

AL MANAR

FINANCING & LEASING



2025



**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 nine-months period ended 30 September 2025**



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 nine-months period ended 30 September 2025

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**The Board of Directors
Al Manar Financing and Leasing Company K.S.C. (Public)
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 September 2025 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 nine 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).

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 nine months period ended 30 September 2025, that might have had a material effect on business of the Group or its interim condensed consolidated financial position.

Report on Other Legal and Regulatory Requirements (Continued)

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 nine months period ended 30 September 2025, 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 "A"
BDO Al Nisf & Partners

Kuwait: 11 November 2025

Interim Condensed Consolidated Statement of Financial Position (Unaudited)

As at 30 September 2025

| | | 30 September 2025 | 31 December 2024 (Audited) | 30 September 2024 |
|--|-------|----------------------|----------------------------------|-------------------------|
| | Notes | KD | KD | KD |
| Assets | | | | |
| Cash and cash equivalents | 4 | 1,158,902 | 1,197,734 | 1,560,788 |
| Investments in Wakala receivables | 5 | 9,647,321 | 9,347,321 | 9,347,321 |
| Investment in an associate | 6 | 11,392,352 | 11,548,041 | 11,187,475 |
| Finance receivables | 7 | 17,508,479 | 16,339,394 | 14,809,674 |
| Other receivables and prepayments | | 304,692 | 286,268 | 711,195 |
| Investments in financial securities | 8 | 14,307,164 | 12,945,622 | 11,312,867 |
| Investment properties | | 4,615,000 | 4,615,000 | 4,412,000 |
| Other assets | | 18,506 | 13,633 | 14,389 |
| Total assets | | 58,952,416 | 56,293,013 | 53,355,709 |
| LIABILITIES AND EQUITY | | | | |
| Liabilities | | | | |
| Accounts payable and other credit balances | 9 | 2,316,769 | 2,766,963 | 1,973,258 |
| Islamic financing payables | 10 | 20,407,736 | 18,858,740 | 17,525,165 |
| Provision for staff indemnity | | 318,644 | 327,413 | 323,679 |
| Total liabilities | | 23,043,149 | 21,953,116 | 19,822,102 |
| Equity | | | | |
| Share capital | | 26,374,759 | 26,374,759 | 26,374,759 |
| Treasury shares | 11 | (116,277) | (116,277) | (116,277) |
| Treasury shares reserve | | 4,995 | 4,995 | 4,995 |
| Statutory reserve | | 641,306 | 641,306 | 494,271 |
| Voluntary reserve | | 641,306 | 641,306 | 494,271 |
| Fair value reserve | | 1,139,037 | 242,374 | (202,335) |
| Group's share in associate's reserve | | (115,209) | (31,236) | (110,974) |
| Retained earnings | | 3,816,451 | 3,013,867 | 3,163,359 |
| Total equity attributable to Shareholders of the Parent Company | | 32,386,368 | 30,771,094 | 30,102,069 |
| Non-controlling interests | | 3,522,899 | 3,568,803 | 3,431,538 |
| Total equity | | 35,909,267 | 34,339,897 | 33,533,607 |
| Total liabilities and equity | | 58,952,416 | 56,293,013 | 53,355,709 |

The accompanying notes on pages 7 to 17 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 nine months period ended 30 September 2025

| | Notes | For the three months period ended 30 September | | For the nine months period ended 30 September | |
|---|-------|---|------------------|--|--------------------|
| | | 2025 | 2024 | 2025 | 2024 |
| | | KD | KD | KD | KD |
| Revenues | | | | | |
| Finance revenues | | 625,772 | 516,487 | 1,832,098 | 1,601,814 |
| Share of associate's results | 6 | 218,789 | 73,815 | 442,920 | 597,634 |
| Rental income | | 74,345 | 73,260 | 226,276 | 216,615 |
| Net gains from investments in financial securities | 12 | 132,717 | 36,961 | 483,471 | 288,013 |
| Other income | | 186,001 | 133,142 | 310,192 | 358,782 |
| | | 1,237,624 | 833,665 | 3,294,957 | 3,062,858 |
| Expenses | | | | | |
| Finance cost | | (301,503) | (240,132) | (793,493) | (740,571) |
| Staff costs | | (135,512) | (135,983) | (409,746) | (447,334) |
| (Charged) / reversal of provision for credit facilities | 7 | (35,664) | 177,002 | 28,269 | 54,479 |
| Other expenses | | (119,422) | (234,605) | (324,734) | (419,957) |
| | | (592,101) | (433,718) | (1,499,704) | (1,553,383) |
| Profit for the period before deductions | | 645,523 | 399,947 | 1,795,253 | 1,509,475 |
| NLST | | (14,653) | (9,366) | (41,323) | (30,358) |
| Zakat | | (5,861) | (3,879) | (16,529) | (12,347) |
| KFAS | | (3,031) | (3,392) | (10,476) | (11,872) |
| Net profit for the period | | 621,978 | 383,310 | 1,726,925 | 1,454,898 |
| Attributable to: | | | | | |
| The Parent Company's shareholders | | 556,347 | 360,203 | 1,587,847 | 1,264,506 |
| Non-controlling interests | | 65,631 | 23,107 | 139,078 | 190,392 |
| Net profit for the period | | 621,978 | 383,310 | 1,726,925 | 1,454,898 |
| Basic and diluted earnings per share (fils) | 13 | 2.13 | 1.37 | 6.07 | 4.81 |

The accompanying notes on pages 7 to 17 form an integral part of this interim condensed with consolidated financial information.

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Unaudited)
For the nine months period ended 30 September 2025

| | For the three months period ended 30 September | | For the nine months period ended 30 September | |
|--|---|----------------|--|------------------|
| | 2025 | 2024 | 2025 | 2024 |
| | KD | KD | KD | KD |
| Net profit for the period | 621,978 | 383,310 | 1,726,925 | 1,454,898 |
| Other comprehensive income | | | | |
| <i>Items that will not be reclassified subsequently to the interim condensed consolidated statement of profit or loss:</i> | | | | |
| Changes in fair value of financial assets at fair value through other comprehensive income | 573,532 | 237,626 | 896,663 | 678,923 |
| <i>Items that may be reclassified subsequently to the interim condensed consolidated statement of profit or loss:</i> | | | | |
| Group's share in associate's reserve | (12,904) | (47,130) | (119,961) | (85,620) |
| Other comprehensive income for the period | 560,628 | 190,496 | 776,702 | 593,303 |
| Total Comprehensive income for the period | 1,182,606 | 573,806 | 2,503,627 | 2,048,201 |
| Attributable to: | | | | |
| The Parent Company's shareholders | 1,120,846 | 564,838 | 2,400,537 | 1,883,495 |
| Non-controlling interests | 61,760 | 8,968 | 103,090 | 164,706 |
| | 1,182,606 | 573,806 | 2,503,627 | 2,048,201 |

The accompanying notes on pages 7 to 17 form an integral part of this interim condensed consolidated financial information

Interim Condensed Consolidated Statement of Changes in Equity (Unaudited)
For the nine months period ended 30 September 2025

| | Share capital KD | Treasury shares | Treasury shares reserve KD | Statutory reserve KD | Voluntary reserve KD | Fair value reserve KD | Group's share in associates' reserve KD | Retained earnings KD | Total equity attributable to shareholders of Parent Company KD | Non- controlling interests KD | Total Equity KD |
|---|---------------------|--------------------|-------------------------------------|----------------------------|----------------------------|-----------------------------|---|----------------------------|---|--|-----------------------|
| Balance as at 1 January 2024 | 26,374,759 | - | 4,995 | 494,271 | 494,271 | (881,258) | (51,040) | 2,690,096 | 29,126,094 | 3,266,832 | 32,392,926 |
| Net profit for the period | - | - | - | - | - | - | - | 1,264,506 | 1,264,506 | 190,392 | 1,454,898 |
| Other comprehensive income / (loss) for the period | - | - | - | - | - | 678,923 | (59,934) | - | 618,989 | (25,686) | 593,303 |
| Total comprehensive income for the period | - | - | - | - | - | 678,923 | (59,934) | 1,264,506 | 1,883,495 | 164,706 | 2,048,201 |
| Purchase of treasury shares | - | (116,277) | - | - | - | - | - | - | (116,277) | - | (116,277) |
| Dividends | - | - | - | - | - | - | - | (791,243) | (791,243) | - | (791,243) |
| Balance as at 30 September 2024 | 26,374,759 | (116,277) | 4,995 | 494,271 | 494,271 | (202,335) | (110,974) | 3,163,359 | 30,102,069 | 3,431,538 | 33,533,607 |
| 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 | - | - | - | - | - | - | - | 1,587,847 | 1,587,847 | 139,078 | 1,726,925 |
| Other comprehensive income / (loss) for the period | - | - | - | - | - | 896,663 | (83,973) | - | 812,690 | (35,988) | 776,702 |
| Total comprehensive income for the period | - | - | - | - | - | 896,663 | (83,973) | 1,587,847 | 2,400,537 | 103,090 | 2,503,627 |
| Dividends (note 16) | - | - | - | - | - | - | - | (785,263) | (785,263) | - | (785,263) |
| Non-controlling interests movement | - | - | - | - | - | - | - | - | - | (148,994) | (148,994) |
| Balance as at 30 September 2025 | 26,374,759 | (116,277) | 4,995 | 641,306 | 641,306 | 1,139,037 | (115,209) | 3,816,451 | 32,386,368 | 3,522,899 | 35,909,267 |

The accompanying notes on pages 7 to 17 form an integral part of this interim condensed consolidated financial information.

For the nine months period ended 30 September 2025

The accompanying notes on pages 7 to 17 form an integral part of this interim condensed consolidated financial information.

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)
For the nine months period ended 30 September 2025

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.O. Box 22828, Safat 13089, Kuwait.

This interim condensed consolidated financial information for the nine months period ended 30 September 2025 were authorized for issue by the Board of Directors of the Parent Company on 11 November 2025.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial information for the nine months ended 30 September 2025 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 2024.

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 nine-month period ended 30 September 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025. For further information, refer to the annual audited consolidated financial statements of the Group for the year ended 31 December 2024.

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 information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. one amendment applies for the first time in 2025 but does not have an impact on the interim condensed consolidated financial information of the Group.

Lack of Exchangeability (Amendment to IAS 21)

On 15 August 2023, the IASB issued Lack of Exchangeability which amended IAS 21 The Effects of Changes in Foreign Exchange Rates (the Amendments). The Amendments arose as a result of a submission received by the IFRS Interpretations Committee about the determination of the exchange rate when there is a long-term lack of exchangeability. IAS 21, prior to the Amendments, did not include explicit requirements for the determination of the exchange rate when a currency is not exchangeable into another currency, which led to diversity in practice.

The Committee recommended that the IASB develop narrow scope amendments to IAS 21 to address this issue. After further deliberations, the IASB issued an exposure draft of the proposed amendments to IAS 21 in April 2021 and the final amendments were issued in August 2023.

The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency.

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

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)
For the nine months period ended 30 September 2025

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 September 2025 | 31 December 2024 (Audited) | 30 September 2024 |
| 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 | - |

Subsidiaries' management accounts have been used for the consolidation purposes as at 30 September 2025. The total assets of the subsidiaries are KD 17,766,244 (KD 17,473,779 as at 31 December 2024, KD 15,923,092 as at 30 September 2024), net gains of KD 576,593 during the nine months ended 30 September 2025 (net gains KD 673,109 during the nine months ended 30 September 2024).

4. CASH AND CASH EQUIVALENTS

| | 30 September 2025 | (Audited) 31 December 2024 | 30 September 2024 |
|--|-------------------|-------------------------------|-------------------|
| | KD | KD | KD |
| Cash at banks and portfolios | 1,157,752 | 896,734 | 1,059,638 |
| Wakala with banks (less than 3 months) | - | 300,000 | 500,000 |
| Cash on hand | 1,150 | 1,000 | 1,150 |
| | 1,158,902 | 1,197,734 | 1,560,788 |

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% to 4.25% per annum as at 30 September 2025 (31 December 2024: 4.125% to 4.25% and 30 September 2024: 4.125% to 4.25% per annum). Expected credit losses amounted to KD 17,679 as at 30 September 2025 (KD 17,679 as at 31 December 2024 and KD 17,679 as at 30 September 2024).

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)
For the nine months period ended 30 September 2025

6. INVESTMENT IN ASSOCIATE

| Name of associate | Country of incorporation | Principal activities | Ownership (%) | | |
|---|--------------------------|----------------------|-------------------|----------------------------|-------------------|
| | | | 30 September 2025 | (Audited) 31 December 2024 | 30 September 2024 |
| Injazzat Real Estate Development Company K.S.C.P. | Kuwait | Real Estate | 28.3 | 28.3 | 28.3 |

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

| | 30 September 2025 | (Audited) 31 December 2024 | 30 September 2024 |
|--|-------------------|----------------------------|-------------------|
| | KD | KD | KD |
| Balance at the beginning of the period / year / period | 11,548,041 | 10,882,423 | 10,882,423 |
| Additions | - | 225,178 | 225,178 |
| Bargain purchase gain from additional shares | - | 35,261 | 35,261 |
| Share of results | 442,920 | 844,289 | 597,634 |
| Share of reserves | (119,961) | 28,291 | (85,620) |
| Dividends received | (478,648) | (467,401) | (467,401) |
| Balance at the end of the period / year / period | 11,392,352 | 11,548,041 | 11,187,475 |

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 September 2025.

7. FINANCE RECEIVABLES

| | 30 September 2025 | (Audited) 31 December 2024 | 30 September 2024 |
|---------------------------------------|-------------------|----------------------------|-------------------|
| | KD | KD | KD |
| Finance receivables – gross | 23,540,590 | 22,147,551 | 20,227,907 |
| Less: deferred and suspended revenues | (3,273,742) | (3,021,519) | (2,685,684) |
| Less: provision for credit facilities | (2,758,369) | (2,786,638) | (2,732,549) |
| Finance receivables – net | 17,508,479 | 16,339,394 | 14,809,674 |

7. FINANCE RECEIVABLES (CONTINUED)

Provision for expected credit losses on credit facilities determined under IFRS 9 according to CBK guidelines amounted to KD 2,659,800 as at 30 September 2025 (31 December 2024: KD 2,786,638 and 30 September 2024: KD 2,732,549), which lower than / equal to the provision for credit facilities required by CBK instructions of KD 2,758,369 as at 30 September 2025 (31 December 2024: KD 2,786,638 and 30 September 2024: KD 2,732,549).

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)
For the nine months period ended 30 September 2025

The movement in gross credit facilities is as follows:

| | Stage 1 | Stage 2 | Stage 3 | Total |
|-------------------------------------|------------|-----------|-----------|------------|
| | KD | KD | KD | KD |
| Balance at 1 January 2025 | 17,857,679 | 615,831 | 3,674,041 | 22,147,551 |
| Net financing / (collection) | 2,111,819 | (459,344) | (259,436) | 1,393,039 |
| Transfer from / to stage 1 | (898,133) | 898,133 | - | - |
| Transfer from / to stage 2 | - | (82,139) | 82,139 | - |
| Balance at 30 September 2025 | 19,071,365 | 972,481 | 3,496,744 | 23,540,590 |

| | Stage 1 | Stage 2 | Stage 3 | Total |
|-------------------------------------|------------|-----------|-----------|------------|
| | KD | KD | KD | KD |
| Balance at 1 January 2024 | 15,672,403 | 1,056,822 | 3,690,901 | 20,420,126 |
| Net financing / (collection) | 763,684 | (805,239) | (150,664) | (192,219) |
| Transfer from / to stage 1 | (596,186) | 509,594 | 86,592 | - |
| Transfer from / to stage 2 | - | (6,417) | 6,417 | - |
| Balance at 30 September 2024 | 15,839,901 | 754,760 | 3,633,246 | 20,227,907 |

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

| | 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 | 12,197 | 4,510 | (143,545) | (126,838) |
| Transfer from / to stage 1 | (4,376) | 4,376 | - | - |
| Transfer from / to stage 2 | - | (2,007) | 2,007 | - |
| Balance at 30 September 2025 | 84,952 | 43,070 | 2,531,778 | 2,659,800 |

| | Stage 1 | Stage 2 | Stage 3 | Total |
|--|---------|---------|-----------|-----------|
| | KD | KD | KD | KD |
| Balance at 1 January 2024 | 70,053 | 20,483 | 2,696,492 | 2,787,028 |
| Charged / (reversal) during the period | 2,467 | 7,352 | (64,298) | (54,479) |
| Transfer from / to stage 1 | (3,752) | 3,396 | 356 | - |
| Transfer from / to stage 2 | - | (557) | 557 | - |
| Balance at 30 September 2024 | 68,768 | 30,674 | 2,633,107 | 2,732,549 |

7. FINANCE RECEIVABLES (CONTINUED)

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

| | 30 September 2025 | 30 September 2024 |
|--------------------------------|----------------------|----------------------|
| | KD | KD |
| Balance at 1 January | 2,786,638 | 2,787,028 |
| Reversal during the period | (28,269) | (54,479) |
| Balance at 30 September | 2,758,369 | 2,732,549 |

The Group holds collateral amounting to KD 1,953,612 as at 30 September 2025 (31 December 2024: KD 2,126,142 and 30 September 2024: KD 2,245,423) over its finance receivables. Management believes that there is no further credit provision required in excess of the provision for credit losses.

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)
For the nine months period ended 30 September 2025

8. INVESTMENTS IN FINANCIAL SECURITIES

| | 30 September 2025 | (Audited) 31 December 2024 | 30 September 2024 |
|---|----------------------|----------------------------------|----------------------|
| | KD | KD | KD |
| Financial assets at fair value through profit or loss ("FVTPL") | | | |
| Quoted foreign funds | 1,590,793 | 1,417,484 | 1,424,435 |
| Quoted local shares | 87,869 | 64,881 | 67,024 |
| Unquoted foreign funds | 450,454 | 575,818 | 573,824 |
| Unquoted local shares | 316,800 | 316,800 | 374,400 |
| Unquoted foreign shares | 118,300 | 118,300 | 130,640 |
| | 2,564,216 | 2,493,283 | 2,570,323 |
| Financial assets at fair value through other comprehensive income ("FVTOCI") | | | |
| Quoted local shares | 6,196,522 | 5,353,458 | 4,721,160 |
| Quoted foreign shares | 726,563 | 672,248 | 761,376 |
| Unquoted local shares | 1,313,738 | 900,000 | - |
| Unquoted foreign shares | 1,482,207 | 1,482,207 | 1,237,811 |
| | 9,719,030 | 8,407,913 | 6,720,347 |
| Financial assets at amortized cost | | | |
| Debt sukuks – quoted at foreign stock exchanges | 2,023,918 | 2,044,426 | 2,022,197 |
| | 2,023,918 | 2,044,426 | 2,022,197 |
| | 14,307,164 | 12,945,622 | 11,312,867 |

Fair value of financial assets was disclosed in Note 17.

9. ACCOUNTS PAYABLE AND OTHER CREDIT BALANCES

| | 30 September 2025 | (Audited) 31 December 2024 | 30 September 2024 |
|--|----------------------|----------------------------------|----------------------|
| | KD | KD | KD |
| Trade payables | 367,725 | 735,996 | 1,138,945 |
| Capital reduction payables | 100,175 | 106,614 | 110,611 |
| Accrued salaries and other staff accruals | 162,460 | 320,978 | 109,208 |
| Payable against on acquisition of subsidiary | 750,000 | 750,000 | - |
| Dividends payable | 177,760 | 149,644 | 157,088 |
| NLST | 41,323 | 34,139 | 30,358 |
| Zakat | 16,529 | 13,897 | 12,347 |
| KFAS | 10,476 | 13,233 | 11,872 |
| Others | 690,321 | 642,462 | 402,829 |
| | 2,316,769 | 2,766,963 | 1,973,258 |

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)
For the nine months period ended 30 September 2025.

10. ISLAMIC FINANCING PAYABLES

Islamic financing payables are obtained from local and foreign banks and are denominated in KD and USD. The average cost is 5.10% - 5.25% and 4.76% - 5.44% for local and foreign banks respectively as at 30 September 2025 (31 December 2024: 5.10% - 5.50% and 4.91% - 6.39% for local and foreign banks respectively, 30 September 2024: 5.10% - 5.50% and 4.91% - 6.46% for local and foreign banks respectively).

Islamic finance payables are guaranteed against the following:

| | 30 September 2025 | (Audited) 31 December 2024 | 30 September 2024 |
|------------------------------------|----------------------|----------------------------------|----------------------|
| | KD | KD | KD |
| Investments in Wakala receivables | 9,647,321 | 9,347,321 | 9,347,321 |
| Assigning receivables – gross | 1,005,165 | 1,545,135 | 1,644,642 |
| Investment properties | 4,495,000 | 4,495,000 | 4,292,000 |
| Investment in financial securities | 10,988,250 | 10,063,434 | 9,502,992 |

11. TREASURY SHARES

| | 30 September 2025 | (Audited) 31 December 2024 | 30 September 2024 |
|-----------------------------------|----------------------|----------------------------------|----------------------|
| | KD | KD | KD |
| Number of treasury shares (share) | 1,993,185 | 1,993,185 | 1,993,185 |
| Percentage of issued shares | 0.756% | 0.756% | 0.756% |
| Market value (KD) | 219,250 | 138,526 | 133,543 |
| Cost (KD) | 116,277 | 116,277 | 116,277 |

12. NET GAINS FROM INVESTMENTS IN FINANCIAL SECURITIES

| | For the three months period ended 30 September | | For the nine months period ended 30 September | |
|---|---|---------------|--|----------------|
| | 2025 | 2024 | 2025 | 2024 |
| | KD | KD | KD | KD |
| <u>Financial assets at fair value through profit or loss ("FVTPL")</u> | | | | |
| Change in fair value | 110,515 | 24,584 | 193,638 | 142,253 |
| Dividend income | 2,202 | 10,145 | 28,364 | 35,361 |
| | 112,717 | 34,729 | 222,002 | 177,614 |
| <u>Financial assets at fair value through other comprehensive income ("FVTOCI")</u> | | | | |
| Dividend income | 20,000 | 2,232 | 261,469 | 110,399 |
| | 132,717 | 36,961 | 483,471 | 288,013 |

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)
For the nine months period ended 30 September 2025

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

| | For the three months period ended 30 September | | For the nine months period ended 30 September | |
|---|---|-------------|--|-------------|
| | 2025 | 2024 | 2025 | 2024 |
| Net profit for the period attributable to the Shareholders of the Parent Company ("KD") | 556,347 | 360,203 | 1,587,847 | 1,264,506 |
| Weighted average number of outstanding shares excluding treasury shares (share) | 261,754,406 | 262,029,889 | 261,754,406 | 263,140,260 |
| Basic and diluted earnings per share (fils) | 2.13 | 1.37 | 6.07 | 4.81 |

14. 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.

14. RELATED PARTIES' BALANCES AND TRANSACTIONS (CONTINUED)

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

| | 30 September 2025 | (Audited) 31 December 2024 | 30 September 2024 |
|---|----------------------|----------------------------------|----------------------|
| | KD | KD | KD |
| Balances: | | | |
| Finance receivables (gross) | 2,409,659 | 2,481,130 | 2,503,134 |
| Investments in financial securities | 900,000 | 900,000 | - |
| Key management's benefits payable | 223,103 | 273,568 | 204,533 |
| Advance to staff | 11,854 | 6,709 | 9,110 |
| Board of Directors committees' remunerations payables | - | 61,000 | - |
| | | 30 September 2025 | 30 September 2024 |
| | | KD | KD |
| Transactions: | | | |
| a) Remuneration of key management personal Staff cost | | 171,031 | 176,581 |
| b) Finance revenue | | 102,834 | 115,432 |

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)
For the nine months period ended 30 September 2025

15. 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 September 2025 | | | | | |
|--------------------------|----------------|-------------------|---------------|--------------|--|
| | Finance | Investment | Others | Total | |
| | KD | KD | KD | KD | |
| Segment revenues | 1,872,690 | 1,345,759 | 76,507 | 3,294,956 | |
| Segment expenses | (692,020) | (364,158) | (443,525) | (1,499,703) | |
| Segment results | 1,180,670 | 981,601 | (367,018) | 1,795,253 | |
| Segment assets | 22,956,861 | 35,387,555 | 608,000 | 58,952,416 | |
| Segment liabilities | 12,444,051 | 9,081,410 | 1,517,688 | 23,043,149 | |

15. SEGMENTAL INFORMATION (CONTINUED)

| 31 December 2024 (Audited) | | | | | |
|-----------------------------------|----------------|-------------------|---------------|--------------|--|
| | Finance | Investment | Others | Total | |
| | KD | KD | KD | KD | |
| Segment revenues | 2,255,727 | 1,924,948 | 65,855 | 4,246,530 | |
| Segment expenses | (826,409) | (599,414) | (1,086,870) | (2,512,693) | |
| Segment results | 1,429,318 | 1,325,534 | (1,021,015) | 1,733,837 | |
| Segment assets | 22,103,213 | 33,626,875 | 562,925 | 56,293,013 | |
| Segment liabilities | 11,043,286 | 9,301,450 | 1,608,380 | 21,953,116 | |

| 30 September 2024 (Restated) | | | | | |
|-------------------------------------|----------------|-------------------|---------------|--------------|--|
| | Finance | Investment | Others | Total | |
| | KD | KD | KD | KD | |
| Segment revenues | 1,451,212 | 1,352,082 | 50,268 | 2,853,562 | |
| Segment expenses | (317,859) | (461,357) | (564,871) | (1,344,087) | |
| Segment results | 1,133,353 | 890,725 | (514,603) | 1,509,475 | |
| Segment assets | 20,705,247 | 31,650,413 | 1,000,049 | 53,355,709 | |
| Segment liabilities | 10,127,735 | 8,536,375 | 1,157,992 | 19,822,102 | |

16. ANNUAL GENERAL ASSEMBLY

The Parent Company's Shareholders' Ordinary General Assembly Meeting held on 28 April 2025 approved the consolidated financial statements of the Group for the financial year ended 31 December 2024 and approved to distribute cash dividends of 3% of the paid-up capital (3 fils per share) for the year ended 31 December 2024. Also, not to pay remuneration to the Board of Directors.

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)

For the nine months period ended 30 September 2025

17. 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.

17. FAIR VALUE MEASUREMENT (CONTINUED)

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 September 2025 | | | | |
| Financial assets at fair value through profit or loss | 1,678,662 | 450,454 | 435,100 | 2,564,216 |
| Financial assets at fair value through other comprehensive income | 6,923,085 | - | 2,795,945 | 9,719,030 |
| | 8,601,747 | 450,454 | 3,231,045 | 12,283,246 |
| | | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| | KD | KD | KD | KD |
| 31 December 2024 (Audited) | | | | |
| Financial assets at fair value through profit or loss | 1,482,365 | 575,818 | 435,100 | 2,493,283 |
| Financial assets at fair value through other comprehensive income | 6,025,706 | - | 2,382,207 | 8,407,913 |
| | 7,508,071 | 575,818 | 2,817,307 | 10,901,196 |
| | | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| | KD | KD | KD | KD |
| 30 September 2024 | | | | |
| Financial assets at fair value through profit or loss | 1,491,459 | 573,824 | 505,040 | 2,570,323 |
| Financial assets at fair value through other comprehensive income | 5,482,536 | - | 1,237,811 | 6,720,347 |
| | 6,973,995 | 573,824 | 1,742,851 | 9,290,670 |

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.

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)
 For the nine months period ended 30 September 2025

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.

17. FAIR VALUE MEASUREMENT (CONTINUED)

Reconciliation of level 3 fair value measurements:

| | 30 September 2025 | (Audited) 31 December 2024 | 30 September 2024 |
|---|----------------------|----------------------------------|----------------------|
| | KD | KD | KD |
| Balance at the beginning of the period / year / period | 2,817,307 | 1,742,851 | 1,742,851 |
| Additions | 413,738 | 1,242,857 | - |
| Capital reduction | - | (36,855) | - |
| Change in fair value | - | (131,546) | - |
| Balance at the end of the period / year / period | 3,231,045 | 2,817,307 | 1,742,851 |

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

18. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to confirm with the current period presentation, such reclassification did not affect previously reported total profit or total equity.

AL MANAR

FINANCING & LEASING



2025