AL MAZAYA HOLDING COMPANY K.S.C. (PUBLIC)
AND ITS SUBSIDIARIES

STATE OF KUWAIT
INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED JUNE 30, 2026
(UNAUDITED)
WITH
REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION

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AND ITS SUBSIDIARIES
STATE OF KUWAIT

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
Al Mazaya Holding Company K.S.C.P.
State of Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Al Mazaya Holding Company K.S.C.P. (The Parent Company) and its subsidiaries (the Group) as of June 30, 2026, and the related interim condensed consolidated statements of profit or loss, profit or loss and other comprehensive income for the three-month and six-month periods then ended and the related interim condensed consolidated statements of changes in equity and cash flows for the six-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”. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

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

Conclusion

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

Report on other Legal and Regulatory Requirements

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 and its Executive Regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended during the six months period ended June 30, 2026 that might have had a material effect on the Group's financial position or results of its operations.

Furthermore, during our review we have not become aware of any material violations of the provisions of Law 7 of 2010, as amended, relating to the Capital Markets Authority and its related regulations during the six months for the period ended June 30, 2026 that might have had a material effect on the Group's financial position or results of its operations.

Dr. Shuaib A. Shuaib
License No. 33-A
RSM Albazie & Co.

State of Kuwait
July 29, 2026

AL MAZAYA HOLDING COMPANY K.S.C.P. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS OF JUNE 30, 2026
(All amounts are in Kuwaiti Dinars)

	Note	**June 30, 2026**	December 31, 2025	June 30, 2025
ASSETS				
Current assets:				
Cash and cash equivalent	3	**4,002,377**	3,483,046	3,268,929
Wakala investments		-	-	420,510
Financial assets at fair value through profit or loss		**714,075**	31,070	304,045
Accounts receivable and other debit balances		**1,787,784**	1,534,768	1,662,418
Properties held for trading		**9,716,198**	9,787,541	10,222,534
Total current assets		**16,220,434**	14,836,425	15,878,436
Non-current assets:				
Financial assets at fair value through other comprehensive income		**910,580**	1,247,320	1,689,751
Investment in an associate	4	-	157,352	198,690
Property, plant and equipment		**59,150**	75,648	66,034
Investment properties	5	**106,311,999**	110,634,265	114,358,589
Total non-current assets		**107,281,729**	112,114,585	116,313,064
Total assets		**123,502,163**	126,951,010	132,191,500
LIABILITIES AND EQUITY				
Current liabilities:				
Accounts payable and other credit balances		**6,346,984**	5,360,069	5,476,921
Advances from customers		**894,014**	829,379	876,961
Lease liabilities		**1,921,102**	2,386,920	2,326,591
Islamic bank facilities		**636,000**	424,000	-
Total current liabilities		**9,798,100**	9,000,368	8,680,473
Non-current liabilities:				
Accounts payable and other credit balances		**2,637,638**	3,049,195	2,929,306
Lease liabilities		**22,532,013**	24,176,080	25,384,817
Islamic bank facilities		**41,155,500**	41,789,470	45,911,732
Employees' end of service benefits		**1,877,257**	1,831,260	1,770,800
Total non-current liabilities		**68,202,408**	70,846,005	75,996,655
Total liabilities		**78,000,508**	79,846,373	84,677,128
Equity:				
Share capital	6	**52,556,117**	52,556,117	52,556,117
Treasury shares	7	**(1,198,429)**	(1,610,174)	(1,861,001)
Statutory reserve		**1,035,173**	1,035,173	857,775
Fair value reserve		**(14,546,718)**	(14,208,713)	(13,774,637)
Other reserves		-	69,745	69,745
Foreign currency translation adjustments		**335,025**	129,694	132,249
Retained earnings		**6,245,967**	8,062,504	8,454,699
Equity attributable to shareholders of Parent Company		**44,427,135**	46,034,346	46,434,947
Non-controlling interests		**1,074,520**	1,070,291	1,079,425
Total equity		**45,501,655**	47,104,637	47,514,372
Total liabilities and equity		**123,502,163**	126,951,010	132,191,500

The accompanying notes (1) to (16) form an integral part of the interim condensed consolidated financial information.

Rasheed Y. Al Nafisi
Chairman

Ibrahim A. Al Soqabi
Chief Executive Officer

AL MAZAYA HOLDING COMPANY K.S.C.P. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)
AS OF JUNE 30, 2026
(All amounts are in Kuwaiti Dinars)

	Note	For the three months ended June 30,		For the six months ended June 30,	
		2026	2025	**2026**	2025
Revenue:					
Revenue from sale of properties held for trading		**-**	152,264	**157,453**	194,314
Rental income		**2,612,968**	2,852,083	**5,379,614**	5,789,164
Net management fees and commission income		**19,455**	29,879	**43,262**	69,471
Total revenue		**2,632,423**	3,034,226	**5,580,329**	6,052,949
Costs:					
Cost of sale of properties held for trading		**-**	(143,272)	**(156,720)**	(201,354)
Cost of rental		**(498,053)**	(567,720)	**(969,979)**	(1,125,914)
Total costs		**(498,053)**	(710,992)	**(1,126,699)**	(1,327,268)
Gross profit		**2,134,370**	2,323,234	**4,453,630**	4,725,681
Share of results from an associate	4	**(20,228)**	(5,709)	**(40,756)**	(75,428)
Gain on disposal of investment in an associate	4	**19,794**	-	**19,794**	-
Gain on sale of investment properties		**13,203**	109,081	**88,732**	196,871
Depreciation		**(10,134)**	(9,966)	**(20,172)**	(20,028)
Selling and marketing expenses		**(7,476)**	(14,461)	**(10,292)**	(23,491)
General and administrative expenses		**(595,005)**	(680,088)	**(1,236,216)**	(1,315,620)
Operating profit		**1,534,524**	1,722,091	**3,254,720**	3,487,985
Net (loss) gain on financial assets		**(5,535)**	20,529	**(2,969)**	36,541
Net other expenses	8	**(2,125,345)**	(28,400)	**(2,363,462)**	(176,931)
Amortization of finance costs related to lease liabilities		**(339,825)**	(371,914)	**(689,002)**	(751,964)
Finance costs		**(578,200)**	(737,077)	**(1,156,100)**	(1,497,996)
(Loss) profit for the period before National Labor Support Tax		**(1,514,381)**	605,229	**(956,813)**	1,097,635
National Labor Support Tax		**(16,148)**	(15,128)	**(32,357)**	(35,835)
(Loss) profit for the period		**(1,530,529)**	590,101	**(989,170)**	1,061,800
Attributable to:					
Shareholders of the Parent Company		**(1,530,010)**	590,382	**(988,225)**	1,062,392
Non-controlling interests		**(519)**	(281)	**(945)**	(592)
		(1,530,529)	590,101	**(989,170)**	1,061,800
(Loss) earnings per share attributable to shareholders of the Parent Company:					
Total basic and diluted (loss) earnings per share attributable to shareholders of the Parent Company (fils)	9	**(3.02)**	1.19	**(1.96)**	2.14

The accompanying notes (1) to (16) form an integral part of the interim condensed consolidated financial information.

AL MAZAYA HOLDING COMPANY K.S.C.P. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2026
(All amounts are in Kuwaiti Dinars)

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	**2026**	2025
(Loss) profit for the period	**(1,530,529)**	590,101	**(989,170)**	1,061,800
Other comprehensive loss:				
Items that may be reclassified subsequently to interim condensed consolidated statement of profit or loss:				
Foreign currency translation adjustments	**79,092**	(317,283)	**209,240**	(270,871)
Items that would not be reclassified subsequently to interim condensed consolidated statement of profit or loss:				
Change in fair value of financial assets through other comprehensive income	**(338,414)**	(298,465)	**(336,740)**	(309,152)
Other comprehensive loss for the period	**(259,322)**	(615,748)	**(127,500)**	(580,023)
Total comprehensive (loss) income for the period	**(1,789,851)**	(25,647)	**(1,116,670)**	481,777
Attributable to:				
Shareholders of the Parent Company	**(1,791,544)**	(15,519)	**(1,120,899)**	491,000
Non-controlling interests	**1,693**	(10,128)	**4,229**	(9,223)
	(1,789,851)	(25,647)	**(1,116,670)**	481,777

The accompanying notes (1) to (16) form an integral part of the interim condensed consolidated financial information.

AL MAZAYA HOLDING COMPANY K.S.C.P. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2026
(All amounts are in Kuwaiti Dinars)

	Attributable to shareholders of the Parent Company									
	Share capital	Treasury shares	Statutory reserve	Fair value reserve	Other reserves	Foreign currencies translation adjustments	Retained earnings	Sub-total	Non-controlling interests	Total equity
Balance as at January 1, 2026	52,556,117	(1,610,174)	1,035,173	(14,208,713)	69,745	129,694	8,062,504	46,034,346	1,070,291	47,104,637
Loss for the period	-	-	-	-	-	-	(988,225)	(988,225)	(945)	(989,170)
Other comprehensive (loss) income for the period	-	-	-	(338,005)	-	205,331	-	(132,674)	5,174	(127,500)
Total comprehensive (loss) income for the period	-	-	-	(338,005)	-	205,331	(988,225)	(1,120,899)	4,229	(1,116,670)
Effect of disposal of an associate (Note 4)	-	-	-	-	(69,745)	-	69,745	-	-	-
Distribution of dividends as free bonus shares from treasury shares (Note 13)	-	898,057	-	-	-	-	(898,057)	-	-	-
Purchase of treasury shares	-	(486,312)	-	-	-	-	-	(486,312)	-	(486,312)
Balance as at June 30, 2026	**52,556,117**	**(1,198,429)**	**1,035,173**	**(14,546,718)**	**-**	**335,025**	**6,245,967**	**44,427,135**	**1,074,520**	**45,501,655**
Balance as at January 1, 2025	52,556,117	(2,009,998)	857,775	(13,470,099)	-	399,103	8,271,796	46,604,694	1,088,648	47,693,342
Profit (loss) for the period	-	-	-	-	-	-	1,062,392	1,062,392	(592)	1,061,800
Other comprehensive loss for the period	-	-	-	(304,538)	-	(266,854)	-	(571,392)	(8,631)	(580,023)
Total comprehensive (loss) income for the period	-	-	-	(304,538)	-	(266,854)	1,062,392	491,000	(9,223)	481,777
Effect of change in associate's equity (Note 4)	-	-	-	-	69,745	-	-	69,745	-	69,745
Distribution of dividends as free bonus shares from treasury shares (Note 13)	-	879,489	-	-	-	-	(879,489)	-	-	-
Purchase of treasury shares	-	(730,492)	-	-	-	-	-	(730,492)	-	(730,492)
Balance as at June 30, 2025	52,556,117	(1,861,001)	857,775	(13,774,637)	69,745	132,249	8,454,699	46,434,947	1,079,425	47,514,372

The accompanying notes (1) to (16) form an integral part of the interim condensed consolidated financial information.

AL MAZAYA HOLDING COMPANY K.S.C.P. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2026
(All amounts are in Kuwaiti Dinars)

	For the six months ended June 30	
	2026	2025
Cash flows from operating activities:		
(Loss) profit for the period before National Labor Support Tax	**(956,813)**	1,097,635
Adjustments:		
Net loss (gain) on financial assets	**2,969**	(36,541)
Net allowance for expected credit losses	**478,747**	313,301
Share of results from an associate	**40,756**	75,428
Gain on disposal of investment in an associate	**(19,794)**	-
Depreciation	**20,172**	20,028
Amortization of finance costs related to lease liabilities	**689,002**	751,964
Finance costs	**1,156,100**	1,497,996
Gain on sale of investment properties	**(88,732)**	(196,871)
Provision for employees' end of service benefits	**97,029**	86,960
	1,419,436	3,609,900
Changes in operating assets and liabilities:		
Accounts receivable and other debit balances	**(731,763)**	(298,098)
Properties held for trading	**156,974**	194,801
Accounts payable and other credit balances	**692,315**	(1,337,091)
Advances from customers	**57,014**	81,551
Cash flows generated from operations	**1,593,976**	2,251,063
National Labor Support Tax paid	**(381,568)**	-
Employees' end of service benefits paid	**(52,665)**	(65,075)
Net cash flows generated from operating activities	**1,159,743**	2,185,988
Cash flows from investing activities:		
Net movement in restricted cash balances	**348,931**	652,425
Paid for purchase of financial assets at FVTPL	**(781,227)**	(812,587)
Proceeds from sale of financial assets at FVTPL	**95,253**	529,071
Net movement in Wakala investments	**-**	1,115,390
Paid for purchase of property, plant and equipment	**(3,535)**	(12,926)
Paid for additions on investment properties	**(79,536)**	(123,089)
Net proceeds from sale of investment properties	**3,527,996**	2,113,512
Net proceeds from disposal of investment in an associate	**136,390**	-
Cash dividend received	**-**	16,097
Net cash flows generated from investing activities	**3,244,272**	3,477,893
Cash flows from financing activities:		
Lease liabilities paid	**(1,666,168)**	(1,901,355)
Net movement in Islamic bank facilities	**(421,970)**	(3,792,716)
Purchase of treasury shares	**(486,312)**	(730,492)
Finance costs paid	**(923,846)**	(1,571,015)
Net cash flows used in financing activities	**(3,498,296)**	(7,995,578)
Net increase (decrease) in cash and cash equivalent	**905,719**	(2,331,697)
Foreign currency translation adjustments	**(37,457)**	22,746
Cash and cash equivalent at the beginning of the period (Note 3)	**3,134,115**	5,315,512
Cash and cash equivalent at the end of the period (Note 3)	**4,002,377**	3,006,561

	For the six months ended June 30	
	2026	2025
Non-cash transactions:		
Investment properties (Note 5)	**1,132,719**	-
Lease liabilities	**(1,132,719)**	-
	-	-

The accompanying notes (1) to (16) form an integral part of the interim condensed consolidated financial information.

1. Incorporation and activities

Al Mazaya Holding Company "The Parent Company" is a Kuwaiti (Public) shareholding company listed on Kuwait Boursa and Dubai Financial Market and registered in the State of Kuwait, and was incorporated based on Memorandum of Incorporation under Ref. No. 3501 / Volume 1 dated November 7, 1998 and its subsequent amendments, the latest of which was notarized in the commercial registry No. 75203 dated April 30, 2025 under which amending the principal activities of the Parent Company was notarized (Note 13), to be:

- Holding Companies' activities.
- Managing subsidiaries or participating in the management of other companies in which it holds shares and providing the necessary support.
- Investing funds through trading in stocks, bonds, and other financial securities.
- Ownership of real estate and movable assets necessary to carry out its operations, within the limits permitted by law.
- Financing or granting loans to companies in which it holds shares or stocks and guaranteeing them towards others, provided that the percentage of participation of the holding company in the capital of the borrowing company is not less than 20%.
- Ownership of intellectual property rights, including patents, trademarks, industrial models, franchises, and other intangible rights, and exploiting or leasing them to its subsidiaries or other companies.
- Ownership of shares exclusively for the company's own account.
- Establishing an office for managing holding activities.

The Parent Company has the right to practice its aforementioned objectives inside the State of Kuwait and abroad for itself or as agent or representative to other, the Parent Company has the right as well to have interest or to participate with entities that practice similar operations or assist the Parent Company in achieving its objectives inside and outside Kuwait, and such it has the right to establish, form partnership, purchase or merge with those entities.

The Parent Company's registered address is P.O. Box 3546, Safat 13036, State of Kuwait.

The interim condensed consolidated financial information for the period ended June 30, 2026 was authorized for issue by the Board of Directors on July 29, 2026.

2. Basis of presentation

The interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". The accounting policies used in the preparation of the interim condensed consolidated financial information for the period are consistent with those used in the preparation of the annual financial statements for the fiscal year ended December 31, 2025.

The Group has not early adopted any other standards, interpretations or amendments that has been issued but is not yet effective. Other amendments and interpretations apply for the first time in 2026, but do not have an impact on the interim condensed consolidated financial information of the Group.

The interim condensed consolidated financial information does not include all the information and notes required for complete financial statements prepared in accordance with International Financial Reporting Standards. In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included in the accompanying interim condensed consolidated financial information. Operating results for the period ended June 30, 2026 are not necessarily indicative of the results that may be expected for the year ending December 31, 2026. For further information, refer to the consolidated financial statements and notes thereto for the year ended December 31, 2025.

3. Cash and cash equivalent

	June 30, 2026	December 31, 2025 (Audited)	June 30, 2025
Cash on hand and at banks	**3,462,074**	3,483,046	2,204,449
Short term deposits	**-**	-	1,064,480
Cash in portfolios	**540,303**	-	-
	4,002,377	3,483,046	3,268,929
Less: Restricted bank balances (a)	**-**	(348,931)	(262,368)
Cash and cash equivalent in consolidation statement of cash flow	**4,002,377**	3,134,115	3,006,561

a) Restricted bank balances represent a collateral for same bank facilities of the Group, which may not be available for use within 90 days.

4. Investment in associate

			Percentage of ownership %			Amount		
Name of Company	Country of incorporation	Principal activities	**June 30, 2026**	December 31, 2025 (Audited)	June 30, 2025	**June 30, 2026**	December 31, 2025 (Audited)	June 30, 2025
MedCell Medical Company K.S.C. (closed)	State of Kuwait	Medical services	**-**	50%	50%	**-**	157,352	198,690

The movement during the period / year was as follows:

	June 30, 2026	December 31, 2025 (Audited)	June 30, 2025
Balance at the beginning of period / year	**157,352**	204,373	204,373
Group's share of results from an associate	**(40,756)**	(116,766)	(75,428)
Group's share of change in associate's equity	**-**	69,745	69,745
Disposal of associate (a)	**(116,596)**	-	-
Balance at the end of the period / year	**-**	157,352	198,690

a) During the period ended June 30, 2026, the Group sold all its owned shares in Med Cell Medical Company – K.S.C. (Closed) (formerly an associate), for a total net sale value of KD 136,390 (Note 10).

The realized gain resulting from that transaction was calculated as follows:

	Amount
Proceeds of disposal	**136,390**
Less: Carrying amount of investment on the date of disposal	**(116,596)**
Recognized gain on sale	**19,794**

Summarized financial information of the associate at the date of disposal is as follows:

Consolidated financial position summarized as follows:

	June 30, 2026 (date of disposal)
Total assets	**1,646,988**
Total liabilities	**1,413,329**
Net assets	**233,659**
Group's ownership percentage	**50%**
Carrying value of investment in an associate	**116,596**

Consolidated statement of profit or loss and other comprehensive income summarized as follows:

	For the six months ended June 30, 2026 (date of disposal)	For the six months ended June 30, 2025
Revenues	**922,190**	893,755
Loss for the period	**(81,675)**	(151,158)
Group's ownership percentage	**50%**	50%
Share of results from an associate	**(40,756)**	(75,428)

5. Investment properties

The movement during the period / year is as follows:

	June 30, 2026	December 31, 2025 (Audited)	June 30, 2025
Balance at the beginning of the period / year	**110,634,265**	116,371,106	116,371,106
Additions	**79,536**	156,954	123,089
Lease modifications	**(1,132,719)**	-	-
Disposals	**(3,439,264)**	(4,582,325)	(1,916,641)
Change in fair value	**-**	(1,097,837)	-
Foreign currency translation adjustments	**170,181**	(213,633)	(218,965)
Balance at the end of the period / year	**106,311,999**	110,634,265	114,358,589

6. Share Capital

The authorized, issued and paid up capital consist of 525,561,174 shares (December 31, 2025: 525,561,174 shares, June 30, 2025: 525,561,174 shares) with a nominal value of 100 fils each and all shares are in cash.

7. Treasury shares

	June 30, 2026	December 31, 2025 (Audited)	June 30, 2025
Number of shares	**16,405,133**	22,289,363	26,258,515
Percentage of issued shares (%)	**3.121**	4.241	4.996
Market value (KD)	**1,296,006**	1,649,413	1,916,872
Cost (KD)	**1,198,429**	1,610,174	1,861,001

The Parent Company's management has allotted an amount equal to treasury shares balance from retained earnings as at June 30, 2026. Such amount will not be available for distribution during treasury shares holding period.

8. Net other expenses

This caption includes allowance for expected credit losses for trade receivables amounting to KD 490,275 (December 31, 2025: KD 956,515, June 30, 2025: KD 516,710), in addition to provisions no longer required amounting to KD 11,528 (December 31, 2025: KD 525,806, June 30, 2025: KD 203,409) and gifts received from certain banks due to some facilities' settlements during the period amounting to KD 26,715 (December 31, 2025: KD 51,893, June 30, 2025: KD 51,893). It also includes net tax expenses for the Parent Company's subsidiaries amounting to KD 49,917 (December 31, 2025: KD 201,857, June 30, 2025: KD 155,330). This caption also includes net provisions for legal claims amounting to KD 1,794,759 (December 31, 2025: net provisions no longer required for legal claims amounting to KD 259,712, June 30, 2025: Nil) - (Note 12-1).

9. Basic and diluted (loss) earnings per share

The information necessary to calculate basic and diluted (loss) earnings per share based on the weighted average number of shares outstanding during the period is as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	**2026**	2025
(Loss) profit for the period attributable to equity holders of the Parent Company	**(1,530,010)**	590,382	**(988,225)**	1,062,392
Number of shares outstanding:				
Number of issued shares at beginning of the period	**525,561,174**	525,561,174	**525,561,174**	525,561,174
Less: Weighted average number of treasury shares	**(18,430,733)**	(27,616,440)	**(21,132,751)**	(29,319,796)
Weighted average number of shares outstanding	**507,130,441**	497,944,734	**504,428,423**	496,241,378
Total basic and diluted (Loss) earnings per share attributable to shareholders of the Parent Company (fils)	**(3.02)**	1.19	**(1.96)**	2.14

Since there are no diluted instruments outstanding, basic and diluted (loss) earnings per share are identical.

10. Related party disclosures

The Group has entered into various transactions with related parties, i.e. key management personnel and other related parties. Prices and terms of payment are to be approved by the Group's management. Significant related party transactions and balances are as follows:

Balances included in the interim condensed consolidated statement of financial position:

	Key management personnel	**June 30, 2026**	December 31, 2025 (Audited)	June 30, 2025
Accounts receivable and other debit balances	94,122	**94,122**	124,900	159,608
Lease liabilities (a)	4,568,196	**4,568,196**	5,138,720	5,468,050

Amounts due from / to related parties are interest free and are receivable or payable on demand.

Transactions included in the interim condensed consolidated statement of profit or loss:

	Key management personnel	For the six months ended June 30,	
		2026	2025
Rental income	146,371	**146,371**	168,108
Gain on disposal of investment in an associate (b)	12,866	**12,866**	-
Gain on sale of investment properties	-	**-**	15,600
Amortization of finance costs related to lease liabilities	(121,536)	**(121,536)**	(137,606)

a) The amounts recognized for the lease liabilities mentioned above that compose part of the Groups' consolidated lease liabilities can be presented as follows:

	June 30, 2026	June 30, 2025
Lease liabilities within one year	**864,000**	918,000
Remaining liability till end of lease term	**4,949,760**	5,922,000
Total lease liabilities	**5,813,760**	6,840,000
Less: Unamortized future finance charge	**(1,245,564)**	(1,371,950)
Present value of minimum lease payments	**4,568,196**	5,468,050

b) During the period ended June 30, 2026, the Group sold its full ownership interest in Med Cell Medical Company – K.S.C. (Closed) (formerly an associate), for a total net sale value of KD 136,390, resulting in a gain on disposal of an associate of KD 19,794 (Note 4). The disposal included the sale of 65% of the Group's ownership interest in the former associate to a member of key management personnel for a net sale value of KD 88,654 resulting in a gain on disposal of an associate of KD 12,866 with respect to the related ownership interest sold to that member.

Compensation to key management personnel:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	**2026**	2025
Short term benefits	**150,623**	152,278	**300,756**	302,315
End of service benefits	**14,268**	14,430	**28,705**	28,860
	164,891	166,708	**329,461**	331,175

11. Segment information

For management purposes, the Group is divided into geographical segments that are: State of Kuwait, United Arab Emirates (UAE), Kingdom of Saudi Arabia (KSA) and others, where the Group performs its main activities in the real estate segment. There is no income generating transactions between the Group's segments.

	Six months period ended June 30, 2026					Six months period ended June 30, 2025				
	Kuwait	UAE	KSA	Others	Total	Kuwait	UAE	KSA	Others	Total
Segment revenue	**4,600,306**	**50,676**	**588,861**	**340,486**	**5,580,329**	4,976,049	119,575	555,786	401,539	6,052,949
Segment profit (loss)	**314,160**	**(1,876,461)**	**480,414**	**92,717**	**(989,170)**	247,878	360,211	325,469	128,242	1,061,800

	As at June 30, 2026					As at June 30, 2025				
	Kuwait	UAE	KSA	Others	Total	Kuwait	UAE	KSA	Others	Total
Total segment assets	**93,433,017**	**9,912,953**	**13,692,015**	**6,464,178**	**123,502,163**	94,667,888	15,522,909	13,517,877	8,482,826	132,191,500
Total segment liabilities	**71,969,396**	**5,372,625**	**410,004**	**248,483**	**78,000,508**	78,680,873	4,645,953	215,435	1,134,867	84,677,128

	As at December 31, 2025 (Audited)				
	Kuwait	UAE	KSA	Others	Total
Total segment assets	92,698,959	13,558,145	13,773,686	6,920,220	126,951,010
Total segment liabilities	74,800,566	4,376,229	439,904	229,674	79,846,373

12. Legal cases

1) During the year ended December 31, 2020, two subsidiaries of the group had filed lawsuits before the courts of the Emirate of Dubai in the United Arab Emirates against some investors regarding the development of real estate projects in the Emirate of Dubai in the United Arab Emirates. During the year ended December 31, 2021, the Court of Cassation upheld the judgment issued by the Court of Appeal, which had previously upheld the judgment of the Court of First Instance issued in favor of the two subsidiaries of the group about their entitlement to a total amount of AED 19,780,852, in addition to the legal interest of 9% from the date of the judicial claim till full settlement, whereby the entitlement of those subsidiaries including the legal interest, fees and legal expenses amounting to AED 25,068,603 (equivalent to KD 2,095,000) according to the latest calculations for that entitlement by the court, and hence, the management of those subsidiaries had decided to reverse the provisions recorded in their books against their full entitled amount according to the Court's verdict including the legal interest up till December 31, 2021 which is reported as provisions no longer required in the consolidated statement of profit or loss for the year ended December 31, 2021. The subsidiaries of the group initiated legal execution procedures against those investors for the fulfilment of that verdict along with its legal interest, which resulted in the collection of almost the full amount due to the two subsidiaries till June 30, 2026. As a result of those lawsuits, the defendants of the previous legal case filed a counter-lawsuit against the Parent Company, the two subsidiaries and others demanding them to pay an amount of AED 261,026,454 (equivalent to KD 21,927,410) in addition to the legal interest of 5% from the date of the judicial claim till full settlement, in addition to demanding payment of AED 50,000,000 (equivalent to KD 4,200,228) as compensation for lost profits. A court verdict was issued by the Court of First Instance in favor of the defendants (Parent Company, the two subsidiaries, and others) to disregard this lawsuit because of the previous judgement in that lawsuit and obliging the plaintiffs to pay the deferred fees yet to be paid for that lawsuit. The plaintiffs had appealed before the Court of Appeal against the Court of First Instance's verdict. During the fiscal period ended June 30, 2026, the Court of Appeal issued its verdict and obliged the defendants (the Parent Company, the two subsidiaries), jointly, to pay an amount of AED 15,804,563 (equivalent to KD 1,320,798) to the plaintiffs, in addition to the delay interest of 5% from the date of the judicial claim till full settlement date, as well as obliging them jointly to pay an amount of AED 3,000,000 (equivalent to KD 250,712) to the plaintiffs as compensation for lost profits. The Group and the plaintiffs had appealed that verdict before the Court of Cassation, where the lawsuit is still under hearing till date. Also, the Group recorded provisions against that lawsuit with a total amount of AED 21,289,991 (equivalent to KD 1,779,219), which comprises the total amount adjudged by the Court of Appeal and the compensation amount, in addition to the delay interest from the date of the judicial claim till the date of the accompanying interim condensed consolidated financial information amounting to AED 2,485,428 (equivalent to KD 207,709).

2) A subsidiary to the Parent Company in the Emirate of Dubai had filed a lawsuit (as a precautionary measure in order to avoid the statute of limitation related to the date of filing that lawsuit) against several parties demanding them to bear the costs of rectifying the defects and repairing some buildings in the Emirate of Dubai that they had previously developed for the benefit of the subsidiary during the period from 2007 to 2015, due to their responsibility for the development work and supervising the developments of those buildings for the benefit of the subsidiary as some defects that require repairs, where the Company demands to oblige that some of the defendants with a total amount of AED 82,022,600 (equivalent to KD 6,890,272) in addition to the legal interest of 5% from the date of the judicial claim till full settlement date, in addition to demanding that some of the other defendants be obligated to an amount of AED 23,200,000 in solidarity with the first defendant parties (equivalent to the amount of KD 1,948,906) in addition to the legal interest of 5% from the date of the judicial claim till full settlement date, which represents the estimated budget of the repair costs for the subject buildings that resulted from development defects by the main contractor and subcontractors in addition to reserving the right to request compensation after assessing the damages and losses as well as obliging the defendants to pay the related fees, expenses, and attorney's fees. During the year ended December 31, 2024, the subsidiary amended its claim in that lawsuit by an additional claim amounting to AED 40,000,000 (equivalent to KD 3,360,182) as monetary and punitive compensation.

During the year ended December 31, 2025, The Court of First Instance issued a verdict which was subsequently upheld by the Court of Appeal in favor of the subsidiary and obliged one of the defendants to pay a total amount of AED 27,598,079 (equivalent to KD 2,318,364). This amount represents cost incurred for repair works up to August 30, 2024, together with related compensation and punitive damage, in addition to 5% legal interest from the date of final judgment until full settlement. The Court further ruled to reject the inclusion of certain other defendants as requested by the subsidiary. The subsidiary had appealed this verdict before the Court of Cassation to re-include those defendant parties in the lawsuit and to claim the full estimated amount required to complete the repair works and the related compensation. The Court of Cassation ruled to accept the subsidiary's appeal and returning the case to the Court of Appeal to revisit the subsidiary's objections.

During the period ended June 30, 2026, the Court of Appeal ruled in the subsidiary's favor by revoking the previous verdict and accepting to re-include some defendants whose inclusion in the case had previously been denied by the court. Additionally, the Court of Appeal ruled to oblige those defendants jointly to pay the adjudged amount of AED 27,598,079 (equivalent to KD 2,318,364) to the subsidiary in addition to the legal interest of 5% from the date of the judicial claim till full settlement date. The subsidiary, together with the defendants held liable by the Court, had appealed that verdict before the Court of Cassation, which ruled during the fiscal period ended June 30, 2026 by revoking the appealed verdict and returning the case to the Court of First Instance to re-hear its merits, where the lawsuit is still under hearing till date.

In the same regard, there are some lawsuits filed against that subsidiary by some units' owners in those buildings that are being repaired to claim the termination of their unit contracts and compensation for damages, the independent legal counsel of the subsidiary believes that the subsidiary has the recourse right against the developing parties of these buildings with all these damages and compensations once ruled for by the Court against the subsidiary, which is the subject of the aforementioned lawsuit filed by the subsidiary. During prior years, the subsidiary recorded a provision against those lawsuits amounting to AED 14,418,639 (equivalent to KD 1,204,975) against the expected effects of those lawsuits, where those provisions are considered sufficient to meet the expected impact of those lawsuits on the subsidiary's results of operations as at the date of the accompanying interim condensed consolidated financial information.

3) During the year ended December 31, 2024, a subsidiary to the Group in Sultanate of Oman had filed a Criminal Complaint against some of its employees because of fraudulent activities related to collection of sales and rental proceeds for some units. The Public Prosecutor in Sultanate of Oman had appointed an independent certified accounting expert to inspect that complaint filed by the subsidiary to determine the resultant magnitude of those damages in order to complete the related legal procedures. Based on that, and during the year ended December 31, 2025, the Public Prosecutor in Sultanate of Oman had referred the case to the concerned courts since the accused employees had embezzled monetary amounts of OMR 706,207 (equivalent to KD 565,959) from the subsidiary. The embezzled amounts as stated in the referral decision include an amount of OMR 372,578 (equivalent to KD 298,587) which was incurred by the subsidiary as provisions and actual costs in its financial statements during previous years, in addition to an amount of OMR 333,629 (equivalent to KD 267,373) that represents an opportunity cost for the subsidiary which will be booked in the subsidiary's financial statements when collected from the accused employees, and the lawsuit is still under hearing before the Court. Hence, there is no financial impact on that subsidiary as at the date of the accompanying interim condensed consolidated financial information.

13. Parent Company's Annual General Assembly and Board of Directors approvals

Based on the resolution of the Parent Company's ordinary General Assembly dated March 30, 2026 which authorized the Board of Directors to distribute interim dividends (semi-annually or quarterly) and to determine the percentages of such interim distributions to shareholders, the Parent Company's Board of Directors had decided during its meeting held on July 29, 2026 to distribute dividends as free bonus shares from treasury shares at the rate of 2% to the Shareholders registered in the Parent Company's registry as at the record date which is set on August 26, 2026 with distribution date set on September 7, 2026 according to their ownership interest. The impact of these distributions will be recorded once executed by reducing the retained earnings by an amount of KD 743,929 without any increase in either the Parent Company's share capital or its issued shares on the record date of such distributions. This amount may change based on the actual number of treasury shares as at the entitlement date.

Based on the resolution of the Parent Company's ordinary General Assembly dated March 30, 2026 approving the recommendation of the Board of Directors to distribute dividends as free bonus shares from treasury shares for the fiscal year ended December 31, 2025 at the rate of 2.5% to the shareholders registered in the Parent Company's registry as at the record date according to their ownership interest, these distributions were approved and the related impact was recorded upon execution during the fiscal period ended June 30, 2026 by reducing the retained earnings by an amount of KD 898,057, without any increase in either the Parent Company's share capital or its issued shares on the record date of such distributions.

The Parent Company's Shareholders' Annual General Assembly, held on March 30, 2026, had approved the consolidated financial statements of the Group for the year ended December 31, 2025 as well as the following:

- Distribute dividends as free bonus shares from treasury shares for the fiscal year ended December 31, 2025 at the rate of 2.5% to the Shareholders registered in the Parent Company's registry as at the record date, April 23, 2026, and were distributed on April 30, 2026. The Parent Company's Board of Directors is authorized to amend the milestones of share entitlements and to manage the shares' fractions as deemed appropriate. This distribution shall not result in an increase in the Parent Company's share capital or in the number of issued shares as of the record date of those dividends.
- Renewal of the approval to authorize the Board of Directors to distribute interim dividends (semi-annually or quarterly) and to determine the rates of such interim distributions to shareholders during the year ending December 31, 2026, provided that such distributions must be from real profits in accordance with applicable accounting principles and without impacting the Parent Company's paid-up capital.
- Not to pay Board of Directors remuneration for the year ended December 31, 2025.

Based on the resolution of the Parent Company's ordinary General Assembly dated March 20, 2025 approving the recommendation of the Board of Directors to distribute dividends as free bonus shares from treasury shares for the fiscal year ended December 31, 2024 at the rate of 2.5% to the shareholders registered in the Parent Company's registry as at the record date according to their ownership interest, these distributions were approved and the related impact was recorded upon execution during the fiscal period ended June 30, 2025 by reducing the retained earnings by an amount of KD 879,489, without any increase in either the Parent Company's share capital or its issued shares on the record date of such distributions.

The Parent Company's Shareholders' Annual General Assembly, held on March 20, 2025, had approved the consolidated financial statements of the Group for the year ended December 31, 2024 as well as the following:

- Distribute dividends as free bonus shares from treasury shares for the fiscal year ended December 31, 2024 at the rate of 2.5% to the Shareholders registered in the Parent Company's registry as at the record date according to their ownership interest. This distribution shall not result in an increase in the Parent Company's share capital or in the number of issued shares as of the record date of those dividends. The shareholders registered in the Parent Company's records by the end of the entitlement date, April 22, 2025, and were distributed on April 30, 2025. The Parent Company's Board of Directors is authorized to amend the milestones of share entitlements and to manage the shares' fractions.
- Approval to authorize the Board of Directors to distribute interim dividends (semi-annually or quarterly) and to determine the rates of such interim distributions to shareholders during the year ending December 31, 2025, provided that such distributions must be from real profits in accordance with applicable accounting principles and without impacting the Parent Company's paid-up capital.
- Not to pay Board of Directors remuneration for the year ended December 31, 2024.

The Parent Company's Shareholders' Extraordinary General Assembly, held on March 27, 2025, approved the amendment of Clause 5 of the Articles of Association and Clause 4 of the Memorandum of Association related to principal activities of the Parent Company (Note 1), to be:

- Holding Companies' activities.
- Managing subsidiaries or participating in the management of other companies in which it holds shares and providing the necessary support.
- Investing funds through trading in stocks, bonds, and other financial securities.
- Ownership of real estate and movable assets necessary to carry out its operations, within the limits permitted by law.
- Financing or granting loans to companies in which it holds shares or stocks and guaranteeing them towards others, provided that the percentage of participation of the holding company in the capital of the borrowing company is not less than 20%.
- Ownership of intellectual property rights, including patents, trademarks, industrial models, franchises, and other intangible rights, and exploiting or leasing them to its subsidiaries or other companies.
- Ownership of shares exclusively for the company's own account.
- Establishing an office for managing holding activities.

The Parent Company has the right to practice its aforementioned objectives inside the State of Kuwait and abroad for itself or as agent or representative to other, the Parent Company has the right as well to have interest or to participate with entities that practice similar operations or assist the Parent Company in achieving its objectives inside and outside Kuwait, and such it has the right to establish, form partnership, purchase or merge with those entities.

These amendments were notarized in the commercial register on April 30, 2025.

14. Fair value measurement

The Group measures financial assets such as financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, and non-financial assets such as investment properties at fair value at the end of the fiscal period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized 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 is as follows:

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 following table shows an analysis of captions recorded at fair value by level of the fair value hierarchy:

	June 30, 2026			
	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL	**714,075**	**-**	**-**	**714,075**
Financial assets at FVTOCI	**-**	**-**	**910,580**	**910,580**
Investment properties	**-**	**11,556,254**	**94,755,745**	**106,311,999**
Total	**714,075**	**11,556,254**	**95,666,325**	**107,936,654**

	December 31, 2025 (Audited)			
	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL	31,070	-	-	31,070
Financial assets at FVTOCI	-	-	1,247,320	1,247,320
Investment properties	-	12,654,574	97,979,691	110,634,265
Total	31,070	12,654,574	99,227,011	111,912,655

	June 30, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL	304,045	-	-	304,045
Financial assets at FVTOCI	-	-	1,689,751	1,689,751
Investment properties	-	14,521,518	99,837,071	114,358,589
Total	304,045	14,521,518	101,526,822	116,352,385

There were no transfers among the levels during the period.

Movements in level 3 assets during the period / year are set out below

	Financial assets ("FVTOCI")	Investment properties	Total
Balance as at January 1, 2026	1,247,320	97,979,691	99,227,011
Additions	-	8,097	8,097
Disposals	-	(2,258,916)	(2,258,916)
Lease modifications	-	(1,132,719)	(1,132,719)
(Losses) gain recognized in consolidated statement of other comprehensive income	(336,740)	159,592	(177,148)
Balance as at June 30, 2026	**910,580**	**94,755,745**	**95,666,325**

	Financial assets ("FVTOCI")	Investment properties	Total
Balance as at January 1, 2025	1,998,903	99,889,037	101,887,940
Additions	-	156,954	156,954
Losses recognized in consolidated statement of profit or loss	-	(1,893,856)	(1,893,856)
Losses recognized in consolidated statement of other comprehensive income	(751,583)	(172,444)	(924,027)
Balance as at 31 December 2025 (audited)	1,247,320	97,979,691	99,227,011

	Financial assets ("FVTOCI")	Investment properties	Total
Balance as at January 1, 2025	1,998,903	99,889,037	101,887,940
Additions	-	123,089	123,089
Losses recognized in consolidated statement of other comprehensive income	(309,152)	(175,055)	(484,207)
Balance as at June 30, 2025	1,689,751	99,837,071	101,526,822

15. Capital Risk Management

The Group's objectives when managing capital resources are to safeguard the Group's ability to continue as a going concern in order to provide returns and benefits for shareholders and to maintain an optimal capital resources structure to reduce the cost of capital.

In order to maintain or adjust the capital resources structure, the Group may adjust the amount of cash dividends paid to shareholders, return paid up capital to shareholders, issue new shares, sell assets to reduce debt, repay facilities or obtain additional facilities.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total debt facilities less cash and cash equivalents, and term deposits. Total capital is calculated as 'equity' as shown in the consolidated statement of financial position plus net debt.

For the purpose of capital risk management, the total capital resources consist of the following components:

	June 30, 2026	December 31, 2025 (Audited)	June 30, 2025
Islamic bank facilities	**41,791,500**	42,213,470	45,911,732
Lease liabilities	**24,453,115**	26,563,000	27,711,408
Less: cash and cash equivalents	**(4,002,377)**	(3,483,046)	(3,268,929)
Less: Wakala investments	**-**	-	(420,510)
Net debt	**62,242,238**	65,293,424	69,933,701
Total equity	**45,501,655**	47,104,637	47,514,372
Total capital resources	**107,743,893**	112,398,061	117,448,073
Gearing Ratio	**57.77%**	58.09%	59.54%

16. Significant events

- During the comparative fiscal year ended December 31, 2025, a preliminary agreement was reached between Al Mazaya Holding Company - K.S.C.P. (Parent Company) and Waterfront Real Estate Company K.S.C. (Closed) (Subsidiary) to enter into a Merger by Amalgamation, where Al Mazaya Holding Company - K.S.C.P. will be the "Merging" company and Waterfront Real Estate Company K.S.C. (Closed) will be the "Merged" company. Both companies are currently in the process of completing the necessary procedures in relation to the proposed merger.

- During the period ended June 30, 2026, a military conflict erupted in the Middle East, resulting in significant geopolitical uncertainty across the region.

  This event may adversely affect the Group's operating environment. Potential impacts include, but are not limited to, disruptions in supply chains, increased energy costs, pressure on profit margins, and heightened refinancing and credit risks.

  Given that these events are recent and continue to escalate rapidly, management is currently unable to determine with a reasonable degree of certainty the actual extent or duration of this conflict, or to reliably measure its ultimate financial impact on the accompanying condensed consolidated interim financial information of the Group. Management continues to monitor market conditions and assess the potential impact, if any, in line with future developments.