Sokouk Holding Company K.S.C.P.
and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

31 MARCH 2026

Shape the future
with confidence

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO BOARD OF DIRECTORS OF SOKOUK HOLDING COMPANY K.S.C.P.

Report on the Interim Condensed Consolidated Financial Information

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Sokouk Holding Company K.S.C.P. (the "Parent Company") and its subsidiaries (collectively, the "Group") as at 31 March 2026, and the related interim condensed consolidated statement of profit or loss, interim condensed consolidated statement of other comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the three-month period then ended. Management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34: *Interim Financial Reporting* ("IAS 34"). 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 IAS 34.

Emphasis of Matter

We draw attention to Note 8 to the interim condensed consolidated financial information, which describes the uncertainties relating to the final outcome of an ongoing litigation claim. Our conclusion is not modified in respect of this matter.

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO BOARD OF DIRECTORS OF SOKOUK HOLDING COMPANY K.S.C.P. (continued)

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended, and its executive regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, during the three-month period ended 31 March 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 three months period ended 31 March 2026 that might have had a material effect on the business of the Parent Company or on its financial position.

BADER A. AL-ABDULJADER
LICENCE NO. 207 A
EY

AL AIBAN, AL OSAIMI & PARTNERS

11 May 2026
Kuwait

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

For the period ended 31 March 2026

		Three months ended 31 March	
	Notes	***2026*** ***KD***	*2025* *KD*
INCOME			
Hospitality income		**1,061,377**	1,243,538
Hospitality costs		**(547,754)**	(571,667)
Net hospitality income		**513,623**	671,871
Net rental income from investment properties		**103,705**	109,347
Share of results of investment in equity-accounted investees	5	**1,821,201**	1,848,078
Management fees income	9	**22,036**	22,203
Other income		**105,246**	76,922
Total income		**2,565,811**	2,728,421
EXPENSES AND OTHER CHARGES			
Staff costs		**(269,744)**	(209,857)
Administrative expenses		**(149,963)**	(202,278)
Financing costs on debts and loans		**(275,625)**	(275,625)
Financing costs on lease obligations		**(5,940)**	(7,394)
Total expenses and other charges		**(701,272)**	(695,154)
PROFIT BEFORE TAX		**1,864,539**	2,033,267
Taxation		**-**	(714)
PROFIT FOR THE PERIOD		**1,864,539**	2,032,553
Attributable to:			
Equity holders of the Parent Company		**1,876,494**	2,030,186
Non-controlling interests		**(11,955)**	2,367
		1,864,539	2,032,553
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	3	**3.28 Fils**	3.55 Fils

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 31 March 2026

		Three months ended 31 March	
	Notes	***2026*** ***KD***	*2025* *KD*
PROFIT FOR THE PERIOD		**1,864,539**	2,032,553
Other comprehensive income (loss)			
Other comprehensive income (loss) that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	5	**586**	410
Share of other comprehensive (loss) income of investment in equity-accounted investees	5	**(40,680)**	24,791
Other comprehensive (loss) income that may be reclassified to profit or loss in subsequent periods		**(40,094)**	25,201
Other comprehensive income (loss) that will not be reclassified to profit or loss in subsequent periods:			
Net gain (loss) on equity instruments at fair value through other comprehensive income	12	**65,691**	(28,849)
Other comprehensive income (loss) that will not be reclassified to profit or loss in subsequent periods		**65,691**	(28,849)
Total other comprehensive income (loss) for the period		**25,597**	(3,648)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**1,890,136**	2,028,905
Attributable to:			
Equity holders of the Parent Company		**1,902,091**	2,026,538
Non-controlling interests		**(11,955)**	2,367
		1,890,136	2,028,905

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
As at 31 March 2026

	Notes	*31 March 2026 KD*	*(Audited) 31 December 2025 KD*	*31 March 2025 KD*
ASSETS				
Cash and cash equivalents		**2,352,453**	1,668,525	1,621,996
Term deposits	4	**10,563,000**	11,088,000	9,550,000
Inventories		**56,441**	55,255	57,374
Accounts receivable and prepayments		**1,060,870**	761,657	996,406
Investment properties		**7,350,000**	7,350,000	7,153,000
Financial assets at FVOCI		**382,313**	316,622	384,182
Investment in equity-accounted investees	5	**23,933,341**	22,152,234	15,397,012
Right-of-use assets		**1,552,235**	1,505,537	1,660,123
Property and equipment	6	**25,761,448**	25,820,653	25,884,066
TOTAL ASSETS		**73,012,101**	70,718,483	62,704,159
EQUITY AND LIABILITIES				
Equity				
Share capital	7	**59,314,500**	59,314,500	59,314,500
Statutory reserve		**1,769,871**	1,769,871	1,769,871
Treasury shares	7	**(1,769,871)**	(1,769,871)	(1,769,871)
Effect of changes in other comprehensive income of investment in equity-accounted investees		**(649,582)**	(608,902)	(1,915,580)
Foreign currency translation reserve		**64,578**	63,992	68,096
Fair value reserve		**(3,530,022)**	(3,595,713)	(3,528,153)
Other reserve		**(272,250)**	(272,250)	(272,250)
Accumulated losses		**(10,960,924)**	(12,837,418)	(18,569,916)
Equity attributable to equity holders of the Parent Company		**43,966,300**	42,064,209	35,096,697
Non-controlling interests		**189,426**	201,381	211,742
Total equity		**44,155,726**	42,265,590	35,308,439
LIABILITIES				
Islamic finance payables	8	**26,420,625**	26,145,000	25,318,125
Accounts payable and accruals		**1,934,813**	1,859,073	1,635,126
Employees' end of service benefits		**500,937**	448,820	442,469
Total liabilities		**28,856,375**	28,452,893	27,395,720
TOTAL EQUITY AND LIABILITIES		**73,012,101**	70,718,483	62,704,159

شركة صكوك القابضة ش.م.ك.ع
Sokouk Holding Co. K.P.S.C.

Mohamed Mubarak Al-Hajeri
Chairman

Ahmad Mohammed Othman Al-Quraishi
Chief Executive Officer

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
For the period ended 31 March 2026

	Attributable to equity holders of the Parent Company										
	Share capital KD	***Statutory reserve KD***	***Treasury shares KD***	***Effect of changes in OCI of investment in equity-accounted investees KD***	***Foreign currency translation reserve KD***	***Fair value reserve KD***	***Other reserve KD***	***Accumulated losses KD***	***Sub-total KD***	***Non-controlling interests KD***	***Total equity KD***
At 1 January 2026	59,314,500	1,769,871	(1,769,871)	(608,902)	63,992	(3,595,713)	(272,250)	(12,837,418)	42,064,209	201,381	42,265,590
Profit (loss) for the period	-	-	-	-	-	-	-	1,876,494	1,876,494	(11,955)	1,864,539
Other comprehensive (loss) income	-	-	-	(40,680)	586	65,691	-	-	25,597	-	25,597
Total comprehensive (loss) income for the period	-	-	-	(40,680)	586	65,691	-	1,876,494	1,902,091	(11,955)	1,890,136
At 31 March 2026	**59,314,500**	**1,769,871**	**(1,769,871)**	**(649,582)**	**64,578**	**(3,530,022)**	**(272,250)**	**(10,960,924)**	**43,966,300**	**189,426**	**44,155,726**
At 1 January 2025	59,314,500	1,769,871	(1,769,871)	(1,940,371)	67,686	(3,499,304)	(272,250)	(20,600,102)	33,070,159	209,375	33,279,534
Profit for the period	-	-	-	-	-	-	-	2,030,186	2,030,186	2,367	2,032,553
Other comprehensive income (loss)	-	-	-	24,791	410	(28,849)	-	-	(3,648)	-	(3,648)
Total comprehensive income (loss) for the period	-	-	-	24,791	410	(28,849)	-	2,030,186	2,026,538	2,367	2,028,905
At 31 March 2025	59,314,500	1,769,871	(1,769,871)	(1,915,580)	68,096	(3,528,153)	(272,250)	(18,569,916)	35,096,697	211,742	35,308,439

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the period ended 31 March 2026

	Note	*Three months ended 31 March* **2026** **KD**	*2025* *KD*
OPERATING ACTIVITIES			
Profit before tax		**1,864,539**	2,033,267
Adjustments to reconcile profit before tax to net cash flows:			
Share of results of investment in equity-accounted investees	5	**(1,821,201)**	(1,848,078)
Depreciation of property and equipment		**133,023**	115,600
Depreciation of right-of-use assets		**57,629**	57,244
Allowance for expected credit losses		**25,851**	4,320
Profit from term deposits		**(105,246)**	(75,556)
Finance costs on debts and borrowings		**275,625**	275,625
Finance cost on lease liabilities		**5,940**	7,394
Provision for employees' end of service benefits		**68,959**	34,130
		505,119	603,946
Changes in operating assets and liabilities:			
Inventories		**(1,186)**	(8,293)
Accounts receivable and prepayments		**(321,080)**	83,555
Accounts payable and accruals		**6,303**	(154,768)
Cash flows from operating activities		**189,156**	524,440
Employees' end of service benefits paid		**(16,842)**	(5,225)
Net cash flows from operating activities		**172,314**	519,215
INVESTING ACTIVITIES			
Purchase of property and equipment		**(73,818)**	(36,545)
Net movement in term deposits		**525,000**	35,000
Profit from term deposits received		**101,262**	36,708
Net cash flows from investing activities		**552,444**	35,163
FINANCING ACTIVITIES			
Payment of lease liabilities		**(40,830)**	(40,830)
Net cash flows used in financing activities		**(40,830)**	(40,830)
NET INCREASE IN BANK BALANCES AND CASH		**683,928**	513,548
Bank balances and cash at 1 January		**1,668,525**	1,108,448
BANK BALANCES AND CASH AT 31 MARCH		**2,352,453**	1,621,996
Non-cash items excluded from the interim condensed consolidated statement of cash flows:			
Additions to right-of-use assets		**(104,327)**	-
Additions to lease liabilities		**104,327**	-

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

1 CORPORATE INFORMATION

The interim condensed consolidated financial information of Sokouk Holding Company K.S.C.P. (the "Parent Company") and its subsidiaries (collectively, the "Group") for the three months ended 31 March 2026 was authorised for issue in accordance with a resolution of the directors on 11 May 2026.

The consolidated financial statements of the Group for the year ended 31 December 2025 were approved by the shareholders at the annual general assembly meeting ("AGM") held on 26 March 2026. No dividends have been declared by the Parent Company.

The Parent Company is a public shareholding company incorporated and domiciled in the State of Kuwait and whose shares are publicly traded in Boursa Kuwait.

The Parent Company's head office is located at ITS building 3rd Floor, Mubarak Al-Kabeer Street, Sharq and its registered postal address is at P.O. Box 29110, Safat 13152 - State of Kuwait.

The Parent Company is a subsidiary of Aref Investment Group S.A.K. (Closed) (referred to hereunder as "Aref" or the "Ultimate Parent Company"), a Kuwaiti shareholding company incorporated and domiciled in the State of Kuwait.

The principal activities of the Parent Company as per its Memorandum of Incorporation are, as follows:

- Owning shares of Kuwaiti or foreign shareholding companies or units in Kuwaiti or foreign limited liability companies, or establishing, managing, financing and sponsoring such companies.
- Financing and sponsoring entities in which the Parent Company has an ownership interest of not less than 20% in such entities.
- Owning industrial rights such as patents, industrial trademarks, sponsoring foreign companies or any other related industrial rights and leasing such rights for the benefit of companies inside or outside State of Kuwait.
- Owning movable assets or real estates required to pursue the Parent Company's activities within the limits acceptable by law.
- Utilising available surplus funds by investing these funds in portfolios managed by specialised parties.

All activities are conducted in accordance with Islamic Sharīʿa as approved by the Parent Company's Fatwa and Sharīʿa Supervisory Board.

The interim condensed consolidated financial information includes the financial information of the Parent Company and the following material subsidiaries:

			% equity interest		
	Principal activities	***Country of incorporation***	***31 March 2026***	*31 December 2025*	*31 March 2025*
Gulf Real Estate Development House Company K.S.C. (Closed)	Real Estate	Kuwait	**87.99%**	87.99%	87.99%
Sokouk Real Estate Company K.S.C. (Closed) *	Real Estate	Kuwait	**96.52%**	96.52%	96.52%

* The remaining shares/ units in the subsidiary is held by other related parties on behalf of the Parent Company. Therefore, the effective holding of the Parent Company in the subsidiary is 100%.

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial information of the Group has been prepared in accordance with IAS 34 *'Interim Financial Reporting'*. 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.

The Group has prepared the interim condensed consolidated financial information on the basis that it will continue to operate as a going concern.

The Group has not early adopted any other standards, interpretations or amendments that has been issued but not yet effective. Other amendments to IFRSs which are effective for annual accounting period starting from 1 January 2026 did not have any material impact on the accounting policies, financial position or performance of the Group. The interim condensed consolidated financial information does not contain all information and disclosures required for annual consolidated financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

In addition, results for the period ended 31 March 2026 may not necessarily be indicative of the results that may be expected for the financial year ending 31 December 2026. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included.

Certain prior period amounts have been reclassified to conform to the current period presentation. There is no effect of these reclassifications on the previously reported equity and profit for the period then ended. Such reclassification has been made to improve the quality of information presented.

2.2 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of new standards effective as of 1 January 2026. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)
In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the 'settlement date' and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date.
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed.
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments.
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

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

Annual Improvements to IFRS Accounting Standards - Volume 11
In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows.

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

3 EARNINGS PER SHARE (EPS)

Basic EPS is calculated by dividing the profit for the period attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent Company by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical.

	Three months ended 31 March	
	2026	*2025*
Profit for the period attributable to equity holders of the Parent Company (KD)	**1,876,494**	2,030,186
Weighted average number of ordinary shares (excluding treasury shares) outstanding during the period (shares)	**571,645,336**	571,645,336
Basic and diluted earnings per share attributable to the equity holders of the Parent Company (fils)	**3.28**	3.55

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these interim condensed consolidated financial information.

4 TERM DEPOSITS

Term deposits are placed with a local bank, denominated in Kuwaiti Dinar and carry an effective average profit rate ranging from 3.9% to 4% as at 31 March 2026 (31 December 2025: 3.6% to 4.1% and 31 March 2025: 3.625% to 4.19%) per annum and maturing within twelve months from the date of placement.

5 INVESTMENT IN EQUITY – ACCOUNTED INVESTEES

Set out below are the investment in equity-accounted investees of the Group as at the reporting date:

		% equity interest			***Carrying amounts***		
	Country	***31 March 2026 %***	*(Audited) 31 December 2025 %*	*31 March 2025 %*	***31 March 2026 KD***	*(Audited) 31 December 2025 KD*	*31 March 2025 KD*
Munshaat Real Estate Projects Company K.S.C.P. ("Munshaat")	Kuwait	**27.67**	27.67	27.67	**12,523,681**	11,542,250	5,682,525
Qitaf Joint Venture ("Qitaf")	Kuwait	**36.43**	36.43	36.43	**116,218**	118,662	498,632
The Zamzam 2013 JV ("Zamzam")	Kuwait	**23.48**	23.48	23.48	**11,293,442**	10,491,322	9,215,855
					23,933,341	22,152,234	15,397,012

The market value of investment in Munshaat (based on the quoted market price) as at 31 March 2026 was KD 16,928,506 (31 December 2025: KD 21,739,766 and 31 March 2025: KD 13,810,097).

5 INVESTMENT IN EQUITY – ACCOUNTED INVESTEES (continued)

The movement in the carrying amount of investment in equity-accounted investees during the period/ year is as follows:

Reconciliation to carrying amounts:	***31 March 2026 KD***	*(Audited) 31 December 2025 KD*	*31 March 2025 KD*
As at the beginning of the period/ year	**22,152,234**	13,523,733	13,523,733
Share of results	**1,821,201**	4,761,389	1,848,078
Share of other comprehensive (loss) income	**(40,680)**	1,331,469	24,791
Reversal of impairment	**-**	2,539,337	-
Exchange differences	**586**	(3,694)	410
As at the end of the period/ year	**23,933,341**	22,152,234	15,397,012

The Group performed an impairment test for its investment in equity-accounted investees during the fourth quarter of the preceding annual reporting period, which concluded that no impairment losses were required. As the assessment was performed at the end of the last annual reporting period, and in the absence of any new indicators of impairment during the current interim reporting period, management believes that there are no triggering events that would necessitate an update to the impairment test in accordance with IAS 36 *'Impairment of Assets'*.

6 PROPERTY AND EQUIPMENT

Property and equipment with a carrying amount of KD 25,760,947 (31 December 2025: KD 25,820,030, 31 March 2025: KD 25,882,864) are subject to a first charge to secure the Group's Islamic finance payables (Note 8).

Impairment losses related to real estate property

As at 31 December 2025, the Group assessed whether there is an indication that land and building may be impaired through assessing factors such as significant external adverse changes including market, economic, technological or legal environment factors in which the Group operates or internal observable factors including failure to meet budgeted and forecasted earnings in the current and prior years; that may trigger indicators of impairment that will either impact the carrying value or the remaining useful life of land and building. The management has also considered certain additional factors such as maintenance status, market knowledge and historical transactions.

Based on management assessment and the valuation performed by two independent real estate valuers with experience in the locations and category of the property being valued during the year-end, no impairment indicators were noted. Management believes that there are no significant circumstances during the interim reporting period that have arisen since year-end which may have a significant impact on the recoverable amount.

7 EQUITY

7.1 Share capital

As at 31 March 2026, the authorised, issued and fully paid-up capital of the Parent Company is KD 59,314,500 (31 December 2025 and 31 March 2025: KD 59,314,500) comprises of 593,145,000 (31 December 2025: 593,145,000 and 31 March 2025: 593,145,000) shares of 100 fils each. All shares are paid in cash.

7.2 Treasury shares

	31 March 2026	*(Audited) 31 December 2025*	*31 March 2025*
Number of treasury shares	**21,499,664**	21,499,664	21,499,664
Percentage of share capital	**3.62%**	3.62%	3.62%
Cost of treasury shares – KD	**1,769,871**	1,769,871	1,769,871
Market value – KD	**1,332,979**	1,719,973	1,246,981
Weighted average market price – fils	**62**	80	58

Reserves equivalent to the cost of the treasury shares held are not available for distribution during the holding period of such shares as per CMA guidelines.

8 ISLAMIC FINANCE PAYABLES

	Currency	*Effective profit rate (EIR)*	***31 March 2026 KD***	*(Audited) 31 December 2025 KD*	*31 March 2025 KD*
Secured Ijara contract	Kuwaiti Dinar	5.25%	**26,420,625**	26,145,000	25,318,125

The secured Ijara contract amounting to KD 26,420,625 (31 December 2025: KD 26,145,000 and 31 March 2025: KD 25,318,125) represent a finance lease agreement ("Ijara contract") entered into between Gulf Real Estate Development House Company ("Subsidiary") and a local financial institution ("lender") in respect of a hotel property located in the State of Kuwait ("leased property"). The lease matured on 31 March 2020 ("maturity date"). Ijara payables are secured by a first charge over the Group's leased property, with a carrying value of KD 25,760,947 at 31 March 2026 (31 December 2025: KD 25,820,030 and 31 March 2025: KD 25,882,864) (Note 6).

Due to COVID-19 pandemic and the consequent financial difficulties, the lender officially notified the Subsidiary in August 2020 to surrender the leased property.

On 5 April 2021, the Subsidiary was subpoenaed by the court to evict and surrender the leased property following a claim lodged by the lender. On 17 November 2021 the Court of First Instance ruled in favour of the lender and ordered the Subsidiary to hand over the leased property. The Subsidiary decided to appeal against the decision before the Court of Appeal. On 20 June 2022, the higher court decided to suspend the case until the outcome of the below counter litigation filed by the Group to prove its claim on the right of ownership on the property.

On 4 July 2021, the lender filed another case against the Parent Company (in its capacity as a joint guarantor) and the Subsidiary requesting the court to refer the matter to experts to evaluate the ownership of the property and has also raised a demand for compensation for the period from the date of expiry of the contract. The matter has been referred to experts. The court received the experts report on 19 September 2022 and contravened on 23 October 2022 and decided to shift the case to a different department – Commercial Government department, which has decided to send the matters to their own set of experts. Further, on the same date, the Group filed a counter litigation to prove its claim on the right of ownership on the property. The court merged both cases and rendered a decision in favour of the Group on 25 December 2022. Furthermore, with respect to the joint guaranteed contract with the Parent Company towards the debt obligation, the Court of Appeal, ruled a final decision that the contract is void; accordingly, the Parent Company has no contractual obligation towards the Islamic finance payables. The Lender has appealed against the decision. On 15 April 2026, the court of cassation ruled to reject the appeal and ordered the appellants to pay the costs.

Furthermore, in 2024, the lender filed a new case against the Parent Company and the Subsidiary claiming the Islamic finance payables amounting to KD 21,000,000 with 5.25% profit. On 9 February 2025, the Court of First Instance dismissed the case. The lender filed an appeal against the decision. On 18 June 2025, the Court of First Instance issued a suspensive injunction, effective until the final adjudication of the above appeals pending before the Court of Cassation. As at the reporting date, there were no further developments in relation to the matters noted above.

Finance costs continue to be accrued by the Group since the expiry of the contract on 30 June 2020 in order to provide any such contingency.

As at the reporting date, there were no further developments in relation to the matters noted above

9 RELATED PARTY DISCLOSURES

Related parties represent the Ultimate Parent Company, major shareholders, investment in equity-accounted investees, directors and key management personnel of the Group, and companies of which they are principal owners or over which they are able to exercise significant influence or joint control. Pricing policies and terms of these transactions are approved by the Parent Company's management.

The following table provides the total amounts of transactions that have been entered into with related parties during the three months ended 31 March 2026 and 2025:

	Three months ended 31 March			
	Investment in equity-accounted investees KD	***Other related parties KD***	***Total 2026 KD***	*Total 2025 KD*
Interim condensed consolidated statement of profit or loss:				
Management fees income	**22,036**	-	**22,036**	22,203
Management fees (included under administrative expenses)	-	**(12,601)**	**(12,601)**	(15,532)
Incentive fees (included under administrative expenses)	-	**(20,683)**	**(20,683)**	(28,553)
Marketing fees (included under administrative expenses)	-	**(8,401)**	**(8,401)**	(10,355)

The following table provides the total balances with related parties as at 31 March 2026, 31 December 2025 and 31 March 2025:

	Major shareholder of the Ultimate Parent Company KD	***Investment in equity-accounted investees KD***	***Other related parties KD***	***31 March 2026 KD***	*(Audited) 31 December 2025 KD*	*31 March 2025 KD*
Interim condensed consolidated statement of financial position:						
Due from related parties	**-**	**417,685**	**37,374**	**455,059**	292,260	355,564
Due to related parties	**(121,845)**	**(37,477)**	**(38,610)**	**(197,932)**	(212,340)	(136,874)

Terms and conditions of transactions with related parties

Transactions with related parties are made on terms approved by the Group's management. All balances at the period-end are unsecured, interest free and have no fixed repayment schedule. There have been no guarantees provided or received for any related party receivables or payables. For the period ended 31 March 2026, the Group has not recognised any provision for expected credit losses relating to amounts owed by related parties (31 December 2025 and 31 March 2025: Nil).

9 RELATED PARTY DISCLOSURES (continued)

Key management compensation

Key management personnel comprise of the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Group.

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

	Transaction values for the three months ended		*Balances outstanding as at*		
				(Audited)	
	31 March 2026 KD	*31 March 2025 KD*	***31 March 2026 KD***	*31 December 2025 KD*	*31 March 2025 KD*
Salaries and other short-term benefits	**27,166**	27,497	**51,052**	124,015	51,132
End of service benefits	**1,849**	1,849	**33,812**	32,407	27,533
Compensation to independent board member*	**-**	-	**-**	10,000	-
	29,015	29,346	**84,864**	166,422	78,665

The Board of Directors of the Parent Company in their meetings held on 17 February 2026 proposed remuneration to the independent board member of KD 10,000 for the year ended 31 December 2025 (2024: KD 10,000). This proposal was approved by the shareholders at the annual general assembly meeting ("AGM") held on 26 March 2026.

10 SEGMENT INFORMATION

For management purposes, the Parent Company is organised into three major business segments. The principal activities and services under these segments are as follows:

- Hotel operations: Provision of hospitality services through the Millennium Hotel and Convention Center Kuwait
- Real estate: Managing investment properties
- Investment: Managing direct investments and investments in subsidiaries and investment in equity-accounted investees

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on return on investments. The Group does not have any inter-segment transactions.

The following table presents segment revenue, expenses, and results information of the Group's operating segments for the three months ended 31 March 2026 and 31 March 2025:

	Hotel operations KD	***Real estate KD***	***Investment KD***	***Other unallocated items KD***	***Total KD***
Three months ended 31 March 2026					
Segment income	**1,061,377**	**103,705**	**1,821,201**	**127,282**	**3,113,565**
Segment expenses	**(1,061,057)**	**(32,761)**	**-**	**(155,208)**	**(1,249,026)**
Segment results	**320**	**70,944**	**1,821,201**	**(27,926)**	**1,864,539**

10 SEGMENT INFORMATION (continued)

	Hotel operations KD	*Real estate KD*	*Investment KD*	*Other unallocated items KD*	*Total KD*
Three months ended 31 March 2025					
Segment income	1,243,538	109,347	1,848,078	99,125	3,300,088
Segment expenses	(1,126,349)	(26,253)	-	(114,933)	(1,267,535)
Segment results	117,189	83,094	1,848,078	(15,808)	2,032,553

The following table presents assets and liabilities for the Group's operating segments as at 31 March 2026, 31 December 2025 and 31 March 2025, respectively:

	Hotel operations KD	***Real estate KD***	***Investment KD***	***Other unallocated items KD***	***Total KD***
At 31 March 2026					
Total assets	**32,683,122**	**10,951,166**	**29,315,263**	**62,550**	**73,012,101**
Total liabilities	**(27,633,418)**	**(395,950)**	**(70,566)**	**(756,441)**	**(28,856,375)**
At 31 December 2025 (Audited)					
Total assets	32,357,335	10,760,851	27,532,075	68,222	70,718,483
Total liabilities	(27,287,128)	(386,848)	(70,378)	(708,539)	(28,452,893)
As at 31 March 2025					
Total assets	31,655,840	9,968,310	20,994,243	85,766	62,704,159
Total liabilities	(26,370,361)	(374,417)	(14,989)	(635,953)	(27,395,720)

11 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

31 March 2026	*Within 1 year KD*	*After 1 year KD*	*Total KD*
ASSETS			
Cash and cash equivalents	**2,352,453**	**-**	**2,352,453**
Term deposits	**10,563,000**	**-**	**10,563,000**
Inventories	**56,441**	**-**	**56,441**
Accounts receivable and prepayments	**1,060,870**	**-**	**1,060,870**
Investment properties	**-**	**7,350,000**	**7,350,000**
Financial assets at FVOCI	**-**	**382,313**	**382,313**
Investment in equity-accounted investees	**-**	**23,933,341**	**23,933,341**
Right-of-use assets	**-**	**1,552,235**	**1,552,235**
Property and equipment	**-**	**25,761,448**	**25,761,448**
TOTAL ASSETS	**14,032,764**	**58,979,337**	**73,012,101**
LIABILITIES			
Islamic finance payables	**26,420,625**	**-**	**26,420,625**
Accounts payable and accruals	**1,631,485**	**303,328**	**1,934,813**
Employees' end of service benefits	**-**	**500,937**	**500,937**
TOTAL LIABILITIES	**28,052,110**	**804,265**	**28,856,375**
NET LIQUIDTY GAP	**(14,019,346)**	**58,175,072**	**44,155,726**

31 December 2025			
ASSETS			
Cash and cash with banks	1,668,525	-	1,668,525
Term deposits	11,088,000	-	11,088,000
Inventories	55,255	-	55,255
Accounts receivable and prepayments	761,657	-	761,657
Investment properties	-	7,350,000	7,350,000
Financial assets at FVOCI	-	316,622	316,622
Investment in equity-accounted investees	-	22,152,234	22,152,234
Right-of-use assets	-	1,505,537	1,505,537
Property and equipment	-	25,820,653	25,820,653
TOTAL ASSETS	13,573,437	57,145,046	70,718,483
LIABILITIES			
Islamic finance payables	26,145,000	-	26,145,000
Accounts payable and accruals	1,594,610	264,463	1,859,073
Employees' end of service benefits	-	448,820	448,820
TOTAL LIABILITIES	27,739,610	713,283	28,452,893
NET LIQUIDTY GAP	(14,166,173)	56,431,763	42,265,590

11 MATURITY ANALYSIS OF ASSETS AND LIABILITIES (continued)

31 March 2025	*Within 1 year KD*	*After 1 year KD*	*Total KD*
ASSETS			
Cash and cash with banks	1,621,996	-	1,621,996
Term deposits	9,550,000	-	9,550,000
Inventories	57,374	-	57,374
Accounts receivable and prepayments	996,406	-	996,406
Investment properties	-	7,153,000	7,153,000
Financial assets at FVOCI	-	384,182	384,182
Investment in equity-accounted investees	-	15,397,012	15,397,012
Right-of-use assets	-	1,660,123	1,660,123
Property and equipment	-	25,884,066	25,884,066
TOTAL ASSETS	12,225,776	50,478,383	62,704,159
LIABILITIES			
Islamic finance payables	25,318,125	-	25,318,125
Accounts payable and accruals	1,280,115	355,011	1,635,126
Employees' end of service benefits	-	442,469	442,469
TOTAL LIABILITIES	26,598,240	797,480	27,395,720
NET LIQUIDTY GAP	(14,372,464)	49,680,903	35,308,439

12 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value hierarchy
All financial assets and liabilities for which fair value is measured or disclosed in the interim condensed consolidated financial information 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

For assets and liabilities that are recognised in the interim condensed consolidated financial information at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

Valuation methods and assumptions
The following methods and assumptions were used to estimate the fair values:

Unlisted equity securities
The fair value of unlisted equity investment has been estimated using a market-based valuation technique. The Group determines comparable public companies (peers) based on industry, size and leverage and calculates an appropriate trading multiple for the comparable company identified. The multiple is then discounted for considerations such as illiquidity and size differences between the comparable companies based on company specific facts and circumstances. The Group classifies the fair value of these investments as Level 3.

12 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Valuation methods and assumptions (continued)
Other financial assets and liabilities
Fair value of other financial instruments is not materially different from their carrying values, at the reporting date, as most of these instruments are of short-term maturity or re-priced immediately based on market movement in profit rates.

Reconciliation of Level 3 fair values
The following table shows a reconciliation of all movements in the fair value of items categorised within Level 3 between the beginning and the end of the reporting period:

	Non-listed equity investments		
	31 March 2026 KD	*31 December 2025 KD*	*31 March 2025 KD*
As at 1 January	**316,622**	413,031	413,031
Remeasurement recognised in OCI	**65,691**	(96,409)	(28,849)
	382,313	316,622	384,182

The valuation techniques and inputs used in this interim condensed consolidated financial information are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2025.

13 IMPACT OF GEOPOLITICAL ESCALATIONS RISK AND RELATED UNCERTAININITY

The Group operates in a global and regional economic environment that continues to be affected by heightened geopolitical tensions in the Middle East. Recent developments in the region have increased uncertainty in financial markets, energy supply and costs, regional security conditions, and global trade routes. The wider regional impact of these events may affect economic conditions relevant to the various sectors. Management has assessed the potential impacts of the geopolitical situation on the Group’s operations and financial position, taking into consideration:

- Financing and liquidity, including the availability and cost of debt financing, refinancing risk, and compliance with financial covenants.
- Credit risk, particularly in sectors or geographies that may be indirectly affected by disruptions in trade, energy markets, or regional economic activity.
- Market liquidity risk, including the ability to realise investments at quoted or observable market prices in periods of heightened volatility.
- Foreign exchange risk, arising from increased currency volatility in markets linked to the region.

As at the reporting date, the Group has not experienced any material disruption to its core operations. Accordingly, management has not identified any material adverse impacts on the overall valuation of the properties or investment portfolio’s that require specific adjustment beyond those reflected in observable market prices and valuation inputs.

In assessing the carrying values of non financial assets which are prepared on a historical cost basis, management has not identified any indicators of impairment requiring recognition at the reporting date. However, future adverse developments in the geopolitical environment may result in changes to key valuation assumptions.

The Group’s ECL models incorporate forward looking information reflecting multiple macroeconomic scenarios. While increased uncertainty has been incorporated into ECL calculations, management concluded that the allowance for expected credit losses appropriately reflects the level of credit risk inherent in the Group’s trade receivable portfolio.

13 IMPACT OF GEOPOLITICAL ESCALATIONS RISK AND RELATED UNCERTAINITY (continued)

The Group maintains liquidity buffers and capital resources that management considers sufficient to meet its commitments and operating expenses as they fall due. The Group has assessed the potential impact of adverse market movements on its ability to realise investments or access funding, including under stressed market scenarios. No breaches of liquidity thresholds, investment restrictions, or capital management policies were identified as at the reporting date.

Management has also considered the impact of these events on the Group's ability to continue as a going concern and concluded that the going concern basis remains appropriate. The geopolitical situation remains dynamic, and the extent and duration of potential impacts on global financial markets are uncertain. Management continues to monitor developments closely and will reflect any material impacts in future valuations, risk disclosures, and financial reporting as appropriate.

Management continues to monitor the situation and assess potential impacts on the Group. As of the date of authorization of these interim condensed financial information, the financial effects cannot be reliably estimated due to the evolving nature of the events.