

AL MANAR

FINANCING & LEASING



2026



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

**Interim Condensed Consolidated Financial Information (Unaudited)
and Independent Auditor's Review Report
For the three months period ended 31 March 2026**



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(Public)
and its Subsidiaries
State of Kuwait

Interim Condensed Consolidated Financial Information (Unaudited)
and Independent Auditor's Review Report
For the three months period ended 31 March 2026

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**The Board of Directors
Al Manar Financing and Leasing Company K.S.C. (Public)
State of Kuwait**

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

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Al Manar Financing and Leasing Company K.S.C. (Public) ("the Parent Company") and its subsidiaries (together referred to as "the Group") as at 31 March 2026 and the related interim condensed consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the three months period then ended. The management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with the basis of preparation as set out in (Note 2.1). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of review

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

Conclusion

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

Report on Other Legal and Regulatory Requirements

Based on our review, the interim condensed consolidated financial information is in agreement with the books of accounts of the Parent Company. We further report that to the best of our knowledge and belief, we have not become aware of any violations of the Companies' Law No. 1 of 2016, and its Executive Regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Article of Association, as amended, have occurred during the three months period ended 31 March 2026, that might have had a material effect on business of the Group or its interim condensed consolidated financial position.

Report on Other Legal and Regulatory Requirements (Continued)

We further report that, during the course of review to the best of our knowledge and belief, we have not become aware of any material violations of the provisions of Law No. 32 of 1968 as amended, concerning currency, the Central Bank of Kuwait and the organization of banking business and its related regulation or of the provisions of Law No. 7 of 2010 concerning the establishment of Capital Markets Authority and Organization of Securities Activity and its Executive Regulations, as amended, have occurred during the three months period ended 31 March 2026, that might have had a material effect on business of the Group or its interim condensed consolidated financial position.

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

Kuwait: 13 May 2026

Interim Condensed Consolidated Statement of Financial Position (Unaudited)

As at 31 March 2026

	Notes	31 March 2026 KD	(Audited) 31 December 2025 KD	31 March 2025 KD
ASSETS				
Cash and cash equivalents	4	2,451,618	2,573,720	1,207,814
Investments in Wakala receivables	5	9,347,321	9,347,321	9,347,321
Investment in an associate	6	11,959,244	11,715,659	11,686,828
Finance receivables	7	18,624,527	18,148,976	17,065,658
Other receivables and prepayments	8	1,342,785	183,393	367,694
Investments in financial securities	9	13,508,811	15,121,592	13,052,385
Investment properties		4,715,000	4,715,000	4,615,000
Other assets		31,967	17,390	12,376
Total assets		61,981,273	61,823,051	57,355,076
LIABILITIES AND EQUITY				
Liabilities				
Accounts payable and other credit balances	10	3,756,050	3,051,976	2,906,492
Islamic financing payables	11	24,417,412	22,072,412	19,304,150
Provision for staff indemnity		334,462	324,989	350,152
Total liabilities		28,507,924	25,449,377	22,560,794
Equity				
Share capital		26,374,759	26,374,759	26,374,759
Treasury shares	12	(2,114,983)	(1,275,761)	(116,277)
Treasury shares reserve		4,995	4,995	4,995
Statutory reserve		922,477	922,477	641,306
Voluntary reserve		922,477	922,477	641,306
Fair value reserve		20,995	1,547,696	422,262
Group's share in associate's reserve		(54,268)	(108,648)	(14,370)
Retained earnings		3,708,687	4,370,544	3,230,313
Total equity attributable to Shareholders of the Parent Company		29,785,139	32,758,539	31,184,294
Non-controlling interests		3,688,210	3,615,135	3,609,988
Total equity		33,473,349	36,373,674	34,794,282
Total liabilities and equity		61,981,273	61,823,051	57,355,076

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

Faisal Abdulaziz Al Nassar
Chairman

Interim Condensed Consolidated Statement of Profit or Loss
(Unaudited)

For the three months period ended 31 March 2026

	Notes	For the three months period ended 31 March	
		2026	2025
		KD	KD
Revenues			
Finance revenues		665,283	588,874
Share of associate's results	6	165,900	114,693
Rental income		77,050	75,440
Net losses from investments in financial securities	13	(49,500)	(61,676)
Other income		65,859	48,929
		924,592	766,260
Expenses			
Finance cost		(226,723)	(244,039)
Staff costs		(152,067)	(154,644)
(Provide) / reversal of provision for credit facilities	7	(79,258)	20,441
Other expenses		(89,706)	(128,021)
		(547,754)	(506,263)
Profit for the period before deductions		376,838	259,997
NLST		(8,414)	(6,219)
Zakat		(3,365)	(2,488)
KFAS		(1,285)	(887)
Net profit for the period		363,774	250,403
Attributable to:			
The Parent Company's shareholders		314,004	216,446
Non-controlling interests		49,770	33,957
Net profit for the period		363,774	250,403
Basic and diluted earnings per share (fils)	14	1.28	0.83

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

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Unaudited)
For the three months period ended 31 March 2026

	For the three months period ended 31 March	
	2026	2025
	KD	KD
Net profit for the period	363,774	250,403
Other comprehensive (loss) / income		
<i>Items that will not be reclassified subsequently to the interim condensed consolidated statement of profit or loss:</i>		
Changes in fair value of financial assets at fair value through other comprehensive income	(1,526,701)	179,888
<i>Items that may be reclassified subsequently to the interim condensed consolidated statement of profit or loss:</i>		
Group's share in associate's reserve	77,685	24,094
Other comprehensive (loss) / income for the period	(1,449,016)	203,982
Total Comprehensive (loss) / income for the period	(1,085,242)	454,385
Attributable to:		
The Parent Company's shareholders	(1,158,317)	413,200
Non-controlling interests	73,075	41,185
	(1,085,242)	454,385

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

Interim Condensed Consolidated Statement of Changes in Equity (Unaudited)

For the three months period ended 31 March 2026

	Share capital	Treasury shares	Treasury shares reserve	Statutory reserve	Voluntary reserve	Fair value reserve	Group's share in associates' reserve	Retained earnings	Total equity attributable to shareholders of Parent Company	Non-controlling interests	Total Equity
	KD	KD	KD	KD	KD	KD	KD	KD	KD	KD	KD
Balance as at 1 January 2025	26,374,759	(116,277)	4,995	641,306	641,306	242,374	(31,236)	3,013,867	30,771,094	3,568,803	34,339,897
Net profit for the period	-	-	-	-	-	-	-	216,446	216,446	33,957	250,403
Other comprehensive income for the period	-	-	-	-	-	179,888	16,866	-	196,754	7,228	203,982
Total comprehensive income for the period	-	-	-	-	-	179,888	16,866	216,446	413,200	41,185	454,385
Balance as at 31 March 2025	26,374,759	(116,277)	4,995	641,306	641,306	422,262	(14,370)	3,230,313	31,184,294	3,609,988	34,794,282
Balance as at 1 January 2026	26,374,759	(1,275,761)	4,995	922,477	922,477	1,547,696	(108,648)	4,370,544	32,758,539	3,615,135	36,373,674
Net profit for the period	-	-	-	-	-	-	-	314,004	314,004	49,770	363,774
Other comprehensive loss for the period	-	-	-	-	-	(1,526,701)	54,380	-	(1,472,321)	23,305	(1,449,016)
Total comprehensive loss for the period	-	-	-	-	-	(1,526,701)	54,380	314,004	(1,158,317)	73,075	(1,085,242)
Purchase of treasury shares	-	(839,222)	-	-	-	-	-	-	(839,222)	-	(839,222)
Dividends (Note 17)	-	-	-	-	-	-	-	(975,861)	(975,861)	-	(975,861)
Balance as at 31 March 2026	26,374,759	(2,114,983)	4,995	922,477	922,477	20,995	(54,268)	3,708,687	29,785,139	3,688,210	33,473,349

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

Interim Condensed Consolidated Statement of Cash Flows (Unaudited)

For the three months period ended 31 March 2026

	Notes	For the three months period ended 31 March	
		2026	2025
		KD	KD
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit for the period		363,774	250,403
ADJUSTMENTS FOR:			
Share of associate's results	6	(165,900)	(114,693)
Provide / (reversal) of provision for credit facilities	7	79,258	(20,441)
Depreciation		2,241	1,257
Net losses from investments in financial securities	13	49,500	61,676
Finance costs		226,723	244,039
Provision for staff indemnity		9,473	22,739
		565,069	444,980
CHANGE IN WORKING CAPITAL			
Finance receivables		(554,809)	(705,823)
Other receivables and prepayments		(1,159,392)	(81,426)
Accounts payable and other credit balances		(240,202)	138,672
Net cash flows used in operating activities		(1,389,334)	(203,597)
INVESTING ACTIVITIES			
Purchase of other assets		(16,818)	-
Dividends income received from financial securities	13	-	13,440
Net cash flows (used in) / generated from investing activities		(16,818)	13,440
FINANCING ACTIVITIES			
Proceed from Islamic financing payables		2,350,000	920,000
Payment for Islamic financing payables		-	(474,590)
Purchase of treasury shares		(839,222)	-
Payment for capital reduction		-	(617)
Dividend paid		(5)	(517)
Finance cost paid		(226,723)	(244,039)
Net cash flows generated from financing activities		1,284,050	200,237
Net (decrease) / increase in cash and cash equivalents		(122,102)	10,080
Cash and cash equivalents at the beginning of the period		2,573,720	1,197,734
Cash and cash equivalents at the end of the period	4	2,451,618	1,207,814

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

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)

For the three months period ended 31 March 2026

1. INCORPORATION AND ACTIVITIES

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

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

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

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

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

This interim condensed consolidated financial information for the three months period ended 31 March 2026 were authorized for issue by the Board of Directors of the Parent Company on 13 May 2026.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

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

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

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included.

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

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

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)

For the three months period ended 31 March 2026

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

2.2 New standards, interpretations and amendments adopted by the Group

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

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

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments).

The Amendments include:

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

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

Annual Improvements to IFRS accounting Standards – Volume 11

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

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

Contracts Referencing Nature -dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature dependent Electricity.

The amendments apply only to contracts that reference nature-dependent electricity, and they:

- Clarify the application of the ‘own-use’ requirements for in-scope contracts
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in -scope contracts
- Add new disclosure requirements to enable investors to understand the effect of these contracts on Group’s consolidated financial performance and cash flows.

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

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)

For the three months period ended 31 March 2026

3. BASIS OF CONSOLIDATION

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

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

Subsidiaries' management accounts have been used for the consolidation purposes as at 31 March 2026. The total assets of the subsidiaries are KD 18,455,326 (KD 18,184,056 as at 31 December 2025, KD 17,625,427 as at 31 March 2025), net gains of KD 186,619 during the three months ended 31 March 2026 (net gains KD 136,913 during the three months ended 31 March 2025).

4. CASH AND CASH EQUIVALENTS

	31 March 2026	(Audited) 31 December 2025	31 March 2025
	KD	KD	KD
Cash at banks and portfolios	1,550,468	1,673,720	906,693
Wakala with banks (less than 3 months)	900,000	900,000	300,000
Cash on hand	1,150	-	1,121
	2,451,618	2,573,720	1,207,814

As at 31 March 2026, the effective yield rate on Wakala is 3.25% (31 December 2025: 3.750% and 31 March 2025: 3.750%).

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)

For the three months period ended 31 March 2026

5. INVESTMENTS IN WAKALA RECEIVABLES

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

6. INVESTMENT IN AN ASSOCIATE

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

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

	(Audited)		
	31 March 2026	31 December 2025	31 March 2025
	KD	KD	KD
Balance at the beginning of the period / year / period	11,715,659	11,548,041	11,548,041
Share of results	165,900	744,828	114,693
Share of reserves	77,685	(110,587)	24,094
Dividends received	-	(478,648)	-
Other adjustments	-	12,025	-
Balance at the end of the period / year / period	11,959,244	11,715,659	11,686,828

The Group has recognised the share of results from “Injazzat Real Estate Development Company K.S.C. (Public)” based on issued interim condensed consolidated financial information as at 31 March 2026.

7. FINANCE RECEIVABLES

	(Audited)		
	31 March 2026	31 December 2025	31 March 2025
	KD	KD	KD
Finance receivables - gross	25,058,582	24,278,385	23,034,168
Less: deferred and suspended revenues	(3,603,120)	(3,377,732)	(3,202,313)
Less: provision for credit facilities	(2,830,935)	(2,751,677)	(2,766,197)
Finance receivables – net	18,624,527	18,148,976	17,065,658

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)

For the three months period ended 31 March 2026

7. FINANCE RECEIVABLES (CONTINUED)

Provision for expected credit losses on credit facilities determined under IFRS 9 according to CBK guidelines amounted to KD 2,830,935 as at 31 March 2026 (31 December 2025: KD 2,627,390 and 31 March 2025: KD 2,701,127), which is equal / lower than the provision for credit facilities required by CBK instructions of KD 2,830,935 as at 31 March 2026 (31 December 2025: KD 2,751,677 and 31 March 2025: KD 2,766,197).

The movement in gross credit facilities is as follows:

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Total</u>
	KD	KD	KD	KD
Balance at 1 January 2026	19,813,805	1,008,604	3,455,976	24,278,385
Net financing / (collection)	935,674	(130,617)	(24,860)	780,197
Transfer from / to stage 1	(703,839)	703,839	-	-
Transfer from / to stage 2	-	(216,324)	216,324	-
Balance at 31 March 2026	20,045,640	1,365,502	3,647,440	25,058,582

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Total</u>
	KD	KD	KD	KD
Balance at 1 January 2025	17,857,679	615,831	3,674,041	22,147,551
Net financing / (collection)	1,089,783	(99,677)	(103,489)	886,617
Transfer from / to stage 1	(224,056)	224,056	-	-
Transfer from / to stage 2	-	(3,584)	3,584	-
Balance at 31 March 2025	18,723,406	736,626	3,574,136	23,034,168

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

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Total</u>
	KD	KD	KD	KD
Balance at 1 January 2026	86,373	44,290	2,496,727	2,627,390
Charged during the period	6,334	39,176	158,035	203,545
Transfer from / to stage 1	(3,796)	3,796	-	-
Transfer from / to stage 2	-	(14,500)	14,500	-
Balance at 31 March 2026	88,911	72,762	2,669,262	2,830,935

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)

For the three months period ended 31 March 2026

7. FINANCE RECEIVABLES (CONTINUED)

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

	Stage 1	Stage 2	Stage 3	Total
	KD	KD	KD	KD
Balance at 1 January 2025	77,131	36,191	2,673,316	2,786,638
Charged / (reversal) during the period	6,504	(9,789)	(82,226)	(85,511)
Transfer from / to stage 1	(1,245)	1,245	-	-
Transfer from / to stage 2	-	(258)	258	-
Balance at 31 March 2025	82,390	27,389	2,591,348	2,701,127

	31 March 2026	31 March 2025
	KD	KD
Balance at 1 January	2,751,677	2,786,638
Provide /(reversal) during the period	79,258	(20,441)
Balance at 31 March	2,830,935	2,766,197

The Group holds collateral amounting to KD 1,523,176 as at 31 March 2026 (31 December 2025: KD 1,910,660 and 31 March 2025: KD 2,000,008) over its finance receivables. Management believes that there is no further credit provision required in excess of the provision for credit losses.

8. OTHER RECEIVABLES AND PREPAYMENTS

	31 March 2026	(Audited) 31 December 2025	31 March 2025
	KD	KD	KD
Staff advances	26,999	20,709	16,954
Accrued income	160,432	88,808	208,116
Advance payments	1,070,918	17,665	36,692
Others	84,436	56,211	105,932
	1,342,785	183,393	367,694

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)

For the three months period ended 31 March 2026

9. INVESTMENTS IN FINANCIAL SECURITIES

	31 March 2026	(Audited) 31 December 2025	31 March 2025
	KD	KD	KD
Financial assets at fair value through profit or loss ("FVTPL")			
Quoted foreign funds	1,631,395	1,676,944	1,324,721
Quoted local shares	88,442	92,623	81,968
Unquoted foreign funds	448,833	448,603	576,378
Unquoted local shares	151,000	151,000	316,800
Unquoted foreign shares	143,000	143,000	118,300
	2,462,670	2,512,170	2,418,167
Financial assets at fair value through other comprehensive income ("FVTOCI")			
Quoted local shares	5,122,091	6,687,796	5,479,917
Quoted foreign shares	856,238	817,234	725,677
Unquoted local shares	1,317,500	1,317,500	900,000
Unquoted foreign shares	1,366,880	1,366,880	1,482,207
	8,662,709	10,189,410	8,587,801
Financial assets at amortized cost			
Debt sukuks – quoted at foreign stock exchanges	2,383,432	2,420,012	2,046,417
	2,383,432	2,420,012	2,046,417
	13,508,811	15,121,592	13,052,385

Fair value of financial assets was disclosed in Note 18.

10. ACCOUNTS PAYABLE AND OTHER CREDIT BALANCES

	31 March 2026	(Audited) 31 December 2025	31 March 2025
	KD	KD	KD
Trade payables	498,124	621,122	839,424
Capital reduction payables	96,600	96,600	105,997
Accrued salaries and other staff accruals	180,435	363,237	328,030
Payable against on acquisition of subsidiary	600,000	600,000	750,000
Dividends payable	1,149,280	173,424	149,127
NLST	72,393	63,979	40,358
Zakat	28,957	25,592	16,385
KFAS	19,142	17,857	14,120
Others	1,111,119	1,090,165	663,051
	3,756,050	3,051,976	2,906,492

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)

For the three months period ended 31 March 2026

11. ISLAMIC FINANCING PAYABLES

Islamic financing payables are obtained from local and foreign banks and are denominated in KD and USD. The average cost is 4.35% - 4.75% and 4.65% - 4.75% for local and foreign banks respectively as at 31 March 2026 (31 December 2025: 4.6% - 5.25% and 4.65% - 6.46% for local and foreign banks respectively, 31 March 2025: 5.10% - 5.50% and 4.75% - 5.24% for local and foreign banks respectively).

Islamic financing payables are guaranteed against the following:

	31 March 2026	(Audited) 31 December 2025	(Restated) 31 March 2025
	KD	KD	KD
Investments in Wakala receivables	9,347,321	9,347,321	9,347,321
Assigning receivables – gross	731,066	822,738	1,353,996
Investment properties	4,590,000	4,590,000	4,495,000
Investments in financial securities	10,441,989	12,050,589	10,153,110

12. TREASURY SHARES

	31 March 2026	(Audited) 31 December 2025	31 March 2025
	KD	KD	KD
Number of treasury shares (share)	19,782,330	11,423,461	1,993,185
Percentage of issued shares	7.5%	4.33%	0.756%
Market value (KD)	2,077,145	1,268,004	132,945
Cost (KD)	2,114,983	1,275,761	116,277

13. NET LOSSES FROM INVESTMENT IN FINANCIAL SECURITIES

	For the three months period ended 31 March	
	2026	2025
	KD	KD
<i>Financial assets at fair value through profit or loss (“FVTPL”)</i>		
Change in fair value	(49,500)	(75,116)
Dividend income	-	9,894
	(49,500)	(65,222)
<i>Financial assets at fair value through other comprehensive income (“FVTOCI”)</i>		
Dividend income	-	3,546
	(49,500)	(61,676)

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)

For the three months period ended 31 March 2026

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

	For the three months period ended 31 March	
	2026	2025
Net profit for the period attributable to the Shareholders of the Parent Company (“KD”)	314,004	216,446
Weighted average number of outstanding shares excluding treasury shares (share)	245,184,926	261,754,406
Basic and diluted earnings per share (fils)	1.28	0.83

15. RELATED PARTIES’ BALANCES AND TRANSACTIONS

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

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

	31 March	(Audited)	31 March
	2026	31 December	2025
	KD	KD	KD
Balances:			
Finance receivables (gross)	2,494,911	2,489,203	2,437,551
Investments in financial securities	860,000	860,000	900,000
Key management’s benefits payable	294,776	225,922	310,963
Advance to staff	14,598	9,676	4,866
Board of Directors committees’ remunerations payables	61,000	61,000	61,000

	31 March	31 March
	2026	2025
	KD	KD
Transactions:		
a) Remuneration of key management personal Staff costs	59,427	52,052
b) Finance revenue	19,461	37,204

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)

For the three months period ended 31 March 2026

16. SEGMENTAL INFORMATION

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

- Finance
- Investments
- Others

31 March 2026

	Finance	Investment	Others	Total
	KD	KD	KD	KD
Segment revenues	639,769	261,429	23,394	924,592
Segment expenses	(255,862)	(100,462)	(191,430)	(547,754)
Segment results	383,907	160,967	(168,036)	376,838
Segment assets	24,564,374	35,765,262	1,651,637	61,981,273
Segment liabilities	16,274,450	9,241,086	2,992,388	28,507,924

31 December 2025 (Audited)

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

31 March 2025

	Finance	Investment	Others	Total
	KD	KD	KD	KD
Segment revenues	561,733	191,040	13,487	766,260
Segment expenses	(191,303)	(127,607)	(187,353)	(506,263)
Segment results	370,430	63,433	(173,866)	259,997
Segment assets	22,883,244	33,829,872	641,960	57,355,076
Segment liabilities	11,806,654	9,086,920	1,667,220	22,560,794

17. ANNUAL GENERAL ASSEMBLY

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

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)

For the three months period ended 31 March 2026

18. FAIR VALUE MEASUREMENT

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

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

	<u>Level 1</u> KD	<u>Level 2</u> KD	<u>Level 3</u> KD	<u>Total</u> KD
31 March 2026				
Financial assets at fair value through profit or loss	1,719,837	448,833	294,000	2,462,670
Financial assets at fair value through other comprehensive income	5,978,329	-	2,684,380	8,662,709
	7,698,166	448,833	2,978,380	11,125,379

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

	<u>Level 1</u> KD	<u>Level 2</u> KD	<u>Level 3</u> KD	<u>Total</u> KD
31 March 2025				
Financial assets at fair value through profit or loss	1,406,689	576,378	435,100	2,418,167
Financial assets at fair value through other comprehensive income	6,205,594	-	2,382,207	8,587,801
	7,612,283	576,378	2,817,307	11,005,968

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)

For the three months period ended 31 March 2026

18. FAIR VALUE MEASUREMENT (CONTINUED)

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

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

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

Reconciliation of level 3 fair value measurements of financial assets:

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

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

19. Significant event

The significant event represents in geopolitical tension escalated in Middle east that has affected the global markets as well as Kuwait market which may have impacted the Group's operation activities, assets and results.

The Management will take into consideration the effects of the geopolitical tension on the Group's assets. A reliable estimate of the impact cannot be made as of the date of the issuance of the interim condensed consolidated financial information. The outcome and implication are still unknown as it depends on the magnitude and duration of these events.

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