AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) 30 SEPTEMBER 2026

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Agility Public Warehousing Company K.S.C.P. (the "Parent Company") and its subsidiaries (collectively, the "Group") as at 30 September 2026 and the related interim condensed consolidated statement of income and interim condensed consolidated statement of comprehensive income for the three-month and nine-month periods then ended and the related interim condensed consolidated statement of cash flows and interim condensed consolidated statement of changes in equity for the nine-month 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 International Accounting Standard IAS 34: *Interim Financial Reporting* ("IAS 34"). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

Except as explained in the following paragraph, 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.

Basis for Qualified Conclusion

As stated in Note 10(c) to the interim condensed consolidated financial information, the Group has recognised a legal claim receivable amounting to KD 64,488 thousand from the General Administration of Customs for Kuwait ("GAC") pursuant to a final judgment issued by the Court of Cassation. As at the reporting date enforcement and recovery of the judgment are still in progress and the quantum and timing of recovery remains uncertain. On account of this uncertainty, sufficient appropriate evidence about the recoverability of the legal claim receivable was not available. In addition, while the Group is legally entitled to interest of 7% per annum on the awarded compensation, the enforceable basis for determining the interest amount remains legally indeterminate as at the reporting date. Consequently, we were unable to obtain sufficient appropriate evidence to determine whether any adjustments to the carrying value of the legal claim receivable, including related interest, were necessary.

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. (continued)

Qualified Conclusion

Based on our review, except for the possible effect of the matter described in the "Basis for Qualified Conclusion" paragraph above, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with IAS 34.

Emphasis of Matter

(i) We draw attention to Note 10(a) to the interim condensed consolidated financial information, which describes the Group's investment properties leased from the Public Authority for Industry, Kuwait ("PAI"), for which the underlying lease contracts have expired and are subject to ongoing legal disputes with PAI. As disclosed in that note, these properties are carried at Nil as at the reporting date, and the Group recognised a fair value loss of KD 192,637 thousand and expected credit losses of KD 43,388 thousand during the period in respect of the related properties and receivables.

We further draw attention to Notes 10(a), 10(f) and 10(g), which describe claims initiated by PAI against the Parent Company seeking compensation for continued use of the properties after expiry of the underlying lease contracts, for which no provision has been recognised because the related amounts cannot be reliably estimated as at the reporting date.

(ii) We also draw attention to Note 10(d) to the interim condensed consolidated financial information which describes the contingencies and claims with the General Administration of Customs for Kuwait.

Our conclusion is not further qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended and its Executive Regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, during the nine-month period ended 30 September 2026 that might have had a material effect on the business of the Parent Company or on its financial position.

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. (continued)

Report on Other Legal and Regulatory Requirements (continued)

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

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LICENCE NO. 207
EY
AL AIBAN, AL OSAIMI & PARTNERS

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12 November 2026
Kuwait

ERNST & YOUNG
EY
Al Aiban Al Osaimi & Partners

Albazie & Co.
RSM

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 September 2026

	Notes	*30 September 2026 KD 000's*	*(Audited) 31 December 2025 KD 000's*	*30 September 2025 KD 000's*
ASSETS				
Non-current assets				
Property, plant and equipment		**30,857**	26,570	24,317
Projects in progress		**2,840**	10,268	64,889
Right-of-use assets		**14,227**	15,461	16,514
Investment properties	10(a)	**158,163**	335,160	291,390
Goodwill		**3,965**	3,965	3,965
Investment in associates and joint ventures	4	**399,169**	493,821	377,911
Financial assets at fair value through profit or loss		**-**	21	21
Financial assets at fair value through other comprehensive income		**-**	14	14
Claims receivable		**-**	-	111,023
Other non-current assets		**4,302**	4,962	4,155
Loan to related parties	11	**-**	301	35,828
Total non-current assets		**613,523**	890,543	930,027
Current assets				
Inventories		**711**	350	327
Trade receivables		**15,108**	49,312	50,618
Other current assets	10(c)	**80,267**	82,114	77,826
Amount due from related parties	11	**1,979**	3,748	2,513
Bank balances, cash and deposits	5	**44,460**	50,599	38,260
Total current assets		**142,525**	186,123	169,544
TOTAL ASSETS		**756,048**	1,076,666	1,099,571
EQUITY AND LIABILITIES				
EQUITY				
Share capital		**267,613**	267,613	267,613
Share premium	12	**-**	152,650	152,650
Statutory reserve	12	**71,337**	133,807	133,807
Treasury shares	6	**(50,839)**	(40,561)	(40,561)
Treasury shares reserve		**56,682**	56,769	56,769
Foreign currency translation reserve		**(7,748)**	(7,109)	(21,816)
Hedging reserve		**11,072**	(21,955)	11,007
Investment revaluation reserve		**(103,398)**	19,266	(64,113)
Other reserves		**(1,053)**	588	(2,765)
Retained earnings		**21,389**	8,791	115,206
Equity attributable to equity holders of the Parent Company		**265,055**	569,859	607,797
Non-controlling interests		**13,971**	22,384	16,718
Total equity		**279,026**	592,243	624,515
LIABILITIES				
Non-current liabilities				
Provision for employees' end of service benefits		**13,121**	13,340	13,369
Interest bearing loans		**135,736**	135,591	135,421
Lease liabilities		**22,190**	24,067	23,188
Loans from related parties	11	**102,019**	112,867	109,882
Amount due to related parties	11	**1,843**	1,751	-
Other non-current liabilities		**35,612**	36,306	2,068
Total non-current liabilities		**310,521**	323,922	283,928
Current liabilities				
Interest bearing loans		**1,291**	1,315	2,328
Lease liabilities		**4,585**	4,382	5,353
Trade and other payables		**134,083**	141,056	170,061
Amount due to related parties	11	**4,999**	5,116	4,640
Loans from related parties	11	**12,889**	-	-
Dividends payable	12	**8,654**	8,632	8,746
Total current liabilities		**166,501**	160,501	191,128
Total liabilities		**477,022**	484,423	475,056
TOTAL EQUITY AND LIABILITIES		**756,048**	1,076,666	1,099,571



Faisal Jamil Sultan Al- Essa
Chairman

The attached notes 1 to 16 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)

For the period ended 30 September 2026

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2026	*2025*	***2026***	*2025*
		KD 000's	*KD 000's*	***KD 000's***	*KD 000's*
CONTINUING OPERATIONS:					
Revenue from contract with customers	7	**35,764**	38,709	**107,275**	112,571
Cost of revenue		**(8,814)**	(6,985)	**(23,904)**	(18,543)
Net revenues		**26,950**	31,724	**83,371**	94,028
General and administrative expenses		**(11,803)**	(22,540)	**(36,398)**	(51,044)
Provision for expected credit losses on trade receivables	10 (a)	**(137)**	(1,195)	**(43,816)**	(3,599)
Change in fair value of investment properties	10 (a)	-	-	**(192,637)**	-
Share of results of associates	4	**1,427**	4,155	**4,585**	4,155
Gain on fair value adjustments on Investments in an associate	4	-	134,096	-	134,096
Unrealised loss on financial assets at fair value through profit or loss		**(21)**	(110,971)	**(21)**	(110,971)
Recognition of legal claims		-	110,971	-	110,971
Recoveries pursuant to favourable legal claims	10 (e)	-	-	**11,660**	-
Miscellaneous income		**288**	509	**620**	1,312
Profit (loss) before interest, taxation, depreciation and Directors' remuneration (EBITDA)		**16,704**	146,749	**(172,636)**	178,948
Depreciation		**(2,213)**	(2,040)	**(6,539)**	(6,054)
Profit (loss) before interest, taxation and Directors' remuneration (EBIT)		**14,491**	144,709	**(179,175)**	172,894
Interest income		**325**	255	**1,070**	1,034
Finance costs		**(3,338)**	(3,706)	**(10,691)**	(7,502)
Profit (loss) before taxation and Directors' remuneration		**11,478**	141,258	**(188,796)**	166,426
Taxation	8	**(176)**	638	**(511)**	(577)
Directors' remuneration	11	**(88)**	(88)	**87**	(263)
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		**11,214**	141,808	**(189,220)**	165,586
DISCONTINUED OPERATIONS:					
Loss after tax for the period from discontinued operations	15	-	(108,508)	-	(662,331)
PROFIT (LOSS) FOR THE PERIOD		**11,214**	33,300	**(189,220)**	(496,745)
Attributable to:					
Equity holders of the Parent Company					
Profit (loss) for the period from continuing operations		**7,927**	137,708	**(198,867)**	155,702
Loss for the period from discontinued operations		-	(55,056)	-	(343,487)
		7,927	82,652	**(198,867)**	(187,785)
Non-controlling interests					
Profit for the period from continuing operations		**3,287**	4,100	**9,647**	9,884
Loss for the period from discontinued operations		-	(53,452)	-	(318,844)
		3,287	(49,352)	**9,647**	(308,960)
PROFIT (LOSS) FOR THE PERIOD		**11,214**	33,300	**(189,220)**	(496,745)
BASIC AND DILUTED EARNINGS (LOSS) PER SHARE -ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY (fils)	9	**3.19**	32.38	**(78.70)**	(73.57)
BASIC AND DILUTED EARNINGS (LOSS) PER SHARE FROM CONTINUING OPERATIONS - ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY (fils)	9	**3.19**	53.95	**(78.70)**	61.00

The attached notes 1 to 16 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 September 2026

		Three months ended 30 September		*Nine months ended 30 September*	
		2026 KD 000's	*2025 KD 000's*	***2026 KD 000's***	*2025 KD 000's*
Profit (loss) for the period		**11,214**	33,300	**(189,220)**	(496,745)
Other comprehensive (loss) income:					
Items that may be reclassified to consolidated statement of income in subsequent periods:					
Foreign currency translation adjustments		**(2,208)**	1,148	**1,579**	(64,168)
Foreign currency translation adjustments reclassified to consolidated statement of income on distribution of subsidiary		-	22,089	-	22,089
Share of other comprehensive income of associates	4	**415**	655	**970**	1,236
Gain on net investment hedges reclassified to consolidated statement of income on distribution of subsidiary		-	34,250	-	34,250
Gain (loss) on hedge of net investments		**86**	-	**(153)**	(22,942)
Net other comprehensive (loss) income that may be reclassified to consolidated statement of income in subsequent periods		**(1,707)**	58,142	**2,396**	(29,535)
Items that will not be reclassified to the consolidated statement of income:					
Changes in fair value of financial assets at fair value through other comprehensive income		**(14)**	-	**(14)**	139,925
Share of other comprehensive (loss) of associates	4	**(77,142)**	(52,914)	**(90,550)**	(52,914)
Gain on fair value hedges		-	-	-	6,058
Net other comprehensive (loss) income that will not be reclassified to consolidated statement of income		**(77,156)**	(52,914)	**(90,564)**	93,069
Total other comprehensive (loss) income		**(78,863)**	5,228	**(88,168)**	63,534
Total comprehensive (loss) income for the period		**(67,649)**	38,528	**(277,388)**	(433,211)
Attributable to:					
Equity holders of the Parent Company		**(70,552)**	86,799	**(287,694)**	(153,907)
Non-controlling interests		**2,903**	(48,271)	**10,306**	(279,304)
		(67,649)	38,528	**(277,388)**	(433,211)

The attached notes 1 to 16 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the period ended 30 September 2026

	Notes	Nine months ended 30 September 2026 KD 000's	Nine months ended 30 September 2025 KD 000's
OPERATING ACTIVITIES			
(Loss) profit before taxation and Director's remuneration from continuing operations		**(188,796)**	166,426
Loss before taxation and Director's remuneration from discontinued operations	15	**-**	(654,228)
Adjustments for:			
Change in fair value of investment properties	10 (a)	**192,637**	-
Expected credit losses on trade receivables		**43,816**	4,356
Provision for employees' end of service benefits		**905**	2,521
Foreign currency exchange loss		**525**	55
Share of results of associates and joint ventures	4	**(4,585)**	(10,320)
Gain on fair value adjustments on investments in an associate	4	**-**	(134,096)
Unrealised loss on financial assets at fair value through profit or loss		**21**	111,954
Dividend income		**-**	(4,051)
Recognition of legal claims		**-**	(110,971)
Miscellaneous income		**(31)**	(2,827)
Remeasurement of the discontinued operations to its fair value less cost to distribute	15	**-**	680,820
Depreciation		**6,539**	52,369
Amortisation		**-**	4,333
Interest income		**(1,070)**	(6,907)
Finance costs		**10,691**	42,341
Operating profit before changes in working capital		**60,652**	141,775
Inventories		**(361)**	6,872
Trade receivables		**(9,751)**	(28,828)
Other current assets		**(435)**	(9,926)
Trade and other payables		**(2,404)**	(1,093)
		47,701	108,800
Taxation paid		**(817)**	(10,600)
Employees' end of service benefits paid		**(974)**	(4,120)
Directors' remuneration paid		**-**	(300)
Net cash flows from operating activities		**45,910**	93,780
INVESTING ACTIVITIES			
Net movement in financial assets at fair value through profit or loss		**-**	(188)
Net movement in financial assets at fair value through other comprehensive income		**-**	(5,304)
Additions to property, plant and equipment		**(367)**	(40,089)
Proceeds from disposal of property, plant and equipment		**-**	10,879
Additions to investment properties		**(14,216)**	-
Loans to related parties		**-**	(8,780)
Additions to projects in progress		**(385)**	(8,955)
Net movement in investment in associates and joint ventures		**2,763**	(491)
Dividends received		**6,170**	8,357
Acquisition of additional interest in a subsidiary		**-**	(1,841)
Distribution of a subsidiary		**-**	(226,692)
Interest income received		**980**	1,027
Net movement in deposits with original maturities exceeding three months		**17,819**	4,843
Disposal of a subsidiary, net of cash acquired		**-**	(2,180)
Deferred consideration related to acquisitions of prior years		**-**	(3,095)
Net cash flows from (used in) investing activities		**12,764**	(272,509)
FINANCING ACTIVITIES			
Proceeds from interest bearing loans		**111**	289,097
Repayment of interest bearing loans		**(52)**	(188,766)
Loan from a related party		**142**	691
Payment of lease obligations		**(4,620)**	(39,365)
Net purchase of treasury shares		**(10,365)**	-
Finance cost paid		**(8,296)**	(41,641)
Dividends paid to equity holders of the Parent Company		**(5,082)**	(25,523)
Dividends paid to non-controlling interests		**(18,719)**	(21,293)
Net cash flows used in financing activities		**(46,881)**	(26,800)
Net foreign exchange differences		**(113)**	185
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**11,680**	(205,344)
Cash and cash equivalents at 1 January		**14,872**	222,826
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	5	**26,552**	17,482

The attached notes 1 to 16 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 September 2026

	Attributable to equity holders of the Parent Company												
	Share capital KD 000's	*Share premium KD 000's*	*Statutory reserve KD 000's*	*Treasury shares KD 000's*	*Treasury shares reserve KD 000's*	*Foreign currency translation reserve KD 000's*	*Hedging reserve KD 000's*	*Investment revaluation reserve KD 000's*	*Other reserves KD 000's*	*Retained earnings KD 000's*	*Sub total KD 000's*	*Non-controlling interests KD 000's*	*Total equity KD 000's*
As at 1 January 2026	267,613	152,650	133,807	(40,561)	56,769	(7,109)	(21,955)	19,266	588	8,791	569,859	22,384	592,243
(Loss) profit for the period	-	-	-	-	-	-	-	-	-	(198,867)	(198,867)	9,647	(189,220)
Other comprehensive (loss) income	-	-	-	-	-	(639)	33,027	(121,215)	-	-	(88,827)	659	(88,168)
Total comprehensive (loss) income for the period	-	-	-	-	-	(639)	33,027	(121,215)	-	(198,867)	(287,694)	10,306	(277,388)
Dividends	-	-	-	-	-	-	-	-	-	(5,104)	(5,104)	-	(5,104)
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(18,719)	(18,719)
Purchase of treasury shares	-	-	-	(10,427)	-	-	-	-	-	-	(10,427)	-	(10,427)
Sale of treasury shares	-	-	-	149	(87)	-	-	-	-	-	62	-	62
Transfer of fair value reserve of equity instruments designated at FVOCI on disposal	-	-	-	-	-	-	-	(1,449)	-	1,449	-	-	-
Other equity movement from associate (Note 4)	-	-	-	-	-	-	-	-	(1,641)	-	(1,641)	-	(1,641)
Transfer of share premium and statutory reserve to retained earnings (Note 12)	-	(152,650)	(62,470)	-	-	-	-	-	-	215,120	-	-	-
As at 30 September 2026	**267,613**	-	**71,337**	**(50,839)**	**56,682**	**(7,748)**	**11,072**	**(103,398)**	**(1,053)**	**21,389**	**265,055**	**13,971**	**279,026**
As at 1 January 2025	267,613	152,650	195,595	(40,561)	56,769	(18,690)	(8,059)	(468,517)	17,834	862,309	1,016,943	1,024,820	2,041,763
Loss for the period	-	-	-	-	-	-	-	-	-	(187,785)	(187,785)	(308,960)	(496,745)
Other comprehensive (loss) income	-	-	-	-	-	(3,126)	36,985	2,609	(2,590)	-	33,878	29,656	63,534
Total comprehensive (loss) income for the period	-	-	-	-	-	(3,126)	36,985	2,609	(2,590)	(187,785)	(153,907)	(279,304)	(433,211)
Share based payments	-	-	-	-	-	-	-	-	-	103	103	-	103
Dividends	-	-	-	-	-	-	-	-	-	(25,523)	(25,523)	-	(25,523)
Dividends in-kind	-	-	-	-	-	-	-	-	-	(212,797)	(212,797)	-	(212,797)
Remeasurement of Dividends in-kind	-	-	-	-	-	-	-	-	-	(19,013)	(19,013)	-	(19,013)
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(21,293)	(21,293)
Transfer of statutory reserve to retained earnings	-	-	(61,788)	-	-	-	-	-	-	61,788	-	-	-
Disposal of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	1,091	1,091
Distribution of a subsidiary	-	-	-	-	-	-	(17,919)	401,795	(20,000)	(363,876)	-	(704,306)	(704,306)
Acquisition of additional interest in a subsidiary	-	-	-	-	-	-	-	-	1,991	-	1,991	(4,290)	(2,299)
As at 30 September 2025	267,613	152,650	133,807	(40,561)	56,769	(21,816)	11,007	(64,113)	(2,765)	115,206	607,797	16,718	624,515

The attached notes 1 to 16 form part of this interim condensed consolidated financial information.

1 CORPORATE INFORMATION

Agility Public Warehousing Company K.S.C.P. (the "Parent Company") is a Kuwaiti shareholding company incorporated in 1979 and listed on Boursa Kuwait and Dubai Stock Exchange. The address of the Parent Company's Head office is Sulaibia, beside Land Customs Clearing Area, P.O. Box 25418, Safat 13115, Kuwait. The Group operates under the brand name of "Makhazen".

The interim condensed consolidated financial information of the Parent Company and its subsidiaries (collectively, the "Group") was authorised for issue by the Board of Directors on 12 November 2026.

The main objectives of the Parent Company are as follows:

- Construction, management and renting of all types of warehouses.
- Warehousing goods under customs' supervision inside and outside customs areas.
- Investing the surplus funds in investment portfolios.
- Participating in, acquiring or taking over companies of similar activities or those that would facilitate achieving the Parent Company's objectives inside or outside Kuwait.
- All types of transportation, distribution, handling and customs clearance for goods.
- Customs consulting, customs automation, modernisation and decision support.

Certain comparative information has been reclassified and re-presented to conform to the classification in the current period. Such reclassifications have been made to improve the quality of information presented and had no impact on the previously reported profit for the period.

2 BASIS OF PREPARATION

The interim condensed consolidated financial information of the Group has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting".

The interim condensed consolidated financial information does not include all of the information and disclosures required for complete consolidated financial statements prepared in accordance with IFRS Accounting Standards ("IFRS") and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025. In the opinion of management, all adjustments considered necessary for a fair presentation have been included in the interim condensed consolidated financial information. Operating results for the interim period are not necessarily indicative of the results that may be expected for the year ending 31 December 2026.

As at the reporting date, the Group had net current liabilities of KD 23,976 thousand (31 December 2025: net current assets of KD 25,622 thousand), primarily attributable to the expected credit losses considered on the trade receivables relating to the investment properties leased from the Public Authority for Industry (PAI) that is currently under litigation and due to the classification of certain interest-bearing loans from a related party as current based on their contractual repayment terms.

In assessing the appropriateness of the going concern basis, management has considered the Group's forecast cash flows from operations, available undrawn financing facilities and investment in certain quoted equity securities, which, although classified as non-current, represents a highly liquid investment that could be monetised, if required, to meet the Group's obligations as they fall due. Accordingly, management considers that the Group has adequate resources to meet its short-term obligations for the foreseeable future.

3 NEW STANDARDS, INTERPRETATIONS, AMENDMENTS AND ACCOUNTING POLICIES ADOPTED BY THE GROUP

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

The below amendments applied for the first time in 2026 but do not have a material impact on the interim condensed consolidated financial information of the Group.

3 NEW STANDARDS, INTERPRETATIONS, AMENDMENTS AND ACCOUNTING POLICIES ADOPTED BY THE GROUP (continued)

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 material 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 *Statement of Cash Flows*.

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

4 INVESTMENT IN ASSOCIATES AND JOINT VENTURES

	30 September 2026 KD 000's	*(Audited) 31 December 2025 KD 000's*	*30 September 2025 KD 000's*
As at 1 January	**493,821**	143,053	143,053
Additions to investment in an associate	-	288,321	288,321
Gain on fair value adjustments on investments in an associate	-	183,767	134,096
Share of results – continuing operations	**4,585**	6,946	4,155
Share of results – discontined operations (Note 15)	-	6,165	6,165
Share of other comprehensive income	**(89,580)**	13,242	(51,678)
Distribution of a subsidiary	-	(141,526)	(141,526)
Disposal	**(3,988)**	-	-
Impairment	**(146)**	-	-
Dividends received	**(6,170)**	(9,577)	(4,569)
Other equity movement from associate	**(1,641)**	-	-
Foreign currency translation adjustments	**2,288**	3,430	(106)
As at 30 September / 31 December	**399,169**	493,821	377,911

During the previous year, following the distribution of in-kind dividends, the Group's effective ownership in Agility Global PLC reduced from 51% to 26.58%, after considering the partial settlement of a loan owed by the Parent Company to Agility Global PLC through transfer of Parent Company's 5.9% equity ownership in Agility Global PLC. Since the Group exercises significant influence over Agility Global PLC, the investment in Agility Global PLC is classified as an investment in an associate and denominated in USD.

The Group recognised the above investment based on the market value on the date of distribution of in-kind dividends amounting to KD 288,321 thousand. During the previous year, the Group performed a purchase price allocation (PPA) and made fair value adjustments amounting to KD 183,767 thousand which was recognised in the consolidated statement of income for the year ended 31 December 2025.

5 BANK BALANCES, CASH AND DEPOSITS

	30 September 2026 KD 000's	*(Audited) 31 December 2025 KD 000's*	*30 September 2025 KD 000's*
Cash at banks and on hand	**8,706**	12,144	14,249
Short-term deposits*	**35,754**	38,455	24,011
	44,460	50,599	38,260
Less: Short-term deposits with original maturities exceeding 3 months	**(17,908)**	(35,727)	(20,778)
Total cash and cash equivalents	**26,552**	14,872	17,482

* Short-term deposits are placed for varying periods, depending on the immediate cash requirements of the Group and earn effective interest at the respective short-term deposit rates.

6 TREASURY SHARES

	30 September 2026	*(Audited) 31 December 2025*	*30 September 2025*
Number of treasury shares	**196,609,596**	123,786,106	123,786,106
Percentage of issued shares	**7.35%**	4.63%	4.63%
Cost in KD 000's	**50,839**	40,561	40,561
Market value in KD 000's	**27,525**	17,330	18,568

The balance in the treasury share reserve account is not available for distribution. An amount equal to the cost of treasury shares is not available for distribution from share premium, statutory reserve, voluntary reserve and retained earnings throughout the holding period of these treasury shares.

7 REVENUE FROM CONTRACTS WITH CUSTOMERS

The following presents the disaggregation of the Group's revenue from contracts with customers:

	Three months ended 30 September		*Nine months ended 30 September*	
	2026 KD 000's	*2025 KD 000's*	***2026 KD 000's***	*2025 KD 000's*
Rent	**10,885**	13,589	**35,585**	41,814
Others	**24,879**	25,120	**71,690**	70,757
	35,764	38,709	**107,275**	112,571

	Three months ended 30 September		*Nine months ended 30 September*	
	2026 KD 000's	*2025 KD 000's*	***2026 KD 000's***	*2025 KD 000's*
Timing of revenue recognition				
Goods and services transferred at a point in time	**19,625**	21,538	**58,569**	60,957
Goods and services transferred over time	**16,139**	17,171	**48,706**	51,614
	35,764	38,709	**107,275**	112,571

7 REVENUE FROM CONTRACTS WITH CUSTOMERS (continued)

	Three months ended 30 September		*Nine months ended 30 September*	
	2026 KD 000's	*2025 KD 000's*	***2026 KD 000's***	*2025 KD 000's*
Geographical markets				
Middle East and Africa	**35,764**	38,709	**107,275**	112,571
Total revenue from contracts with customers	**35,764**	38,709	**107,275**	112,571

8 TAXATION

	Three months ended 30 September		*Nine months ended 30 September*	
	2026 KD 000's	*2025 KD 000's*	***2026 KD 000's***	*2025 KD 000's*
Contribution to Kuwait Foundation for the Advancement of Sciences (KFAS)	**84**	(43)	**250**	258
Zakat	**92**	106	**261**	267
Others	-	(701)	**-**	52
	176	(638)	**511**	577

9 BASIC AND DILUTED EARNINGS (LOSS) PER SHARE

Basic and diluted earnings (loss) per share amounts are calculated by dividing the profit (loss) for the period attributable to equity holders of the Parent Company by the weighted average number of outstanding shares during the period as follows:

	Three months ended 30 September		*Nine months ended 30 September*	
	2026 KD 000's	*2025 KD 000's*	***2026 KD 000's***	*2025 KD 000's*
Profit (loss) attributable to equity holders of the Parent Company:				
Continuing operations	**7,927**	137,708	**(198,867)**	155,702
Discontinued operations	-	(55,056)	-	(343,487)
	7,927	82,652	**(198,867)**	(187,785)
	Shares	*Shares*	***Shares***	*Shares*
Number of paid-up shares	**2,676,128,586**	2,676,128,586	**2,676,128,586**	2,676,128,586
Weighted average number of treasury shares	**(192,141,978)**	(123,786,106)	**(149,181,605)**	(123,786,106)
Weighted average number of outstanding shares	**2,483,986,608**	2,552,342,480	**2,526,946,981**	2,552,342,480

9 BASIC AND DILUTED EARNINGS (LOSS) PER SHARE (continued)

	Three months ended 30 September		*Nine months ended 30 September*	
	2026	*2025*	***2026***	*2025*
Basic and diluted earnings (loss) per share attributable to equity holders of the Parent Company (fils):				
Continuing operations	**3.19**	53.95	**(78.70)**	61.00
Discontinued operations	-	(21.57)	-	(134.57)
Basic and diluted earnings (loss) per share attributable to equity holders of the Parent Company (fils)	**3.19**	32.38	**(78.70)**	(73.57)

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

10 CONTINGENCIES AND CAPITAL COMMITMENTS

The Group has contingencies and capital commitments at the reporting date as follows:

	30 September 2026 KD 000's	*(Audited) 31 December 2025 KD 000's*	*30 September 2025 KD 000's*
Letters of guarantee*	**70,204**	71,628	70,125
Operating lease commitments	**30**	120	-
Capital commitments	**29,277**	23,013	29,500
	99,511	94,761	99,625

*Included in letters of guarantee are bank guarantees of KD 30,651 thousand (31 December 2025: KD 30,651 thousand and 30 September 2025: KD 30,651 thousand), provided by a bank on behalf of the subsidiary "Global Clearing House Systems K.S.C. (Closed)" to the General Administration of Customs in the State of Kuwait. These guarantees are issued by the bank on a non-recourse basis to the Group.

Legal claims

(a) Renewal of land leases with Public Authority for Industry, Kuwait (PAI)

Investment properties include certain properties leased from PAI in the State of Kuwait, which are listed as follows:

1. 805,712 m² of land in Sulaibiya area leased under Municipal Council allocation resolution No. (MC /61/6/80) -issued in 1980 – under contract No. 60.
2. 150,000 m² of land in Sulaibiya area leased under Municipal Council allocation resolution No. (MC / F 21/287/10/99)-issued in 1999 – under contract No. 211.
3. 1,625,000 m² of land in Mina Abdullah area (plots 3, 4 and 5) leased under Municipal Council allocation resolution No. (MC/11/10/78) -issued in 1981 – under contract No. 208.
4. 200,000 m² of land in Amghara Industrial area leased under Municipal Council allocation resolution No. (L.C.B./83/10/86) -issued in 1986 – under contract No. 19/2002.
5. 941,420 m² of land in the Doha area leased in accordance with letter issued by the Council of Ministers No. (11/930-1949) – issued in 1978 – under contract No. 8/2003.

10 CONTINGENCIES AND CAPITAL COMMITMENTS (continued)

Legal claims (continued)
(a) Renewal of land leases with Public Authority for Industry, Kuwait (PAI) (continued)
The above lands were leased for developing warehousing facilities (both dry and temperature controlled), craft areas, open yards for parking trucks etc.

On 21 November 2022, the Council of Ministers, Kuwait issued a resolution no (1259/12) during its meeting No. (48-3/2022) which decided the following:

a. No automatic renewal or extension of leases for warehousing and related support services after the expiration of their term. The lands will be leased through public bidding process for qualified companies in conformity with the principles of justice, equality and improvement of governance.
b. No leasing of any land for storage purposes except after referring to and coordinating with the Government performance follow-up agency.

Subsequently PAI made a public announcement through news media that was also published in the Official Gazette "Kuwait Al-Youm" under No. 1618 on 15 January 2023 on the termination of the contracts referred to above. The Parent Company issued a formal notice dated 15 January 2023 to all the members of PAI's Board of Directors, and to its Director General to respond and deny the content of these announcements. The Parent Company sent another warning to PAI on 25 January 2023 in response to the latter's warning dated 18 January 2023. The Parent Company filed the following cases in the Court of First Instance against PAI asserting its position that the leases have been renewed and requested the court to prevent PAI and its affiliates from obstructing the Parent Company's possession and use of the lands mentioned above.

The Parent Company initiated legal proceedings based on the terms of the aforementioned contracts, the meeting minutes, the exchanged correspondence, and the applicable legal provisions and decisions in this regard.

1. Contract No. 60 – Sulaibiya Site (805,712 m²)
   The Parent Company initiated Case No. 14/2023 (Commercial, Civil, Government/27) regarding Contract No. 60 of the Sulaibiya site. The Court of First Instance dismissed the case on 16 February 2023. The Parent Company filed appeals under Appeal Nos. 1480, 1482, and 1449 (Commercial, Civil, Government/10) for the year 2023, which were rejected on 15 November 2023, confirming the ruling of the Court of First Instance. The Parent Company challenged this decision before the Court of Cassation under Case Nos. 18/35/38 for the year 2024 (Cassation, Commercial/1), which remains pending.

   In parallel, PAI filed a lawsuit against the Parent Company seeking a declaration of termination of Contract No. 60, eviction of the Parent Company from the site, and an order obliging it to pay usufruct fees. On 30 October 2025, the Court of First Instance ruled that Contract No. 60 had terminated and ordered the Parent Company to vacate the site subject of Contract No. 60 and to pay PAI usufruct compensation of KD 9,550 thousand for the period from 24 April 2022 to October 2025. The Parent Company appealed this judgment, which was dismissed by the Court of Appeal on 21 January 2026, upholding the judgment of the Court of First Instance. Both the Parent Company and PAI have filed further appeals before the Court of Cassation, which remain pending.

2. Contract No. 211 – Sulaibiya Expansion (150,000 m²)
   The Parent Company initiated Case No. 9/2023 (Commercial, Civil, Government/28) regarding Contract No. 211 of the Sulaibiya site. On 18 June 2023, the Court of First Instance issued a judgment on grounds of lack of jurisdiction and referred the case to the Administrative Department under No. 4155/2023. The Parent Company appealed this judgment under Appeal No. 3340/2023 (Commercial, Civil, Government/9), which was rejected on 14 November 2023. The Parent Company subsequently filed a new case regarding Contract No. 211 under Case No. 622/2024 (Commercial, Civil, Government/23). On 11 June 2024, a preliminary decision was issued to transfer the case to the expert department, which issued its report on 30 October 2024. On 10 March 2026, the Court of First Instance issued a judgment rejecting the original case and confirming the termination of the lease contract in the counterclaim. The Court further ordered the Parent Company to pay the Public Authority for Industry the amount of KD 2,459 thousand in respect of the period from 15 July 2019 to 30 September 2024, and a monthly amount of KD 43 thousand in respect of the period from 1 October 2024 until the date of full eviction and handover. The Parent Company appealed against the said judgment by way of Appeals Nos. 1717 and 1733 of 2026 (Commercial, Civil and Government/5), which were scheduled for judgment on 9 September 2026. The Court dismissed both aforementioned appeals and upheld the judgment of the Court of First Instance.

10 CONTINGENCIES AND CAPITAL COMMITMENTS (continued)

Legal claims (continued)
(a) Renewal of land leases with Public Authority for Industry, Kuwait (PAI) (continued)

The appellate judgment was subsequently challenged before the Court of Cassation by the Parent Company under Cassation Appeal No. 1914 of 2026 (Commercial Cassation/6), and by the Public Authority for Industry under Cassation Appeal No. 1961 of 2026 (Commercial Cassation/6). The hearing of the Parent Company's application for a stay of enforcement has been scheduled for 17 November 2026.

Separately, PAI filed a lawsuit against the Parent Company claiming an amount of KD 3,620 thousand in respect of financial entitlements under Contract No. 211 for the period from 1 April 2016 to 31 October 2022, in addition to any subsequent amounts due. This case remains pending before the Court of First Instance and no judgment has yet been issued.

3. Contract No. 208 – Mina Abdullah (1,625,000 m²)
The Parent Company initiated Case No. 19/2023 (Commercial, Civil, Government/9) regarding Contract No. 208 for the Mina Abdullah site. On 24 January 2024, the Court of First Instance delivered its judgment rejecting the original case and, in the counterclaim, ordered eviction in favour of PAI and directed the Parent Company to pay an amount of KD 162.5 thousand. The Parent Company appealed this decision under Appeal Nos. 1119 and 1146 for the year 2024; PAI appealed under Appeal No. 1049 for the year 2024 (Commercial, Civil, Government/2). On 16 February 2025, a ruling was issued rejecting all appeals and confirming the decision of the Court of First Instance. The Parent Company appealed this decision before the Court of Cassation under Appeal No. 1604 for the year 2025 (Cassation, Commercial/4); PAI filed a cross-appeal under Appeal No. 1487 for the year 2025 (Cassation, Commercial/4). On 11 December 2025, the Court of Cassation rejected the Parent Company's application for a stay of enforcement. On 9 June 2026 the ruling ordering the Parent Company to vacate the site and hand it over to the PAI was enforced.

PAI separately filed a lawsuit against the Parent Company claiming an amount of KD 31,594 thousand and seeking eviction from the sites subject to Contracts Nos. 208 and 211. On 5 February 2024, the Court of First Instance ruled to dismiss this case. PAI has appealed this dismissal. On 3 December 2025, the Court of Appeal overturned the judgment and ruled the case inadmissible on grounds of res judicata in respect of Case No. 19 of 2024 and its related appeals Nos. 1049, 1119, and 1146 of 2024. The Parent Company has challenged this ruling before the Court of Cassation, which remains pending.

4. Contract No. 19/2002 - Amghara Industrial Area - truck parking (200,000 m²)
The Parent company initiated the Case No. 12/2023 Commercial, Civil, Government / 20, regarding Contract No. 19/2002 for the truck parking site in Amghara Industrial Area, with an area of 200,000 m². The Court of First Instance dismissed the case on 28 February 2023. The Parent Company appealed the judgment with appeals Nos. 1613, 1649, 1654, 1663, commercial, civil, government / 5 for the year 2023. On 14 June 2023, a stay order was issued pending a decision on the judges' recusal request No. 13 of 2023 and on 16 July 2023 a decision was issued to reject the recusal request. On 13 March 2024, the Court of Appeal issued its ruling rejecting the appeal and confirmed the Court of First Instance ruling. The Parent Company has appealed this decision before the Court of Cassation under appeals No. 2043, 2148, 2211, 2215 for the year 2024 commercial cassation / 7. On 21 April 2026, the Court of Cassation ruled that the appeals were inadmissible in the inspection and deliberation chamber, thereby rendering the Court of First Instance judgment final and conclusive.

On the other hand, the PAI initiated legal proceedings against the Parent Company, seeking an order to vacate the site. The case remains pending before the Court of First Instance, and no judgment has yet been rendered.

5. Contract No. 8/2003 – Doha (941,420 m²)
The Parent Company initiated the Case No. 29/2023 Commercial, Civil, Government / 7 regarding contract No. 8/2003, Doha site, with an area of 941,420 m². The Court of First Instance on 19 March 2023 ruled in favor of the Parent Company establishing the contractual relationship between Parent Company and PAI for a period of twenty years starting from 1 January 2023 and ending on 31 December 2042 on an area of 941,420 m² in the Doha area, subject of contract No. 8/2003 dated 12 August 2003 under the same terms and conditions.

10 CONTINGENCIES AND CAPITAL COMMITMENTS (continued)

Legal claims (continued)
(a) Renewal of land leases with Public Authority for Industry, Kuwait (PAI) (continued)

PAI appealed the judgment in Appeal No. 1762/2023 Commercial, Civil, Government / 1. On 18 June 2023, the Court of Appeal ruled to annul the appealed ruling and dismiss the case. The Parent Company has appealed the ruling before the Court of Cassation under Case No. 3897,3949,4145/ 2023 Commercial Cassation /1. No judgment has been pronounced so far.

During the period ended 30 September 2026, the Parent Company, after consulting its external legal counsel, decided to recognise a fair value loss amounting to KD 192,637 thousand representing the carrying value of all the above properties in view of the above developments. The Parent Company also recognised expected credit losses amounting to KD 43,388 thousand on the trade receivables relating to the above properties.

The Group has not recognized any provision for potential claims relating to these properties in the interim condensed consolidated financial information, as such amounts cannot be reliably estimated as at the reporting date pending final judgements.

(b) Korek Litigation
ICSID Claim
In February 2017, the Group filed a request for arbitration against the Republic of Iraq pursuant to Article 36 of the Convention on the Settlement of Investment Disputes between States and Nationals of Other States ("ICSID"), and Article 10 of the Agreement between the Government of the State of Kuwait and the Government of the Republic of Iraq for Reciprocal Promotion and Protection of Investments (the "2015 BIT").

The arbitral claim arises from a series of actions and inactions of the Iraqi government, including its regulatory agency Communications & Media Commission ("CMC") relating to an alleged decision by the CMC to annul the previous written consent granted in connection with the Group's investment in Korek Telecom, as well as the CMC's order to transfer the shares acquired by the Group back to the original Iraqi shareholders (which was implemented in March 2019). Without limitation, the Group's claims relate to Iraq's failure to treat the Group's investment of over USD 380 million fairly and equitably, its failure to accord the Group with due process, as well as the indirect expropriation of that investment, each in breach of the 2015 BIT. On 24 February 2017, the Group's request for arbitration was formally registered with ICSID.

On 22 February 2021, the tribunal issued its ruling, dismissing all of the Group's claims and awarding costs of approximately USD 5 million in favor of the respondent. On 28 May 2021, the Group filed an application to annul the award with ICSID which was formally registered on 4 June 2021. On 8 February 2024, the ad-hoc annulment committee issued its decision in which it partially annulled the original judgment on the basis that the tribunal failed to properly rule on the Group's implementation claim, thereby committing an annullable error. Consequently, on 8 July 2024, the Group refiled its ICSID claim against the Republic of Iraq. The claim has been registered and a new ICSID tribunal has been constituted. A hearing before the new ICSID tribunal is scheduled for November 2026.

Kuwait Claim Against the KRG
Separately, on 31 May 2021, Alcazar Capital Limited ("Alcazar"), a subsidiary of the Group, filed a claim in Kuwait against the Kurdistan Regional Government (KRG), a political subdivision of the Government of Iraq, under the terms of a sovereign guarantee in respect of the Group's investment. On 24 January 2022, the Court of First Instance dismissed Alcazar's claims on the basis that, among other things, Alcazar had failed to prove that it had extended the USD 250 million loan to Korek over which it was seeking damages under the sovereign guarantee. On 16 February 2022, Alcazar appealed the judgment to the Kuwait Court of Appeal. On 19 April 2022 the Court of Appeal issued a judgment in favor of Alcazar awarding damages of USD 490 million (the "Kuwait Judgement") against the Kurdistan Regional Government, together with interest of 7% p.a. up to the date of satisfaction of the amount. On 2 May 2023, the Kuwait Court of Cassation issued a stay of enforcement of the Kuwait Court of Appeal judgment, pending its adjudication of the matter. On 30 January 2024, the Kuwait Court of Cassation rejected the KRG's challenge by cassation and upheld the Kuwait Judgment. Consequently, Alcazar commenced enforcement proceedings of the Kuwait Judgment.

10 CONTINGENCIES AND CAPITAL COMMITMENTS (continued)

Legal claims (continued)
(b) Korek Litigation (continued)
Kuwait Claim Against the KRG (continued)
Pending final outcome of the enforcement proceeding and the uncertainties on the timing and determination of recovery, the Group's management has not considered any adjustment for the awarded amounts in the interim condensed consolidated financial information.

Associated KRG Claim Against the Parent Company
In May 2024, the Erbil Court of First Instance issued a judgment in absentia in favor of KRG against Alcazar and Korek obligating Alcazar and Korek to desist from claiming the value of the KRG guarantee dated 11 September 2007. In January 2026, Alcazar filed an objection against the judgment to the Erbil Court of First Instance. The objection is currently pending before the Erbil Court of First Instance.

Separately in February 2025, the Kurdistan Regional Government filed a claim against the Parent Company and its former CEO, before the Erbil Court of First Instance in Kurdistan, Iraq. The claim seeks damages by alleging that the Parent Company and its former CEO were responsible for an alleged improper notification of the Kuwaiti claim filed by Alcazar which resulted in Alcazar obtaining the Kuwaiti judgment against the KRG and seeking to enforce the Kuwaiti judgment in foreign jurisdictions. The claim is currently pending before the Erbil Court of First Instance.

Shareholders Agreement Arbitration
On 4 June 2018, Iraq Telecom Ltd. ("IT Ltd.") commenced ICC arbitration proceedings against Korek International (Management) Ltd. ("Korek international") and Mr. Sirwan Saber Mustafa. The dispute is in relation to various contractual breaches by the respondents under a shareholders' agreement relating to the Parent Company's investment in Korek Telecom.

On 20 March 2023, the Tribunal issued its award. The Tribunal agreed with IT Ltd. and International Holdings Limited ("IH") that all of the respondents had engaged in a deliberate and intentional scheme "to bribe and corrupt officials" of Iraq's telecommunications regulator in order to procure a wrongful decision to expropriate the shareholding of IT Ltd. and IH in Korek Telecom. The Tribunal also agreed with IT Ltd. and International Holdings Limited that Sirwan Saber Mustafa Barzani had breached his fiduciary obligations by engaging in multiple acts of self-dealing and misconduct, causing harm to the claimants. The Tribunal ordered that the respondents, jointly and severally, pay International Holdings Limited and IT Ltd. a combined amount of USD 1.65 billion in damages and legal costs, together with interest. Of this amount, an amount of USD 1.329 billion is due to International Holdings Limited, and an amount of USD 318.7 million is due to IT Ltd. IT Ltd. is now in the process of enforcing the award in various jurisdictions around the world.

Pending final outcome of the enforcement proceedings and the uncertainties on the timing and determination of the amount of recovery, the Group's management has not considered any adjustment for the awarded amounts in the interim condensed consolidated financial information.

IBL Subordination Agreement Arbitration: Arbitration proceedings against IBL Bank SAL, Korek Telecom and International Holdings Ltd.
IT Ltd. commenced the arbitration proceedings at Beirut Chamber of Commerce – Lebanon (BCC) in relation to alleged fraud orchestrated by certain Korek Telecom stakeholders with the knowledge and cooperation of IBL Bank in connection with a subordination agreement relating to a USD 150 million loan extended by IBL Bank to Korek Telecom.

On 24 September 2021, the BCC Tribunal issued its award granting in full IT Ltd.'s claim to render as null and void the subordination agreement relating to the USD 150 million loan extended by IBL Bank to Korek Telecom. The Tribunal agreed with IT Ltd. that all of the respondents, including IBL Bank, had engaged in a deliberate and intentional deception of IT Ltd. The counterclaims of the respondents were rejected in their entirety. In addition to the avoidance of the subordination agreement, IT Ltd. was awarded legal costs in the amount of USD 3 million, which was collected on 18 May 2023.

As a result of this award, on 12 November 2021, IT Ltd. filed a Request for ICC Arbitration against Korek Telecom, in order to enforce its debt claim of more than USD 285 million (plus default interest) bringing the total claim to approximately USD 1 billion, against IH, as debtor, and Korek Telecom, as guarantor.

10 CONTINGENCIES AND CAPITAL COMMITMENTS (continued)

Legal claims (continued)

(b) Korek Litigation (continued)
IBL Subordination Agreement Arbitration: Arbitration proceedings against IBL Bank SAL, Korek Telecom and International Holdings Ltd. (continued)
The Tribunal submitted its draft Final Award to the ICC Secretariat on 8 July 2024 for approval and declared the proceedings closed. The Final Award was issued on 9 September 2024 wherein Korek was ordered to pay IT Ltd. over USD 1.3 billion.

Pending final outcome of the enforcement proceedings and the uncertainties on the timing and determination of the amount of recovery, the Group's management has not considered any adjustment for the awarded amounts in the interim condensed consolidated financial information.

Separately as well, IT Ltd. filed a Request for BCC Arbitration ("IBL II Arbitration") against IBL Bank on 13 December 2021, seeking damages for the fraud that was adjudicated in the previous arbitration.

On 1 June 2023, the Beirut Court of Appeal issued its decision on IBL's challenge to the award in the initial IBL Arbitration, ordering the set aside of that award (the "Annulment Decision"). IT Ltd. appealed the Annulment Decision before the Lebanese Court of Cassation. On 18 October 2023, the Lebanese Court of Cassation ordered a stay of the Annulment Decision. Accordingly, the Arbitral Tribunal issued a stay of the arbitration proceedings until the Lebanese Court of Cassation's decision on the challenge to the Beirut Court of Appeal's decision. On 4 February 2026, the Lebanese Court of Cassation quashed the findings of the Beirut Court of Appeal, thereby voiding the Annulment Decision and upholding the award of the initial IBL Arbitration.

Following this decision, the Tribunal has lifted its stay. IT Ltd. filed its Statement of Reply on 22 May 2026, and IBL's Statement of Rejoinder is required to be filed by 18 November 2026. The hearing on the merits will be held during the week of 26 April 2027.

Claims against Directors before the DIFC Courts
On 12 March 2018 IT Ltd. commenced proceedings in the courts of the Dubai International Financial Centre ("DIFC") against Raymond Zina Rahmeh. The claim alleges breach of the defendant's duties as director of International Holdings and also alleges multiple instances of self-dealing. On 16 December 2021, a judgment against Mr. Rahmeh was issued in the amount of USD 71.3 million plus costs and interest.

Separately, on 5 September 2017, Modern Global Company for General Trading of Equipment, Supplier for Construction and Real Estate WLL (a wholly owned subsidiary of the Parent Company) commenced arbitration proceedings against Korek Telecom in relation to Korek's alleged failure to pay servicing fees due to Modern Global under a services agreement. On 20 March 2019, Modern Global was awarded its full claim, interest and legal costs, amounting to approximately USD 4.5 million. In April 2022, an amount of approximately USD 1.1 million was obtained from certain Korek assets in the United Arab Emirates. Enforcement efforts remain ongoing. In October 2026, Modern Global entered into a settlement with Korek Telecom, pursuant to which Modern Global will receive approximately US$1.452 million from Korek and will also apply US$1.5 million in agreed set-offs, in full and final settlement of Modern Global's award against Korek.

(c) Guarantee encashment
Other current assets include KD 64,488 thousand (31 December 2025: KD 64,488 thousand and 30 September 2025: KD 64,488 thousand) representing a claim receivable from General Administration of Customs for Kuwait ("GAC").

A resolution was issued by the General Administration of Customs for Kuwait ("GAC") to cash a portion, amounting to KD 10,092 thousand of the bank guarantee submitted by Global Clearing House Systems K.S.C. (Closed) ("GCS"), a subsidiary of the Parent Company, in favour of GAC in relation to performance of a contract. Pursuant to this resolution, GAC called the above guarantee during the year ended 31 December 2007.

GCS appealed the above resolution before the Court of First Instance and the latter issued its judgment in favour of GCS and ordered GAC to pay an amount of KD 58,927 thousand as compensation against the non-performance of its obligations under the contract, and KD 9,138 thousand towards refunding of the guarantee encashed earlier, together with an interest of 7% per annum on these amounts to be calculated from the date the judgment becomes final.

10 CONTINGENCIES AND CAPITAL COMMITMENTS (continued)

Legal claims (continued)

(c) Guarantee encashment (continued)
GCS appealed the judgment in Appeal number 1923 for the year 2014 Administrative/4, before the Court of Appeal requesting an increase in compensation. GAC also filed an appeal No. 1955 / 2014 Administrative/4 before the Court of Appeal. On 13 September 2015, the Court of Appeal pronounced its judgement affirming the decision of the Court of First Instance. Both GCS and GAC appealed against this ruling before the Kuwait Court of Cassation in appeals No. 1480, 1487 for the year 2015. On 25 September 2019, the Court of Cassation referred the appeal to the Experts Department. On 24 May 2021, the experts committee issued a report affirming GCS's right for the claimed compensation.

On 11 May 2022, this matter was finally resolved with the issuance of this judgment in respect of Appeals by Cassation No. 1480 and 1487 for year 2015, Cassation Administrative/1 before the Court of Cassation, where the court ordered the GAC to refund an amount of KD 5,561 thousand to GCS out of the original principal of encashed guarantee. The said ruling in Cassation resolved, otherwise, to uphold the appealed judgment, which ordered the second defendant, "the Director General of the General Administration of Customs in his capacity," to pay to the plaintiff "GCS" an amount of KD 58,927 thousand, thus making the total receivable KD 64,488 thousand in addition to the legal interest of 7% annually on both amounts from the date this judgment becomes final.

Accordingly, the Parent Company and GCS recognized an amount of KD 64,488 thousand during the year ended 31 December 2024 representing the receivable as per the above rulings in favor of GCS (KD 58,927 thousand and KD 5,561 thousand as mentioned above). The amount of interest in respect of the aforementioned amounts is currently not quantifiable and hence not recorded in the interim condensed consolidated financial information.

(d) Legal cases with GAC
In respect of an ongoing dispute between GCS and GAC relating to project management mechanisms at the customs ports, both the parties have filed various claims and counter-claims against each other.

GAC initiated several legal proceedings against GCS in respect of this matter and claimed financial compensation from GCS. On 25 September 2018, a judgment was issued dismissing all cases. The judgment was appealed by both GCS and GAC. On 26 September 2022 the Court of Appeal ruled to set up the project development fund and required GCS to pay an amount of KD 12,443 thousand to GAC.

Both GCS and GAC appealed this judgment before the Court of Cassation. The GCS appeal also included a request for a stay of execution until the appeal by way of cassation is resolved. On 12 April 2023, the Court of Cassation ordered a stay on the enforcement until the case is determined on its merits. The case remains pending before the Court of Cassation. The Parent Company and GCS (after consulting the external counsel) have resolved not to record any provision pending final ruling by the Court of Cassation.

In addition to the above, there are other legal disputes between GCS and GAC. Both the parties have filed various claims and counter claims that are currently pending in the courts. The legal counsel of the Group believes that these matters will not have a material adverse effect on the Group's interim condensed consolidated financial information.

(e) Contract with the Public Authority for Industry ("PAI") for stage 5 land located in South Amghara area
The contract pertains to a lease agreement between the Parent Company and the Public Authority for Industry (PAI) for stage 5 land in the South Amghara area, covering a land area of 427,164 m². The lease expired on 7 April 2020, following which PAI initiated legal proceedings to reclaim the land. The Court of First Instance ruled in favor of PAI on 20 April 2021, confirming the requirement for the Parent Company to vacate the premises.

Both PAI and the Parent Company appealed the decision before the Court of Appeal. In its ruling the Court of Appeal upheld the order for the Parent Company to vacate the site and mandated the payment of KD 11,793 thousand as compensation for the land's use from 8 April 2020 until PAI took possession of the stage 5 site on 3 November 2024. The Parent Company paid KD 2,654 thousand during year 2024 and KD 9,139 thousand during year 2025 based on the above judgement.

10 CONTINGENCIES AND CAPITAL COMMITMENTS (continued)

Legal claims (continued)

(e) Contract with the Public Authority for Industry ("PAI") for stage 5 land located in South Amghara area (continued)

The Parent Company filed an appeal with the Court of Cassation, contesting the basis used by the Court of Appeal to calculate the compensation. On 3 November 2024, the Parent Company executed the evacuation phase of the judgment in respect of the stage 5 site at Amghara Scrap and handed it over to PAI pursuant to an execution report issued by the Ministry of Justice - Execution Department.

On 23 April 2026, the Court of Cassation issued a judgment reversing the ruling of the Court of Appeals which resulted in the above payment, and ordered the PAI to refund an amount of KD 11,660 thousand to the Parent Company.

On 4 June 2026, the PAI deposited the aforementioned amount in favor of the Parent Company with the Execution Department of the Ministry of Justice, which was also collected by the Parent Company.

(f) Contract with the Public Authority for Industry ("PAI") for stage 4 land located in South Amghara area

The contract pertains to a lease agreement between the Parent Company and the Public Authority for Industry (PAI) for stage 4 land in the South Amghara area, covering a land area of 939,323 m². The lease expired on 31 October 2018. PAI initiated a legal case against the Parent Company claiming a compensation of KD 13,694 thousand representing rent for the period commencing November 2023. The Parent Company handed over the land to PAI on 13 March 2025 and the carrying value of the land in the books of the Parent Company is Nil.

The Court of First Instance ruled in favour of the Parent Company dismissing the case. PAI filed an appeal and the Court of Appeal, on 24 December 2025 pronounced its judgement in favour of PAI and ordered the Parent Company to pay the above amount. The Parent Company challenged the Court of Appeal's judgment by way of cassation.

On 10 March 2026, the Court of Cassation ordered a stay of enforcement of the Court of Appeal judgement pending its final determination of the case on the merits. On 30 April 2026, a judgment was issued in the injunction filed by the Parent Company regarding the enforcement of the Court of Appeal judgment, ordering a temporary stay of the enforcement of the Court of Appeal judgment subject to injunction until a ruling is rendered on the cassation appeal.

PAI also filed two lawsuits for eviction and unlawful occupation, as well as for payment of occupation rent, concerning the fourth phase of the site at Amghara Scrap against the Parent Company. In addition, the Parent Company filed a case seeking a declaration of the continued contractual relationship in respect of the same site. The three cases were subsequently consolidated.

On 16 January 2022, the Court of First Instance ruled, firstly, that the contract had terminated as of 31 October 2018 and ordered the eviction of the Parent Company from the plot, with an area of 939,323 m², and its removal as an unlawful occupier. Secondly, it ordered the Parent Company to pay occupation rent arising from unlawful possession, at a rate of KD 80 per day of delay, starting from 1 November 2018 until delivery of the plot subject of the dispute.

On 24 January 2024, the Court of Appeal ruled that the Parent Company had abandoned its principal appeal and that the secondary appeal filed by the PAI had become void. PAI filed a cassation appeal against the Court of Appeal judgment, and no ruling has yet been issued. Furthermore, the PAI has filed another lawsuit against the Parent Company claiming an amount of KD 28,696 thousand in respect of phases four and five. On 15 October 2026, the Court of First Instance rendered a judgment ruling that the action was inadmissible because it has already been adjudicated.

The Group has not recognized any provision for potential claims relating to this matter in the interim condensed consolidated financial information, as such amounts cannot be reliably estimated as at the reporting date pending final judgements.

10 CONTINGENCIES AND CAPITAL COMMITMENTS (continued)

Legal claims (continued)

(g) The Public Authority for Industry contract relating to the Amghara Scrap Yard (Phases 1, 2, 3) under Contract No. (157):

1. PAI filed a lawsuit against the Parent Company claiming an amount of KD 9,937 thousand in respect of dues under allocation contract No. (157) at Amghara Scrap. PAI additionally claimed a penalty of KD 994 thousand for delay in payment of the usufruct fees relating to the said contract No. (157) site. On 12 February 2024, the Court of First Instance ruled that the case was inadmissible for res judicata. On 25 December 2024, the Court of Appeal overturned the judgment of the Court of First Instance and ruled anew to dismiss the case. PAI challenged the Court of Appeal judgment before the Court of Cassation and no ruling has yet been issued by the Court of Cassation.
2. PAI also filed another lawsuit against the Parent Company claiming an amount of KD 6,900 thousand under allocation contract No. (157) at Amghara Scrap, representing the difference in allocation price of KD 3 per square meter for the period from 1 April 2016 to 30 June 2018. On 23 December 2025, the Court of First Instance issued a judgment ordering the Parent Company to pay the PAI KD 6,136 thousand. The Parent Company has appealed this judgment before the Court of Appeal. On 13 May 2026, the Court of Appeal issued its ruling and required the Parent Company to pay PAI an amount of KD 6,866 thousand. The Parent Company and the PAI both challenged the Court of Appeal's ruling by way of Cassation. On 21 July 2026 the Court of Cassation approved the stay of execution of the Court of Appeal's ruling awaiting the issuance of a conclusive ruling in cassation.

The Group has not recognized any provision for potential claims relating to this matter in the interim condensed consolidated financial information, as such amounts cannot be reliably estimated as at the reporting date pending final judgements.

In addition to the above cases, the Group is involved in various incidental claims and legal proceedings. The legal counsel of the Group believes that these matters will not have a material effect on the interim condensed consolidated financial information.

11 RELATED PARTIES TRANSACTIONS AND BALANCES

Related parties represent major shareholders, associates and joint ventures, directors and key management personnel of the Group, and entities which they control or over which they exert significant influence. Pricing policies and terms of these transactions are approved by the Group's management. Transactions and balances with related parties are as follows:

	Nine months ended 30 September	
	2026 Total KD 000's	*2025 Total KD 000's*
Interim condensed consolidated statement of income		
Revenues	**859**	612
Cost of revenue	**(3,421)**	-
General and administrative expenses	**(546)**	(7)
Interest expense *	**(6,710)**	(2,010)

		(Audited)	
	30 September 2026 Total KD 000's	*31 December 2025 Total KD 000's*	*30 September 2025 Total KD 000's*
Interim condensed consolidated statement of financial position			
Trade receivables	**718**	662	1,606
Amounts due from related parties	**1,979**	3,748	2,513
Claims receivable	-	-	111,023
Loan to related parties	-	301	35,828
Amounts due to related parties - Current	**4,999**	5,116	4,640
Loans from related parties - Non-current *	**102,019**	112,867	109,882
Loans from related parties - Current	**12,889**	-	-
Other non-current assets	**314**	-	-
Other non-current liabilities	-	1,225	2,969
Trade and other payables	-	700	-
Amount due to related parties- Non-current	**1,843**	1,751	-

Compensation of key management personnel

The remuneration of board of directors and other members of key management (executives) during the period were as follows:

	Three months ended 30 September		*Nine months ended 30 September*	
	2026 KD 000's	*2025 KD 000's*	***2026 KD 000's***	*2025 KD 000's*
Short-term benefits (Key Management)	**103**	177	**309**	531
Accrual for committee services to the Board of Directors	**88**	88	**264**	264
Accrual for remuneration to the Board of Directors	**88**	88	**263**	263
Reversal of prior year accrual for remuneration to the Board of Directors	-	-	**(350)**	-
	279	353	**486**	1,058

* Loan from related parties includes loan from an associate (also a former subsidiary), Agility Global PLC amounting to KD 102,019 thousand (31 December 2025: KD 100,903 thousand and 30 September 2025: KD 98,480 thousand) with an initial term of 5 years maturing in 2029 with an option to extend based on mutual agreement of the parties and bearing interest at SOFR plus an applicable margin. Interest expense on this loan for the comparative period represents only the amount attributable to the period after the loss of control in the former subsidiary.

12 DIVIDEND AND RESERVES

On 18 March 2026, the Board of Directors of the Parent Company recommended distribution of cash dividend of 2 fils (2024:10 fils) for the year ended 31 December 2025. This proposal was approved by the shareholders at the Annual General Assembly of the Parent Company held on 10 May 2026.

The Board of Directors of the Parent Company, in exercise of the powers conferred upon them by the shareholders at the above Annual General Assembly of the Parent Company, also approved to utilize the share premium and statutory reserve to the extent required to absorb the accumulated losses of the Parent Company. Accordingly, the Parent Company transferred KD 152,650 thousand and KD 62,470 thousand from share premium and statutory reserve respectively to the retained earnings.

13 SEGMENT INFORMATION

The Group determined the following as its major operating segments:

Industrial real estate:
Consists of developing warehousing and light industrial facilities to businesses looking to manage their own warehousing operations.

Trade Facilitation and Infrastructure:
This segment provides comprehensive trade facilitation, operational management and technology enabled services to government entities across multiple service lines.

Investments:
The segment comprises of business units in which the Group holds non-controlling interests.

Others:
Consists of all business units other than the above.

Nine months ended 30 September 2026	***Industrial real estate KD 000's***	***Investments KD 000's***	***Trade facilitation and infrastructure KD 000's***	***Others including adjustments and eliminations KD 000's***	***Total KD 000's***
Revenues					
External customers	**34,275**	-	**51,629**	**21,371**	**107,275**
Total revenues	**34,275**	-	**51,629**	**21,371**	**107,275**
Results					
Profit (loss) before interest, taxation, depreciation, amortisation and directors' remuneration (EBITDA)	**(197,300)**	**2,656**	**27,353**	**(5,345)**	**(172,636)**
Depreciation	**(2,383)**	-	**(2,626)**	**(1,530)**	**(6,539)**
Profit (loss) before interest, taxation and directors' remuneration (EBIT)	**(199,683)**	**2,656**	**24,727**	**(6,875)**	**(179,175)**

13 SEGMENT INFORMATION (continued)

Nine months ended 30 September 2025	*Industrial real estate KD 000's*	*Investments KD 000's*	*Trade facilitation and infrastructure KD 000's*	*Others including adjustments and eliminations KD 000's*	*Total KD 000's*
Revenues					
External customers	41,093	-	57,189	14,289	112,571
Total Revenues	41,093	-	57,189	14,289	112,571
Results					
Profit (loss) before interest, taxation, depreciation, amortisation and directors' remuneration (EBITDA)	29,963	135,647	28,460	(15,122)	178,948
Depreciation and Amortisation	(2,377)	-	(2,681)	(996)	(6,054)
Profit (loss) before interest, taxation and directors' remuneration (EBIT)	27,586	135,647	25,779	(16,118)	172,894

The Group's financing (including interest income and finance costs) and taxation is managed on a Group basis and are not allocated to operating segments.

13 SEGMENT INFORMATION (continued)

The following table presents segment assets and liabilities of the Group's operating segments as at 30 September 2026, 31 December 2025 and 30 September 2025:

	Industrial real estate KD 000's	***Investments KD 000's***	***Trade facilitation and infrastructure KD 000's***	***Others including adjustments and eliminations KD 000's***	***Total KD 000's***
As at 30 September 2026					
Total assets	**184,952**	**400,623**	**104,566**	**65,907**	**756,048**
Total liabilities	**49,587**	**569,595**	**89,062**	**(231,222)**	**477,022**
Other disclosures:					
Goodwill	**9**	-	-	**3,956**	**3,965**
Capital expenditure *	**14,247**	-	**391**	**330**	**14,968**
Change in fair value of investment properties	**(192,637)**	-	-	-	**(192,637)**

	Industrial real estate KD 000's	*Investments KD 000's*	*Trade facilitation and infrastructure KD 000's*	*Others including adjustments and eliminations KD 000's*	*Total KD 000's*
As at 31 December 2025 (Audited)					
Total assets	391,934	490,569	125,683	68,480	1,076,666
Total liabilities	57,326	560,509	90,092	(223,504)	484,423
Other disclosures:					
Goodwill	-	-	-	3,965	3,965
Capital expenditure *	36,580	-	795	18,993	56,368
Change in fair value of investment properties	(17,417)	-	-	(517)	(17,934)

	Industrial real estate KD 000's	*Investments KD 000's*	*Trade facilitation and infrastructure KD 000's*	*Others including adjustments and eliminations KD 000's*	*Total KD 000's*
As at 30 September 2025					
Total assets	395,782	521,638	117,828	64,323	1,099,571
Total liabilities	49,285	565,435	90,156	(229,820)	475,056
Other disclosures:					
Goodwill	9	-	-	3,956	3,965
Capital expenditure *	18,562	-	620	29,862	49,044

* Capital expenditure consists of additions to property, plant and equipment, projects in progress and investment properties.

13 SEGMENT INFORMATION (continued)

Other geographic information
The following presents information regarding the Group's non-current assets based by geographical segments determined based on the geographic locations of the legal entities forming part of the Group.

Non-current assets	***30 September 2026 KD 000's***	*(Audited) 31 December 2025 KD 000's*	*30 September 2025 KD 000's*
Middle East and Africa	**613,523**	890,508	929,992
	613,523	890,508	929,992

Non-current assets for this purpose consists of property, plant and equipment, projects in progress, right-of-use assets, investment properties, goodwill, investment in associates, claims receivable, other non-current assets, and loan to related parties.

14 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in orderly transactions between market participants at the measurement date.

Determination of fair value and fair value hierarchy:
The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments:

Level 1: quoted (unadjusted) prices in an active market for identical assets and liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
Level 3: other techniques which use inputs which have a significant effect on the recorded fair value are not based on observable market data.

The Group's financial asset measured at fair value through profit or loss and financial asset measured at fair value through other comprehensive income are classified under level 3 in the fair value hierarchy.

The following table below shows a reconciliation of the opening and the closing amount of level 3 financial assets measured at fair value:

	30 September 2026 KD 000's	*(Audited) 31 December 2025 KD 000's*	*30 September 2025 KD 000's*
As at 1 January	**35**	432,731	432,731
Change in fair value recognised in interim condensed consolidated statement of income	**(21)**	(147,616)	(110,971)
Re-measurement recognised in interim condensed consolidated statement of other comprehensive income	**(14)**	-	-
Distribution of a subsidiary	-	(284,934)	(284,934)
Others including net purchases (sales), transfer and exchange difference	-	(146)	(1,276)
As at the reporting date	-	35	35,550

15 DISCONTINUED OPERATIONS

In the prior year, pursuant to the decision of the Board of Directors of the Parent Company, based on the authorisation given by the Parent Company's Ordinary general meeting to approve the distribution of in-kind dividends representing 20.09% of the shares held by the Parent Company in Agility Global PLC which was executed on 14 July 2025, the Group classified Agility Global PLC as discontinued operations.

The results of Agility Global PLC for the period are presented below:

	Three months ended 30 September		*Nine months ended 30 September*	
	2026 KD 000's	*2025 KD 000's*	***2026 KD 000's***	*2025 KD 000's*
Revenue from contract with customers	-	-	-	718,344
Cost of revenues	-	-	-	(275,116)
Net revenues	-	-	-	443,228
General and administrative expenses	-	-	-	(350,665)
Provision for expected credit losses on trade receivables	-	-	-	(757)
Share of results of associates and joint ventures (Note 4)	-	-	-	6,165
Unrealised loss on financial assets at fair value through profit or loss	-	-	-	(983)
Dividend income	-	-	-	4,051
Miscellaneous income	-	-	-	5,167
Profit before interest, taxation, depreciation and amortisation (EBITDA)	-	-	-	106,206
Depreciation	-	-	-	(46,315)
Amortisation	-	-	-	(4,333)
Profit before interest and taxation (EBIT)	-	-	-	55,558
Interest income	-	-	-	5,873
Finance costs	-	-	-	(34,839)
Loss on distribution of discontinued operations	-	(108,508)	-	(680,820)
Loss before taxation	-	(108,508)	-	(654,228)
Taxation	-	-	-	(8,103)
LOSS FOR THE PERIOD FROM DISCONTINUED OPERATIONS	-	(108,508)	-	(662,331)

16 IMPACT OF GEOPOLITICAL ESCALATIONS RISK AND RELATED UNCERTAINITY

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

- *Macroeconomic conditions*, including inflationary pressures, interest rate volatility, and economic growth trends that may influence tenant demand, occupancy levels, and rental rates.
- *Construction and development activity,* particularly potential increases in costs of materials and services, supply chain disruptions, and project timelines.
- *Financing and liquidity*, including the availability and cost of debt financing, refinancing risk, and compliance with financial covenants.
- *Tenant credit risk*, particularly in sectors or geographies that may be indirectly affected by disruptions in trade, energy markets, or regional economic activity.

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

- *Fair value volatility of investments*, particularly those exposed to emerging markets, energy-sensitive sectors, or regions indirectly affected by supply chain disruptions and energy market instability.
- *Market liquidity risk*, including the ability to realise investments at quoted or observable market prices in periods of heightened volatility.
- *Counterparty and credit risk*, particularly for investments in debt instruments, funds, or structured products whose underlying counterparties may be affected by adverse economic conditions.
- *Supply chain disruption*, including delays in shipping, rerouting of cargo, congestion at ports, and increased freight and insurance costs.
- *Commodity and product price volatility*, particularly for goods linked to energy prices or imported through affected trade corridors.
- *Availability of goods*, including extended lead times from suppliers and changes in sourcing strategies.
- *Foreign exchange risk*, arising from increased currency volatility in markets linked to the region.

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

In assessing the carrying values of investment properties and other non-financial assets, the management has not identified any indicators of impairment requiring recognition at the reporting date. However, future adverse developments in the geopolitical environment may result in changes to key valuation assumptions.

The Group's ECL models incorporate forward-looking information reflecting multiple macroeconomic scenarios. In light of the current geopolitical situation, management has reviewed and updated relevant assumptions, including:

a) Adjustments to probability-weighted economic scenarios, reflecting increased downside risk associated with prolonged regional instability.
b) Consideration of sector-specific stress for customer segments more exposed to trade disruption, logistics constraints, or fluctuating commodity prices.
c) Evaluation of whether changes in economic outlook represent a significant increase in credit risk (SICR) for certain customer balances.

While increased uncertainty has been incorporated into ECL calculations, and an additional provision for expected credit losses has been recognized in response to geopolitical tensions, no widespread migration of balances to higher credit risk stages was identified as at the reporting date, management concluded that the allowance for expected credit losses appropriately reflects the level of credit risk inherent in the Group's trade receivable portfolio.

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

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