AL MANAR
FINANCING & LEASING

2026

Al Manar Financing and Leasing Company K.S.C. (Public) and its subsidiaries
State of Kuwait

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

Al Manar Financing and Leasing Company K.S.C.
(Public) and its subsidiaries
State of Kuwait

Interim Condensed Consolidated Financial Information (Unaudited)
and Independent Auditor's Review Report
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State of Kuwait

Independent Auditor's Review Report on Interim Condensed Consolidated Financial Information

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Al Manar Financing and Leasing Company K.S.C. (Public) ("the Parent Company") and its subsidiaries (together referred to as "the Group") as at 30 June 2026 and the related interim condensed consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the six months period then ended. The management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with the basis of preparation as set out in (Note 2.1). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with the basis of preparation as set out in (Note 2.1).

Emphasis of a matter

Without qualifying our conclusion, we draw attention to Note (6-A) regarding the accompanying condensed consolidated interim financial information.

Report on Other Legal and Regulatory Requirements

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

We further report that, during the course of review to the best of our knowledge and belief, we have not become aware of any material violations of the provisions of Law No. 32 of 1968 as amended, concerning currency, the Central Bank of Kuwait and the organization of banking business and its related regulation or of the provisions of Law No. 7 of 2010 concerning the establishment of Capital Markets Authority and Organization of Securities Activity and its Executive Regulations, as amended, have occurred during the six months period ended 30 June 2026, that might have had a material effect on business of the Group or its interim condensed consolidated financial position.

Qais M. Al Nisf
License No. 38
BDO Al Nisf & Partners

Kuwait: 12 August 2026

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

	Notes	30 June 2026 KD	(Audited) 31 December 2025 KD	30 June 2025 KD
ASSETS				
Cash and cash equivalents	4	2,979,818	2,573,720	1,168,706
Investments in Wakala receivables	5	9,347,321	9,347,321	9,347,321
Investment in an associate	6	11,563,974	11,715,659	11,186,467
Finance receivables	7	19,340,075	18,148,976	17,134,714
Other receivables and prepayments	8	257,178	183,393	401,307
Investments in financial securities	9	13,861,745	15,121,592	13,331,118
Investment properties		4,715,000	4,715,000	4,615,000
Other assets		29,090	17,390	11,207
Total assets		**62,094,201**	**61,823,051**	**57,195,840**
LIABILITIES AND EQUITY				
Liabilities				
Accounts payable and other credit balances	10	2,986,341	3,051,976	2,510,222
Islamic financing payables	11	24,432,856	22,072,412	19,638,836
Provision for staff indemnity		336,966	324,989	320,121
Total liabilities		**27,756,163**	**25,449,377**	**22,469,179**
Equity				
Share capital		26,374,759	26,374,759	26,374,759
Treasury shares	12	(2,114,983)	(1,275,761)	(116,277)
Treasury shares reserve		4,995	4,995	4,995
Statutory reserve		922,477	922,477	641,306
Voluntary reserve		922,477	922,477	641,306
Fair value reserve		266,870	1,547,696	565,505
Group's share in associate's reserve		(34,795)	(108,648)	(106,176)
Retained earnings		4,426,609	4,370,544	3,260,104
Total equity attributable to Shareholders of the Parent Company		**30,768,409**	**32,758,539**	**31,265,522**
Non-controlling interests		3,569,629	3,615,135	3,461,139
Total equity		**34,338,038**	**36,373,674**	**34,726,661**
Total liabilities and equity		**62,094,201**	**61,823,051**	**57,195,840**

The accompanying notes on pages 7 to 18 form an integral part of this interim condensed consolidated financial information.

Faisal Abdulaziz Al Nassar
Chairman

Interim Condensed Consolidated Statement of Profit or Loss (Unaudited)
For the six months period ended 30 June 2026

	Notes	For the three months period ended 30 June 2026 KD	For the three months period ended 30 June 2025 KD	For the six months period ended 30 June 2026 KD	For the six months period ended 30 June 2025 KD
Revenues					
Finance revenues		643,116	617,452	1,308,399	1,206,326
Share of associate's results	6	162,777	109,438	328,677	224,131
Rental income		76,303	76,491	153,353	151,931
Net gains from investments in financial securities	13	400,676	412,430	351,176	350,754
Other income		59,052	75,262	124,911	124,191
		1,341,924	**1,291,073**	**2,266,516**	**2,057,333**
Expenses					
Finance cost		(325,930)	(247,951)	(552,653)	(491,990)
Staff costs		(140,360)	(119,590)	(292,427)	(274,234)
(Provide) /reversal of provision for credit facilities	7	(32,029)	43,492	(111,287)	63,933
Other expenses		(52,260)	(77,291)	(141,966)	(205,312)
		(550,579)	**(401,340)**	**(1,098,333)**	**(907,603)**
Profit for the period before deductions		791,345	889,733	1,168,183	1,149,730
NLST		(9,164)	(20,451)	(17,578)	(26,670)
Zakat		(3,666)	(8,180)	(7,031)	(10,668)
KFAS		(4,994)	(6,558)	(6,279)	(7,445)
Net profit for the period		**773,521**	**854,544**	**1,137,295**	**1,104,947**
Attributable to:					
The Parent Company's shareholders		717,922	815,054	1,031,926	1,031,500
Non-controlling interests		55,599	39,490	105,369	73,447
Net profit for the period		**773,521**	**854,544**	**1,137,295**	**1,104,947**
Basic and diluted earnings per share (fils)	14	**2.94**	**3.11**	**4.22**	**3.94**

The accompanying notes on pages 7 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 (Unaudited)
For the six months period ended 30 June 2026

	For the three months period ended 30 June		For the six months period ended 30 June	
	2026	**2025**	**2026**	**2025**
	KD	KD	KD	KD
Net profit for the period	**773,521**	**854,544**	**1,137,295**	**1,104,947**
Other comprehensive (loss)/income				
Items that will not be reclassified subsequently to the interim condensed consolidated statement of profit or loss:				
Changes in fair value of financial assets at fair value through other comprehensive income	245,875	143,243	(1,280,826)	323,131
Items that may be reclassified subsequently to the interim condensed consolidated statement of profit or loss:				
Group's share in associate's reserve	27,818	(131,151)	105,503	(107,057)
Other comprehensive (loss)/income for the period	**273,693**	**12,092**	**(1,175,323)**	**216,074**
Total Comprehensive (loss)/income for the period	**1,047,214**	**866,636**	**(38,028)**	**1,321,021**
Attributable to:				
The Parent Company's shareholders	983,270	866,491	(175,047)	1,279,691
Non-controlling interests	63,944	145	137,019	41,330
	1,047,214	**866,636**	**(38,028)**	**1,321,021**

The accompanying notes on pages 7 to 18 form an integral part of this interim condensed consolidated financial information

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

	Share capital	Treasury shares	Treasury shares reserve	Statutory reserve	Voluntary reserve	Fair value reserve	Group's share in associates' reserve	Retained earnings	Total equity attributable to shareholders of Parent Company	Non-controlling interests	Total Equity
	KD	KD	KD	KD	KD	KD	KD	KD	KD	KD	KD
Balance as at 1 January 2025	26,374,759	(116,277)	4,995	641,306	641,306	242,374	(31,236)	3,013,867	30,771,094	3,568,803	34,339,897
Net profit for the period	-	-	-	-	-	-	-	1,031,500	1,031,500	73,447	1,104,947
Other comprehensive income for the period	-	-	-	-	-	323,131	(74,940)	-	248,191	(32,117)	216,074
Total comprehensive income for the period	-	-	-	-	-	323,131	(74,940)	1,031,500	1,279,691	41,330	1,321,021
Dividends	-	-	-	-	-	-	-	(785,263)	(785,263)	-	(785,263)
Non-controlling interests movement	-	-	-	-	-	-	-	-	-	(148,994)	(148,994)
Balance as at 30 June 2025	26,374,759	(116,277)	4,995	641,306	641,306	565,505	(106,176)	3,260,104	31,265,522	3,461,139	34,726,661
Balance as at 1 January 2026	26,374,759	(1,275,761)	4,995	922,477	922,477	1,547,696	(108,648)	4,370,544	32,758,539	3,615,135	36,373,674
Net profit for the period	-	-	-	-	-	-	-	1,031,926	1,031,926	105,369	1,137,295
Other comprehensive loss for the period	-	-	-	-	-	(1,280,826)	73,853	-	(1,206,973)	31,650	(1,175,323)
Total comprehensive loss for the period	-	-	-	-	-	(1,280,826)	73,853	1,031,926	(175,047)	137,019	(38,028)
Purchase of treasury shares	-	(839,222)	-	-	-	-	-	-	(839,222)	-	(839,222)
Dividends (Note 17)	-	-	-	-	-	-	-	(975,861)	(975,861)	-	(975,861)
Non-controlling interests movement	-	-	-	-	-	-	-	-	-	(182,525)	(182,525)
Balance as at 30 June 2026	26,374,759	(2,114,983)	4,995	922,477	922,477	266,870	(34,795)	4,426,609	30,768,409	3,569,629	34,338,038

The accompanying notes on pages 7 to 18 form an integral part of this interim condensed consolidated financial information.

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

	Notes	For the six months period ended 30 June 2026 KD	2025 KD
Cash flows from operating activities			
Net profit for the period		**1,137,295**	**1,104,947**
Adjustments for:			
Share of associate's results	6	(328,677)	(224,131)
Provide/(reversal) of provision for credit facilities	7	111,287	(63,933)
Depreciation		5,418	2,530
Net gains from investments in financial securities	13	(351,176)	(350,754)
Finance costs		552,653	491,990
Provision for staff indemnity		11,977	(7,292)
		1,138,777	**953,357**
Change in working capital			
Finance receivables		(1,302,386)	(731,387)
Other receivables and prepayments		(73,785)	(115,039)
Accounts payable and other credit balances		(103,133)	(263,803)
Net cash flows used in from operating activities		**(340,527)**	**(156,872)**
Investing activities			
Purchase of financial securities at FVTOCI		(365,709)	(717)
Proceeds at redemption of financial securities at amortized cost		831,339	-
Purchase of financial securities at FVTPL		(535,673)	-
Proceeds from redemption of financial securities at FVTPL		-	2,896
Purchase of other assets		(17,118)	(104)
Dividends income received from financial securities	13	405,026	267,631
Dividends income received from associate	6	585,865	478,648
Net cash flows generated from investing activities		**903,730**	**748,354**
Financing activities			
Proceed from Islamic financing payables		2,350,000	1,270,000
Payment for Islamic financing payables		-	(489,904)
Purchase of treasury shares		(839,222)	-
Payment for capital reduction		(562)	(4,567)
Dividend paid		(932,143)	(755,055)
Payment for non-controlling interests		(182,525)	(148,994)
Finance cost paid		(552,653)	(491,990)
Net cash flows used in financing activities		**(157,105)**	**(620,510)**
Net increase/(decrease) in cash and cash equivalents		406,098	(29,028)
Cash and cash equivalents at the beginning of the period		2,573,720	1,197,734
Cash and cash equivalents at the end of the period	4	**2,979,818**	**1,168,706**

The accompanying notes on pages 7 to 18 form an integral part of this interim condensed consolidated financial information.

1. INCORPORATION AND ACTIVITIES

Al Manar Financing and Leasing Company K.S.C. (Public) ("the Parent Company") was incorporated in the State of Kuwait in 2003 by the authorized letter of incorporation no. 4857 file 1 dated 6 December 2003.

The main activities of the Parent Company and its subsidiaries (together referred to as "the Group") are all financing and investing activities according to the Islamic Shari'a principles.

The Parent Company has the right to conduct the above activities inside and outside State of Kuwait directly or through agency and the Parent Company may have an interest or participate with others having similar activities or assist it in accomplishing its activities inside or outside Kuwait or purchase these companies. This must be in accordance with the provisions of Islamic Sharia.

The Parent Company is subject to instructions and monitoring by the Central Bank of Kuwait and Capital
Markets Authority.

The registered office of the Parent Company is P.0. Box 22828, Safat 13089,Kuwait.

This interim condensed consolidated financial information for the six months period ended 30 June 2026 were authorized for issue by the Board of Directors of the Parent Company on 12 August 2026.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with International Accounting Standard: 34 "Interim Financial Reporting" and the instructions of the Central Bank of Kuwait and should be read with the last audited consolidated annual financial statements of the Group as of 31 December 2025.

The interim condensed consolidated financial information does not include all the information and disclosures required to prepare complete annual consolidated financial statements in accordance with International Financial Reporting Standards ("IFRSs") as amended for use by the State of Kuwait for financial services institutions supervised by the Central Bank of Kuwait. These regulations require the application of all IFRSs, including the requirements of International Financial Reporting Standard No. (9): Financial Instruments Related to Expected Credit Risks or the required provisions in accordance with the instructions of the Central Bank of Kuwait, whichever is higher.

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

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

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 New standards, interpretations and amendments adopted by the Group

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

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7
In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments).
The Amendments include:
- Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the 'settlement date' and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date.
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed.
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments.
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI) The amendments had no impact on the Group's interim condensed consolidated financial statements.

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

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

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

Contracts Referencing Nature -dependent Electricity – Amendments to IFRS 9 and IFRS 7
In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature dependent Electricity.
The amendments apply only to contracts that reference nature-dependent electricity, and they:
- Clarify the application of the 'own-use' requirements for in-scope contracts
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in -scope contracts
- Add new disclosure requirements to enable investors to understand the effect of these contracts on Group's consolidated financial performance and cash flows.

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

3. BASIS OF CONSOLIDATION

The interim condensed consolidated financial information comprises of Al Manar Financing and Leasing Company K.S.C. (Public) and its subsidiaries (together referred to as "the Group")

Name of subsidiary	Country of incorporation	Principal activities	Ownership (%) 30 June 2026	31 December 2025 (Audited)	30 June 2025
Manarat Tasaheel Real Estate Company W.L.L.	Kuwait	Real estate	100	100	100
AI-Manar Express for Marketing Consulting Company W.L.L.	Kuwait	Consulting	100	100	100
AI- Manar Watania for Administrative Consulting Company W.L.L.	Kuwait	Consulting	100	100	100
AI Jawhara Company for Buying and Selling Shares & Bonds W.L.L.	Kuwait	Investment	70	70	70
Sidra National Real Estate Consulting Company S.P.C.*	Kuwait	Real Estate Consulting	100	100	100

Subsidiaries' management accounts have been used for the consolidation purposes as at 30 June 2026. The total assets of the subsidiaries are KD 18,040,480 (KD 18,184,056 as at 31 December 2025, KD 17,120,411 as at 30 June 2025), net gains of KD 381,562 during the six months ended 30 June 2026 (net gains KD 240,706 during the six months ended 30 June 2025).

4. CASH AND CASH EQUIVALENTS

	30 June 2026 KD	(Audited) 31 December 2025 KD	30 June 2025 KD
Cash at banks and portfolios	2,978,668	1,673,720	1,167,556
Wakala with banks (less than 3 months)	-	900,000	-
Cash on hand	1,150	-	1,150
	2,979,818	**2,573,720**	**1,168,706**

5. INVESTMENTS IN WAKALA RECIVABLES

Investments in Wakala receivables have been deposited at local financial institutions according to Wakala contracts. The effective yield on those contracts is 3.75% - 4.25% per annum as at 30 June 2026 (31 December 2025: 4% - 4.25% and 30 June 2025: 3.75% - 4.25% per annum). Expected credit losses amounted to KD 17,679 as at 30 June 2026 (KD 17,679 as at 31 December 2025 and KD 17,679 as at 30 June 2025).

6. INVESTMENT IN AN ASSOCIATE

Name of associate	Country of incorporation	Principal activities	Ownership (%) 30 June 2026	(Audited) 31 December 2025	30 June 2025
Injazzat Real Estate Development Company K.S.C.P.	Kuwait	Real Estate	28.25	28.25	28.25

The movement during the period / year / period is as follows:

	30 June 2026	(Audited) 31 December 2025	30 June 2025
	KD	KD	KD
Balance at the beginning of the period / year / period	11,715,659	11,548,041	11,548,041
Share of results	328,677	744,828	224,131
Share of reserves	105,503	(110,587)	(107,057)
Dividends received	(585,865)	(478,648)	(478,648)
Other adjustments	-	12,025	-
Balance at the end of the period / year / period	**11,563,974**	**11,715,659**	**11,186,467**

The Group has recognised the share of results from "Injazzat Real Estate Development Company K.S.C. (Public)" based on issued interim condensed consolidated financial information as at 30 June 2026.

a) The associate sold the usufruct right of an investment property located outside the State of Kuwait to one of its shareholders and a portion of the consideration receivable from the sale transaction remains uncollected as at the date of this interim condensed consolidated financial information. The associate collects the rental income from the sold property and utilizes such collections to settle the remaining receivable balance. The management of associate is currently working on preparing a plan to settle and repay the outstanding balance.

7. FINANCE RECEIVABLES

	30 June 2026	(Audited) 31 December 2025	30 June 2025
	KD	KD	KD
Finance receivables - gross	25,805,544	24,278,385	23,107,305
Less: deferred and suspended revenues	(3,602,505)	(3,377,732)	(3,249,886)
Less: provision for credit facilities	(2,862,964)	(2,751,677)	(2,722,705)
Finance receivables – net	**19,340,075**	**18,148,976**	**17,134,714**

7. FINANCE RECEIVABLES (CONTINUED)

Provision for expected credit losses on credit facilities determined under IFRS 9 according to CBK guidelines amounted to KD 2,800,214 as at 30 June 2026 (31 December 2025: KD 2,627,390 and 30 June 2025: KD 2,653,414), which is lower than / equal / lower than the provision for credit facilities required by CBK instructions of KD 2,862,964 as at 30 June 2026 (31 December 2025: KD 2,751,677 and 30 June 2025: KD 2,722,705).

The movement in gross credit facilities is as follows:

	Stage 1 KD	Stage 2 KD	Stage 3 KD	Total KD
Balance at 1 January 2026	19,813,805	1,008,604	3,455,976	24,278,385
Net financing / (collection)	1,945,247	(295,790)	(122,298)	1,527,159
Transfer from / to stage 1	(1,508,927)	1,359,535	149,392	-
Transfer from / to stage 2	-	(288,211)	288,211	-
Balance at 30 June 2026	20,250,125	1,784,138	3,771,281	25,805,544

	Stage 1 KD	Stage 2 KD	Stage 3 KD	Total KD
Balance at 1 January 2025	17,857,679	615,831	3,674,041	22,147,551
Net financing / (collection)	1,419,943	(238,872)	(221,317)	959,754
Transfer from / to stage 1	(412,370)	412,370	-	-
Transfer from / to stage 2	-	(49,394)	49,394	-
Balance at 30 June 2025	18,865,252	739,935	3,502,118	23,107,305

The movement in the provision for expected credit losses during the period is as follows:

	Stage 1 KD	Stage 2 KD	Stage 3 KD	Total KD
Balance at 1 January 2026	86,373	44,290	2,496,727	2,627,390
Charged during the period	11,343	72,002	89,479	172,824
Transfer from / to stage 1	(7,007)	6,086	921	-
Transfer from / to stage 2	-	(15,397)	15,397	-
Balance at 30 June 2026	90,709	106,981	2,602,524	2,800,214

7. FINANCE RECEIVABLES (CONTINUED)

The movement in the provision for expected credit losses during the period is as follows (CONTINUED):

	Stage 1	Stage 2	Stage 3	Total
	KD	KD	KD	KD
Balance at 1 January 2025	77,131	36,191	2,673,316	2,786,638
Charged / (reversal) during the period	7,445	845	(141,514)	(133,224)
Transfer from / to stage 1	(2,121)	2,121	-	-
Transfer from / to stage 2	-	(143)	143	-
Balance at 30 June 2025	82,455	39,014	2,531,945	2,653,414

The movement in the provision for credit facilities required by CBK instructions as follows:

	30 June 2026	30 June 2025
	KD	KD
Balance at 1 January	2,751,677	2,786,638
Provide / (reversal) during the period	111,287	(63,933)
Balance at 30 June	2,862,964	2,722,705

The Group holds collateral amounting to KD 1,660,676 as at 30 June 2026 (31 December 2025: KD 1,910,660 and 30 June 2025: KD 2,022,987) over its finance receivables. Management believes that there is no further credit provision required in excess of the provision for credit losses.

8. OTHER RECEIVABLES AND PREPAYMENTS

	30 June 2026	(Audited) 31 December 2025	30 June 2025
	KD	KD	KD
Staff advances	26,001	20,709	20,141
Accrued income	161,426	88,808	272,938
Others	69,751	73,876	108,228
	257,178	**183,393**	**401,307**

9. INVESTMENTS IN FINANCIAL SECURITIES

	30 June 2026	(Audited) 31 December 2025	30 June 2025
	KD	KD	KD
Financial assets at fair value through profit or loss ("FVTPL")			
Quoted foreign funds	2,345,277	1,676,944	1,478,257
Quoted local shares	79,524	92,623	92,459
Unquoted foreign funds	275,192	448,603	567,694
Unquoted local shares	151,000	151,000	316,800
Unquoted foreign shares	143,000	143,000	118,300
	2,993,993	**2,512,170**	**2,573,510**
Financial assets at fair value through other comprehensive income ("FVTOCI")			
Quoted local shares	5,405,309	6,687,796	5,643,261
Quoted foreign shares	929,164	817,234	706,293
Unquoted local shares	1,572,940	1,317,500	900,000
Unquoted foreign shares	1,366,880	1,366,880	1,482,207
	9,274,293	**10,189,410**	**8,731,761**
Financial assets at amortized cost			
Debt sukuks – quoted at foreign stock exchanges	1,593,459	2,420,012	2,025,847
	1,593,459	**2,420,012**	**2,025,847**
	13,861,745	**15,121,592**	**13,331,118**

Fair value of financial assets was disclosed in Note 18.

10. ACCOUNTS PAYABLE AND OTHER CREDIT BALANCES

	30 June 2026	(Audited) 31 December 2025	30 June 2025
	KD	KD	KD
Trade payables	334,957	621,122	591,137
Capital reduction payables	96,038	96,600	102,047
Accrued salaries and other staff accruals	183,979	363,237	166,736
Payable against on acquisition of subsidiary	600,000	600,000	750,000
Dividends payable	217,142	173,424	179,851
NLST	17,578	63,979	26,670
Zakat	7,031	25,592	10,668
KFAS	6,279	17,857	7,445
Others	1,523,337	1,090,165	675,668
	2,986,341	**3,051,976**	**2,510,222**

11. ISLAMIC FINANCING PAYABLES

Islamic financing payables are obtained from local and foreign banks and are denominated in KD and USD. The average cost is 4.35% - 4.75% and 4.62% - 4.82% for local and foreign banks respectively as at 30 June 2026 (31 December 2025: 4.6% - 5.25% and 4.65% - 6.46%for local and foreign banks respectively, 30 June 2025: 5.1% - 5.25% and 4.76% - 5.44% for local and foreign banks respectively).

Islamic financing payables are guaranteed against the following:

	30 June 2026	(Audited) 31 December 2025	30 June 2025
	KD	KD	KD
Investments in Wakala receivables	9,347,321	9,347,321	9,347,321
Assigning receivables – gross	634,788	822,738	1,159,900
Investment properties	4,590,000	4,590,000	4,495,000
Investments in financial securities	10,548,401	12,050,589	10,421,352

12. TREASURY SHARES

	30 June 2026	(Audited) 31 December 2025	30 June 2025
	KD	KD	KD
Number of treasury shares (share)	19,782,330	11,423,461	1,993,185
Percentage of issued shares	7.5%	4.33%	0.756%
Market value (KD)	2,195,839	1,268,004	135,736
Cost (KD)	2,114,983	1,275,761	116,277

13. NET GAINS FROM INVESTMENTS IN FINANCIAL SECURITIES

	For the three months period ended 30 June		For the six months period ended 30 June	
	2026	2025	2026	2025
	KD	KD	KD	KD
Financial assets at fair value through profit or loss (“FVTPL”)				
Change in fair value	(4,350)	158,239	(53,850)	83,123
Dividend income	12,997	16,268	12,997	26,162
	8,647	**174,507**	**(40,853)**	**109,285**
Financial assets at fair value through other comprehensive income (“FVTOCI”)				
Dividend income	392,029	237,923	392,029	241,469
	400,676	**412,430**	**351,176**	**350,754**

14. BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY

	For the three months period ended 30 June		For the six months period ended 30 June	
	2026	2025	2026	2025
Net profit for the period attributable to the Shareholders of the Parent Company ("KD")	717,922	815,054	1,031,926	1,031,500
Weighted average number of outstanding shares excluding treasury shares (share)	243,965,261	261,754,406	244,571,724	261,754,406
Basic and diluted earnings per share (fils)	2.94	3.11	4.22	3.94

15. RELATED PARTIES' BALANCES AND TRANSACTIONS

Related parties represent major shareholders, directors and senior management personnel of the Group, and Companies controlled, or significantly influenced by such parties. The pricing policies and conditions for these transactions are approved by the Group's management.

The significant related parties' balances and transactions included in the interim condensed consolidated financial information are as follows:

	30 June 2026	(Audited) 31 December 2025	30 June 2025
	KD	KD	KD
Balances:			
Finance receivables (gross)	3,330,899	2,489,203	2,400,775
Investments in financial securities	860,000	860,000	900,000
Key management's benefits payable	243,885	225,922	220,955
Advance to staff	11,434	9,676	7,528
Board of Directors committees' remunerations payables	-	61,000	-

	30 June 2026	30 June 2025
	KD	KD
Transactions:		
a) Remuneration of key management personal Staff cost	121,199	113,824
b) Finance revenue	73,929	72,600

16. SEGMENTAL INFORMATION

The Group is organised into functional divisions to manage its various lines of business. For the purposes of segment reporting, the Group's management has grouped its activities into the following business segments:

- Finance
- Investment
- Others

	30 June 2026			
	Finance	**Investment**	**Others**	**Total**
	KD	KD	KD	KD
Segment revenues	1,203,176	1,026,603	36,737	2,266,516
Segment expenses	(653,839)	(160,876)	(283,618)	(1,098,333)
Segment results	549,337	865,727	(246,881)	1,168,183
Segment assets	26,540,580	34,993,243	560,378	62,094,201
Segment liabilities	16,111,283	9,256,530	2,388,350	27,756,163

	31 December 2025 (Audited)			
	Finance	**Investment**	**Others**	**Total**
	KD	KD	KD	KD
Segment revenues	3,557,032	1,843,475	176,533	5,577,040
Segment expenses	(921,180)	(394,124)	(1,220,601)	(2,535,905)
Segment results	2,635,852	1,449,351	(1,044,068)	3,041,135
Segment assets	24,006,359	37,339,019	477,673	61,823,051
Segment liabilities	14,047,448	9,246,086	2,155,843	25,449,377

	30 June 2025			
	Finance	**Investment**	**Others**	**Total**
	KD	KD	KD	KD
Segment revenues	1,172,273	853,972	31,088	2,057,333
Segment expenses	(374,125)	(233,442)	(300,036)	(907,603)
Segment results	798,148	620,530	(268,948)	1,149,730
Segment assets	22,685,856	33,808,706	701,278	57,195,840
Segment liabilities	11,904,833	9,075,140	1,489,206	22,469,179

17. ANNUAL GENERAL ASSEMBLY

The Parent Company's Shareholders' Ordinary General Assembly Meeting held on 26 March 2026 approved the consolidated financial statements of the Group for the financial year ended 31 December 2025 and approved to distribute cash dividends of 4% of the paid-up capital (4 fils per share) for the year ended 31 December 2025. Also, not to pay remuneration to the Board of Directors.

18. FAIR VALUE MEASUREMENT

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

Level 1: 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.

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

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

	Level 1	Level 2	Level 3	Total
	KD	KD	KD	KD
30 June 2026				
Financial assets at fair value through profit or loss	2,424,801	275,192	294,000	2,993,993
Financial assets at fair value through other comprehensive income	6,334,473	255,440	2,684,380	9,274,293
	8,759,274	530,632	2,978,380	12,268,286

	Level 1	Level 2	Level 3	Total
	KD	KD	KD	KD
31 December 2025 (Audited)				
Financial assets at fair value through profit or loss	1,769,567	448,603	294,000	2,512,170
Financial assets at fair value through other comprehensive income	7,505,030	-	2,684,380	10,189,410
	9,274,597	448,603	2,978,380	12,701,580

	Level 1	Level 2	Level 3	Total
	KD	KD	KD	KD
30 June 2025				
Financial assets at fair value through profit or loss	1,570,716	567,694	435,100	2,573,510
Financial assets at fair value through other comprehensive income	6,349,554	-	2,382,207	8,731,761
	7,920,270	567,694	2,817,307	11,305,271

18. FAIR VALUE MEASUREMENT (CONTINUED)

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Reconciliation of level 3 fair value measurements of financial assets:

	30 June 2026	(Audited) 31 December 2025	30 June 2025
	KD	KD	KD
Balance at the beginning of the period / year / period	2,978,380	2,817,307	2,817,307
Additions	-	413,738	-
Change in fair value	-	(252,665)	-
Balance at the end of the period / year / period	2,978,380	2,978,380	2,817,307

During the period/year, there were no transfers between level 1, level 2 and level 3.

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