DIMAH CAPITAL INVESTMENT COMPANY - K.S.C. (CLOSED)
AND ITS SUBSIDIARIES
STATE OF KUWAIT

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2025
WITH
INDEPENDENT AUDITOR'S REPORT

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AND ITS SUBSIDIARIES
STATE OF KUWAIT

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WITH
INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

The Shareholders
Dimah Capital Investment Company - K.S.C. (Closed)
State of Kuwait

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Dimah Capital Investment Company - K.S.C (Closed) ("the Parent Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as of December 31, 2025 and the consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the financial year then ended, and notes to the consolidated financial statements, including the material accounting policies information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025, and its financial performance and its cash flows for the financial year then ended in accordance with IFRS Accounting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with ethical requirements, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards (IFRSs), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Parent Company's management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards



Report on Other Legal and Regulatory Requirements

Furthermore, in our opinion, proper books of account have been kept by the Parent Company and the consolidated financial statements, together with the contents of the report of the Parent Company's Board of Directors, are in accordance with the books of the Parent Company. We further report that we obtained all the information and explanations that we required for the purpose of our audit and that the consolidated financial statements incorporate all information that is required by the Companies Law No. 1 of 2016 and its Executive Regulations, as amended, and by the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, that an inventory was duly carried out and that, to the best of our knowledge and belief, no violations have occurred during the year ended December 31, 2025 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, that might have had a material effect on the operation of the Parent Company or its financial position.

Also, in our opinion, we have not become aware of any material violations of Law No. 7 of 2010 concerning the Capital Markets Authority and Organization of Security Activity, and its subsequent amendments and its Executive Regulations during the year then ended, that might have a material effect on the business or financial position of the Parent Company.

Mohamed Shuaib A. Shuaib
License No. 235-A
RSM Albazie & Co.

State of Kuwait
March 26, 2026

DIMAH CAPITAL INVESTMENT COMPANY - K.S.C. (CLOSED) AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025
(All amounts are in Kuwaiti Dinar)

	Note	2025	2024
ASSETS			
Cash and cash equivalents	3	**4,991,562**	3,657,745
Wakala and Murabaha investments	4	**4,558,806**	4,313,110
Financial assets at fair value through profit or loss	5	**5,243,113**	7,044,848
Accounts receivable and other debit balances	6	**3,023,586**	2,227,713
Financial assets at fair value through other comprehensive income	9	**14,064,082**	18,245,307
Right of use assets	10	**25,597**	54,173
Investment in an associate	11	**-**	343,204
Investment properties	12	**1,808,634**	2,304,739
Property and equipment		**94,063**	145,053
Total assets		**33,809,443**	38,335,892
LIABILITIES AND EQUITY			
Liabilities:			
Accounts payable and other credit balances	13	**1,381,012**	1,665,606
Murabaha payables	14	**2,211,886**	3,426,974
Leases liabilities	15	**64,736**	62,830
Provision for end of service indemnity	16	**290,905**	397,589
Total Liabilities		**3,948,539**	5,552,999
Equity:			
Share capital	17	**37,065,836**	37,065,836
Statutory reserve	19	**3,280,425**	3,280,425
Voluntary reserve	20	**2,529,261**	2,529,261
Fair value reserve		**(3,907,931)**	(4,289,726)
Foreign currency translation reserve		**(1,861)**	112,244
Effect of change in other comprehensive income of an associate		**-**	(271,238)
Effect of changes in ownership interest of subsidiaries		**1,903**	1,903
Accumulated losses		**(9,106,729)**	(5,645,812)
Total equity		**29,860,904**	32,782,893
Total liabilities and equity		**33,809,443**	38,335,892

The accompanying notes (1) to (32) form an integral part of the consolidated financial statements.

Abdulaziz Khalid Mohamed Al-Ghamlas
Chairman

Essa Ali Abdulrahman Al Hasawi
Vice Chairman

DIMAH CAPITAL INVESTMENT COMPANY - K.S.C. (CLOSED) AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2025
(All amounts are in Kuwaiti Dinar)

	Note	**2025**	2024
Continuing operations			
Revenues:			
Net losses from financial assets	21	**(1,066,013)**	(168,245)
Management, structuring and marketing income	22	**1,710,498**	1,672,884
Wakala and Murabaha investments income		**414,816**	377,987
Rental income		**117,600**	117,600
Total revenue		**1,176,901**	2,000,226
Expenses:			
General and administrative expenses	23	**(2,551,071)**	(2,605,356)
Net provision for expected credit losses	4 , 6	**(385,769)**	(1,597,276)
Depreciation		**(87,229)**	(80,479)
Financial charges		**(194,893)**	(255,292)
Finance charges on lease liabilities	15	**(2,711)**	(4,117)
Total expenses		**(3,221,673)**	(4,542,520)
Gains and losses and other items:			
Write back of impairment loss on investment in associate	11	**161,351**	-
Group's share of results from an associate	11	**161,294**	11,054
Loss on sale of investment in an associate	11	**(120,968)**	-
Change in fair value of investment properties	12	**(312,937)**	(7,221)
Profit on sale of investment properties	12	**35,772**	-
Loss on right-of-use assets written off	10	**(31,582)**	-
Write back of provision for legal cases	13	**69,621**	-
Foreign exchange gain (loss)		**156,499**	(111,475)
Other income	24	**295,378**	31,811
Total gains and losses and other items		**414,428**	(75,831)
Loss for the year from continuing operations		**(1,630,344)**	(2,618,125)
Discontinued operations:			
Profit for the year from discontinued operations	7	**-**	164,386
Loss for the year		**(1,630,344)**	(2,453,739)
Attributable to:			
Shareholders of the Parent Company		**(1,630,344)**	(2,453,350)
Non-controlling interests		**-**	(389)
		(1,630,344)	(2,453,739)

The accompanying notes (1) to (32) form an integral part of the consolidated financial statements.

DIMAH CAPITAL INVESTMENT COMPANY - K.S.C. (CLOSED) AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2025
(All amounts are in Kuwaiti Dinar)

	Note	**2025**	2024
Loss for the year		**(1,630,344)**	(2,453,739)
Other comprehensive (loss) income:			
Items that may be reclassified subsequently to the consolidated statement of profit or loss:			
Exchange differences on translating foreign operations		**(114,105)**	1,444
		(114,105)	1,444
Items that will not be reclassified subsequently to the consolidated statement of profit or loss:			
Change in fair value of financial assets at fair value through other comprehensive income	9	**(1,179,556)**	522,362
Other comprehensive income (loss)	11	**2,016**	(53,821)
Other comprehensive (loss) income from continuing operations		**(1,291,645)**	469,985
Total comprehensive loss for the year		**(2,921,989)**	(1,983,754)
Attributable to:			
Shareholders of the Parent Company		**(2,921,989)**	(1,983,365)
Non-controlling interests		**-**	(389)
		(2,921,989)	(1,983,754)

The accompanying notes (1) to (32) form an integral part of the consolidated financial statements.

DIMAH CAPITAL INVESTMENT COMPANY - K.S.C. (CLOSED) AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2025
(All amounts are in Kuwaiti Dinar)

	Equity attributable to shareholders of the Parent Company												
	Share capital	Merger reserve	Statutory reserve	Voluntary reserve	Fair value reserve	Foreign currency translation reserve	Foreign currency translation reserve related to assets classified as held for sale	Effect of change in other comprehensive income of an associate	Effect of changes in ownership interest of subsidiaries	Accumulated losses	Subtotal	Non-controlling interests	Total
Balance as at January 1, 2024	37,065,836	1,299,327	3,280,425	2,529,261	(4,812,088)	110,800	106,811	(217,417)	-	(4,491,789)	34,871,166	2,292	34,873,458
Closing accumulated losses in merger reserve (Note 18)	-	(1,299,327)	-	-	-	-	-	-	-	1,299,327	-	-	-
Total comprehensive income (loss) for the year	-	-	-	-	522,362	1,444	-	(53,821)	-	(2,453,350)	(1,983,365)	(389)	(1,983,754)
Effect of change in subsidiary's equity	-	-	-	-	-	-	-	-	1,903	-	1,903	(1,903)	-
Closing foreign currency translation reserve related to discontinued operations (Note 7)	-	-	-	-	-	-	(106,811)	-	-	-	(106,811)	-	(106,811)
Balance as at December 31, 2024	37,065,836	-	3,280,425	2,529,261	(4,289,726)	112,244	-	(271,238)	1,903	(5,645,812)	32,782,893	-	32,782,893
Total comprehensive (loss) income for the year	-	-	-	-	(1,179,556)	(114,105)	-	2,016	-	(1,630,344)	(2,921,989)	-	(2,921,989)
Closing of effect of change in other comprehensive income of an associate (Note 11)	-	-	-	-	-	-	-	269,222	-	(269,222)	-	-	-
Effect of sale of financial assets at fair value through other comprehensive income ("FVOCI")	-	-	-	-	1,561,351	-	-	-	-	(1,561,351)	-	-	-
Balance as at December 31, 2025	**37,065,836**	**-**	**3,280,425**	**2,529,261**	**(3,907,931)**	**(1,861)**	**-**	**-**	**1,903**	**(9,106,729)**	**29,860,904**	**-**	**29,860,904**

The accompanying notes (1) to (32) form an integral part of the consolidated financial statements.

DIMAH CAPITAL INVESTMENT COMPANY - K.S.C. (CLOSED) AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2025
(All amounts are in Kuwaiti Dinar)

	2025	2024
Cash flows from operating activities:		
Loss for the year from continuing operations	**(1,630,344)**	(2,618,125)
Profit for the year from discontinued operations	**-**	164,386
Loss for the year	**(1,630,344)**	(2,453,739)
Adjustments for:		
Net losses from financial assets	**1,066,013**	168,245
Wakala and Murabaha investments income	**(414,816)**	(377,987)
Net provision for expected credit losses	**385,769**	1,597,276
Depreciation	**87,229**	80,479
Financial charges	**194,893**	255,292
Finance charges on lease liabilities	**2,711**	4,117
Change in fair value of investment properties	**312,937**	7,221
Profit on sale of investment properties	**(35,772)**	-
Loss on right-of-use assets written off	**31,582**	-
Write back of provision for legal cases	**(69,621)**	-
Write back of impairment loss on investment in associate	**(161,351)**	-
Group's share of results from an associate	**(161,294)**	(11,054)
Loss from sale of investment in an associate	**120,968**	-
Provision for end of service indemnity	**63,412**	89,769
	(207,684)	(640,381)
Changes in operating assets and liabilities:		
Financial assets at fair value through profit or loss	**77,356**	-
Accounts receivable and other debit balances	**(539,083)**	2,463,407
Accounts payable and other credit balances	**(406,592)**	(537)
Cash (used in) generated from operations	**(1,076,003)**	1,822,489
Payment for end of service indemnity	**(170,096)**	(78,993)
Net cash (used in) generated from operating activities	**(1,246,099)**	1,743,496
Cash flows from investing activities:		
Net movement in Wakala and Murabaha investments	**(464,176)**	(616,501)
Paid for purchase financial assets at FVOCI	**(244,244)**	(632,669)
Proceeds from sale of financial assets at FVOCI	**3,257,526**	-
Proceeds from disposal of investment in an associate	**546,897**	-
Net movement in property and equipment	**(2,853)**	(76,906)
Wakala investments income and Murabaha received	**412,412**	381,647
Dividends received	**589,525**	588,803
Net cash generated from (used in) investing activities	**4,095,087**	(355,626)
Cash flows from financing activities:		
Murabaha payables	**(1,215,088)**	(273,026)
Paid for shareholders on decrease of the share capital	**(40,687)**	(21,834)
Cash dividends paid to Shareholders	**(3,208)**	(4,206)
Finance charges paid	**(214,992)**	(263,158)
Lease liabilities paid	**(39,212)**	(40,922)
Net cash used in financing activities	**(1,513,187)**	(603,146)
Net increase in cash and cash equivalents	**1,335,801**	784,724
Exchange differences on translating foreign operations	**(1,984)**	(81,276)
Cash and cash equivalents at the beginning of the year	**3,657,745**	2,954,297
Cash and cash equivalents at end of the year (Note 3)	**4,991,562**	3,657,745

The accompanying notes (1) to (32) form an integral part of the consolidated financial statements.

1. Incorporation and activities

Dimah Capital Investment Company - K.S.C. (Closed) "the Parent Company" (formerly known as Beyoo Finance and Investment - K.S.C. (Closed)) is registered in the State of Kuwait. The Parent Company has been incorporated based on a Memorandum of Incorporation under Ref. No. 5653 / Volume 1 dated July 15, 2007 and its subsequent amendments, which was notarized in the commercial register according to a memorandum issued by the Shareholding Companies Department under No. 1/13 dated January 10, 2019, to increase the share capital of the Parent Company. The latest amendment made to the Commercial Registry was on May 16, 2023 whereby the authorized and fully paid-up share capital of the Parent Company was decreased from KD 44,065,836 to become KD 37,065,836 i.e., by an amount of KD 7,000,000.

The main objectives for which the Parent Company has been incorporated are as follows:

- Investment all private and governmental economic sectors including real estate, industrial, agricultural locally and internationally by participating in incorporation, ownership and management of specialized companies, or buying and selling shares and Sukuk of such companies in the different sectors. Dealing in the sale and purchase of the shares of these and other companies for the interest of the Company and other parties; and managing and coverage of issuances and undertakings for the interest of the Company.
- Investment consultant.
- Subscription agent.
- Obtaining finance from financial institutions and brokerage in financing transactions of all its forms and types for its customers in accordance with Islamic Sharia principles.
- Brokerage business in international trade transactions in accordance with Islamic Sharia principles.
- Dealing and trading in the local and foreign currency market as well as the precious metals market both inside Kuwait and abroad provided that such transaction will be only in the account of the Company.
- Securities broker not registered with the Boursa Kuwait.
- Investing its funds in various aspects of investment mainly in holding movable and fixed assets for operating leases and managing and investing and developing funds of international portfolios.
- Owing property rights, patents, trademarks, business graphics, literary and intellectual property rights of programs and publications, use and lease thereof to other parties.
- Direct contribution in the infrastructure of residential, commercial and industrial areas and projects through (B.O.T) system and Public Private Partnerships and management of real estate facilities relating to the Company's objectives.
- Representing local and foreign companies, (except for banks) with purposes similar to the purposes of the Company and cooperating with them and marketing of their products and services locally and internationally in a way that achieves the interest of both parties, in accordance with the related Kuwaiti regulations and as per Islamic Sharia principals.
- Collective investment system manager.
- Investment portfolio manager.
- Carrying out all types of real estate and land investment for the purpose of development, except for plot of land and houses allocated for private housing, whether directly or indirectly, for Company's account or for third parties.
- Organizing exhibitions and conferences related to the activities and investment projects in accordance with the regulations applied in the Ministry of Commerce and Industry.

The Parent Company may carry out the above objectives in the State of Kuwait or abroad as a principal or as an agent. The Parent Company may have an interest or participate in any way with the bodies and entities that carry out activities similar to its activities or that might help it to achieve its objectives in the State of Kuwait or abroad, also it has the right to establish, participate in, buy or affiliate with these organizations, provided that this should be under Islamic Sahira principals.

The Parent Company submitted a request to the Central Bank of Kuwait for the deletion of the Company from the register of investment companies at the Central Bank of Kuwait. On November 13, 2022, Resolution No. (1/221-R/2022) was issued approving the deletion of the Parent Company.

The Parent Company carries on its activities in accordance with Islamic Sharia principles.

The Parent Company is registered in the commercial register under Ref. No. 323021 on August 21, 2007.

The Company's registered address is P.O. Box 2152 Safat, Sharq – Block 7 – Building 1 – State of Kuwait.

The consolidated financial statements for the financial year ended December 31, 2025 were authorized for issue by the Parent Company's Board of Directors on March 26, 2026 and are subject to the approval of the General Assembly of the Parent Company's shareholders. The Annual General Assembly of the Parent Company's Shareholders has the power to amend these consolidated financial statements after issuance.

2. Material accounting policies information

The consolidated financial statements of the Group have been prepared in accordance with the IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The material accounting policies information adopted are summarized as follows:

a) Basis of preparation:

The consolidated financial statements are presented in Kuwaiti Dinars ("KD") which is the functional currency of the Parent Company and are prepared under the historical cost basis, except for the following items which are stated at their fair value:

- Financial assets at FVTPL.
- Financial assets at FVOCI.
- Investment properties.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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 preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires management to make judgments, estimates and assumptions in the process of applying the Group's accounting policies. Significant accounting judgments, estimates and assumptions are disclosed in Note (2-u). The key sources of estimation uncertainty are consistent with the annual consolidated financial statements of the Group for the financial year ended December 31, 2024.

- **New and revised Standards that are effective for the current year**

The accounting policies used in the preparation of these financial statements are consistent with those used in the previous year except for the changes due to implementation of the following new and revised IFRS Accounting Standards as at January 1, 2025 as follows:

Lack of Exchangeability (Amendments to IAS 21)

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

An entity is required to recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings when the entity reports foreign currency transactions. When an entity uses a presentation currency other than its functional currency, it recognizes the cumulative amount of translation differences in equity.

The adoption of the above amendments and interpretations did not have material impact on the disclosures or on the amounts reported in these consolidated financial statements.

- **New and revised IFRS Standards in issue but not yet effective**

At the date of authorization of the financial statements, the Group has not applied the new and revised IFRS Standards that have been issued but are not yet effective as follows:

IFRS 18 Presentation and Disclosures in Financial Statements

The new standard, IFRS 18, replaces IAS 1 Presentation of Financial Statements while carrying forward many of the requirements in IAS 1.

- IFRS 18 introduces new requirements to:
- Present specified categories and defined subtotals in the statement of profit or loss.
- Provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements.
- Improve aggregation and disaggregation.

IFRS 18 requires retrospective application with specific transition provisions. An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027 with earlier application permitted.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

The new standard, IFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards. An entity is required to apply IFRS 19 for annual reporting periods beginning on or after 1 January 2027.

Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments

An entity is required to apply these amendments for annual reporting periods beginning on or after 1 January 2026. The amendments include:

- A clarification that a financial liability is derecognized on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognize 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).

These amendments are not expected to have any material impact on the consolidated financial statements.

b) Basis of consolidation:

The consolidated financial statements include the financial statements of the Parent Company and the subsidiaries (referred to as the Group) as follows:

Name of the subsidiary	Country of incorporation	Principal activities	Percentage of ownership (%) 2025	2024
1- Al-Watheer for Management and Commercial Consulting Company - W.L.L.	State of Kuwait	Consulting Services	**100**	100
2- Apex Advisory Services Company - W.L.L.	Cayman Islands	Consulting Services	**100**	100
3- Fajr Al Bilad for Administrative and Commercial Consulting Company - W.L.L.	State of Kuwait	Consulting Services	**100**	99
4- Apex Capital Investment Company - W.L.L.	United States of America	Investment Services	**100**	100
5- Dimah Investment Company - W.L.L.	Cayman Islands	Investment Services	**100**	100
6- Apex Pan European Holding Limited - Private Company Limited by Shares	United Kingdom	Investment Services	**100**	100
1.6- APEX Capital Investment Europe Limited - Private Company Limited by Shares	United Kingdom	Investment Services	**100**	100

Subsidiaries are those companies controlled by the Parent Company. Control is achieved when the Parent Company:

- has power over the investee;
- is exposed, or has rights to variable returns from its involvement with the investee;
- has the ability to use its power to affect investee's returns.

The Group reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.
When the Group has less than a majority of voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee. The Company considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- The size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements;
- any additional facts and circumstances that indicate that the Parent Company has the financial ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control effectively commences until the date that control effectively ceases. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in consolidated statement of profit or loss and other comprehensive income from the date the Parent Company gains control until the date when the Parent Company ceases to control the subsidiary. All inter-company balances and transactions, including inter-company profits and unrealized profits and losses are eliminated in full on consolidation. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. The statement of profit or loss and each component of other comprehensive income are attributed to the Parent Company's Shareholders and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction. The carrying amounts of the Group's ownership interests and non-controlling interests are adjusted to reflect changes in their relative interests in the subsidiaries. Any differences between the amount by which non-controlling interests are adjusted and fair value of the consideration paid or received is recognized directly in equity and attributable to Shareholders of the Parent Company. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- Derecognizes the carrying amount of any non-controlling interests;
- Derecognizes the cumulative translation differences recorded in equity;
- Recognizes the fair value of the consideration received;
- Recognizes the fair value of any investment retained;
- Recognizes any surplus or deficit in profit or loss;
- Reclassifies the Parent Company's share of components previously recognized in other comprehensive income to profit or loss or retained earnings as appropriate.

c) Current vs non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current / non-current classification.

An asset is current when it is:
- Expected to be realized or intended by the Group to be sold or consumed in the normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the date of consolidated statement of financial position.
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the date of consolidated statement of financial position.

The Group classifies all other assets as non-current.
A liability is current when:
- It is expected to be settled in the normal operating cycle.
- It is held primarily for the purpose of trading.
- It is expected to be settled within twelve months after the date of consolidated statement of financial position.
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the date of consolidated statement of financial position.

The Group classifies all other liabilities as non-current.

d) Financial instruments:

The Group classifies its financial instruments as "financial assets" and "financial liabilities". Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of such instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Dividends, gains, and losses relating to a financial instrument classified as a liability are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity. Financial instruments are stated at net when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realize the asset and settle the liability simultaneously.

Financial assets and financial liabilities carried on the consolidated statement of financial position include cash and cash equivalent, Wakala and Murabaha investments, financial assets at fair value through profit or loss, receivables, financial assets at fair value through other comprehensive income, payables, Murabaha payable and lease liabilities.

d-1) Financial assets:

d-1/1) Classification of financial assets

To determine their classification and measurement category, IFRS 9 requires all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the Group's business model for managing the its assets and the instruments' contractual cash flow characteristics.

Business model assessment

The Group determines its business model at the level that best reflects how it manages group of financial assets to achieve its business objectives and in order to generate contractual cash flows. That is, whether the Group's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'Sell' business model and measured at FVTPL. The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios.

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI test)

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent Solely Payments of Principal and Interest (the 'SPPI test'). 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition that may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount). The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk.

The Company reclassifies when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent.

Initial recognition

Purchases and sales of the financial assets are recognized on settlement date – the date on which an asset is delivered to or by the Group. Financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at FVTPL.

Derecognition

A financial asset (in whole or in part) is derecognized either when: the contractual rights to receive the cash flows from the financial asset have expired; or the Group has transferred its rights to receive cash flows from the financial asset and either: (a) has transferred substantially all the risks and rewards of ownership of the financial asset by the Group, or (b) has neither transferred nor retained substantially all the risks and rewards of the financial asset, but has transferred control of the financial asset. Where the Group has retained control, it shall continue to recognize the financial asset to the extent of its continuing involvement in the financial asset.

Measurement categories of financial assets

The Group classifies its financial assets upon initial recognition into the following categories:

- Debt instruments at amortized cost.
- Debt instruments at FVOCI, with gains or losses recycled to the consolidated statement of profit or loss, on derecognition.
- Equity instruments at FVOCI, with no recycling of gains or losses to the consolidated statement of profit or loss on derecognition.
- Equity instruments at fair value through profit or loss ("FVTPL").

Debt instruments at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments measured at amortized cost are subsequently measured at amortized cost using the effective yield method adjusted for impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognized in the consolidated statement of profit or loss. Gain and losses are recognized in the consolidated statement of profit or loss when the asset is derecognized, modified or impaired.

Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Cash and cash equivalents, Wakala and Murabaha investments, and trade receivables are classified as debt instruments at amortized cost.

- Cash and cash equivalents
  Cash and cash equivalents include cash on hand and at banks, deposits held at call with banks and other short-term highly liquid investments with original maturities of 3 months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

- Wakala and Murabaha investments
  Wakala and Murabaha investments represent contracts concluded with financial institutions and have a contractual maturity of more than 3 months.

- Trade receivables
  Receivables are amounts due from customers for merchandise sold, rented units, or services performed in the ordinary course of business and are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for expected credit losses.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment as at FVTOCI on initial recognition.

- Debt instruments that do not meet the amortized cost criteria or the FVOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortized cost criteria or the FVOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency ('accounting mismatch') that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Changes in fair value, gain on disposal, interest income and dividends are recorded in the consolidated statement of profit or loss according to the terms of the contract, or when the right to payment has been established.

The Group classifies investments in quoted equity instruments under financial assets at FVTPL in the consolidated statement of financial position.

Equity instruments at fair value through other comprehensive income (FVOCI)

Upon initial recognition, the Group may elect to classify irrevocably some of its equity instruments at FVOCI when they are neither held for trading nor a contingent consideration arising from a business combination. Such classification is determined on an instrument-by- instrument basis.

Equity investments at FVOCI are subsequently measured at fair value. Changes in fair values including foreign exchange component are recognized in other comprehensive income and presented in the cumulative changes in fair values as part of equity. Cumulative gains and losses previously recognized in other comprehensive income are transferred to retained earnings on derecognition. Gains and losses on these equity instruments are never recycled to consolidated statement of profit or loss. Dividends are recognized in the consolidated statement of profit or loss when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment. Upon disposal, cumulative gains or losses are reclassified from cumulative changes in fair value to retained earnings in the statement of changes in equity.

d-1/2) Impairment of financial assets:

The Group recognizes an allowance for expected credit losses (ECL) for all debt instruments not held at fair value through profit or loss.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade and other receivables, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. Accordingly, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the customers and the economic environment. Exposures were segmented based on common credit characteristics such as credit risk grade, geographic region and industry, delinquency status and age of relationship, where applicable.

In applying this forward-looking approach, the Group applies a three stage assessment to measuring ECL as follows:

- Stage 1 - financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk.
- Stage 2 (not credit impaired) - financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low.
- Stage 3 (credit impaired) - financial assets that have objective evidence of impairment at the reporting date and assessed as credit impaired when one or more events have a detrimental impact on the estimated future cash flows have occurred.

In assessing whether the credit quality on a financial instrument has deteriorated significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition.

In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

12-month expected credit losses' are recognized for Stage 1 while 'lifetime expected credit losses' are recognized for Stage 2 and 3. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. 12-month ECL for financial assets represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument. ECLs measured at amortized cost are deducted from the gross carrying amount of the assets and charged to consolidated statement of profit or loss.

The Group considers a financial asset in default when contractual payments are 365 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

d-2) Financial liabilities:

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings, advances and payables, net of directly attributable transaction costs. All financial liabilities are subsequently measured at FVTPL or at amortized cost using effective interest rate method.

Financial liabilities at amortized cost

Financial liabilities that are not stated at fair value as above are measured subsequently at amortized cost using the effective interest method.

- Accounts payable
  Accounts payable include trade and other payables. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business. Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer) If not, they are presented as non - current liabilities.

- Murabaha:
  Murabaha represents the amounts due to pay for purchased assets on deferred basis as per Murabaha facility agreements. Murabaha are stated at the total amount payable, net of finance costs related to the future periods. Future finance costs are amortized when matured on a time proportion basis using the effective interest method.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified.

Exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the consolidated statement of profit or loss. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification should be recognized in the consolidated statements profit or loss as the modification gain or loss within other gains and losses.

d-3) Offsetting of financial assets and liabilities:

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

e) Associates:

Associates are those entities in which the Group has significant influence which is the power to participate in the financial and operating policy decisions of the associate but is not control or joint control over those policies. Under the equity method, investment in associates are carried in the consolidated statement of financial position at cost as adjusted for changes in the Group's share of the net assets of the associate from the date that significant influence effectively commences until the date that significant influence effectively ceases, except when the investment is classified as held for sale, in which case it is accounted as per IFRS 5 "non-current assets held for sale and discontinued operations".

The Group recognizes in its consolidated statement of profit or loss for its share of results of operations of the associate and in its other comprehensive income for its share of changes in other comprehensive income of associate.

Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are not recognized except to the extent that the Group has an obligation or has made payments on behalf of the associate.

Gains or losses arising from transactions with associates are eliminated against the investment in the associate to the extent of the Group's interest in the associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognized at the date of acquisition is recognized as goodwill. The goodwill is included within the carrying amount of the investment in associates and is assessed for impairment as part of the investment. If the cost of acquisition is lower than the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities, the difference is recognized immediately in consolidated statement of profit or loss.

The Group determines at each reporting date whether there is any objective evidence that the investment in associate is impaired and determine if necessary, to recognize any impairment with respect to the investment. If there is such evidence, the entire carrying amount of the investment (including goodwill) is tested for impairment and the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in the consolidated statement of profit or loss. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

Upon loss of significant influence over the associate, the Group measures and recognizes any retaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retaining investment and proceeds from disposal is recognized in the consolidated statement of profit or loss.

f) Investment properties:

Investment properties comprise completed property, property under construction or re-development held to earn rentals or for capital appreciation or both. Investment properties are initially measured at cost including purchase price and transactions costs. Subsequent to initial recognition, investment properties are stated at their fair value at the end of reporting period. Gains or losses arising from changes in the fair value of investment properties are included in the consolidated statement of profit or loss for the period in which they arise.

Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable. Investment properties under construction for which the fair value cannot be determined reliably, but for which the Group expects that the fair value of the property will be reliably determinable when construction is completed, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed - whichever is earlier.

Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group. The cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Investment properties are derecognized when either they have been disposed of (i.e., at the date the recipient obtains control) or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Gains or losses arising on the retirement or disposal of an investment property are recognized in the consolidated statement of profit or loss.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by the end of owner occupation or commencement of an operating lease to another party. Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of owner occupation or commencement of development with a view to sale. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

g) Property and equipment:

The initial cost of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the property and equipment have been put into operation, such as repairs and maintenance and overhaul costs, are normally charged to the consolidated statement of profit or loss in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment. Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately is capitalized and the carrying amount of the component that is replaced is written off.

Property and equipment are stated at cost less accumulated depreciation and impairment losses. When assets are sold or retired, their cost and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is included in the consolidated statement of profit or loss. The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

Depreciation is computed on a straight-line basis over the estimated useful lives of other property and equipment as follows:

	Years
Computer and software	3 – 5
Tools and equipment	3
Furniture and fixtures	5
Motor vehicles	5

The useful life and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

h) Impairment of non-financial assets:

At the end of reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount rate. The discount rate should reflect current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. The impairment loss is recognized immediately in the consolidated statement of profit or loss, unless the carrying amount of relevant asset is revalued, in which case the impairment loss is treated as a revaluation decrease.

When reversing an impairment loss subsequently, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount. However, the increased carrying amount due to reversal of impairment loss should not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the consolidated statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

i) Discontinued operations

A discontinued operation is a component of the Group that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographic area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to re-sale.

Such component of the group comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Group. In other words, a component of an entity will have been a cash-generating unit or a group of cash-generating units while being held for use.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as discontinued operations.

In the consolidated statement of profit or loss of the reporting period, and of the comparable period of the previous year, income and expenses from discontinued operations are reported separate from income and expenses from continuing activities, down to the level of profit, even when the Group retains a non controlling interest in the subsidiary after the sale. The resulting profit or loss is reported separately in the consolidated statement of profit or loss.

j) Provision for end of service indemnity:
Provision is made for amounts payable to employees under the Kuwaiti Labour Law in the private sector, employee contracts and the applicable labor laws in the countries where the subsidiaries operate. This liability, which is unfunded, represents the amount payable to each employee as a result of involuntary termination at the end of the reporting period, and approximates the present value of the final obligation.

k) Share capital:
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

l) Dividend distribution to shareholders:
The Group recognizes a liability to make cash and non-cash distributions to shareholders of the Parent Company when the distribution is authorized and the distribution is no longer at the discretion of the Group. Such dividends are approved when they are agreed upon by the Annual General Assembly of the Parent Company's Shareholders, and value of such dividends is recognized in equity.

Distributions for the year that are approved after the reporting date are disclosed as an event after the date of the consolidated statement of financial position.

m) Revenue from contracts with customers:
Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The Group applies a five step model are as follows to account for revenue arising from contracts:

- Step 1: Identify the contract with the customer – A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- Step 2: Identify the performance obligations in the contract – A performance obligation is a promise in a contract with the customer to transfer goods or services to the customer.
- Step 3: Determine the transaction price – The transaction price is the amount of consideration to which the Group expects to be entitled in exchange of transferring promised good or services to a customer, excluding amounts collected on behalf of third parties.
- Step 4: Allocate the transaction price to the contractual obligations in the contracts – For a contract that has more than one contractual obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each contractual obligation.
- Step 5: Recognize revenue when (or as) the Group satisfies a performance obligation.

The Group exercises judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

The Group recognizes revenue either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers. The Group transfers control of a good or service over time (rather than at a point in time) when any of the following criteria are met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.
- The Group's performance creates or enhances an asset (e.g., work in process) that the customer controls as the asset is created or enhanced, or
- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Control is transferred at a point in time if none of the criteria for a good or service to be transferred over time are met. The Group considers the following factors in determining whether control of an asset has been transferred:

- The Group has a present right to payment for the asset.
- The customer has legal title to the asset.
- The Group has transferred physical possession of the asset.
- The customer has the significant risks and rewards of ownership of the asset.
- The customer has accepted the asset.

The Group recognises contract liabilities for consideration received in respect of unsatisfied contractual obligations and reports these amounts as other liabilities in the consolidated statement of financial position Note (2-d). Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognizes either a contract asset or a receivable in its consolidated statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Incremental costs of obtaining a contract with a customer are capitalized when incurred as the Group expects to recover these costs and such costs would not have incurred if the contract has not been obtained. Sales commission incurred by the Group is expensed as the amortization period of such costs is less than a year.

Revenue for the Group arises from the following activities:

- Management, structuring and marketing income
  Management, structuring and marketing income is recognized when such services are provided to customers at a point of time, while the management services income is recognized over time when services are rendered.

- Rent
  Rental income is recognized, when earned, over a period of time on apportionment basis.

- Other income
  Other income is recognized on accrual basis.

n) Provisions:

A provision is recognized when the Group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation. Provisions are not recognized for future operating losses.

o) Borrowing costs:

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure is deducted from the financing costs eligible for recovery.

All other borrowing costs are expensed in consolidated statement of profit or loss in the period in which they are incurred.

p) Leases:

The Group as a lessor:

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. All other leases are classified as finance leases. The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

The Group as a lessee:

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee.

- Right-of-use assets

  The Group recognizes right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right of use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Also, right of use assets are subject to impairment.

- Lease liabilities

  At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

  In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of profit and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

- Short-term leases and leases of low-value assets
  The Group applies the short-term lease recognition exemption to its short-term leases of property and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below KD 1,500). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

q) Contribution to Zakat:
Zakat is calculated at 1% of the profit attributable to the shareholders of the Parent Company before contribution to KFAS, Zakat, and Board of Directors' remuneration, and after deducting the Parent Company's share of profit from Kuwaiti shareholding associates and cash dividends received from Kuwaiti shareholding companies in accordance with Law No. 46 of 2006 and Ministerial resolution No. 58 of 2007 and their Executive Regulations. No Zakat has been provided since there is no financial profit on which Zakat could be calculated for the year ended December 31, 2024 and December 31, 2025.

r) Foreign currencies:
Foreign currency transactions are translated into Kuwaiti Dinars at rates of exchange prevailing on the date of the transactions. Monetary assets and liabilities denominated in foreign currency as at the end of reporting period are retranslated into Kuwaiti Dinars at rates of exchange prevailing on that date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the consolidated statement of profit or loss for the period. Translation differences on non-monetary items such as equity instruments which are classified as financial assets at FVTPL are reported as part of the fair value gain or loss. Translation differences on non-monetary items such as equity instruments classified as FVOCI are included in "cumulative changes in fair value" in other comprehensive income.

s) Contingencies:
Contingent liabilities are not recognized in the consolidated financial statements unless it is probable as a result of past events that an outflow of economic resources will be required to settle a present, legal or constructive obligation; and the amount can be reliably estimated. Else, they are disclosed unless the possibility of an outflow of resources embodying economic losses is remote.

Contingent assets are not recognized in the consolidated financial statements but disclosed when an inflow of economic benefits as a result of past events is probable.

t) Fiduciary assets:
Assets held in trust or in a fiduciary capacity are not treated as assets of the Group and accordingly are not included in these consolidated financial statements but are disclosed in the notes to the consolidated financial statements.

u) Critical accounting judgments, estimates and assumptions:
The Group makes judgments, estimates and assumptions concerning the future. The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from the estimates.

A- Judgments:

In the process of applying the Group's accounting policies which are described in Note 2, management has made the following judgments that have the most significant effect on the amounts recognized in the consolidated financial statements.

- Revenue recognition:
  Revenue is recognized to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The determination of whether the revenue recognition criteria as specified under IFRS 15 and revenue accounting policy explained in Note (2-m) are met requires significant judgment.

- Provision for expected credit losses:
  The determination of the recoverability of the amount due from customers and the factors determining the impairment involve significant judgment.

- Classification of financial assets:
  On acquisition of a financial asset, the Group decides whether it should be classified as "at fair value through profit or loss", "at fair value through other comprehensive income" or "at amortized cost". IFRS 9 requires all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the Group's business model for managing the assets of the instrument's contractual cash flow characteristics. The Group follows the guidance of IFRS 9 on classifying its financial assets and is explained in Note (2 - d).

- Classification of land:
  Upon acquisition of land, the Group classifies the land into one of the following categories, based on the intention of the management for the use of the land:

  - Properties under development:
    When the intention of the Group is to develop land in order to sell it in the future, both the land and the construction costs are classified as properties under development.

  - Work in progress:
    When the intention of the Group is to develop a land in order to rent or to occupy it in the future, both the land and the construction costs are classified as work in progress.

  - Properties held for trading:
    When the intention of the Group is to sell land in the ordinary course of business, the land are classified as properties held for trading.

  - Investment properties:
    When the intention of the Group is to earn rentals from land or hold land for capital appreciation or if the intention is not determined for land, the land is classified as investment properties.

- Business combinations:
  At the time of acquisition to subsidiaries, the Group considers whether the acquisition represents the acquisition of a business or of an asset (or a group of assets and liabilities). The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the assets. More specifically, consideration is made to the extent of which significant processes are acquired. The significance of processes requires significant judgment.

Where the acquisition of subsidiaries does not represent a business, it is accounted for as an acquisition of an asset (or a group of assets and liabilities). The cost of acquisition is allocated to the assets and liabilities acquired based on their relative fair values, and no goodwill or deferred tax is recognized.

- Control assessment:
  When determining control over an investee, management considers whether the Group has a 'de facto' power to control an investee if it holds less than 50% of the investee's voting rights. The assessment of the investee's relevant activities and the ability to use the Group's power to affect the investee's variable returns requires significant judgment.

- Significant influence assessment:
  When determining significant influence over an investee, management considers whether the Group has the power to participate in the financial and operating policy decisions of the investee if it holds less than 20% of the investee's voting rights. The assessment, which requires significant judgment, involves consideration of the Group's representation on the investee's board of directors, participation in policy making decisions and material transactions between the investor and investee.

- Leases:
  Critical judgements required in the application of IFRS 16 include, among others, the following:
  - Identifying whether a contract (or part of a contract) includes a lease;
  - Determining whether it is reasonably certain that an extension or termination option will be exercised;
  - Classification of lease agreements (when the entity is a lessor);
  - Determination of whether variable payments are in-substance fixed;
  - Establishing whether there are multiple leases in an arrangement,
  - Determining the selling prices of lease and non-lease components.

B- Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimating uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are discussed below.

- Provision for expected credit losses:
  The extent of provision for expected credit losses involves estimation process. Provision for expected credit losses is based on a forward looking ECL approach. Bad debts are written off when identified. The benchmarks for determining the amount of provision or write-down include ageing analysis, technical assessment and subsequent events. The provisions recognition and write-down of accounts receivable are subject to management approval.

- Fair value of unquoted financial assets:
  If the market for a financial asset is not active or not available (or unquoted securities), the Group establishes fair value by using valuation techniques. They include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances. This valuation requires the Group to make estimates about expected future cash flows and discount rates that are subject to uncertainty.

- Valuation of investment properties:
  The Group carries its investment properties at fair value, with change in fair values being recognized in consolidated statement of profit or loss. The fair value of investment property is determined by real estate valuation experts using recognized valuation techniques and the principles of IFRS 13. Investment property under construction is measured based on estimates prepared by independent real estate valuation experts, except where such values cannot be reliably determined.

The main methods were used to determine the fair value of the investment properties as follows:

- Income capitalization approach, where the property's value is estimated based on its income produced and is computed by dividing the property's net operating income by the expected rate of return on the property in the market, known as 'Capitalization Rate'.
- Comparative analysis is based on the assessment made by an independent real estate appraiser using values of actual deals transacted recently by other parties for properties in a similar location and condition and based on the knowledge and experience of the real estate appraiser.

- Useful lives of depreciable assets:
  The Group reviews its estimate of useful lives of depreciable assets at each reporting date based on the expected utility of assets. Uncertainties in these estimates mainly relate to obsolescence and changes in operations.

- Impairment of non-financial assets:
  Impairment happens when the carrying value of asset (or cash generating unit) exceeds the recoverable amount. It is the higher of the fair value less costs to sell and value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance (or cash generating unit) being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.
- Leases:
  Key sources of estimation uncertainty in the application of IFRS 16 include, among others, the following:
  - Estimation of the lease term;
  - Determination of the appropriate rate to discount the lease payments;
  - Assessment of whether a right-of-use asset is impaired.

3. Cash and cash equivalents

	2025	2024
Cash on hand and at banks	**2,487,555**	2,578,712
Short-term Wakala investments	**2,504,007**	1,079,033
	4,991,562	3,657,745

The effective interest rate on short term Wakala investments is 3.9% per annum (2024: 3.9% per annum) and these Wakala investments have contractual maturities of 3 months and are denominated in Kuwaiti Dinar.

4. Wakala and Murabaha investments

	2025	2024
Foreign Wakala investments (a)	**5,446,876**	5,636,025
Foreign Murabaha investments (a)	**2,590,429**	2,218,730
Less: Provision for expected credit losses (b)	**(3,367,711)**	(3,517,601)
Foreign exchange differences	**(110,788)**	(24,044)
	4,558,806	4,313,110

(a) Foreign Wakala and Murabaha investments represent contracts with foreign institutions attributable to one of the subsidiaries and carry a return rate ranging from 3.5% to 10% per annum (2024: from 3.5% to 8% per annum) and have maturities of more than three months.

(b) Provision for expected credits losses:

	2025	2024
Balance at the beginning of the year	**3,517,601**	2,508,741
Charge for the year	**893,354**	1,008,860
Provision no longer required	**(785,662)**	-
Utilized in the year	**(257,582)**	-
Balance at the end of the year	**3,367,711**	3,517,601

5. Financial assets at fair value through profit or loss ("FVTPL")

Financial assets at FVTPL represent investment in equity securities and the movement during the year is as follows:

	2025	2024
Balance at the beginning of the year	**7,044,848**	7,759,734
Disposals	**(89,149)**	-
Change in fair value (Note 21)	**(1,712,586)**	(714,886)
Balance at the end of the year	**5,243,113**	7,044,848

The above financial assets are denominated in the following currencies:

	2025	2024
USD	**1,263,312**	3,318,002
GBP	**786,754**	940,679
EUR	**3,193,047**	2,786,167
	5,243,113	7,044,848

Financial assets at fair value through profit or loss amounting to KD 940,717 (2024: KD 789,432) are pledged as a guarantee against Wakala granted to one of the foreign investment funds managed by the Group.
Financial assets at fair value through profit or loss have been measured in accordance with the valuation basis disclosed in Note (30).

6. Accounts receivable and other debit balances

	2025	2024
Accrued Structuring and marketing income	**3,898,963**	3,260,448
Accrued management income and other distributions	**2,013,761**	2,038,937
Accrued rental income	**150,348**	156,948
Total receivables (a)	**6,063,072**	5,456,333
Less: Provision for expected credit losses (b)	**(4,660,479)**	(4,660,932)
	1,402,593	795,401
Sale of assets receivable (c)	**1,226,032**	1,272,460
Prepaid and other expenses	**501,628**	234,579
Less: Provision for expected credit losses (b)	**(106,667)**	(74,727)
	3,023,586	2,227,713

(a) Total receivables:

Total receivables are non-interest bearing and are generally due within 30 days.

The Group applies the IFRS 9 simplified model of recognizing expected credit losses for all items of trade receivables as these items do not have a significant financing component. In measuring the expected credit losses, trade receivables have been assessed on a collective basis respectively and grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profile over the past 60 months corresponding to that period. The historical rates are adjusted to reflect current and forwarding looking macroeconomic factors affecting the customer's ability to settle the amount outstanding. However, given the short period exposed to credit risk, the impact of these macroeconomic factors has not been considered significant within the consolidated financial statements.

Trade receivables are written off when there is no reasonable expectation of recovery. Failure to make payments within 365 days from the invoice date and failure to engage with the Group on alternative payment arrangement amongst other is considered indicators of no expectation of recovery and therefore is considered as credit impaired.

The following table details the risk profile of trade receivables based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer base.

The ageing analysis of trade receivables is as follows:

	2025					
	Less than 30 days	30 – 60 days	61 – 150 days	151 - 365 days	More than 365 days	Total
Expected credit loss rate	**2.61%**	**16.36%**	**22.99%**	**31.03%**	**100%**	
Gross carrying amount	**925,226**	**43,651**	**201,946**	**448,773**	**4,443,476**	**6,063,072**
Expected credit losses	**24,152**	**7,143**	**46,432**	**139,276**	**4,443,476**	**4,660,479**

	2024					
	Less than 30 days	30 – 60 days	61 – 150 days	151 - 365 days	More than 365 days	Total
Expected credit loss rate	4.79%	12.92%	24.93%	31.23%	100%	
Gross carrying amount	351,744	23,111	212,384	408,526	4,460,568	5,456,333
Expected credit losses	16,835	2,986	52,954	127,589	4,460,568	4,660,932

(b) Provision for expected credit losses:
The movement in provision for expected credit losses is as follows:

	Trade receivables	Others	**2025**	2024
Balance at the beginning of the year	4,660,932	74,727	**4,735,659**	4,147,196
Charge for the year	283,284	31,940	**315,224**	588,416
Provision no longer required	(37,147)	-	**(37,147)**	-
Utilized in the year	(245,908)	-	**(245,908)**	-
Foreign exchange differences	(682)	-	**(682)**	47
Balance at the end of the year	**4,660,479**	**106,667**	**4,767,146**	4,735,659

(c) As of December 31, 2025, Sale of assets receivable includes an amount KD 699,569 (2024 – KD 1,202,163) representing the outstanding balance from sale of entire ownership interests held in Al Bilad General Warehousing - W.L.L. (former subsidiary), net of the present value of all future cash inflows discounted by KD 250,227 (2024 – KD 350,732) until the end of the installments, with the final payment due on February 28, 2027.

7. Discontinued operations
On November 13, 2023, the Parent Company's Board of Directors approved to sell entire ownership interests held in Al Bilad General Warehousing Co - W.L.L. (a former subsidiary).

During the financial year ended December 31, 2024, the preliminary contract was signed on January 8, 2024 wherein both parties agreed to sell the entire ownership interests of Al Bilad General Warehousing Co - W.L.L. (former subsidiary) for an amount of BHD 5,309,134 (equivalent to KD 4,327,653). Pursuant to the contract supplement dated April 18, 2024, both parties agreed that an amount of BHD 3,020,000 (equivalent to KD 2,461,703) shall be paid upon signing the contract supplement and the remaining amount of BHD 2,289,134 (equivalent to KD 1,865,949) shall be settled on quarterly installments with the last payment due on February 28, 2027.

Accordingly, the Parent Company calculated the expected losses on sale after deducting all costs relating to the sale and after calculating the present value of all discounted future cash proceeds until the end of payments. Thus, the expected losses on sale are recorded as impairment losses of these assets by KD 671,195 as at December 31, 2023. During the financial year ended December 31, 2024, the Parent Company finalized and executed the sale transaction, resulting in an adjustment to the sale-related costs which resulted in the recognition of a gain on disposal amounting to KD 57,575.

The profit for the year from the discontinued operations is analyzed as follows:

	2025	2024
Parent Company's profit resulted from the disposal of subsidiary	**-**	57,575
Closing foreign currency translation reserve related to discontinued operations	**-**	106,811
	-	164,386

8. Related party disclosures

The Group has entered into various transactions with related parties, i.e., shareholders, key management personnel and certain 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 consolidated statement of financial position:

	Shareholders	**2025**	2024
Financial assets at fair value through other comprehensive income ("FVOCI")	-	**-**	4,069,873
Accrued to Shareholders from decrease of the Parent Company's share capital (Note 13)	323,798	**323,798**	364,485
Accrued cash dividends to Shareholders (Note 13)	99,153	**99,153**	102,361

Transactions included in the consolidated statement of profit or loss:

	Nature of the relationship	**2025**	2024
Dividends income	Other related parties	**-**	9,211
Management income	Other related parties	**639**	953

Key management personnel benefits

	2025	2024
Short-term benefits	**204,094**	306,138
Post-employment benefits	**16,375**	24,079
Board of Directors' remuneration (Note 26)	**30,000**	-
	250,469	330,217

9. Financial assets at fair value through other comprehensive income ("FVOCI")

	2025	2024
Equity securities	**14,064,082**	18,240,678
Investment portfolios and funds	**-**	4,629
	14,064,082	18,245,307

The movement during the year is as follows:

	2025	2024
Balance at the beginning of the year	**18,245,307**	17,090,276
Additions	**499,857**	632,669
Disposals	**(3,501,526)**	-
Change in fair value	**(1,179,556)**	522,362
Balance at the end of the year	**14,064,082**	18,245,307

Financial assets at fair value through other comprehensive income amounting to KD 5,156,801 (2024: KD 7,583,755) are pledged as security against Murabaha payables (Note 14).

Financial assets at fair value through other comprehensive income are denominated in the following currencies.

	2025	2024
KD	**6,856,474**	9,454,597
USD	**3,162,316**	5,791,627
SAR	**2,537,807**	1,648,285
OMR	**1,407,146**	1,182,200
GBP	**100,339**	168,598
	14,064,082	18,245,307

Financial assets at fair value through other comprehensive income have been measured in accordance with the valuation basis disclosed in Note (30).

10. Right of use assets

The Group leases certain assets with lease term ranging from 1 to 3 years.

The movement in right to use assets item is as follows:

	Amount
Net carrying amount as at January 1, 2024	43,836
Additions (Note 15)	47,549
Depreciation charge for the year	(37,212)
Net book value as at December 31, 2024	54,173
Additions (Note 15)	38,774
Right of use assets written off	(31,582)
Depreciation charge for the year	(33,386)
Foreign exchange differences	(2,382)
Net book value as at December 31, 2025	**25,597**

Expenses related to right to use assets recognized in the consolidated statement of profit or loss for the year were as follows:

	2025	2024
Depreciation expense on right of use assets	**33,386**	37,212
Finance charges on lease liability (Note 15)	**2,711**	4,117
	36,097	41,329

11. Investment in an associate

The investment in associates consists of the following:

			Ownership Interest %			
Name of the associate	Country of incorporation	Principal activities	**2025**	2024	**2025**	2024
Ta'azur for Insurance Takaful Company - K.S.C. (Closed)	State of Kuwait	Insurance	**-**	42.069%	**-**	343,204

The movement during the year is as follows:

	2025	2024
Balance at the beginning of the year	**343,204**	385,971
Group's share of results from an associate	**161,294**	11,054
Group's share of associate's other comprehensive income (loss)	**2,016**	(53,821)
Write back of impairment loss on investment in associate	**161,351**	-
Disposals	**(667,865)**	-
Balance at the end of the year	**-**	343,204

Summarized financial statements for associates is as follows:

Summarized statement of financial position:

	2025	2024
Assets	**-**	9,356,075
Liabilities	**-**	(1,590,481)
Net book value of assets	**-**	7,765,594
Ownership interest held by the Group	**-**	42.069%
Share in associate's net assets	**-**	3,266,908
Adjustments:		
Impairment losses	**-**	(2,923,704)
Net value of investment in an associate	**-**	343,204

Summarized Statement of profit or loss and other comprehensive income:

	2025	2024
Net profit	**383,403**	26,275
Other comprehensive income (loss)	**4,791**	(127,936)
Total comprehensive income (loss)	**388,194**	(101,661)
Share of associate's results	**161,294**	11,054
Share of other comprehensive income (loss)	**2,016**	(53,821)

- As of July 13, 2025, the Group sold Ta'azur for Insurance Takaful Company - K.S.C. (Closed) ("associate") for a consideration of KD 546,897. This resulted in a loss on disposal amounting to KD 120,968, which will be recognized in the consolidated statement of profit or loss, and reclassification of an amount of KD 269,222, representing the effect of changes in the associate's other comprehensive income as a loss within the statement of changes in equity for the financial year ending December 31, 2025.

12. Investment properties

	2025	2024
Balance at the beginning of the year	**2,304,739**	2,311,960
Disposals	**(183,168)**	-
Change in fair value	**(312,937)**	(7,221)
Balance at the end of the year	**1,808,634**	2,304,739

The Group's Management has complied with the Executive Regulations of Capital Markets Authority with respect to guidelines for valuation of investment properties. The fair value of investment properties is determined by independent valuers using recognized valuation techniques and principles.

In estimating the fair value of investment properties, the valuers had used the valuation techniques listed in the following schedule, and had considered the nature and usage of the investment properties:

		2025		
Class of investment property	Valuation technique	Level 2	Level 3	Total
Lands	Sales comparison	**203,292**	**-**	**203,292**
Commercial buildings	Sales comparison	**305,342**	**-**	**305,342**
Commercial buildings	Income capitalization approach	**-**	**1,300,000**	**1,300,000**
Total		**508,634**	**1,300,000**	**1,808,634**

		2024		
Class of investment property	Valuation technique	Level 2	Level 3	Total
Lands	Sales comparison	504,273	-	504,273
Commercial buildings	Sales comparison	450,466	-	450,466
Commercial buildings	Income capitalization approach	-	1,350,000	1,350,000
Total		954,739	1,350,000	2,304,739

Investment properties amounting to KD 1,300,000 (2024: KD 1,350,000) represent right of utilization of a local property which is transferred to the bank against Murabaha payables (Note 14).

During the year ended December 31, 2025, the Group sold investment properties outside the State of Kuwait for KD 218,940 which resulted in a realized profit on sale amounting to KD 35,772 which is recognized within the consolidated statement of profit or loss.

13. Accounts payable and other credit balances

	2025	2024
Trade payables (a)	**140,392**	158,014
Accrued to Shareholders from decrease of the Parent Company's share capital (Note 8)	**323,798**	364,485
Purchase of assets payables (b)	**255,613**	-
Accrued expenses	**238,802**	378,009
Accrued cash dividends to Shareholders (Note 8)	**99,153**	102,361
Employees' accrued leaves	**62,231**	105,735
Accrued staff bonus	**37,858**	144,320
Accrued finance charges	**28,970**	49,069
Zakat payable	**13,533**	62,021
Revenue received in advance	**6,216**	50,928
Provision for legal cases	**-**	69,621
Other credit balances	**174,446**	181,043
	1,381,012	1,665,606

(a) Trade payables are non-interest bearing and are generally due within 60 days.
(b) Purchase of assets payables represent the amounts due for the acquisition of a financial asset at fair value through other comprehensive income, which has not been recorded in the consolidated statement of cash flows as it constitutes a non-cash transaction.

14. Murabaha payables

Murabaha payable facilities are granted to the Group by a local Islamic financial institution and carry a cost rate of 2.75% per annum (2024: 2.75% per annum) above the Central Bank of Kuwait discount rate, i.e. effective interest rate at 6.75% to 6.5 (2024: 7%) They are payable on installments, the last of which is on April 19, 2026.

	2025	2024
Gross Murabaha payable	**2,248,700**	3,488,990
Less: Unamortized future finance charge	**(36,814)**	(62,016)
Present value of Murabaha payables	**2,211,886**	3,426,974

Murabaha payables are secured by pledging the following assets:

	2025	2024
Financial assets at fair value through other comprehensive income (Note 9)	**5,156,801**	7,583,755
Investment properties (Note 12)	**1,300,000**	1,350,000
	6,456,801	8,933,755

15. Lease liabilities

The movement in lease liabilities during the year is as follows:

	2025	2024
Balance at the beginning of the year	**62,830**	52,086
Additions (Note 10)	**38,774**	47,549
Finance charges on lease liabilities (Note 10)	**2,711**	4,117
Paid during the year	**(39,212)**	(40,922)
Foreign exchange differences	**(367)**	-
Balance at the end of the year	**64,736**	62,830

	Minimum lease payment		Present value of minimum lease payments	
	2025	2024	**2025**	2024
Amounts payable relating to lease liabilities during the year	**44,697**	42,104	**41,175**	37,985
From second year till end of contracts	**27,050**	25,476	**23,561**	24,845
Total leases liabilities payables	**71,747**	67,580	**64,736**	62,830
Less: Unamortized future finance charge	**(7,011)**	(4,750)	**-**	-
Present value of minimum lease payments	**64,736**	62,830	**64,736**	62,830

The average lease term ranges from 1 to 3 years and average effective borrowing interest rate is from 8% to 11.47% (2024: 8% to 11.47%).

All leases are based on fixed payments, and no arrangements for possible leases have been entered into.

16. Provision for end of service indemnity

	2025	2024
Balance at the beginning of the year	**397,589**	386,813
Charge for the year	**63,412**	89,769
Paid during the year	**(170,096)**	(78,993)
Balance at the end of the year	**290,905**	397,589

17. Share capital

The authorized, issued and fully paid up share capital is KD 37,065,836 divided into 370,658,357 shares (2024: KD 37,065,836 divided into 370,658,357 shares) with a nominal value of 100 fils each and all shares are in cash.

18. Merger reserve

During the year ended December 31, 2019, the Parent Company obtained the final approval of regulatory authorities to complete the merger transaction with Al Bilad Real Estate Investment Company – K.S.C. (Closed) "a related party under common control" and accordingly the Parent Company's share capital increase certificate were issued to the shareholders of Al Bilad Real Estate Investment Company – K.S.C. (Closed) in proportion to their interests. Accordingly, Al Bilad Real Estate Investment Company – K.S.C. (Closed) was transferred with all assets and liabilities to the Parent Company on January 10, 2019, (Date of registration in the commercial registry). The amendments to Shareholder register of the Parent Company have been introduced on March 28, 2019 to include the Shareholders of Al Bilad Real Estate Investment Company – K.S.C. (Closed).

Pooling of interest accounting method was used. Assets and liabilities of Al Bilad Real Estate Investment Company – K.S.C. (Closed) "Merged Company" are recognized with the carrying value prior to the merger transaction and without referring to the fair value which resulted in making the Merger reserve.

The Annual General Assembly of the Parent Company's shareholders meeting held on May 30, 2024, approved to amortize a portion of the accumulated losses amounting to KD 1,299,327 as of December 31, 2023 equal to the merger reserve balance as at December 31, 2023 (Note 26).

19. Statutory reserve

In accordance with the Companies Law and the Parent Company's Articles of Association, 10% of the profit for the year attributable to the Parent Company's Shareholders before contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), Zakat and Board of Directors' remuneration is transferred to statutory reserve. The Parent Company may resolve to discontinue such annual transfers when the reserve exceeds 50% of the share capital. This reserve is not available for distribution except in cases stipulated by Law and the Parent Company's Articles of Association. Since there is a loss for the year, there was no transfer to statutory reserve during the year.

20. Voluntary reserve

In accordance with the Parent Company's Articles of Association, 10% of the profit for the year attributable to shareholders of the Parent Company before contribution to KFAS, Zakat and Board of Directors' remuneration is transferred to the voluntary reserve. Such transfers may be discontinued by a resolution of the shareholders' General Assembly upon recommendation by the Board of Directors.Since there is a loss for the year, there was no transfer to voluntary reserve during the year.

21. Net losses from financial assets

	2025	2024
Unrealized loss from changes in fair value of financial assets at FVTPL (Note 5)	**(1,712,586)**	(714,886)
Realized loss on disposal of financial assets at FVTPL	**(11,793)**	-
Cash dividends income	**658,366**	546,641
	(1,066,013)	(168,245)

22. Management, structuring and marketing income

Management, structuring and marketing income represents fees and charges on the structuring and marketing of foreign investments, which the Group made agreements with to structure and market the shares of those companies.

23. General and administrative expenses

Staff costs included in general and administrative expenses amounted to KD 1,591,210 (2024: KD 1,603,696).

24. Other income

	2025	2024
Reversal of prior accruals (a)	**189,765**	-
Nominal interest	**100,505**	25,334
Other	**5,108**	6,477
	295,378	31,811

(a) Reversal of prior accruals represents amounts outstanding from previous years that were written off in accordance with the Board of Directors' approval on February 24, 2026, as they have become obsolete and no longer required.

25. Contribution to Kuwait Foundation for the Advancement of Sciences (KFAS)

Contribution to Kuwait Foundation for the Advancement of Sciences is calculated at 1% of the profit for the year before contribution to KFAS, Zakat, and transfer to statutory reserve. No KFAS has been provided, since there was no eligible profit on which KFAS could be calculated for the year ended December 31, 2024, and December 31, 2025.

26. General Assembly

The Board of Directors meeting held on March 26, 2026 has recommended not to distribute cash dividends nor remuneration to board members for the financial year ended December 31, 2025. This recommendation is subject to the approval of the Shareholders' Annual General Assembly of the Parent Company.

The Annual General Assembly of the Parent Company's Shareholders held on May 22, 2025, approved the consolidated financial statements of the Parent Company and resolved not to distribute cash dividends, and approved to pay the Board of Directors remuneration amounting to KD 30,000 for the financial year ended December 31, 2024, which was recognized under general and administrative expenses.

The Annual General Assembly of the Parent Company's Shareholders meeting held on May 30, 2024, approved the consolidated financial statements of the Parent Company and resolved not to distribute cash dividends, nor to pay the Board of Directors remuneration for the financial year ended December 31, 2023. It further approved to amortize a portion of the accumulated losses amounting to KD 1,299,327 equal to the merger reserve balance as of December 31, 2023 (Note 18).

27. Fiduciary assets

The aggregate value of assets held in a trust or fiduciary capacity by the Parent Company (items off consolidated statement of financial position) as of December 31, 2025, amounting to KD 299,645 (2024: KD 1,454,358).

28. Legal claims

There are certain lawsuits raised by / against the Group, the results of which cannot be assessed till being finally cleared by the court. In the opinion of the Group's management, there will be no material adverse impact on the Group's consolidated financial statements, and hence, no further provisions were recorded in the Company's records as of the date of consolidated financial statements.

29. Financial risk management

In the normal course of business, Group uses primary financial instruments such as cash and cash equivalents, Wakala and Murabaha investments, receivables, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, payables, Murabaha payables and lease liabilities, and as a result, it is exposed to the risks indicated below. The Group currently does not use derivative financial instruments to manage its exposure to these risks.

a) Return / Cost rate risk:

The financial instruments are exposed to the risk of changes in value due to changes in return/cost rates. The effective return rates and the periods in which interest bearing financial assets and liabilities are repriced or mature are indicated in the respective notes.

The following table demonstrates the sensitivity to a reasonably possible change in return rates, with all other variables held constant, of the Group's loss through the impact on floating return / interest rate.

	2025		
	Increase (decrease) in return rate	Balance	Effect on the consolidated statement of profit or loss
Short-term Wakala investments	**± 0.5%**	**2,504,007**	**± 12,520**
Wakala and Murabaha investments	**± 0.5%**	**4,558,806**	**± 22,794**
Murabaha payables	**± 0.5%**	**2,211,886**	**± 11,059**
			± 46,373

	2024		
	Increase (decrease) in return rate	Balance	Effect on the consolidated statement of profit or loss
Short-term Wakala investments	± 0.5%	1,079,033	± 5,395
Wakala and Murabaha investments	± 0.5%	4,313,110	± 21,566
Murabaha payables	± 0.5%	3,426,974	± 17,135
			± 44,096

b) Credit risk:

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation causing the other party to incur a financial loss. Financial assets which potentially subject the Group to credit risk consist principally of cash and cash equivalents, Wakala and Murabaha investments and accounts receivables. The cash and cash equivalents, and Wakala and Murabaha investments are placed with high credit rating financial institutions. Receivables are presented net of provision for expected credit losses. Credit risk with respect to receivables is limited due to the large number of customers and their dispersion across different industries.

Cash and cash equivalents and Wakala and Murabaha investments:

The Group's cash and cash equivalents and Wakala and Murabaha investments measured at amortized cost are considered to have a low credit risk and the loss allowance is calculated based on the 12 months expected loss. Based on management's assessment, the expected credit loss impact arising from such financial assets is insignificant to the Group as the risk of default has not increased significantly since initial recognition except for the impact of expected impairment of Wakala and Murabaha investments (Note 4).

Trade receivables:

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. The customer receivables are regularly monitored.

The Group's maximum exposure arising from default of the counterparty is limited to the nominal value of cash and cash equivalents, Wakala and Murabaha investments and receivables.

c) Foreign currencies risk:

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates. The Group is exposed to foreign currency risk on transactions that are denominated in a currency other than the Kuwaiti Dinar. The Group may reduce its exposure to fluctuations in foreign exchange rates through the use of derivative financial instruments. The Group ensures that the net exposure to foreign currency risk is kept to an acceptable level, by dealing in currencies that do not fluctuate significantly against the Kuwaiti Dinar.

The following statement shows the sensitivity of the possible and reasonable changes in the foreign exchange rates used by the Group against the Kuwaiti Dinar:

	2025		
	Increase / (decrease) against Kuwaiti Dinar	Effect on the consolidated statement of profit or loss	Effect on the consolidated statement of other comprehensive income
USD	**± 5%**	**± 67,705**	**± 158,116**
GBP	**± 5%**	**± 43,896**	**± 5,017**
SAR	**± 5%**	**-**	**± 126,890**
EUR	**± 5%**	**± 159,701**	**-**
OMR	**± 5%**	**± 38,584**	**± 70,357**

	2024		
	Increase (decrease) against Kuwaiti Dinar	Effect on the consolidated statement of profit or loss	Effect on the consolidated statement of other comprehensive income
USD	± 5%	± 172,315	± 259,092
GBP	± 5%	± 50,092	± 8,429
SAR	± 5%	-	± 82,183
EUR	± 5%	± 139,352	-
MR	± 5%	± 55,568	± 59,110

d) Liquidity risk:

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. To manage this risk, the Group periodically assesses the financial viability of customers and invests in bank deposits and other investments that are readily realizable, along with planning and managing the Group's forecasted cash flows by maintaining adequate cash reserves, maintaining valid and available credit lines with banks, and matching the maturity profiles of financial liabilities.

Maturity Table for financial liabilities:

	2025				
	1 month	**1-3 months**	**4-12 months**	**More than one year**	**Total**
ASSETS					
Cash and cash equivalents	**2,487,555**	**2,504,007**	**-**	**-**	**4,991,562**
Wakala and Murabaha investments	**-**	**-**	**3,185,072**	**1,373,734**	**4,558,806**
Financial assets at fair value through profit or loss	**-**	**-**	**5,243,113**	**-**	**5,243,113**
Accounts receivable and other debit balances	**-**	**3,300**	**2,878,825**	**141,461**	**3,023,586**
Financial assets at fair value through other comprehensive income	**-**	**-**	**-**	**14,064,082**	**14,064,082**
Right of use assets	**-**	**-**	**-**	**25,597**	**25,597**
Investment properties	**-**	**-**	**-**	**1,808,634**	**1,808,634**
Property and equipment	**-**	**-**	**-**	**94,063**	**94,063**
Total assets	**2,487,555**	**2,507,307**	**11,307,010**	**17,507,571**	**33,809,443**
LIABILITIES:					
Accounts payable and other credit balances	**33,553**	**807,842**	**539,617**	**-**	**1,381,012**
Murabaha payables	**-**	**-**	**2,211,886**	**-**	**2,211,886**
Leases liabilities	**-**	**-**	**41,175**	**23,561**	**64,736**
Provision for end of service indemnity	**-**	**-**	**-**	**290,905**	**290,905**
Total liabilities	**33,553**	**807,842**	**2,792,678**	**314,466**	**3,948,539**

	2024				
	1 month	1-3 months	4-12 months	More than one year	Total
ASSETS					
Cash and cash equivalents	2,578,712	1,079,033	-	-	3,657,745
Wakala and Murabaha investments	-	-	1,862,118	2,450,992	4,313,110
Financial assets at fair value through profit or loss	-	-	7,044,848	-	7,044,848
Accounts receivable and other debit balances	-	873,800	385,380	968,533	2,227,713
Financial assets at fair value through other comprehensive income	-	-	-	18,245,307	18,245,307
Right of use assets	-	-	-	54,173	54,173
Investment in an associate	-	-	-	343,204	343,204
Investment properties	-	-	-	2,304,739	2,304,739
Property and equipment	-	-	-	145,053	145,053
Total assets	2,578,712	1,952,833	9,292,346	24,512,001	38,335,892
LIABILITIES:					
Accounts payable and other credit balances	54,484	808,023	803,099	-	1,665,606
Murabaha payables	-	-	3,426,974	-	3,426,974
Leases liabilities	-	-	37,985	24,845	62,830
Provision for end of service indemnity	-	-	-	397,589	397,589
Total Liabilities	54,484	808,023	4,268,058	422,434	5,552,999

e) Equity price risk

Equity price risk is the risk that fair values of equity instruments decrease as the result of changes in level of equity indices and the value of individual stocks. The equity price risk exposure arises from the Group's investment in equity securities classified as "financial assets at fair value through profit or loss and financial asset at fair value through other comprehensive income.

The following table demonstrates the sensitivity to a reasonably possible change in equity indices as a result of change in the fair value of these equity instruments, to which the Group had significant exposure as of the consolidated financial statements date.

	2025		
	Increase (decrease) against Kuwaiti Dinar	Effect on the consolidated statement of profit or loss	Effect on the consolidated statement of other comprehensive income
Financial assets at fair value through profit or loss	**± 5%**	**± 262,156**	**-**
Financial assets at fair value through other comprehensive income	**± 5%**	**-**	**± 703,204**

	2024		
	Increase (decrease) against Kuwaiti Dinar	Effect on the consolidated statement of profit or loss	Effect on the consolidated statement of other comprehensive income
Financial assets at fair value through profit or loss	± 5%	± 352,242	-
Financial assets at fair value through other comprehensive income	± 5%	-	± 912,265

30. Fair value measurement

The Group measures financial assets such as financial assets at FVTPL, financial assets at FVOCI, and non-financial assets such as investment properties at end of each reporting date.

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. Fair value measurement depends on the assumption that the sale of asset transaction or settlement of the liability is completed by one of the following ways:

- In the principal market for the asset or liability.
- 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:

- 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:

	2025			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss	**-**	**5,243,113**	**-**	**5,243,113**
Financial assets at fair value through other comprehensive income	**-**	**3,227,616**	**10,836,466**	**14,064,082**
Investment properties	**-**	**508,634**	**1,300,000**	**1,808,634**
	-	**8,979,363**	**12,136,466**	**21,115,829**

	2024			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	-	7,044,848	-	7,044,848
Financial assets at fair value through other comprehensive income	2,254,184	5,921,670	10,069,453	18,245,307
Investment properties	-	954,739	1,350,000	2,304,739
	2,254,184	13,921,257	11,419,453	27,594,894

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

The management assessed that the fair values of cash and cash equivalents, Wakala and Murabaha investments, receivables, payables and Murabaha payables approximate their carrying amounts largely due to the short-term maturities of these financial instruments.

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

a) The fair values of the quoted financial assets are based on price quotations at the date of consolidated financial statements.

b) The fair value of unquoted instruments is estimated using valuation techniques appropriate to the circumstances. Valuation methods include discounted cash flows, market information presented to comparable firms, recent transaction information and net assets value. Significant unpresented inputs used in valuation techniques mainly include the discount rate, growth rate, profit estimates, and market multiples as the price-to-book value factor and price to earnings ratio.

c) The basis of the valuation of investment properties is fair value. The techniques and inputs used to measure the fair value of the investment properties have also been disclosed in Note (12).

Movements in level 3 assets during the current year are set out below:

	2025		
	Assets at fair value through statement of other comprehensive income	Investment properties	Total
Balance as at January 1, 2025	**10,069,453**	**1,350,000**	**11,419,453**
Disposals	**(645,747)**	**-**	**(645,747)**
Changes in fair value carried at the statement of other comprehensive income.	**1,412,760**	**-**	**1,412,760**
Changes in fair value recognised in the statement of profit or loss	**-**	**(50,000)**	**(50,000)**
Balance as at December 31, 2025	**10,836,466**	**1,300,000**	**12,136,466**

	2024		
	Assets at fair value through statement of other comprehensive income	Investment properties	Total
Balance as at January 1, 2024	9,519,446	1,350,000	10,869,446
Changes in fair value carried at the statement of other comprehensive income.	550,007	-	550,007
Balance as at December 31, 2024	10,069,453	1,350,000	11,419,453

The level 3 assets and liabilities unobservable inputs and sensitivity are as follows:

(a) Financial assets:

	Fair value as at		Significant unobservable inputs	Sensitivity of unobservable inputs to fair value
	2025	2024		
Financial assets at fair value through other comprehensive income	**10,836,466**	10,069,453	Illiquidity discount rate of 25% to 63%	Increase (decrease) in the illiquidity discount rate of 5% may result in an increase (decrease) in the fair value of KD 541,823.

(b) Non-financial assets:

	Fair value as at			Sensitivity of unobservable inputs to fair value
	2025	2024	Significant unobservable inputs	
Investment properties	**1,300,000**	1,350,000	Average capitalization rate is 9% according to the nature and location of the property, the current rentals' rates resulting from that property, in addition to the expected rentals for the temporary vacant properties.	Any increase (decrease) in the capitalization rate will consequently lead to (decrease) increase in the financial assets fair value holding other factors constant.

31. Capital risk management

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

In order to maintain or adjust the capital resource structure, the Group may adjust the amount of cash dividends paid to the shareholders, reduce paid-up capital, issue new units, sell assets to reduce debt, repay finance obligations or to obtain new financing.

32. Subsequent events

(a) Subsequent to the date of the consolidated financial statements, the Group notarized the following amendments in the Commercial Register:

- An annotation was made in the Commercial Register under No. 109301 on February 3, 2026, regarding the amendment of Article (6) of the Memorandum of Association and Article (5) of the Articles of Association to amend the Parent Company's activities. Accordingly, the activities for which the Parent Company was incorporated are as follows:
  - Selling and buying shares and bonds for the Parent Company's account only.
  - Subscription agent.
  - Investment and real estate finance advisory services.
  - Investment advisory services.
  - Securities broker not registered with the Boursa Kuwait.
  - Owning real estate and movables for the benefit of the Company.
  - Incorporating or participating with third parties in incorporating companies to carry out the Company's objectives.
  - Collective investment system manager.
  - Investment portfolio manager.
  - Selling and buying lands and properties for the Company's account only.
  - Investing the excess funds in portfolios and funds managed by specialized companies.
  - Real estate consulting.
  - Design, Build, Operate, Maintain, and Transfer (DBOMT) projects under the PPP system
  - Organization and management of trade exhibitions.
  - Management and organization of exhibitions and conferences.
  - Project management.
  - Management of the shareholding company's business affairs.
  - Ownership of real estate and movables for the benefit of the Company.
  - Managing and developing lands and properties.
  - Commercial representation agencies.

- The trade name also was changed from (Dima Capital Investment Company – K.S.C. (Closed)) to (Estate Capital Investment Company – K.S.C. (Closed)). This change was annotated in the Commercial Register under No. 108563 on February 3, 2026.

- The latest of these amendments was annotated in the Commercial Register under No. 109315 on 3 February 2026, relating to amendments to certain articles of the Articles of Association and the addition of new articles.

(b) Subsequent to the reporting date, on February 28, 2026, a military conflict arose in the Middle East, creating significant geopolitical uncertainty in the region.

This event could adversely affect the Group's business environment. Potential impacts include, but not limited to, supply chain disruptions, higher energy costs, margin pressures, and heightened refinancing and credit risk.

As the situation remains new and still evolving, management is currently unable to determine with reasonable certainty the extent or duration of the conflict or its ultimate financial effect on the accompanying consolidated financial statements of the Group. Management continues to monitor the market outlook and assess the potential effect, if any, in response to future developments.