has been evaluating various strategies to improve the operating performance, financial position and adequacy of the Company's financial resources.

In the opinion of the Company's management, the financial institutions will continue to provide and renew credit facilities due to the Company's asset quality and realised profit each period / year in addition to the Company's ability to distribute annual dividends to the Shareholders.

Furthermore, the Company is currently negotiating with other suppliers to extend the payment term.

2. BASIS OF PREPARATION

This interim condensed financial information has been prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting" and should be read in conjunction with the latest annual financial statements of the Company for the financial year ended 31 March 2026 ("latest annual financial statements").

The interim condensed financial information does not include all the information and disclosures required for preparation of complete financial statements in accordance with the IFRS Accounting Standards. However, certain detailed notes have been added in order to interpret the significant events and transactions to understand the changes in the Company's financial position and its performance since last annual financial statements.

In the opinion of the management, all adjustments (including recurring accruals) have been included in the interim condensed financial information. The operating results for the three months period ended 30 June 2026 are not necessarily indicative of the results that may be expected for the year ending 31 March 2027. For further information, refer to the financial statements and notes thereto for the year ended 31 March 2026.

The interim condensed financial information has been presented in Kuwaiti Dinars ("KD") which is the functional and presentation currency of the Company.

2.1 Changes in significant accounting policies

New standards, interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the Company annual consolidated financial statements for the year ended 31 March 2026, except for the adoption of new standards effective as of 1 April 2026. The Company 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 Company's interim condensed 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 Company's interim condensed financial information.

2. BASIS OF PREPARATION (CONTINUED)

2.1 Changes in significant accounting policies (Continued)

New standards, interpretations and amendments adopted by the Company (Continued)

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's financial performance and cash flows.

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

3. PREPAYMENTS AND OTHER DEBIT BALANCES

	30 June 2026	(Audited) 31 March 2026	30 June 2025
	KD	KD	KD
Advance payments to suppliers (a)	11,725,042	10,660,634	15,173,287
Due from related parties (Note 10)	22,962	22,962	22,962
Prepaid expenses	434,830	494,036	462,205
Staff receivables	270,593	182,968	143,637
Refundable deposits	38,713	38,713	38,713
Compensation receivable from a legal claim (Note 15)	5,978,707	-	-
Others	518,471	557,558	545,366
	18,989,318	11,956,871	16,386,170

a) Advance payments to suppliers represent mainly the amounts paid for the purchase of machinery and heavy equipment, tools and equipment and spare parts, to assemble new rigs during the period / year / period.

4. CONTRACT RECEIVABLES

	30 June 2026	(Audited) 31 March 2026	30 June 2025
	KD	KD	KD
Kuwait Oil Company K.S.C. (Closed)	4,122,952	5,842,867	6,350,152
Joint Operations Company K.S.C. (Closed)	27,730	27,730	27,730
	4,150,682	5,870,597	6,377,882
Less: provision for expected credit losses	(511,469)	(511,469)	(511,469)
	3,639,213	5,359,128	5,866,413

5. TREASURY SHARES

	30 June 2026	(Audited) 31 March 2026	30 June 2025
	KD	KD	KD
Number of treasury shares	12,381,452	12,314,284	17,608,433
Percentage of paid-up shares	6.58%	4.60%	6.58%
Market value (KD)	2,299,238	1,724,000	2,782,132
Cost (KD)	1,429,420	1,383,479	1,978,263

The Company's management has allotted an amount equal to treasury shares balance from available retained earnings as at the interim condensed financial information date. Such amount will not be available for distribution during treasury shares holding period.

6. TERM LOANS

Term loans represent loans granted by local and foreign banks carrying interest rate ranging from 1.5% to 3.5% (31 March 2026: from 1.5% to 3.5% and 30 June 2025: from 1.5% to 3.5%) per annum over the Central Bank of Kuwait discount rate. Term loans are secured by pledging certain drilling equipment with net carrying value of KD 29,179,839 (31 March 2026: KD 29,941,187 and 30 June 2025: KD 22,960,834) and assignment of some revenue contracts revenue and waiver of the rights of the contracts' payments.

Term loans include a balance amounted to KD 4,403,213 (31 March 2026: KD 5,165,000 and 30 June 2025: KD 7,576,699) which is granted to the Company by a local bank, carry an interest rate of 3.5% (31 March 2026: 3.5% and 30 June 2025: 3.5%) per annum.

Presented below maturity profile of the term loans is as follows:

	30 June 2026	(Audited) 31 March 2026	30 June 2025
	KD	KD	KD
Non-current portion	37,810,797	30,645,863	43,480,980
Current portion	24,179,628	29,239,961	29,358,469
	61,990,425	59,885,824	72,839,449

7. REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of revenues from contracts with customers
In the following table, revenue from contracts with customers is disaggregated by type of revenue, primary geographical market and timing of revenue recognition.

	For the three months period ended 30 June					
	2026			2025		
Segments	**Oil and gas well services**	**Other**	**Total**	**Oil and gas well services**	**Other**	**Total**
	KD	KD	KD	KD	KD	KD
Type of revenue						
Mobilisation income	-	-	-	400,000	-	400,000
Drilling	5,908,016	-	5,908,016	7,318,964	-	7,318,964
Rig move	1,113,586	-	1,113,586	1,293,847	-	1,293,847
Well location	409,376	-	409,376	153,315	-	153,315
Miscellaneous	-	122,376	122,376	-	100,445	100,445
	7,430,978	122,376	7,553,354	9,166,126	100,445	9,266,571
Primary geographical market						
State of Kuwait	7,430,978	122,376	7,553,354	9,166,126	100,445	9,266,571
	7,430,978	122,376	7,553,354	9,166,126	100,445	9,266,571
Timing of revenues recognition						
Services transferred at a point in time	-	-	-	400,000	-	400,000
Services transferred over time	7,430,978	122,376	7,553,354	8,766,126	100,445	8,866,571
	7,430,978	122,376	7,553,354	9,166,126	100,445	9,266,571

8. BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share are computed by dividing the profit for the period by the weighted average number of ordinary shares outstanding during the period less treasury shares.

The Company had no outstanding dilutive potential shares.

	For the three months period ended 30 June	
	2026	**2025**
Profit for the period (KD)	6,733,316	921,242
Number of issued shares (shares)	267,443,455	267,443,455
Less: weighted average number of treasury shares (shares)	(12,381,452)	(17,608,433)
Weighted average number of outstanding shares (shares)	255,062,003	249,835,022
Basic and diluted earnings per share (fils)	26.4	3.69

9. SEGMENT REPORTING

An operating segment is a component of the Company that engages in business activities from which it earns revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker to allocate resources to the segment and to assess its performance, and for which discrete financial information is available.

All of the Company's assets, liabilities, revenue and expenses relate to one business segment that is the oil field service and one geographical segment which is in the State of Kuwait.

10. RELATED PARTIES' DISCLOSURES

The Company has entered into various transactions with related parties, i.e., Shareholders, key management personnel and other related parties in the normal course of its business. Prices and terms of payment relating to these transactions are approved by the Company's management. Significant related parties' balances and transactions are as follows:

<u>Balances included in the interim condensed statement of financial position / statement of financial position:</u>

			Total		
	Other related parties	**Major Shareholders**	**30 June 2026**	**(Audited) 31 March 2026**	**30 June 2025**
	KD	KD	KD	KD	KD
Due from related parties					
Prepayments and other debit balances (Note 3)	22,962	-	22,962	22,962	22,962
Due to related parties					
Accounts payable and other credit balances	15,008,768	1,058	15,009,826	16,794,261	8,091,351

The amounts due from / to related parties are non-interest bearing and are receivable / payable on demand, except for an amount of KD 7,373,983 (31 March 2026: KD 8,279,983 and 30 June 2026: Nil) which represents a financing received from a related party Company under common control, which carries interest based on the Central Bank of Kuwait rates. As at 30 June 2026, the related party did not charge any interest on the balance.

10. RELATED PARTIES' DISCLOSURES (CONTINUED)

Transactions included in the interim condensed statement of profit or loss and other comprehensive income:

Key management personnel Compensation:

	For the three months period ended 30 June	
	2026	**2025**
	KD	KD
Short term benefits	21,000	21,000

11. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

At the interim condensed statement of financial position / statement of financial position date, the Company had the following contingent liabilities and capital commitments:

	30 June 2026	**(Audited) 31 March 2026**	**30 June 2025**
	KD	KD	KD
Contingent liabilities			
Letters of guarantee	45,729,805	49,099,727	41,165,622
Capital commitments			
Capital expenditures contracted related to property, plant and equipment	552,786	266,733	1,000,354

12. ANNUAL GENERAL ASSEMBLY MEETING

The Company's Annual General Assembly was not held to approve the financial statements for the financial year ended 31 March 2026 until the date of preparation of this condensed interim financial information. Accordingly, the financial statements for the year ended 31 March 2026 have not been approved yet by the Shareholders' General Assembly. The accompanying interim condensed financial information do not include any adjustments, which might have been required, had the Shareholders' General Assembly approved the financial statements for the financial year ended 31 March 2026. In addition, we have been appointed as the auditor by the Company's Board of Directors to review the interim condensed financial information for the three months period ended 30 June 2026. Such appointment is subject to approval of the Company's Shareholders Ordinary General Assembly.

13. FINANCIAL RISK MANAGEMENT

The interim condensed financial information does not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Company's annual financial statements as at 31 March 2026.

Credit risk

The Company continues to have a robust collection and credit process. Further enhancement and development to strength the processes and credit controls have resulted in an efficient receivables management. Hence, despite the uncertain economic conditions, the Company continued to have a robust collection through the period. Also, the measures taken above have contributed to minimise the impact on the default risk of receivables during the period. However, the Company continuously monitors the impact on receivables using expected credit losses ("ECL") model, supplemented with Post Model Adjustments ("PMA").

14. 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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

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

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

As at 30 June 2026, the fair values of financial instruments approximate their carrying amounts. The management of the Company has assessed that fair value of financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these financial instruments.

15. LEGAL CLAIMS

There are certain lawsuits raised by/against the Company, the results of which cannot be assessed till being finally cleared by the court of law. In the opinion of the Company's external legal counsel, there will be no material adverse impact on the Company's interim condensed financial information. Hence, no provisions related to those lawsuits were recorded in the Company's records as of the date of the accompanying interim condensed financial information.

Below is a summary of the material legal claim:

On 19 December 2024, the Cassation Court has issued a ruling in respect to case number 4149/2015 in favour of Burgan Company for Well Drilling, Trading and Maintenance K.S.C. (Public) ("Company"), where the Company will receive an amount of KD 7,413,515 as a legal compensation from Kuwait Oil Company K.S.C. (Closed).

On 6 August 2026, the Company has received an amount of KD 5,978,707 against the legal compensation from Kuwait Oil Company K.S.C. (Closed) that has been recognised in the interim condensed statement of profit or loss and other comprehensive income (Note 3).