

Interim condensed consolidated financial information and review report
Ajial Real Estate Entertainment Company – KSCP and Subsidiaries
Kuwait
30 September 2026 (Unaudited)

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Report on Review of Interim Condensed Consolidated Financial Information

To the board of directors of
Ajial Real Estate Entertainment Company – KSCP
Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Ajial Real Estate Entertainment Company - KSCP ("the Parent Company") and its subsidiaries (collectively, "the Group") as of 30 September 2026 and related interim condensed consolidated statements of profit or loss and profit or loss and other comprehensive income for the three-month and nine-month periods then ended, and interim condensed consolidated statements of changes in equity and cash flows for the nine-month period then ended. Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

Report on review of other legal and regulatory requirements

Based on our review, the interim condensed consolidated financial information is in agreement with the books of the Parent Company. We further report that, to the best of our knowledge and belief, no violations of the Companies Law No. 1 of 2016 and its Executive Regulations, or of the Memorandum of Incorporation and Articles of Association of the Parent Company, as amended, have occurred during the nine-month period ended 30 September 2026 that might have had a material effect on the business or financial position of the Parent Company.



Grant Thornton

Al-Qatami, Al-Aiban & Partners

Report on Review of Interim Condensed Consolidated Financial Information of Ajial Real Estate Entertainment Company– KSCP (continued)

Report on review of 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 material violations of the provisions of Law No. 7 of 2010 concerning the Capital Markets Authority and its related regulations during the nine-month period ended 30 September 2026 that might have had a material effect on the business or financial position of the Parent Company.

A handwritten signature in blue ink, appearing to read 'Abdullatif M. Al-Aiban'.

Abdullatif M. Al-Aiban (CPA)
(Licence No. 94-A)
of Grant Thornton — Al-Qatami, Al-Aiban & Partners

Kuwait
19 October 2026

Interim condensed consolidated statement of profit or loss

	Notes	Three months ended		Nine months ended	
		30 Sept. 2026 (Unaudited) KD	30 Sept. 2025 (Unaudited) KD	30 Sept. 2026 (Unaudited) KD	30 Sept. 2025 (Unaudited) KD
Income					
Rental income		1,519,730	1,504,714	4,580,854	4,522,544
Property operating expenses		(269,512)	(267,385)	(853,736)	(855,137)
Net rental income		1,250,218	1,237,329	3,727,118	3,667,407
Revenue from rendering services		1,082,785	849,487	2,834,259	2,103,441
Rendering services expenses		(602,821)	(503,434)	(1,650,381)	(1,301,400)
Net services income		479,964	346,053	1,183,878	802,041
Share of results of associates	7	917,247	879,708	2,722,974	2,811,843
Change in fair value of financial assets at fair value through profit or loss		(26,825)	60,722	(45,479)	295,144
Gain/ (loss) on sale of financial assets at fair value through profit or loss		-	945	(14)	945
Dividend income		175,231	225,000	175,975	225,000
Income from investment deposits		22,720	18,769	69,712	55,792
Other (loss)/ income		(3,326)	100	5,000	2,000
Net investment income		1,085,047	1,185,244	2,928,168	3,390,724
Total operating income		2,815,229	2,768,626	7,839,164	7,860,172
Expenses and other charges					
General and administrative expenses		(403,587)	(246,503)	(934,199)	(761,762)
Provision charge for expected credit losses		(67,847)	(56,212)	(193,047)	(170,652)
Finance costs		(361,849)	(378,084)	(1,031,507)	(1,124,274)
		(833,283)	(680,799)	(2,158,753)	(2,056,688)
Profit for the period before provisions for contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labour Support Tax (NLST) and Zakat		1,981,946	2,087,827	5,680,411	5,803,484
Provision for KFAS		(9,025)	(10,628)	(25,201)	(26,076)
Provision for NLST		(52,373)	(55,268)	(148,681)	(146,504)
Provision for Zakat		(12,138)	(13,951)	(33,550)	(32,453)
Profit for the period		1,908,410	2,007,980	5,472,979	5,598,451
Basic and diluted earnings per share (Fils)	5	9.12	9.60	26.16	26.76

The notes set out on pages 8 to 18 form an integral part of this interim condensed consolidated financial information.

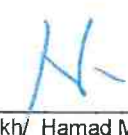
Interim condensed consolidated statement of profit or loss and other comprehensive income

	Note	Three months ended		Nine months ended	
		30 Sept. 2026 (Unaudited) KD	30 Sept. 2025 (Unaudited) KD	30 Sept. 2026 (Unaudited) KD	30 Sept. 2025 (Unaudited) KD
Profit for the period		1,908,410	2,007,980	5,472,979	5,598,451
Other comprehensive (loss)/income:					
<i>Items that may be reclassified subsequently to consolidated statement of profit or loss</i>					
Exchange differences arising on translation of foreign operations	7	(36,211)	1,818	(90,866)	(46,126)
Total comprehensive income for the period		1,872,199	2,009,798	5,382,113	5,552,325

The notes set out on pages 8 to 18 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of financial position

	Notes	30 Sept. 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 Sept. 2025 (Unaudited) KD
Assets				
Non-current assets				
Property and equipment		1,386,502	1,546,419	1,598,747
Investment properties	6	115,629,232	90,100,000	90,331,193
Investment in associates	7	79,974,615	79,637,253	78,910,875
		196,990,349	171,283,672	170,840,815
Current assets				
Inventories		39,178	54,222	40,574
Accounts receivable and other assets		483,770	244,699	250,016
Financial assets at fair value through profit or loss	14.2	1,670,246	979,506	1,337,408
Cash and cash equivalents	8	4,501,559	4,850,118	3,983,058
		6,694,753	6,128,545	5,611,056
Total assets		203,685,102	177,412,217	176,451,871
Equity and liabilities				
Equity				
Share capital		21,033,120	21,033,120	21,033,120
Share premium		5,199,430	5,199,430	5,199,430
Statutory reserve		4,037,894	4,037,894	3,375,905
Voluntary reserve		3,854,263	3,854,263	3,192,274
Treasury shares	9	(319,250)	(319,250)	(319,250)
Effect of change in accounting policy of investment properties		46,118,487	46,118,487	46,118,487
Foreign currency translation reserve		(41,277)	49,589	3,219
Retained earnings		64,014,758	62,725,489	63,344,729
Total equity		143,897,425	142,699,022	141,947,914
Liabilities				
Non-current liabilities				
Provision for employees' end of service benefits		668,138	639,821	621,781
Accounts payable and other liabilities		1,027,030	1,016,756	1,031,880
Murabaha payables	10	55,000,000	30,000,000	30,000,000
		56,695,168	31,656,577	31,653,661
Current liabilities				
Accounts payable and other liabilities		3,092,509	3,056,618	2,850,296
		3,092,509	3,056,618	2,850,296
Total liabilities		59,787,677	34,713,195	34,503,957
Total equity and liabilities		203,685,102	177,412,217	176,451,871


Sheikh/ Hamad Mubarak Jaber Al Ahmad Al Sabah
Chairman

The notes set out on pages 8 to 18 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity

	Share capital KD	Share premium KD	Statutory reserve KD	Voluntary reserve KD	Treasury shares KD	Effect of change in accounting policy of investment properties KD	Foreign currency translation reserve KD	Retained earnings KD	Total KD
As at 1 January 2026 (audited)	21,033,120	5,199,430	4,037,894	3,854,263	(319,250)	46,118,487	49,589	62,725,489	142,699,022
Profit for the period	-	-	-	-	-	-	-	5,472,979	5,472,979
Other comprehensive loss for the period	-	-	-	-	-	-	(90,866)	-	(90,866)
Total comprehensive income for the period	-	-	-	-	-	-	(90,866)	5,472,979	5,382,113
Cash dividend (Note 13)	-	-	-	-	-	-	-	(4,183,710)	(4,183,710)
Balance at 30 September 2026 (unaudited)	21,033,120	5,199,430	4,037,894	3,854,263	(319,250)	46,118,487	(41,277)	64,014,758	143,897,425
As at 1 January 2025 (audited)	21,033,120	5,199,430	3,375,905	3,192,274	(319,250)	46,118,487	49,345	61,929,988	140,579,299
Profit for the period	-	-	-	-	-	-	-	5,598,451	5,598,451
Other comprehensive loss for the period	-	-	-	-	-	-	(46,126)	-	(46,126)
Total comprehensive income for the period	-	-	-	-	-	-	(46,126)	5,598,451	5,552,325
Cash dividend (Note 13)	-	-	-	-	-	-	-	(4,183,710)	(4,183,710)
Balance at 30 September 2025 (unaudited)	21,033,120	5,199,430	3,375,905	3,192,274	(319,250)	46,118,487	3,219	63,344,729	141,947,914

The notes set out on pages 8 to 18 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

	Note	Nine months ended 30 Sept. 2026 (Unaudited) KD	Nine months ended 30 Sept. 2025 (Unaudited) KD
OPERATING ACTIVITIES			
Profit for the period before provisions for contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labour Support Tax (NLST) and Zakat		5,680,411	5,803,484
Adjustments			
Depreciation of property and equipment		165,323	165,851
Share of results of associates		(2,722,974)	(2,811,843)
Change in fair value of financial assets at fair value through profit or loss		45,479	(295,144)
Loss/(gain) on sale of financial assets at fair value through profit or loss		14	(945)
Income from investment deposits		(69,712)	(55,792)
Dividend income		(175,975)	(225,000)
Gain on sale of property and equipment		(594)	-
Provision charge for employees' end of service benefits		74,420	70,598
Provision charge for expected credit losses		193,047	170,652
Finance costs		1,031,507	1,124,274
		4,220,946	3,946,135
Changes in operating assets and liabilities:			
Inventories		15,044	33,588
Accounts receivable and other assets		(295,304)	(131,117)
Accounts payable and other liabilities		54,555	47,595
		3,995,241	3,896,201
Employees' end of service benefits paid		(46,104)	(985)
KFAS, NLST and Zakat paid		(241,694)	(216,536)
Net cash from operating activities		3,707,443	3,678,680
INVESTING ACTIVITIES			
Purchase of property and equipment		(6,792)	(15,667)
Proceeds from disposal of property and equipment		1,980	-
Additions and capital expenditure on investment properties		(25,529,232)	(131,193)
Return of capital by associate		162,697	149,626
Dividends received from associates		2,132,049	2,132,049
Proceeds from sale of financial assets at fair value through profit or loss		5,746	10,389
Purchase of financial assets at fair value through profit or loss		(741,979)	-
Decrease/(increase) in investment deposits		1,870,000	(500,000)
Income received from investment deposits		57,898	46,639
Dividend income received		6,971	225,000
Net cash (used in)/from investing activities		(22,040,662)	1,916,843
FINANCING ACTIVITIES			
Murabaha payable obtained		25,000,000	-
Dividends paid		(4,087,737)	(4,090,176)
Finance costs paid		(1,057,603)	(1,124,274)
Net cash from/(used in) financing activities		19,854,660	(5,214,450)
Net increase in cash and cash equivalents		1,521,441	381,073
Cash and cash equivalents at the beginning of the period		1,340,118	1,191,985
Cash and cash equivalents at the end of the period	8	2,861,559	1,573,058

The notes set out on pages 8 to 18 form an integral part of this interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information

1 Incorporation and activities of the Parent Company

Ajial Real Estate Entertainment Company (“the Parent Company”) is a public Kuwaiti shareholding company listed on Boursa Kuwait which was registered and incorporated in Kuwait on 26 October 1996.

During the period, the extraordinary general assembly of the shareholders of the Parent Company held on 11 March 2026 approved the amendments of Parent Company’s objectives to become as follows:

- 1- Repair and maintenance of air conditioning, refrigeration, and air purification equipment
- 2- Building construction
- 3- General construction of residential buildings
- 4- General construction of non-residential buildings
- 5- Establishment of free trade zones or duty-free markets
- 6- Renovation of residential and non-residential buildings
- 7- Demolition, site clearing and related works
- 8- Installation of elevators and escalators
- 9- Building finishing works
- 10- Wholesale of construction materials, metal structural materials, plumbing and heating equipment and supplies
- 11- Off-premises auctions
- 12- Hotel
- 13- Hotel apartments
- 14- Lounges
- 15- Operation of multi-purpose halls (wedding, conference and exhibition halls)
- 16- Restaurant
- 17- Restaurant management
- 18- Café
- 19- Establishing companies or participating therein with other parties to carry out the Company's activities
- 20- Buying and selling shares and bonds for the company’s own account
- 21- Investment of surplus funds in financial portfolios managed by specialized companies and entities
- 22- Investment and real estate financing consultancy
- 23- Real estate consultancy
- 24- Buying and selling land and real estate
- 25- Buying and selling land and real estate for the company’s own account only
- 26- Buying and selling resorts
- 27- Real estate brokerage services
- 28- Resorts
- 29- Management and leasing owned or leased real estate
- 30- Management and leasing owned or leased real estate (residential)
- 31- Management and leasing owned or leased real estate (non-residential)
- 32- Management and operation of hotel apartments
- 33- Management and operation of hotels
- 34- Ownership of real estate and movables for the benefit of the Company
- 35- Third party property management
- 36- Building and development of land and real estate
- 37- Real estate valuation services

Notes to the interim condensed consolidated financial information (continued)

1 Incorporation and activities of the Parent Company (continued)

- 38- Real estate booking services
- 39- Building maintenance services
- 40- Public facilities management
- 41- Project management
- 42- Commercial agency business management
- 43- Design, build, operate, maintain, and transfer (DBOMT) projects under PPP system
- 44- Organization and management of trade exhibitions
- 45- Management and organization of exhibitions and conferences
- 46- Parks
- 47- Operation of sports facilities
- 48- Tourism facilities management
- 49- Management and operation of sports facilities and provision of all related services
- 50- Operation of leisure and amusement facilities (Amusement parks)
- 51- Recreational parks, beaches, and coastal resorts
- 52- Operation of entertainment-themed exhibitions and markets
- 53- Commercial representation agencies
- 54- Management of healthcare institutes

The Group comprises the Parent Company and its subsidiaries.

The registered head office of the Parent Company is located at Hawally, Block 5, Beirut Street, Al-Andalus Complex, 16th Floor, P.O. Box 44301, Hawally 32058, State of Kuwait.

This interim condensed consolidated financial information for the nine-month period ended 30 September 2026 was authorised for issue by the Parent Company's board of directors on 19 October 2026.

2 Basis of preparation

The interim condensed consolidated financial information of the Group for the nine-month period ended 30 September 2026 has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting".

The annual consolidated financial statements for the year ended 31 December 2025 were prepared in accordance with the IFRS Accounting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board ("IASB").

The interim condensed consolidated financial information has been presented in Kuwaiti Dinars which is the functional and presentation currency of the Parent Company.

The interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements prepared in accordance with the IFRS Accounting Standards. In the opinion of the Parent Company's management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included.

Notes to the interim condensed consolidated financial information (continued)

2 Basis of preparation (continued)

Operating results for the nine-month period ended 30 September 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026. For further details, refer to the consolidated financial statements and their related disclosures for the year ended 31 December 2025.

3 Changes in accounting policies

The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2025 except for the adoption of the amendments to the IFRS Accounting Standards effective as of 1 January 2026 as described in Note 3.1. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

3.1 New and amended IFRS Accounting Standards adopted by the Group

The following amendments were effective for the current period:

IFRS 7 and IFRS 9 Classification and Measurement of Financial Instruments - Amendments

The amendments to IFRS 7 and IFRS 9 addresses three changes:

- derecognition of a financial liability settled through electronic transfer whereby entities are permitted to deem a financial liability (or part of it) that will be settled in cash using an electronic payment system to be discharged before the settlement date if specified criteria are met. An entity that elects to apply this derecognition option would be required to apply it to all settlements made through the same electronic payment system.
- Classification of financial assets based on a) contractual terms that are consistent with basic lending arrangements, b) assets with non-recourse description has been enhanced to include a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets, and c) contractually linked instruments have been clarified, and
- Disclosures relating to a) financial assets at FVTOCI where entities are required to disclose fair value gain or loss separately for financial assets derecognised in the period and the fair value gain or loss that relates to investments held at the end of the period, and b) contractual terms that could change the timing or amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in a basic lending risks and costs.

The adoption of the amendments did not have a significant impact on the Group's interim condensed consolidated financial information.

Annual Improvements to IFRS Accounting Standards – volume 11

The annual improvement project updates a number of standards primarily providing clarifications and removing inconsistencies.

The adoption of the amendments did not have a significant impact on the Group's interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information (continued)

4 Judgement and estimates

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited consolidated financial statements as at and for the year ended 31 December 2025.

5 Basic and diluted earnings per share

Basic and diluted earnings per share are calculated by dividing the profit for the period by the weighted average number of shares outstanding during the period excluding treasury shares. As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical.

	Three months ended		Nine months ended	
	30 Sept. 2026 (Unaudited)	30 Sept. 2025 (Unaudited)	30 Sept. 2026 (Unaudited)	30 Sept. 2025 (Unaudited)
Profit for the period (KD)	1,908,410	2,007,980	5,472,979	5,598,451
Weighted average number of shares outstanding during the period (excluding treasury shares) - (shares)	209,187,527	209,187,527	209,187,527	209,187,527
Basic and diluted earnings per share (Fils)	9.12	9.60	26.16	26.76

6 Investment properties

	30 Sept. 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 Sept. 2025 (Unaudited) KD
At the beginning of the period / year	90,100,000	90,200,000	90,200,000
Additions (b)	25,425,500	-	-
Capital expenditure	103,732	207,793	131,193
Change in fair value	-	(307,793)	-
At the end of the period / year	115,629,232	90,100,000	90,331,193

- Investment properties include a parking building constructed on a land leased from the Ministry of Finance – Real Estate Management Department. The lease agreement expired on 3 March 2026. Management of the Parent Company is currently in the process to renew the lease agreement. In the meantime, the Parent Company continues to make lease rental payments.
- During the period, the Group acquired an investment property in Kuwait for a total cost of KD 25,425,500. The acquisition was financed through a Murabaha facility obtained from a local bank (Note 10).
- As at 30 September 2026, investment properties with a carrying value of KD65,925,278 (31 December 2025: KD65,850,000 and 30 September 2025: KD65,724,557) are pledged as a security against Murabaha payables (Note 10).

Notes to the interim condensed consolidated financial information (continued)

7 Investment in associates

Below are the details of the Group's associates:

Name of associate	Country of incorporation	Effective interest held by Group at period/year end			Principal activities
		30 Sept. 2026 (Unaudited) %	31 Dec. 2025 (Audited) %	30 Sept. 2025 (Unaudited) %	
Al Hamra Real Estate Company - KSC (Closed) - Unquoted	Kuwait	35.53	35.53	35.53	Real estate
Al Madar Al Thahabia Company - WLL - Unquoted	Saudi Arabia	31.00	31.00	31.00	Real estate

Movement in the carrying value of investment in associates during the period /year is as follows:

	30 Sept. 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 Sept. 2025 (Unaudited) KD
At the beginning of the period / year	79,637,253	78,426,833	78,426,833
Share of results	2,722,974	3,491,851	2,811,843
Return of capital	(162,697)	(149,626)	(149,626)
Dividends received	(2,132,049)	(2,132,049)	(2,132,049)
Exchange differences	(90,866)	244	(46,126)
At the end of the period / year	79,974,615	79,637,253	78,910,875

The share of results of the associates for the period ended 30 September 2026 have been recorded based on the management accounts.

Notes to the interim condensed consolidated financial information (continued)

8 Cash and cash equivalents

Cash and cash equivalents in the interim condensed consolidated statement of cash flows comprise the following accounts:

	30 Sept. 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 Sept. 2025 (Unaudited) KD
Cash on hand	5,974	4,624	4,135
Cash balance in managed portfolio	2,686	-	-
Bank balances	2,039,198	1,335,494	1,568,923
Investment deposits (8.1)	2,453,701	3,510,000	2,410,000
Cash and cash equivalents as disclosed in interim condensed consolidated statement of financial position	4,501,559	4,850,118	3,983,058
Less: Investment deposits with original maturity exceeding three months	(1,640,000)	(3,510,000)	(2,410,000)
Cash and cash equivalents for the purpose of the interim condensed consolidated statement of cash flows	2,861,559	1,340,118	1,573,058

8.1 Investment deposits carry an average profit rate of 4.01% (31 December 2025: 3.91% and 30 September 2025: 3.92%) per annum. The balance includes an investment deposit of KD 440,000 that is restricted as security against letters of guarantee (Note 15).

9 Treasury shares

	30 Sept. 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 Sept. 2025 (Unaudited) KD
Number of treasury shares (shares)	1,143,673	1,143,673	1,143,673
Percentage of issued share capital (%)	0.54%	0.54%	0.54%
Market value (KD)	347,677	360,257	324,803
Cost (KD)	319,250	319,250	319,250

Reserves of the Parent Company equivalent to the cost of the treasury shares held are not available for distribution.

10 Murabaha payables

Murabaha payables obtained from a local bank are denominated in Kuwaiti Dinars and secured against investment properties with a carrying value of KD 65,925,278 (31 December 2025: KD65,850,000 and 30 September 2025: KD65,724,557) (Note 6).

During the period, the Group obtained a new Murabaha facility amounting to KD 25,000,000 from a local bank to finance the acquisition of an investment property (Note 6). The mortgage registration of this property is currently being processed by the financing bank as security for the facility.

Murabaha payables carry an average profit rate of 1% (31 December 2025 and 30 September 2025: 1%) per annum above the Central Bank of Kuwait discount rate.

Notes to the interim condensed consolidated financial information (continued)

11 Related party transactions

Related parties represent subsidiaries, associates, major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management. Transactions between the Parent Company and its subsidiaries which are related parties of the Parent Company have been eliminated on consolidation and are not disclosed in this note.

Details of significant related party transactions are as follows:

	Three months ended		Nine months ended	
	30 Sept. 2026 (Unaudited) KD	30 Sept. 2025 (Unaudited) KD	30 Sept. 2026 (Unaudited) KD	30 Sept. 2025 (Unaudited) KD
Interim condensed consolidated statement of profit or loss:				
Key management compensation:				
Salaries and short-term benefits	46,378	43,542	145,026	136,201
Employees' end of service benefits	7,671	7,343	35,423	21,791
	54,049	50,885	180,449	157,992

12 Segmental analysis

Operating segments are identified based on internal management reporting information that is regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance and is reconciled to Group's profit or loss.

The Group operates in the following sectors:

	Real estate KD	Entertainment KD	Investment KD	Unallocated KD	Total KD
For the nine months ended 30 September 2026 (Unaudited)					
Segment revenue	4,580,854	2,834,259	2,853,456	74,712	10,343,281
Segment results	2,839,206	1,183,878	2,516,812	(1,066,917)	5,472,979
For the three months ended 30 September 2026 (Unaudited)					
Segment revenue	1,519,730	1,082,785	1,065,653	19,394	3,687,562
Segment results	933,944	479,964	952,228	(457,726)	1,908,410
For the nine months ended 30 September 2025 (Unaudited)					
Segment revenue	4,522,544	2,103,441	3,332,932	57,792	10,016,709
Segment results	2,747,239	802,041	2,958,174	(909,003)	5,598,451
For the three months ended 30 September 2025 (Unaudited)					
Segment revenue	1,504,714	849,487	1,166,375	18,869	3,539,445
Segment results	929,062	346,053	1,037,565	(304,700)	2,007,980

Notes to the interim condensed consolidated financial information (continued)

12 Segmental analysis (continued)

	Real estate KD	Entertainment KD	Investment KD	Unallocated KD	Total KD
As at 30 September 2026 (Unaudited)					
Total assets	113,283,451	3,538,179	81,644,861	5,218,611	203,685,102
Total liabilities	46,027,030	383,867	10,000,000	3,376,780	59,787,677
As at 31 December 2025 (Audited)					
Total assets	87,719,184	3,650,276	80,616,759	5,425,998	177,412,217
Total liabilities	21,016,756	276,121	10,000,000	3,420,318	34,713,195
As at 30 September 2025 (Unaudited)					
Total assets	87,620,587	3,971,091	80,248,283	4,611,910	176,451,871
Total liabilities	21,031,880	255,650	10,000,000	3,216,427	34,503,957

13 General assembly of the shareholders and dividends

The annual general assembly of the shareholders held on 11 March 2026 approved the consolidated financial statements of the Group for the year ended 31 December 2025 and cash dividend of 20% of paid-up share capital equivalent to 20 Fils per share (2024: cash dividend of 20 Fils per share). Further, the shareholders approved the board of directors' remuneration of KD75,000 for the year ended 31 December 2025 (2024: KD75,000).

Also, the extraordinary general assembly of the shareholders held on 11 March 2026 approved amendments to the Parent Company's activities (Note 1).

14 Fair value measurement

14.1 Fair value hierarchy

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.

Financial assets and financial liabilities measured at fair value in the interim condensed consolidated statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

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

Notes to the interim condensed consolidated financial information (continued)

14 Fair value measurement (continued)

14.2 Fair value measurement of financial instruments

The carrying amounts of the Group's financial assets and liabilities as stated in the interim condensed consolidated statement of financial position are as follows:

	30 Sept. 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 Sept. 2025 (Unaudited) KD
Financial assets:			
At amortised cost:			
Accounts receivable and other assets	483,770	244,699	250,016
Cash and cash equivalents	4,501,559	4,850,118	3,983,058
At fair value:			
Financial assets at fair value through profit or loss	1,670,246	979,506	1,337,408
	6,655,575	6,074,323	5,570,482
Financial liabilities:			
At amortised cost			
Accounts payable and other liabilities	4,119,539	4,073,374	3,882,176
Murabaha payables	55,000,000	30,000,000	30,000,000
	59,119,539	34,073,374	33,882,176

Management considers that the carrying amounts of financial assets and all financial liabilities, which are stated at amortized cost, approximate their fair values.

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

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

	Level 1 KD	Level 2 KD	Level 3 KD	Total KD
30 September 2026 (Unaudited)				
Financial assets				
At fair value through profit or loss:				
Investments in managed portfolio	318,542	-	-	318,542
Investment in managed funds	-	407,210	-	407,210
Local unquoted securities	-	-	944,494	944,494
	318,542	407,210	944,494	1,670,246
31 December 2025 (Audited)				
Financial assets				
At fair value through profit or loss:				
Investment in managed fund	-	10,697	-	10,697
Local unquoted securities	-	-	968,809	968,809
	-	10,697	968,809	979,506

Notes to the interim condensed consolidated financial information (continued)

14 Fair value measurement (continued)

14.2 Fair value measurement of financial instruments (continued)

	Level 1	Level 2	Level 3	Total
	KD	KD	KD	KD
30 September 2025 (Unaudited)				
Financial assets				
<i>At fair value through profit or loss:</i>				
Investment in managed fund	-	11,524	-	11,524
Local unquoted securities	-	-	1,325,884	1,325,884
	-	11,524	1,325,884	1,337,408

There have been no transfers between levels during the reporting period.

Level 3 fair value measurements

The Group's measurement of financial assets classified in level 3 uses valuation techniques inputs that are not based on observable market data. The financial instruments within this level can be reconciled from beginning to ending balances as follows:

	30 Sept. 2026 (Unaudited) KD	31 Dec. 2025 (Audited) KD	30 Sept. 2025 (Unaudited) KD
Opening balance	968,809	1,030,938	1,030,938
Change in fair value	(24,315)	(62,129)	294,946
Closing balance	944,494	968,809	1,325,884

Changing inputs to the level 3 valuations to reasonably possible alternative assumption would not change significantly amounts recognised in profit or loss, total assets or total liabilities or total equity.

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

15 Contingent liabilities

As at 30 September 2026, the Group had contingent liabilities representing letters of guarantee amounting to KD 457,125 (31 December 2025: KD429,532 and 30 September 2025: KD429,532) issued to the Ministry of Finance in respect of its investment properties from which no material liability is expected to arise.

16 Geopolitical developments

During the period ended 30 September 2026, ongoing geopolitical developments in the Middle East have contributed to heightened uncertainty and volatility in global and regional financial markets. Some of the potential impacts include, but not limited to, supply chain disruptions, higher energy costs, margin pressures, and heightened refinancing and credit risk.

Management has considered the potential implications of these developments in preparing this interim condensed consolidated financial information in accordance with IAS 34. These included assessments for any increase in credit and liquidity risks as well as fair values of financial and non-financial assets. Management has not identified any increase in credit risk while it closely evaluates the liquidity position through monitoring of cash flows.

Notes to the interim condensed consolidated financial information (continued)

16 Geopolitical developments (continued)

Further, management has assessed whether the fair value of financial assets and liabilities reflects the price that would be received in transactions between market participants under current conditions. Management concluded that there are no fair value impairment losses requiring adjustments to this interim condensed consolidated financial information. In assessing the carrying values of investment properties and other non-financial assets, management has not identified any indicators of impairment requiring adjustments at the reporting date. However, future adverse developments in the geopolitical environment may result in changes to key valuation assumptions.

Management has also assessed the impact of the current situation on the Group's ability to continue as a going concern and concluded that it remains appropriate to prepare the interim condensed consolidated financial information on a going concern basis.

Given the evolving nature of the situation, the management continues to monitor developments and will assess the potential impact on the Group's financial position, financial performance and cash flows.

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