

Commercial Real Estate Company K.P.S.C.
and its subsidiaries
State of Kuwait

Interim Condensed Consolidated Financial Information (Unaudited)
And the review report for the nine months ended 30 September 2026

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Commercial Real Estate Company K.S.C.P
State of Kuwait

Auditor's report on review of interim condensed consolidated financial information to the board of directors

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Commercial Real Estate Company K.S.C.P. (the "Parent Company") and its subsidiaries (together referred to as "the Group") as at 30 September 2026, and the related interim condensed consolidated statements of income, interim condensed consolidated statement of comprehensive income for the three-month and nine-month periods then ended and the related interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the nine 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 Standard No. (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 No. (34) "Interim Financial Reporting".

Report on 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, we have not become aware of any violations of the Companies Law No. 1 of 2016, the executive regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, during the nine-month period ended 30 September 2026 that might have had a material effect on the business of the parent company or on its financial position.

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

Talal Y. Al-Muzaini
Licence No. 209 A
Deloitte & Touche –Al-Wazzan & Co.

Kuwait, 10 November 2026

Commercial Real Estate Company K.P.S.C.
And its subsidiaries
State of Kuwait

Interim Condensed Consolidated Statement of Financial Position as at 30 September 2026
(Unaudited)

(All amounts are in Kuwaiti Dinar)

	Notes	30 September 2026 (unaudited)	31 December 2025 (audited)	30 September 2025 (unaudited)
Assets				
Non-current assets				
Property, plant and equipment		20,188,961	20,471,981	20,101,329
Investment property	5	382,511,706	374,700,296	370,495,745
Intangible assets		2,467,774	2,567,474	2,583,732
Investments in associates	6	66,276,258	59,898,792	55,072,397
Investment at fair value through OCI	3	52,830,776	52,874,686	52,553,634
		524,275,475	510,513,229	500,806,837
Current assets				
Land and properties held for trading		15,635,968	15,590,620	16,314,483
Investments at fair value through profit or loss	3	52,329,861	53,386,766	53,647,203
Receivables and other debit balances	7	4,842,824	7,170,880	13,779,593
Cash and cash equivalents	8	3,127,857	2,869,045	2,756,371
		75,936,510	79,017,311	86,497,650
Total assets		600,211,985	589,530,540	587,304,487
Equity and liabilities				
Equity attributable to the shareholders of the Parent Company				
Share capital	9	195,279,836	189,592,074	189,592,074
Share premium		1,308,384	1,308,384	1,308,384
Treasury shares	10	(14,873,849)	(13,662,003)	(12,005,705)
Statutory reserve		46,018,377	46,018,377	44,315,967
Voluntary reserve		29,296,785	29,296,785	29,296,785
Other reserve	11	917,715	(612,506)	139,614
Retained earnings		46,863,253	47,802,247	45,963,163
Total equity attributable to the shareholders of the Parent Company		304,810,501	299,743,358	298,610,282
Non-controlling interests		26,090,862	24,686,653	25,435,879
Total equity		330,901,363	324,430,011	324,046,161
Liabilities				
Non-current liabilities				
Employees' end of service indemnity		1,534,172	1,433,888	1,414,437
Lease liabilities	5	8,744,273	2,119,238	2,161,750
Financing from financial institutions	12	211,159,907	234,236,301	215,619,099
		221,438,352	237,789,427	219,195,286
Current liabilities				
Payables and other credit balances	13	11,201,555	12,731,935	11,597,450
Financing from financial institutions	12	36,670,715	14,579,167	32,465,590
		47,872,270	27,311,102	44,063,040
Total liabilities		269,310,622	265,100,529	263,258,326
Total equity and liabilities		600,211,985	589,530,540	587,304,487

The accompanying notes form an integral part of this interim condensed consolidated financial information.

Abdul Fatah M.R. Marafie
Chairman

Adwan M. Al-Adwani
Vice Chairman

Interim Condensed Consolidated Statement of Income for the nine months period ended 30 September 2026 (Unaudited)

(All amounts are in Kuwaiti Dinar)

	Notes	For the three months ended 30 September		For the nine months ended 30 September	
		2026	2025	2026	2025
Revenue					
Rental income from investment properties and hotel's revenue	14	7,435,273	7,562,217	22,576,434	23,384,727
Sale of land and properties held for trading		-	218,145	212,988	218,145
Operating expenses		(2,499,515)	(2,723,120)	(7,319,454)	(7,588,645)
Net income from operating activities	14	4,935,758	5,057,242	15,469,968	16,014,227
Share of profit from investment in associate companies	6	889,679	1,160,349	5,967,851	5,254,936
Net gain on investments	15	1,172,495	1,860,849	4,108,728	5,051,425
Other income		17,959	49,906	59,219	86,000
Total net income		7,015,891	8,128,346	25,605,766	26,406,588
Expenses and other charges					
Administrative expenses and other charges		1,207,826	837,216	3,251,693	2,691,030
(Reversal)/Provision for ECL		(87,218)	(64,856)	(228,093)	(133,131)
Finance cost		2,303,872	3,019,250	7,709,090	8,729,575
Total expenses		3,424,480	3,791,610	10,732,690	11,287,474
Net profit for the period before deductions		3,591,411	4,336,736	14,873,076	15,119,114
Kuwait Foundation for the Advancement of Sciences (KFAS)		(6,402)	(16,865)	(41,154)	(62,015)
National Labour Support Tax (NLST)		(57,013)	(89,677)	(237,504)	(330,445)
Zakat Expense		(3,534)	(18,312)	(23,350)	(73,261)
Net profit for the period		3,524,462	4,211,882	14,571,068	14,653,393
Distributed as follows:					
Shareholders of the Parent Company		2,882,659	3,563,824	12,258,039	12,626,167
Non-controlling interests		641,803	648,058	2,313,029	2,027,226
		3,524,462	4,211,882	14,571,068	14,653,393
Basic earnings per share for Parent Company's shareholders (fils)	16	1.55	1.91	6.55	6.74

The accompanying notes form an integral part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Comprehensive Income for the nine months period ended 30 September 2026
(Unaudited)

(All amounts are in Kuwaiti Dinar)

	For the three months ended 30 September		For the nine months ended 30 September	
	2026	**2025**	**2026**	**2025**
Net profit for the period	3,524,462	4,211,882	14,571,068	14,653,393
Other comprehensive (loss) / income items:				
Items that may not be reclassified subsequently to the consolidated statement of income:				
Group's share in associates' reserves	601,118	677,269	(372,156)	3,466,275
Change in fair value reserve	(605,080)	(2,441,681)	(2,989,537)	(5,280,542)
	(3,962)	(1,764,412)	(3,361,693)	(1,814,267)
Items that may be reclassified subsequently to the consolidated statement of income:				
Foreign currency translation reserve	(4,065)	(54,631)	105,877	68,669
Total other comprehensive loss items	(8,027)	(1,819,043)	(3,255,816)	(1,745,598)
Total comprehensive income for the period	3,516,435	2,392,839	11,315,252	12,907,795
Distributed as follows:				
Shareholders of the Parent Company	2,908,311	1,978,576	9,436,056	11,102,261
Non-controlling interests	608,124	414,263	1,879,196	1,805,534
Total comprehensive income for the period	3,516,435	2,392,839	11,315,252	12,907,795

The accompanying notes form an integral part of this interim condensed consolidated financial information.

Commercial Real Estate Company K.P.S.C.
And its subsidiaries
State of Kuwait

Interim Condensed Consolidated Statement of Changes in Equity for the nine months period ended 30 September 2026
(Unaudited)

(All amounts are in Kuwaiti Dinar)

	Equity attributable to the shareholders of the Parent Company									
	Share capital	Share premium	Treasury shares	Statutory reserve	Voluntary reserve	Other reserves (note 11)	Retained earnings	Total equity attributable to shareholders of the Parent Company	Non-controlling interests	Total equity
Balance as at 1 January 2025	184,069,975	1,308,384	(7,956,969)	44,315,967	29,296,785	1,279,425	44,027,196	296,340,763	24,051,891	320,392,654
Net profit for the period	-	-	-	-	-	-	12,626,167	12,626,167	2,027,226	14,653,393
Total comprehensive income for the period	-	-	-	-	-	(1,523,906)	-	(1,523,906)	(221,692)	(1,745,598)
Acquisition of additional shares in a subsidiary	-	-	-	-	-	-	12,887	12,887	(21,446)	(8,559)
Sale of OCI Investment	-	-	-	-	-	(69,865)	128,717	58,852	1,499	60,351
Cash dividends (note 20)	-	-	-	-	-	-	(5,309,705)	(5,309,705)	-	(5,309,705)
Bonus share distributions (note 20)	5,522,099	-	-	-	-	-	(5,522,099)	-	-	-
Cash dividends to non controlling subsidiaries	-	-	-	-	-	-	-	-	(401,599)	(401,599)
Purchase of treasury shares	-	-	(5,219,340)	-	-	-	-	(5,219,340)	-	(5,219,340)
Sale of treasury shares	-	-	1,170,604	-	-	453,960	-	1,624,564	-	1,624,564
Balance as at 30 September 2025	189,592,074	1,308,384	(12,005,705)	44,315,967	29,296,785	139,614	45,963,163	298,610,282	25,435,879	324,046,161
Balance as at 1 January 2026	189,592,074	1,308,384	(13,662,003)	46,018,377	29,296,785	(612,506)	47,802,247	299,743,358	24,686,653	324,430,011
Amendment related to Previous years (note 5)	-	-	-	-	-	-	(84,254)	(84,254)	(18,622)	(102,876)
Balance as at 1 January 2026 (Adjusted)	189,592,074	1,308,384	(13,662,003)	46,018,377	29,296,785	(612,506)	47,717,993	299,659,104	24,668,031	324,327,135
Net profit for the period	-	-	-	-	-	-	12,258,039	12,258,039	2,313,029	14,571,068
Total comprehensive income for the period	-	-	-	-	-	(2,821,983)	-	(2,821,983)	(433,833)	(3,255,816)
Acquisition of additional shares in a subsidiary	-	-	-	-	-	-	-	-	(26)	(26)
Sale of OCI Investment	-	-	-	-	-	1,889,622	(1,889,091)	(9,469)	-	(9,469)
Amendment to Associate financials	-	-	-	-	-	-	(39,428)	(39,428)	2,038	(37,390)
Cash dividends (note 20)	-	-	-	-	-	-	(5,486,498)	(5,486,498)	-	(5,486,498)
Bonus share distributions (note 20)	5,687,762	-	-	-	-	-	(5,687,762)	-	-	-
Cash dividends to non controlling subsidiaries	-	-	-	-	-	-	-	-	(458,377)	(458,377)
Purchase of treasury shares	-	-	(7,985,929)	-	-	-	-	(7,985,929)	-	(7,985,929)
Sale of treasury shares	-	-	6,774,083	-	-	2,462,582	-	9,236,665	-	9,236,665
Balance as at 30 September 2026	195,279,836	1,308,384	(14,873,849)	46,018,377	29,296,785	917,715	46,853,253	304,810,501	26,090,862	330,901,363

The accompanying notes form an integral part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Cash Flows for the nine months period ended 30 September 2026 (Unaudited)

(All amounts are in Kuwaiti Dinar)

	Notes	For the nine months period ended 30 September	
		2026	2025
Operating activities:			
Net profit for the period		14,571,068	14,653,393
Adjustments for:			
(Gain)/losses on sale of lands and properties held for trading		(2,381)	10,668
Depreciation & amortization of intangible asset		99,700	4,461
Depreciation of property, plant and equipment		907,426	859,308
Share of profit from investment in associate companies	6	(5,967,851)	(5,254,936)
Net gain on investments	15	(4,108,728)	(5,051,425)
Finance cost		7,709,090	8,729,575
Reversal of provision for ECL		(228,093)	(133,131)
Employees' end of service indemnity provided during the period		169,428	178,876
Operating cash flows before changes in working capital		13,149,659	13,996,789
Payment for purchase of land and properties held for trading		(94,831)	(47,025)
Proceeds from sale of land and properties held for trading		212,988	218,145
Receivables and other debit balances		(138,565)	(640,855)
Payables and other credit balances		(1,323,780)	(1,773,847)
Employees' end of service indemnity paid during the period		(69,144)	(20,670)
Net cash generated from operating activities		11,736,327	11,732,537
Investing activities:			
Payment for purchase of property, plant and equipment		(624,522)	(266,331)
Payments for intangible assets		-	(251,371)
Payment for purchase of investment property		(382,906)	(1,272,925)
Payment to acquire shares in associate		(369,356)	(2,044,446)
Proceeds on capital reduction in associate		-	156,832
Dividend and accrued dividends received from associates	6	2,529,923	4,302,432
Payment to acquire investment at FVTOCI		(2,249,116)	(445,109)
Proceeds on sale of Investment at FVTOCI		207,970	245,070
Payment to acquire investment at fair value through profit or loss		(1,966,909)	(1,154,054)
Proceeds on sale of investment at fair value through profit or loss		4,493,594	-
Payment to acquire shares in subsidiary		(26)	(8,559)
Advance Payment for purchase of investment & investment on associates		(1,570,000)	(7,113,921)
Dividend received from investment		2,688,063	2,760,962
Net cash generated from /(used) in investing activities		2,756,715	(5,091,420)
FINANCING ACTIVITIES:			
Proceeds from financing from third party		16,529,000	22,950,000
Repayment of financing from third party		(17,513,846)	(11,429,232)
Finance charges paid		(8,240,974)	(9,116,893)
Dividend paid		(5,464,560)	(5,271,527)
Payment for buy-back of treasury shares		(7,985,929)	(5,219,340)
Proceeds from the sale of treasury shares		9,236,665	1,624,564
Lease liability payment		(336,209)	(96,671)
Dividend paid for non-controlling interest in subsidiaries		(458,377)	(401,599)
Net cash used in financing activities		(14,234,230)	(6,960,698)
Net change in cash and cash equivalents		258,812	(319,581)
Cash and cash equivalents at the beginning of the period		2,869,045	3,075,952
Cash and cash equivalents at the end of the period	8	3,127,857	2,756,371

The accompanying notes form an integral part of this interim condensed consolidated financial information.

1. Overview of the Group

The Commercial Real Estate Company (K.P.S.C) ("the Parent Company") was incorporated as a Kuwaiti Shareholding Closed Company under Articles of Association No. 104/ M/ Vol.1 on 4 February 1968 under Commercial register No. 11329 and re-enrolled on 21 December 1981 under No. 239 in accordance with provision of the Commercial Companies Law. The main objectives of the Company are performing various real estate, agricultural, industrial and commercial activities, carrying out contracting, road and building constructions including sale, purchase and lease of land and real estate properties and construction of buildings, utilize the company's surpluses through investment portfolios managed by specialized companies and financial institutions. The Company may have interests or participate in any suitable way with entities that engage in similar business activities or that may help the Company achieve its objectives inside Kuwait and abroad. The Company may also purchase such entities or affiliate them, or as stated in Company's Articles of Association, article No. 5 and Memorandum of Association, article No. 4. The Company's management shall carry out all its objectives for which it has been established in accordance with the Noble Islamic Sharia principles.

The head office of the Parent Company is located at Jaber Al-Mubarak Street, Commercial Real Estate Company's Building, Sharq, P.O. Box. 4119 Safat, 13042 Kuwait.

The Parent Company has been registered in the Kuwait Stock Exchange on 21 December 2004.

Based on the extraordinary general assembly meeting held on 20 April 2026, it was agreed to amend Articles of Association, article No. 5 and Memorandum of Association, article No. 4., by adding new activities, the formal registration of this occurred on 6 May 2026.

The consolidated interim financial information includes the interim financial information of the Parent Company, its subsidiaries and branches (together referred to as "the Group").

			Shareholding percent		
Name of subsidiaries	**Activity**	**Country of incorporation**	**30 September 2026**	**31 December 2025 (audited)**	**30 September 2025**
Al Mutajara Real Estate Company K.S.C.C.	Real estate	Kuwait	79.21%	79.21%	%79.18
Commercial Real Estate Development Company	Real estate	Bahrain	100%	100%	%100
Commercial Real Estate Development Company	Real estate	Morocco	100%	100%	%100
Al-Salmiya Group K.S.C. (Closed)	Real estate	Kuwait	81.90%	81.90%	%81.90
Tijaria GD	Real Estate	Cayman Islands	95.12%	95.12%	-
First Kuwait Front Company for Land and Real Estate Management and Development	Real Estate	State of Kuwait	100%	100%	-
Symphony Company for Receiving and Delivering Cloth form Laundry	Laundry work	State of Kuwait	100%	100%	-

This interim condensed consolidated financial information was authorized for issue by Parent Company's Board of Directors on 10 November 2026.

2. Basis of preparation

This interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard (IAS) 34: Interim Financial Reporting. The interim condensed consolidated financial information does not contain all information and disclosures required for complete financial statements prepared in accordance with the International Financial Reporting Standards and should be read in conjunction with the annual financial statements for the year ended 31 December 2025. In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included.

Operating results for the nine-month period ended 30 September 2026 are not necessarily indicative of the results that may be expected for the year ending 31 December 2026.

2.1 Significant accounting policies

The accounting policies used in preparing the interim condensed consolidated financial information are similar to those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2025 except for the effect of application of new and revised International Financial Reporting Standards (IFRS) as follows:

2.1.1 Application of new and revised International Financial Reporting Standards (IFRS)

The adoption of the amendments and annual improvements to IFRS, relevant to the Group which are effective for annual reporting period starting from 1 January 2026 did not result in any material impact on the accounting policies, financial position or performance of the Group.

3. Fair value estimation

The fair values of financial assets and financial liabilities are determined as follows:

- Level one: Quoted prices in active markets for identical assets or liabilities.
- Level two: Quoted prices in an active market for similar instruments. Quoted prices for identical assets or liabilities in market that is not active. Inputs other than quoted prices that are observable for assets and liabilities.
- Level three: valuation techniques that are not based on observable market data.

The table below gives information about how the fair values of the significant financial assets and liabilities are determined:

	Fair value as at			Fair value hierarchy	Valuation methods and key inputs	Significant unobservable inputs	Relation of unobservable inputs to fair value
Financial assets	**30 September 2026 (unaudited)**	**31 December 2025 (audited)**	**30 September 2025 (unaudited)**				
Investment at fair value through OCI							
Quoted shares	1,047,001	1,157,249	1,144,210	Level 1	Last bid price	N/A	N/A
Private equity	45,208,954	44,759,804	48,241,689	Level 3	Income approach/ market multiple model	Cash flow, discount rate,growth rate	Higher estimated cash flows and lower discount rates, results in higher fair value
Investment funds	6,574,821	6,957,633	3,167,735	Level 3	Income approach/ market multiple model & adjusted NAV	Adjusted NAV	Higher estimated cash flows and lower discount rates, results in higher fair value
Investments at fair value through profit or loss:							
Quoted shares	1,833,386	1,677,721	1,669,073	Level 1	Last bid price	N/A	N/A
Private equity	50,496,475	51,709,045	51,978,130	Level 3	Income approach/ market multiple model & adjusted NAV	Cash flow, discount rate, growth rate & Adjusted NAV	Higher estimated cash flows and lower discount rates, results in higher fair value

The fair value of financial assets and financial liabilities in level 3 have been determined using the common valuation techniques such as a discounted cash flow, growth rate and adjusted fair value.

4. Estimates

The preparation of interim condensed consolidated financial information requires management to make judgments, 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 judgments 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 financial statements for the year ended.

5. Investment properties

	30 September 2026 (unaudited)	31 December 2025 (audited)	30 September 2025 (unaudited)
Balance at beginning of the period/ year	374,700,296	369,222,820	369,222,820
Additions *	7,396,201	2,465,682	1,272,925
Transfer from receivables and other debit balances	415,209	-	-
Transfer from land and properties held for trading	-	302,024	-
Change in fair value	-	2,709,770	-
Balance at end of the period/year	382,511,706	374,700,296	370,495,745

* The Group entered into a lease arrangement with the Public Authority For Housing Welfare, State of Kuwait for a plot of land to be used for the construction of commercial complex and gym- "Qirawan project"- and to generate lease income from leasing the project units. During the period, the Group took over the project site, and upon expiry of the lease term in April 2048, the land together with all buildings and improvements constructed thereon will be transferred to the State. The Group recognised a right-of-use asset of KWD 6,424,496 at the lease commencement date, being the date on which the leased land was made available for use by the Group.

** During the period, the Public Authority for Agriculture Affairs and Fish Resources reassessed, with retroactive effect, the leasable area relating to one of the Group's right-of-use assets. As a result, the Group retrospectively remeasured the related right-of-use asset and lease liability. This remeasurement resulted in an adjustment of Kuwaiti Dinars 102,876 to opening retained earnings and an increase in lease liabilities of Kuwaiti Dinars 301,085. An addendum to the original lease contract was signed by both parties.

Investment properties include the fair value of right of use Boulevard project that expires in year 2036, in addition to the right of use for Qirawan project that expires in year 2048. The balance of lease liabilities distributed as follows:

	30 September 2026 (unaudited)	31 December 2025 (audited)	30 September 2025 (unaudited)
Lease liabilities (non-current)			
Amounts due after 12 months	8,624,765	1,993,624	2,025,855
Lease liabilities (current)			
Amounts due within 12 months	139,745	122,346	119,409
	8,764,510	2,115,970	2,145,264

Operating leases, in which the Group is the lessor, relate to investment property owned by the Group with lease terms of between one to five years. All operating lease contracts contain extension options for the lessees in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

6. Investments in associates

	30 September 2026 (unaudited)	31 December 2025 (audited)	30 September 2025 (unaudited)
Balance as at the beginning of the period/year	59,898,792	47,324,814	47,324,814
Additions during the period/ year *	2,959,776	5,998,643	2,044,446
Group's share in associates results	5,967,851	5,447,098	5,254,936
Group's share in associates reserves	(372,156)	4,034,937	3,466,275
Acquisition of subsidiary by an associate	-	169,491	-
Translation of foreign currencies	106,290	11,861	69,978
Capital reduction in an associate	-	(156,832)	(156,832)
Amendment of associate's financials	(37,390)	-	-
Cash dividends	(2,246,905)	(2,931,220)	(2,931,220)
	66,276,258	59,898,792	55,072,397

* Additions during the period/ year represent the purchase of new and additional shares in the associates' companies.

7. Receivables and other debit balances

	30 September 2026 (unaudited)	31 December 2025 (audited)	30 September 2025 (unaudited)
Trade receivables	3,541,877	4,231,419	4,210,640
Due from related parties (Note 17)	20,584	12,220	11,776
Provision for impairment	(2,997,266)	(3,800,591)	(3,832,811)
	565,195	443,048	389,605
Advance payments for acquisition of investments	1,772,000	3,706,370	9,925,578
Prepaid expenses	204,251	180,012	142,370
Refundable deposits	331,860	340,000	340,500
Advances to contractors and suppliers	637,182	433,644	774,703
Other debit balances	1,422,343	2,157,813	2,296,844
	4,367,636	6,817,839	13,479,995
Provisions	(90,007)	(90,007)	(90,007)
	4,277,629	6,727,832	13,389,988
	4,842,824	7,170,880	13,779,593

Movement in credit losses is as follows:

	30 September 2026 (unaudited)	31 December 2025 (audited)	30 September 2025 (unaudited)
Balance at beginning of the period/year	3,800,591	3,965,942	3,965,942
Provision created during the period/year	17,661	22,595	26,541
Reversal of provision for expected credit losses	(245,754)	(187,946)	(159,672)
Bad debts	(575,232)	-	-
Balance at end of the period/year	2,997,266	3,800,591	3,832,811

8. Cash and cash equivalents

	30 September 2026 (unaudited)	31 December 2025 (audited)	30 September 2025 (unaudited)
Cash in hand	5,649	5,435	5,885
Cash at banks and financial institutions	1,347,208	2,263,610	1,950,486
Deposits with financial institution	1,775,000	600,000	800,000
Cash and cash equivalent for cash flow	3,127,857	2,869,045	2,756,371

9. Share capital

The authorized, issued and paid-up share capital of the Parent Company as at 30 September 2026 is KD 195,279,836 consisting of 1,952,798,365 shares (31 December 2025 is KD 189,592,074 consisting of 1,895,920,743 shares and 30 September 2025 is KD 189,592,074 consisting of 1,895,920,743 shares) of 100 fils each.

The capital increase was formally registered in the commercial register on 5 May 2026, based on Extra Ordinary General Assembly meeting dated 20 April 2026.

10. Treasury shares

	30 September 2026 (unaudited)	31 December 2025 (audited)	30 September 2025 (unaudited)
Number of shares (No's)	100,630,448	101,396,183	93,313,428
Percentage of issued shares (%)	5.15	5.35	4.92
Market value	18,214,111	20,583,425	19,035,939
Cost	14,873,849	13,662,003	12,005,705

The Parent Company is committed to retain reserves, share premium and retained earnings equivalent to the treasury shares throughout the period, in which they are held by the Company, pursuant to the relevant instructions of the regulatory authorities.

11. Other reserves

	Change of fair value reserve	Group's share in associates' reserves	Translation of foreign currencies	Property, plant and equipment revaluation surplus	Treasury shares reserve/sale of treasury shares	Total
As at 1 January 2025	(10,368,234)	4,145,153	389,743	5,547,886	1,564,877	1,279,425
Total comprehensive income for the period	(4,957,955)	3,365,380	68,669	-	-	(1,523,906)
Sale of OCI investment	(69,865)	-	-	-	-	(69,865)
Sale of treasury shares	-	-	-	-	453,960	453,960
As at 30 September 2025	(15,396,054)	7,510,533	458,412	5,547,886	2,018,837	139,614
As at 1 January 2026	(16,625,335)	8,045,495	400,611	5,547,886	2,018,837	(612,506)
Total comprehensive income for the period	(2,572,503)	(354,748)	105,268	-	-	(2,821,983)
Sale of OCI investment	1,889,622	-	-	-	-	1,889,622
Sale of treasury shares	-	-	-	-	2,462,582	2,462,582
As at 30 September 2026	(17,308,216)	7,690,747	505,879	5,547,886	4,481,419	917,715

12. Financing from financial institutions

	30 September 2026 (unaudited)	31 December 2025 (audited)	30 September 2025 (unaudited)
Finance from financial institutions – current portion	36,670,715	14,579,167	32,465,590
Finance from financial institutions – non current portion	211,159,907	234,236,301	215,619,099
	247,830,622	248,815,468	248,084,689
Cost rate (%)	4.50-4.40	4.90-5.25	4.65-5.00

Finance granted by financial institutions is secured against mortgage of the following assets:

	30 September 2026 (unaudited)	31 December 2025 (audited)	30 September 2025 (unaudited)
Property, plant and equipment	19,054,628	19,094,543	18,769,326
Investment property	291,868,205	296,676,060	283,538,632

13. Payables and other credit balances

	30 September 2026 (unaudited)	31 December 2025 (audited)	30 September 2025 (unaudited)
Trade payables	909,814	1,000,627	777,453
Due to related parties (Note 17)	95,270	109,156	63,419
Retentions	370,021	370,021	1,204,632
Accrued expense	2,490,112	3,140,796	2,268,917
Revenues received in advance	803,803	726,730	765,585
Security deposits from tenants	3,182,904	3,202,170	3,191,267
Kuwait Foundation for the Advancement of Science (KFAS)	41,154	71,244	62,015
National Labour Support Tax (NLST)	237,504	426,436	330,445
Zakat payable	23,350	83,934	73,261
Dividends payable to shareholders	257,450	235,512	297,624
Other credit balances*	2,790,173	3,365,309	2,562,832
	11,201,555	12,731,935	11,597,450

* Other credit balances include lease liabilities of KD 152,161 due within 12 months.

14. Net income from operating activities

	For the three months ended 30 September		For the nine months ended 30 September	
	2026	2025	2026	2025
Revenues				
Real estate rental income	6,757,435	6,837,705	20,526,987	20,354,904
Hotel and hospitality revenues	677,838	724,512	2,049,447	3,029,823
	7,435,273	7,562,217	22,576,434	23,384,727
Sale of land and properties held for trading	-	218,145	212,988	218,145
	7,435,273	7,780,362	22,789,422	23,602,872
Expenses				
Operating expenses	(1,769,255)	(1,720,091)	(4,951,154)	(4,794,822)
Hotel and hospitality expenses	(730,260)	(774,216)	(2,157,693)	(2,565,010)
Cost of sold land	-	(228,813)	(210,607)	(228,813)
Net income from operating activities	(2,499,515)	(2,723,120)	(7,319,454)	(7,588,645)
	4,935,758	5,057,242	15,469,968	16,014,227

Hotel and hospitality expenses include an amount of KD 670,564 (KD 632,391 - 2025) which represents the current period depreciation of the hotel building and related equipment.

15. Net gain on investments

	For the three months ended 30 September		For the nine months ended 30 September	
	2026	2025	2026	2025
Investment at fair value through OCI				
Cash dividends	673,673	578,389	1,997,877	1,798,495
	673,673	578,389	1,997,877	1,798,495
Investments at fair value through profit or loss				
Change in fair value	(182,149)	700,128	1,074,389	2,246,562
Cash dividends	633,174	582,332	641,071	1,006,368
Gain on sale	47,797	-	395,391	-
	498,822	1,282,460	2,110,851	3,252,930
	1,172,495	1,860,849	4,108,728	5,051,425

16. Basic earnings per share for the Parent Company's shareholders

Basic earnings per share is computed by dividing the net profit attributable to the Parent Company's shareholders for the period by the weighted average number of outstanding ordinary shares less weighted average number of outstanding treasury shares during the period as follows:

	For the three months ended 30 September		For the nine months ended 30 September	
	2026	2025	2026	2025
Net profit for the period (KD)	2,882,659	3,563,824	12,258,039	12,626,167
Weighted average number of outstanding shares (share)	1,857,396,011	1,865,157,120	1,871,532,431	1,872,045,469
Basic earnings per share (fils)	1.55	1.91	6.55	6.74

Earnings per share for the current period and comparative period has been amended taking into consideration the effect of bonus share approved by the Assembly General Meeting which will be distributed in the subsequent period (note 20).

17. Related parties transactions

Related parties comprise of the Group's shareholders who are members in the board of directors, key management personnel, and associates in which the company has representatives in their board. The transactions with related parties are subject to approval of the shareholders at the general assembly. Significant related party transactions and balances resulting therefrom were as follows:

	For the three months ended 30 September		For the nine months ended 30 September	
	2026	2025	2026	2025
Transaction				
Key management benefits	186,181	150,052	607,100	533,281
Operating revenue	79,398	19,046	204,639	49,161
Operating & capital expenditures and other charges	235,251	309,723	590,437	789,632
Other income	-	15,527	20,470	15,527
Payment for Acquisition of Assocaites	-	-	-	118,088
Payment for acquisition of Investments	-	-	-	434,455

	30 September 2026 (unaudited)	31 December 2025 (audited)	30 September 2025 (unaudited)
Balances			
Receivables and other debit balances (Note 7)	20,584	12,220	11,776
Payables and other credit balances (Note 13)	95,270	109,156	63,419
Balances due to key management	608.782	698,381	413,409

Balances due from / to related parties are interest free and due upon request. All transactions with related parties are subject to approval by the shareholders' general assembly.

18. Capital commitments and contingent liabilities

	30 September 2026 (unaudited)	31 December 2025 (audited)	30 September 2025 (unaudited)
Capital commitments			
Uncalled capital – investments	2,304,594	919,916	922,896
Contract for projects and investment properties under development	450,920	1,611,164	2,435,663
	2,755,514	2,531,080	3,358,559
Contingent liabilities			
Letters of guarantee	2,433,486	3,019,602	4,896,687

19. Segment information

The Group is organized into two major business segments; real estate including the hotel and investment. Both segments' results are reported to senior executive management. Further, Group's operating results, assets and liabilities are reported according to geographical areas in which it operates. Revenue, profits, assets and liabilities are measured according to the same accounting bases followed in preparation of interim condensed consolidated financial statements. Business segment analysis is in line with internal reports submitted to management is as follows:

Segment distribution:

	For the nine months period ended 30 September 2026				For the nine months period ended 30 September 2025			
	Real estate sector	Hotel	Investment sector	Total	Real estate sector	Hotel	Investment sector	Total
Revenue	20,739,975	2,049,447	10,076,579	32,866,001	20,344,236	3,029,823	10,306,361	33,680,420
Direct cost	(6,171,464)	(2,157,693)	(243,771)	(8,572,928)	(5,605,331)	(2,565,010)	(223,799)	(8,394,140)
Gross profit / (loss)	14,568,511	(108,246)	9,832,808	24,293,073	14,738,905	464,813	10,082,562	25,286,280
Unallocated costs				(9,722,005)				(10,632,887)
Net profit for the period				14,571,068				14,653,393

Geographic distribution:

A- Assets and liabilities

	Assets			Liabilities		
	30 September 2026	31 December 2025 (audited)	30 September 2025	30 September 2026	31 December 2025 (audited)	30 September 2025
State of Kuwait	448,214,275	437,145,548	431,778,579	267,892,052	263,088,723	261,091,231
Gulf countries	77,717,556	75,847,123	79,460,261	1,418,570	2,011,806	2,167,095
Other	74,280,154	76,537,869	76,065,647	-	-	-
	600,211,985	589,530,540	587,304,487	269,310,622	265,100,529	263,258,326

B- Statement of income

	For the nine months period ended 30 September 2026				For the nine months period ended 30 September 2025			
	State of Kuwait	Gulf countries	Other	Total	State of Kuwait	Gulf countries	Other	Total
Total income	20,551,635	2,220,993	2,833,138	25,605,766	22,895,198	1,821,260	1,690,130	26,406,588
Total expenses	(10,493,177)	(538,307)	(3,214)	(11,034,698)	(11,278,440)	(474,157)	(598)	(11,753,195)
Net profit	10,058,458	1,682,686	2,829,924	14,571,068	11,616,758	1,347,103	1,689,532	14,653,393

20. Dividends

On 20 April 2026 the annual general assembly meeting was held and approved distribution of cash dividends to the shareholders on record as of the due date at 3% after deduction of treasury shares and 3% bonus share (3 shares per every 100 shares), for the year ended 31 December 2025. (cash dividends 3% after deduction of treasury shares and 3% bonus shares (3 shares per every 100 shares)) for 31 December 2024.

On 20 April 2026, the extraordinary general assembly meeting convened and approved a 3% increase in the authorized, issued, and paid-up share capital of the Parent Company. This adjustment raised the capital to KD 195,279,836 comprising 1,952,798,365 shares valued at 100 fils each. The increase was achieved through the issuance of 56,877,622 bonus shares, amounting to KD 5,687,762. The formal registration of this capital increase occurred on 5 May 2026.

21. The current geopolitical events in the Middle East.

In the light of the ongoing escalating conflict in the Middle East and the associated uncertainty around its potential impact on economic activity, inflation, and market conditions, management acknowledges that this matter may require revision of certain assumptions and estimates in preparing these financial statements in future reporting periods, related to the fair valuation of assets that are measured at fair value and impairment of associates, if the conflict proves prolonged. However, at this stage management is unable to reliably estimate any potential effect, as events are unfolding day-by-day.