

**Ali Al-Ghanim Sons Automotive Company
K.S.C.P and its Subsidiaries**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION (UNAUDITED)**

30 JUNE 2025



**Shape the future
with confidence**

REPORT ON REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF ALI AL-GHANIM SONS AUTOMOTIVE COMPANY K.S.C.P.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Ali Al-Ghanim Sons Automotive Company K.S.C.P. (the “Parent Company”) and its subsidiaries (collectively, the “Group”) as at 30 June 2025, and the related interim condensed consolidated statement of profit or loss and interim condensed consolidated statement of comprehensive income for the three months and six months periods then ended and the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six months period then ended. Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

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

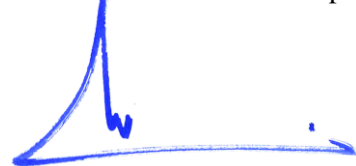
Conclusion

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

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended, and its executive regulations, as amended, or of the Parent Company’s Memorandum of Incorporation and Articles of Association, during the six months period ended 30 June 2025, that might have had a material effect on the business of the Parent Company or on its financial position.

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any violations of the provisions of Law No 7 of 2010 concerning establishment of Capital Markets Authority (“CMA”) and organisation of security activity and its executive regulations as amended during the six months period ended 30 June 2025, that might have had a material effect on the business of the Parent Company or on its financial position.



BADER A. AL-ABDULJADER
LICENCE NO. 207 A
EY
AL AIBAN, AL OSAIMI & PARTNERS

10 August 2025
Kuwait

Ali Al-Ghanim Sons Automotive Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
(UNAUDITED)

For the period ended 30 June 2025

	Notes	Three months ended 30 June		Six months ended 30 June	
		2025 KD	2024 KD	2025 KD	2024 KD
Revenue from contracts with customers	3	62,647,357	64,989,891	138,739,086	127,755,404
Vehicle lease income		1,884,483	1,236,841	3,592,944	2,358,736
Revenue		64,531,840	66,226,732	142,332,030	130,114,140
Cost of sales and services rendered		(47,918,787)	(49,657,495)	(108,539,102)	(98,385,433)
GROSS PROFIT		16,613,053	16,569,237	33,792,928	31,728,707
Other operating income		301,306	175,340	554,510	389,015
Selling and distribution expenses		(4,565,255)	(4,255,581)	(8,908,851)	(8,742,911)
Administrative expenses		(2,600,790)	(2,945,156)	(5,870,756)	(5,778,148)
OPERATING PROFIT		9,748,314	9,543,840	19,567,831	17,596,663
Finance costs		(1,054,399)	(803,679)	(1,917,130)	(1,470,464)
Share of results of equity-accounted investees	7	716,891	1,342,171	1,849,439	1,873,259
PROFIT BEFORE TAX		9,410,806	10,082,332	19,500,140	17,999,458
Taxation	5	(291,119)	(587,627)	(811,271)	(1,098,204)
PROFIT FOR THE PERIOD		9,119,687	9,494,705	18,688,869	16,901,254
Attributable to:					
Equity holders of the Parent Company		7,986,369	7,941,129	15,500,852	14,257,697
Non-controlling interests		1,133,318	1,553,576	3,188,017	2,643,557
		9,119,687	9,494,705	18,688,869	16,901,254
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT COMPANY (FILS)	6	22.35	22.30	43.43	40.03

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

Ali Al-Ghanim Sons Automotive Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 June 2025

	<i>Three months ended</i> <i>30 June</i>		<i>Six months ended</i> <i>30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
PROFIT FOR THE PERIOD	9,119,687	9,494,705	18,688,869	16,901,254
Other comprehensive income (loss):				
<i>Other comprehensive income (loss) that may be reclassified to profit or loss in subsequent periods:</i>				
Cash flow hedges – effective portion of changes in fair value	463,937	-	889,200	-
Cost of hedging reserve – changes in fair value	(4,442)	-	(98,685)	-
Cost of hedging reserve – amortised to profit or loss	45,799	-	87,765	-
Net gain on cash flow hedges	505,294	-	878,280	-
Net exchange differences on translation of foreign operations	200,472	(278,095)	346,613	(6,377,524)
Other comprehensive income (loss) that may be reclassified to profit or loss in subsequent periods	705,766	(278,095)	1,224,893	(6,377,524)
<i>Other comprehensive income (loss) that will not be reclassified to profit or loss in subsequent periods:</i>				
Net gain (loss) on equity instruments designated at fair value through other comprehensive income	84,000	(115,500)	84,000	(87,500)
Other comprehensive income (loss) that will not be reclassified to profit or loss in subsequent periods	84,000	(115,500)	84,000	(87,500)
Other comprehensive income (loss) for the period	789,766	(393,595)	1,308,893	(6,465,024)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	9,909,453	9,101,110	19,997,762	10,436,230
Attributable to:				
Equity holders of the Parent Company	8,688,788	7,683,991	16,650,921	10,917,618
Non-controlling interests	1,220,665	1,417,119	3,346,841	(481,388)
	9,909,453	9,101,110	19,997,762	10,436,230

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

Ali Al-Ghanim Sons Automotive Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2025

		<i>(Audited)</i>	
	<i>30 June</i>	<i>31 December</i>	<i>30 June</i>
	<i>2025</i>	<i>2024</i>	<i>2024</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>
ASSETS			
Non-current assets			
Property, plant, and equipment	120,780,125	119,347,817	113,487,915
Intangible assets	135,854	131,661	82,593
Medium-term receivables	666,724	414,460	504,788
Investment in equity-accounted investees	7 22,358,737	13,425,748	12,351,168
Investment securities	2,370,958	2,060,426	521,500
	<u>146,312,398</u>	<u>135,380,112</u>	<u>126,947,964</u>
Current assets			
Inventories	85,349,274	92,898,376	71,097,637
Accounts receivable and prepayments	16,632,544	11,283,962	13,964,824
Receivables from related parties	13 5,175,357	6,783,871	6,579,771
Cash and short-term deposits	8 20,286,704	16,860,471	17,987,004
	<u>127,443,879</u>	<u>127,826,680</u>	<u>109,629,236</u>
TOTAL ASSETS	<u>273,756,277</u>	<u>263,206,792</u>	<u>236,577,200</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	9 36,075,000	27,750,000	27,750,000
Statutory reserve	10,747,874	10,747,874	7,676,188
Treasury shares	10 (2,243,352)	(3,135,248)	(3,071,764)
Treasury shares reserve	771,428	5,139	5,139
Asset revaluation surplus	31,508,181	31,508,181	31,508,181
Cash flow hedge reserve	3,131	-	-
Cost of hedging reserve	(10,919)	-	-
Fair value reserve	158,783	74,783	46,783
Foreign currency translation reserve	(4,571,196)	(4,758,984)	(4,412,573)
Other reserve	1,196,343	1,196,343	1,196,343
Retained earnings	22,998,611	25,443,559	23,100,348
Equity attributable to equity holders of the Parent Company	<u>96,633,884</u>	<u>88,831,647</u>	<u>83,798,645</u>
Non-controlling interests	13,494,686	10,566,645	8,312,259
Total equity	<u>110,128,570</u>	<u>99,398,292</u>	<u>92,110,904</u>
Non-current liabilities			
Islamic finance payables	11 37,964,973	31,641,223	37,340,438
Employees' end of service benefits	6,471,711	6,245,422	6,129,445
Trade payables, accruals and other provisions	12 20,275,467	20,501,249	14,654,364
	<u>64,712,151</u>	<u>58,387,894</u>	<u>58,124,247</u>
Current liabilities			
Islamic finance payables	11 27,013,434	9,252,428	15,180,140
Trade payables, accruals and other provisions	12 60,869,614	84,176,775	59,348,972
Payables to related parties	13 11,032,508	11,991,403	11,812,937
	<u>98,915,556</u>	<u>105,420,606</u>	<u>86,342,049</u>
TOTAL LIABILITIES	<u>163,627,707</u>	<u>163,808,500</u>	<u>144,466,296</u>
TOTAL EQUITY AND LIABILITIES	<u>273,756,277</u>	<u>263,206,792</u>	<u>236,577,200</u>



Eng. Fahad Ali Mohammed Thunayan Alghanim
Chairman

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

Ali Al-Ghanim Sons Automotive Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 June 2025

	<i>Attributable to equity holders of the Parent Company</i>													
	<i>Share capital KD</i>	<i>Statutory reserve KD</i>	<i>Treasury shares KD</i>	<i>Treasury shares reserve KD</i>	<i>Asset revaluation surplus KD</i>	<i>Cash flow hedge reserve KD</i>	<i>Cost of hedging reserve KD</i>	<i>Fair value reserve KD</i>	<i>Foreign currency translation reserve KD</i>	<i>Other reserves KD</i>	<i>Retained earnings KD</i>	<i>Sub-total KD</i>	<i>Non-controlling interests KD</i>	<i>Total equity KD</i>
As at 1 January 2025														
<i>(Audited)</i>	27,750,000	10,747,874	(3,135,248)	5,139	31,508,181	-	-	74,783	(4,758,984)	1,196,343	25,443,559	88,831,647	10,566,645	99,398,292
Profit for the period	-	-	-	-	-	-	-	-	-	-	15,500,852	15,500,852	3,188,017	18,688,869
Other comprehensive income (loss) for the period	-	-	-	-	-	889,200	(10,919)	84,000	187,788	-	-	1,150,069	158,824	1,308,893
Total comprehensive income (loss) for the period	-	-	-	-	-	889,200	(10,919)	84,000	187,788	-	15,500,852	16,650,921	3,346,841	19,997,762
Issue of bonus shares (Note 9)	8,325,000	-	-	-	-	-	-	-	-	-	(8,325,000)	-	-	-
Transfer of cash flow hedge reserve to inventories	-	-	-	-	-	(886,069)	-	-	-	-	-	(886,069)	-	(886,069)
Net movement of treasury shares	-	-	891,896	766,289	-	-	-	-	-	-	-	1,658,185	-	1,658,185
Dividends to equity holders of the Parent Company (Note 9)	-	-	-	-	-	-	-	-	-	-	(9,620,800)	(9,620,800)	-	(9,620,800)
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(418,800)	(418,800)
At 30 June 2025	36,075,000	10,747,874	(2,243,352)	771,428	31,508,181	3,131	(10,919)	158,783	(4,571,196)	1,196,343	22,998,611	96,633,884	13,494,686	110,128,570

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

Ali Al-Ghanim Sons Automotive Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)(CONTINUED)

For the period ended 30 June 2025

	Attributable to equity holders of the Parent Company											Non-controlling interests KD	Total equity KD
	Share capital KD	Statutory reserve KD	Treasury shares KD	Treasury shares reserve KD	Asset revaluation surplus KD	Cash flow hedge reserve KD	Cost of hedging reserve KD	Fair value reserve KD	Foreign currency translation reserve KD	Other reserve KD	Retained earnings KD		
As at 1 January 2024 (Audited)	27,750,000	7,676,188	(3,011,204)	5,139	31,508,181	-	-	134,283	(1,159,994)	1,196,343	18,432,439	82,531,375	92,428,822
Profit for the period	-	-	-	-	-	-	-	-	-	-	14,257,697	14,257,697	16,901,254
Other comprehensive loss for the period	-	-	-	-	-	-	-	(87,500)	(3,252,579)	-	-	(3,340,079)	(6,465,024)
Total comprehensive (loss) income for the period	-	-	-	-	-	-	-	(87,500)	(3,252,579)	-	14,257,697	10,917,618	10,436,230
Net purchase of treasury shares	-	-	(60,560)	-	-	-	-	-	-	-	-	(60,560)	(60,560)
Dividends to equity holders of the Parent Company (Note 9)	-	-	-	-	-	-	-	-	-	-	(9,589,788)	(9,589,788)	(9,589,788)
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(1,103,800)	(1,103,800)
At 30 June 2024	27,750,000	7,676,188	(3,071,764)	5,139	31,508,181	-	-	46,783	(4,412,573)	1,196,343	23,100,348	83,798,645	92,110,904

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

Ali Al-Ghanim Sons Automotive Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(UNAUDITED)

For the period ended 30 June 2025

		Six months ended 30 June	
		2025	2024
	Notes	KD	KD
OPERATING ACTIVITIES			
Profit before tax		19,500,140	17,999,458
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Gain on disposal of property, plant and equipment		(23,474)	(19,233)
Gain on de-recognition and re-measurement of leases		(27,084)	(10,075)
Share of results of equity-accounted investees	7	(1,849,439)	(1,873,259)
Unrealised gain on investment securities.		(226,532)	-
Depreciation of property, plant and equipment and right of use assets	4	4,015,303	3,063,001
Amortisation of intangible assets		15,180	12,780
Charge of provision for old and obsolete inventories	4	780,415	82,499
Allowance for expected credit losses on trade receivables	4	243,542	247,603
Provision for employees' end of service benefits		429,077	463,655
Dividend income		(83,458)	(26,250)
Finance costs on Islamic finance payables		1,750,190	1,333,117
Finance costs on lease liabilities		166,940	137,347
		24,690,800	21,410,643
<i>Working capital adjustments:</i>			
Inventories		6,547,328	(6,765,341)
Medium term receivables		(252,264)	467,741
Accounts receivable and prepayments		(4,470,303)	(5,350,618)
Receivables from related parties		4,167	108,757
Payables to related parties		(107,373)	(118,989)
Accounts payable and accruals		(25,673,171)	(6,372,877)
Cash flows from operations		739,184	3,379,316
Employees' end of service benefits paid		(202,788)	(179,997)
Taxes paid		(1,990,725)	(1,401,173)
Net cash flows (used in) from operating activities		(1,454,329)	1,798,146
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(5,710,576)	(8,046,266)
Proceeds from disposal of property, plant and equipment		54,869	128,952
Purchase of intangible assets		(19,373)	(19,384)
Net movement in term deposits		(110,000)	-
Net movement in amount due from related parties		1,604,347	-
Net payments made towards investment in equity accounted investee	7	(2,795,947)	(4,605,375)
Dividend income		83,458	26,250
Net cash flows used in investing activities		(6,893,222)	(12,515,823)
FINANCING ACTIVITIES			
Proceeds from Islamic finance payables		40,315,000	23,332,776
Repayment of Islamic finance payables		(17,493,345)	(6,786,657)
Dividends paid to non-controlling interests		(418,800)	(861,190)
Net movement in treasury shares		1,658,185	(60,560)
Net movement in payables to related parties		(851,522)	2,251,287
Dividends paid to equity holders of the Parent Company		(9,631,263)	(9,581,000)
Finance costs paid on Islamic finance payables		(1,750,190)	(1,333,117)
Payment of lease liabilities		(1,425,725)	(1,217,154)
Net cash flows from financing activities		10,402,340	5,744,385

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

Ali Al-Ghanim Sons Automotive Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED) (CONTINUED)

For the period ended 30 June 2025

	Note	Six months ended 30 June	
		2025 KD	2024 KD
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		2,054,789	(4,973,292)
Cash and cash equivalents at 1 January		16,860,471	20,480,145
Net foreign exchange difference		(1,657)	12,928
CASH AND CASH EQUIVALENTS AT 30 June	8	18,913,603	15,519,781
Non-cash items excluded from the interim condensed consolidated statement of cash flows:			
Additions to lease liabilities (adjusted with accounts payable and accruals)		717,298	330,668
Additions to right-of-use assets (adjusted with property, plant and equipment)		(717,298)	(330,668)
Dividends payable to non-controlling interests (adjusted with accounts payable and accruals)		-	(242,610)
Derecognition and remeasurement of right-of-use assets (adjusted property, plant and equipment)		271,773	532,692
Derecognition and remeasurement of lease liabilities (adjusted with accounts payable and accruals)		(298,857)	(542,767)
Transfer of property, plant and equipment from (to) inventories (net) - (adjusted with property, plant and equipment)		660,019	1,122,574
Transfer of property, plant and equipment (from) to inventories (net) - (adjusted with inventories)		(660,019)	(1,122,574)
Additions to equity-accounted investees (adjusted with accounts payable and accruals)		4,165,807	-
Additions to equity-accounted investees (adjusted with investment in equity-accounted investees)		(4,165,807)	-

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

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)**

As at and for the period ended 30 June 2025

1 CORPORATE INFORMATION

The interim condensed consolidated financial information of Ali Al-Ghanim Sons Automotive Company K.S.C.P. (the “Parent Company”) and its Subsidiaries (collectively, the “Group”) for the six months ended 30 June 2025 was authorised for issue in accordance with a resolution of the Parent Company’s Board of Directors on 10 August 2025.

The shareholders of the Parent Company at the annual general assembly meeting (“AGM”) held on 27 March 2025 approved the consolidated financial statements for the year ended 31 December 2024. Dividends proposed and paid by the Group for the year then ended are provided in Note 9.

The Parent Company was a closed Kuwaiti shareholding Company registered and incorporated in the State of Kuwait on 24 July 2018. The Parent Company’s shares were listed in the Premier Market of Boursa Kuwait on 7 June 2022, therefore the name of the Parent Company was changed to Ali Al-Ghanim Sons Automotive Company K.S.C.P. The changes in the articles and memorandum of association were authenticated in the commercial register on 25 July 2022 under registration number 399347.

The Parent Company is a subsidiary of Ali Alghanim Sons Holding Company K.S.C. (Closed) (the “Ultimate Parent Company”).

The registered postal address of the Parent Company is P.O. Box 21540, Safat 13076, Kuwait City.

The Parent Company is principally engaged in the following activities:

- ▶ Selling and purchasing cars and its spare parts.
- ▶ Leasing of cars
- ▶ Importing and exporting light and heavy vehicles and cars.
- ▶ Maintaining and renting light and heavy vehicles and cars.
- ▶ Trading of auto spare parts, renting equipment and their maintenance.
- ▶ The Parent Company may have interest or participate, in any respect, with entities which embark on businesses similar to its businesses and which may help it to achieve its objects in Kuwait or abroad; and it shall have the right to purchase these entities.
- ▶ Possessing movables and real estate necessary for undertaking its activity within the limitation allowed by the law.
- ▶ Utilising the financial surpluses available with the Parent Company by means of investing them in financial portfolios to be managed by specialised companies and authorities.
- ▶ Selling and purchasing the shares and bonds only for its account.

2. BASIS OF PREPARATION AND CHANGES TO THE GROUP’S ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with International Accounting standard 34 “*Interim Financial Reporting*”.

The Group has prepared the consolidated financial statements on the basis that it will continue to operate as a going concern.

The interim condensed consolidated financial information does not contain all information and disclosures required for full consolidated annual financial statements and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2025

2.2 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP

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

One amendment applies for the first time in 2025 but does not have an impact on the interim condensed consolidated financial information of the Group.

Lack of exchangeability - Amendments to IAS 21

The amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information.

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

3 REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	2025	2024	2025	2024
	KD	KD	KD	KD
Type of goods or service:				
Sales of vehicles and spare parts	58,799,366	61,449,424	131,184,744	120,864,882
Vehicle inspection, repair and maintenance services	3,434,230	3,069,877	6,701,453	5,987,672
Insurance brokerage income	413,761	470,590	852,889	902,850
Total revenue from contracts with customers	62,647,357	64,989,891	138,739,086	127,755,404
Geographical markets:				
Kuwait	54,946,472	58,367,814	118,350,125	116,169,450
Iraq	7,700,885	6,622,077	20,388,961	11,585,954
Total revenue from contracts with customers	62,647,357	64,989,891	138,739,086	127,755,404
Timing of revenue recognition:				
Goods transferred at a point in time	58,189,229	60,923,927	130,086,461	119,899,041
Goods transferred over a period of time	610,137	525,497	1,098,283	965,841
Services rendered at a point in time	3,474,246	3,236,612	6,789,378	6,245,157
Services rendered over a period of time	373,745	303,855	764,964	645,365
Total revenue from contracts with customers	62,647,357	64,989,891	138,739,086	127,755,404

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4 PROFIT FOR THE PERIOD

The profit for the period is stated after charging:

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Staff costs included in:				
Cost of sales and services rendered	1,329,246	1,367,059	2,608,957	2,735,183
Selling and distribution expenses	624,756	737,906	1,496,066	1,491,604
Administrative expenses	1,611,312	1,709,086	3,439,924	3,511,715
	3,565,314	3,814,051	7,544,947	7,738,502
Expense relating to short term leases included in:				
Cost of sales and services rendered	11,550	21,567	20,550	41,205
Administrative expenses	12,927	10,677	30,016	22,062
	24,477	32,244	50,566	63,267
Costs of inventories recognised as an expense (included in cost of sales and services rendered)	45,872,694	47,021,743	101,735,561	92,224,883
Rental vehicle fleet insurance charges (included in cost of sales and services rendered)	176,603	158,164	342,431	282,725
Charge of provision for obsolete and slow-moving inventories (included in cost of sales and services rendered)	324,899	(31,945)	780,415	82,499
Allowance for ECL on trade receivables and instalment credit receivables included in:				
Selling and distribution expenses	9,770	6,282	15,372	11,567
Administrative expenses	145,867	132,033	228,170	236,036
	155,637	138,315	243,542	247,603
Depreciation expense recognised included in:				
Cost of sales and services rendered	930,392	336,644	1,810,565	1,038,519
Selling and distribution expenses	719,679	843,046	1,443,168	1,658,815
Administrative expenses	362,596	164,267	761,570	365,667
	2,012,667	1,343,957	4,015,303	3,063,001

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5 TAXATION

	<i>Three months ended</i> <i>30 June</i>		<i>Six months ended</i> <i>30 June</i>	
	2025	2024	2025	2024
	KD	KD	KD	KD
Taxation on overseas subsidiary	209,360	208,669	652,241	403,349
National Labour Support Tax ("NLST")	-	208,690	-	384,997
Contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS")	81,759	84,879	159,030	152,605
Zakat	-	85,389	-	157,253
	291,119	587,627	811,271	1,098,204

Pillar 2 Income Taxes

In 2021, the OECD's Inclusive Framework (IF) on Base Erosion and Profit Shifting (BEPS) agreed to a two-pillar solution to address tax challenges arising from digitalisation of the economy. Pillar 2 introduces a global minimum effective corporate income tax rate for multinational entities (MNEs) with annual consolidated revenues exceeding EUR 750 million, applied on a jurisdictional basis.

The Group is potentially within the scope of Pillar 2 legislation in the jurisdictions of the United Arab Emirates (UAE) and Kuwait. In Kuwait, the Pillar 2 Law ("new law") issued in December 2024 and came into effect (enacted) in January 2025 replaced the existing National Labour Support Tax (NLST) and Zakat tax regimes in Kuwait for MNEs within its scope.

On 29 June 2025, the Kuwaiti Ministry of Finance issued Executive Regulations (Ministerial Resolution No. 55 of 2025), providing detailed guidance on the implementation of the DMTT. These regulations are broadly aligned with the OECD's GloBE Model Rules and address key areas such as safe harbour provisions, substance-based income exclusions, covered tax treatment, and administrative compliance.

As at the reporting date of this interim condensed consolidated financial information, the Pillar 2 legislation has been enacted in the relevant jurisdictions. The Group has engaged an independent tax advisor to assist in evaluating the impact of the legislation. Based on this assessment, management has determined that there is no likely potential top-up tax exposure to the Group's interim condensed consolidated financial information. Accordingly, no additional tax liability has been recognised.

The Group continues to monitor developments across the jurisdictions in which it operates and assess its overall exposure to Pillar 2 taxes.

6 BASIC AND DILUTED EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit for the period attributable to equity holders of the Parent Company by the weighted average number of ordinary shares outstanding during the period (excluding treasury shares). Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares outstanding during the period (excluding treasury shares) plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. As there are no dilutive instruments outstanding, basic and diluted earning per shares are identical.

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6 BASIC AND DILUTED EARNINGS PER SHARE (EPS) (continued)

	Three months ended		Six months ended	
	30 June		30 June	
	2025	2024*	2025	2024*
Profit for the period attributable to equity holders of the Parent Company (KD)	7,986,369	7,941,129	15,500,852	14,257,697
Weighted average number of shares outstanding during the period, net of treasury shares (shares)*	357,331,946	356,180,720	356,925,665	356,180,720
Basic and diluted EPS attributable to equity holders of the Parent Company (fils)	22.35	22.30	43.43	40.03

* The comparative basic and diluted EPS has been adjusted to reflect the impact of bonus shares approved for issuance in 2025 (Note 9), in accordance with the requirements of IAS 33 'Earnings Per Share'. As the bonus share issue does not involve a corresponding change in resources, it is treated as if the shares had been issued at the beginning of the earliest period presented.

There have been no other significant transactions involving ordinary shares or potential ordinary shares between the reporting date and the authorisation date of this interim condensed consolidated financial information.

7 INVESTMENT IN EQUITY-ACCOUNTED INVESTEEES

	(Audited)		
	30 June	31 December	30 June
	2025	2024	2024
	KD	KD	KD
As at 1 January	13,425,748	12,262,937	12,262,937
Additions	6,961,754	4,605,375	4,605,375
Share of profit for the period	1,849,439	3,649,050	1,873,259
Dividends	(228,357)	-	-
Exchange differences	350,153	(7,091,614)	(6,390,403)
Total equity accounted investments	22,358,737	13,425,748	12,351,168

Global Auto S.A.E ("Global Auto")

During the period ended 30 June 2025, the Group acquired additional equity interest in Global Auto for a consideration of KD 6,961,754 (USD 22.5 million). The purchase consideration for the additional shares is included as part of 'trade payables, accruals and other provisions' and is payable over a period of twelve months.

Auto Mobility For Import Cars LLC ("Auto Mobility")

In 2024, the Group made an additional contribution of KD 4,605,375 (USD 15 million) towards the capital of the investee.

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8 CASH AND SHORT TERM DEPOSITS

For the purpose of the interim condensed consolidated statement of cash flows, cash and cash equivalents comprise the following at the reporting date:

	30 June 2025 KD	(Audited) 31 December 2024 KD	30 June 2024 KD
Cash at banks and on hand	18,590,368	16,313,055	16,069,664
Cash held in managed portfolios	1,035,336	352,416	1,917,340
Short-term deposits	661,000	195,000	-
Cash and short-term deposits	20,286,704	16,860,471	17,987,004
Less: Bank overdrafts	(1,263,101)	-	(2,467,223)
Less: Term deposits with original maturity exceeding three months	(110,000)	(195,000)	-
Cash and cash equivalents	18,913,603	16,665,471	15,519,781

Term deposits are subject to an insignificant risk of changes in value. These are placed with local Islamic financial institutions and earn yields at the respective short-term deposit rates.

9 SHARE CAPITAL AND DISTRIBUTIONS

9.1 Share capital

The authorised, issued and paid-up share capital as at 30 June 2025 is KD 36,075,000 (31 December 2024: KD 27,750,000 and 30 June 2024: KD 27,750,000) comprising of 360,750,000 (31 December 2024: 277,500,000 and 30 June 2024: 277,500,000) shares of 100 fils each.

At the Extraordinary General Assembly meeting (“EGM”) of the shareholders of the Parent Company held on 27 March 2025, a resolution was passed approving an increase in the authorised, issued and paid-up share capital of the Parent Company from KD 27,750,000 to KD 36,075,000 through the issuance of 83,250,000 bonus shares with a nominal value of 100 fils each, aggregating to KD 8,325,000. The capital increase was duly authenticated and registered in the commercial register on 14 April 2025 under registration number 399347.

9.2 Distributions made

On 27 March 2025, the Parent Company’s shareholders at the AGM approved the following:

- Cash dividends of 35 fils per share (31 December 2023: 35 fils per share) amounting to KD 9,620,800 (31 December 2023: KD 9,589,788) to the eligible shareholders on the record date (i.e. 27 April 2025), after excluding treasury shares; and
- Bonus shares of 30% amounting to KD 8,325,000 to the eligible shareholders as on record date 27 April 2025

Dividends payable to equity holders of the Parent Company as at 30 June 2025 amounted to KD 64,337 (31 December 2024: KD 74,800 and 30 June 2024: KD 61,337) and recorded within “trade payables, accruals and other provisions” (Note 12) in the interim condensed consolidated statement of financial position.

The Board of Directors, in their meeting held on 10 August 2025 approved the distribution of an interim cash dividend of 26.86 fils per share (30 June 2024: 35 fils per share).

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10 TREASURY SHARES

	30 June 2025	<i>(Audited)</i> 31 December 2024	30 June 2024
Number of treasury shares	3,000,305	3,627,549	3,566,046
Percentage of total outstanding shares	0.83%	1.31%	1.29%
Cost (KD)	2,243,352	3,135,248	3,071,764
Market value (KD)	3,390,345	3,736,375	3,605,273
Market value per share (Fils)	1,130	1,030	1,011

An amount equivalent to the cost of purchase of treasury shares held is not available for distribution during the holding period of such shares as per CMA guidelines.

11 ISLAMIC FINANCE PAYABLES

	30 June 2025 KD	<i>(Audited)</i> 31 December 2024 KD	30 June 2024 KD
Islamic finance payables	64,978,407	40,893,651	52,520,578
Non-current	37,964,973	31,641,223	37,340,438
Current	27,013,434	9,252,428	15,180,140
	64,978,407	40,893,651	52,520,578

Islamic finance payables include facilities amounting to KD 18,579,024 (31 December 2024: KD 15,807,393; 30 June 2024: KD 21,115,893), which bear finance costs at prevailing commercial rates and are secured by a corporate guarantee provided by certain Group entities (Note 13). The remaining Islamic finance payables are unsecured and bear finance costs at commercial rates.

During the current period, the Group did not breach any of its loan covenants, nor did it default on any other of its obligations under its loan agreements.

12 TRADE PAYABLES, ACCRUALS AND OTHER PROVISIONS

	30 June 2025		
	Non-current KD	Current KD	Total KD
Trade payables	-	29,810,011	29,810,011
Advances from customers	-	5,791,708	5,791,708
Contract liabilities*	13,519,329	4,970,805	18,490,134
Lease liabilities	5,109,457	2,129,629	7,239,086
Accrued expenses and provisions	-	11,566,032	11,566,032
Dividends payable (Note 9)	-	64,337	64,337
Other payables	1,646,681	6,537,092	8,183,773
	20,275,467	60,869,614	81,145,081

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12 TRADE PAYABLES, ACCRUALS AND OTHER PROVISIONS (continued)

	31 December 2024 (Audited)		
	Non-current KD	Current KD	Total KD
Trade payables	-	53,615,133	53,615,133
Advances from customers	-	8,752,398	8,752,398
Contract liabilities*	12,339,314	4,382,779	16,722,093
Lease liabilities	5,668,432	2,421,024	8,089,456
Accrued expenses and provisions	-	12,798,084	12,798,084
Dividend payable (Note 9)	-	74,800	74,800
Other payables	2,493,503	2,132,557	4,626,060
	<u>20,501,249</u>	<u>84,176,775</u>	<u>104,678,024</u>
	30 June 2024		
	Non-current KD	Current KD	Total KD
Trade payables	-	26,007,407	26,007,407
Advances from customers	-	10,782,506	10,782,506
Contract liabilities*	10,405,142	4,603,138	15,008,280
Lease liabilities	3,934,222	2,002,507	5,936,729
Accrued expenses and provisions	-	11,587,261	11,587,261
Dividend payable (Note 9)	-	303,947	303,947
Other payables	315,000	4,062,206	4,377,206
	<u>14,654,364</u>	<u>59,348,972</u>	<u>74,003,336</u>

* Contract liabilities represent unsatisfied performance obligations as at the reporting date towards vehicle maintenance contracts and extended warranties.

13 RELATED PARTY DISCLOSURES

Related parties represent major shareholders, associates, joint venture, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

The following table provides the total amount of transactions that have been entered into with related parties during the six months ended 30 June 2025 and 2024, as well as balances with related parties as at 30 June 2025, 31 December 2024 and 30 June 2024:

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13 RELATED PARTY DISCLOSURES (continued)

	<i>Three months ended</i> <i>30 June</i>		<i>Six months ended</i> <i>30 June</i>	
	<i>2025</i> <i>KD</i>	<i>2024</i> <i>KD</i>	<i>2025</i> <i>KD</i>	<i>2024</i> <i>KD</i>
Interim condensed consolidated statement of profit or loss				
<i>Affiliates</i>				
Sale of goods	8,328	969	111,166	77,179
Rendering of services	6,877	377	8,182	1,198
Vehicle rental income	12,960	10,108	26,652	15,058
Administrative expenses	(26,871)	(11,600)	(50,851)	(13,856)
<i>Other related parties</i>				
Sale of goods	120,904	191,248	137,543	448,720
Rendering of services	8,819	9,335	17,986	16,275

	<i>30 June</i> <i>2025</i> <i>KD</i>	<i>31 December</i> <i>2024 (Audited)</i> <i>KD</i>	<i>30 June</i> <i>2024</i> <i>KD</i>
Consolidated statement of financial position			
Investment securities	633,500	549,500	521,500
Trade receivables and Dividends receivables	469,174	608,556	925,187
Receivables from related parties:			
- Affiliates	4,067	41,045	43,680
- Equity-accounted investees*	4,848,399	6,431,699	6,450,692
- Other related parties	322,891	311,127	85,399
	5,175,357	6,783,871	6,579,771

* The balance includes an amount of KD 4,693,219 (31 December 2024: KD 6,276,519; 30 June 2024: KD 6,246,975) advanced to Global Auto to finance the working capital and other requirements. The amount is unsecured, interest free and callable after the respective termination dates as per the loan agreement at the discretion of the Group.

	<i>30 June</i> <i>2025</i> <i>KD</i>	<i>(Audited)</i> <i>31 December</i> <i>2024</i> <i>KD</i>	<i>30 June</i> <i>2024</i> <i>KD</i>
<i>Payables to related parties:</i>			
Key management personnel	1,419	86,419	1,419
Affiliates	73,320	1,405	1,126
Other related parties**	10,957,769	11,903,579	11,810,392
	11,032,508	11,991,403	11,812,937

** As at the period end this balance includes an amount payable to the non-controlling investor of German Automotive Holding Limited amounting to KD 10,529,613 (31 December 2024: KD 11,381,135; 30 June 2024: KD 11,327,582).

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13 RELATED PARTY DISCLOSURES (continued)

Terms and conditions of transactions with related parties

Transactions with related parties are made on terms approved by the Group's management. All balances at the period-end are unsecured, interest free and have no fixed repayment schedule. For the period ended 30 June 2025, the Group has not recognised any provision for expected credit losses relating to amounts owed by related parties (31 December 2024: Nil; 30 June 2024: Nil).

Other related party disclosures

- Islamic finance payables include tawarruq facilities amounting to KD 18,579,024 (31 December 2024: KD 15,807,393; 30 June 2024: KD 21,115,893) secured by a corporate guarantee provided by certain Group entities (Note 11).
- As at 30 June 2025, the Group has provided a corporate guarantee of KD 7,375,824 (31 December 2024: KD 6,603,888; 30 June 2024: KD 6,774,636) in the ordinary course of business to be utilised by a related party (Note 14).

Compensation of key management personnel

Key management personnel comprise of the personnel having authority and responsibility for planning, directing and controlling the activities of the Group. The aggregate value of transactions and outstanding balances related to key management personnel were as follows:

	<i>Transaction values for three months ended</i>		<i>Transaction values for six months ended</i>	
	<i>30 June 2025</i>	<i>30 June 2024</i>	<i>30 June 2025</i>	<i>30 June 2024</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Salaries and short-term benefits	108,207	72,183	211,106	173,542
End of service benefits	7,958	6,297	26,231	23,516
	116,165	78,480	237,337	197,058
<i>Balance outstanding as at (Audited)</i>				
	<i>30 June 2025</i>	<i>31 December 2024</i>	<i>30 June 2024</i>	
	<i>KD</i>	<i>KD</i>	<i>KD</i>	
Salaries and short-term benefits	183,319	1,194,525	161,776	
End of service benefits	538,836	512,605	495,771	
Directors' remuneration	-	85,000	-	
	722,155	1,792,130	657,547	

The Board of Directors of the Parent Company in its meeting held on 20 February 2025 proposed directors' remuneration of KD 85,000 (31 December 2023: KD 85,000) for the year ended 31 December 2024. The remuneration was approved by the shareholders at the AGM held on 27 March 2025 and paid during the current period.

14 CONTINGENCIES

14.1 Legal claim contingencies

The Group operates in the automotive industry and is subject to legal proceedings in the normal course of business. While it is not practicable to forecast or determine the final results of all pending or threatened legal proceedings, management does not believe that such proceedings (including litigation) will have a material effect on its results and financial position.

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As at and for the period ended 30 June 2025

14 CONTINGENCIES (continued)

14.2 Other contingencies

The Group had contingent liabilities in respect of bank guarantees and letters of credit arising in the ordinary course of business amounting to KD 26,315,288 (31 December 2024: KD 23,319,766; 30 June 2024: KD 15,610,488), out of which KD 7,375,824 (31 December 2024: KD 6,603,888; 30 June 2024: KD 6,774,636) is utilised by a related party, from which it is anticipated that no material liability will arise (Note 13).

15 SEGMENT INFORMATION

For management purposes, the Group is divided into three main geographical segments that are: a) State of Kuwait, b) Iraq c) United Arab Emirates where the Group performs its main activities in the sales of vehicles, spare parts and rendering of services related to vehicle inspection, repair and maintenance services.

a) Segment revenue and results

The following tables present revenue and result information of the Group's operating segments for the six-month ended 30 June 2025 and 2024, respectively:

	<i>Revenue</i>		<i>Results</i>	
	<i>Six months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Kuwait	135,701,742	128,729,252	25,300,878	24,240,154
Iraq	20,388,961	11,585,954	3,733,545	2,274,148
United Arab Emirates	-	-	1,641,048	1,871,941
Adjustments and eliminations	(13,758,673)	(10,201,066)	(11,986,602)	(11,484,989)
	<u>142,332,030</u>	<u>130,114,140</u>	<u>18,688,869</u>	<u>16,901,254</u>

b) Segment assets and liabilities

The following tables present assets and liabilities information for the Group's operating segments as at 30 June 2025, 31 December 2024 and 30 June 2024, respectively:

	<i>30 June</i>	<i>(Audited)</i>	<i>30 June</i>
	<i>2025</i>	<i>31 December</i>	<i>2024</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>
Segment assets			
Kuwait	279,668,733	275,093,161	247,262,007
Iraq	25,184,625	18,385,890	19,083,795
United Arab Emirates	20,633,035	20,253,526	19,161,959
Adjustments and eliminations	(51,730,116)	(50,525,785)	(48,930,561)
Total consolidated segment assets	<u>273,756,277</u>	<u>263,206,792</u>	<u>236,577,200</u>
Segment liabilities			
Kuwait	157,821,815	157,480,264	135,772,979
Iraq	8,500,829	6,052,964	8,265,170
United Arab Emirates	10,537,766	11,392,282	11,330,391
Adjustments and eliminations	(13,232,703)	(11,117,010)	(10,902,244)
Total consolidated segment liabilities	<u>163,627,707</u>	<u>163,808,500</u>	<u>144,466,296</u>

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15 SEGMENT INFORMATION (continued)

c) Other profit and loss disclosures

	<i>Share of profit of equity accounted investees</i>		<i>Cost of inventories recognised as an expense</i>	
	<i>Six months ended 30 June</i>		<i>Six months ended 30 June</i>	
	2025	2024	2025	2024
	KD	KD	KD	KD
Kuwait	203,862	-	86,774,241	84,270,624
Iraq	-	-	14,961,320	7,954,259
United Arab Emirates*	1,645,577	1,873,259	-	-
	1,849,439	1,873,259	101,735,561	92,224,883

d) Other disclosures

	30 June 2025 KD	<i>(Audited)</i> 31 December 2024 KD	30 June 2024 KD
<i>Investment in equity accounted investees</i>			
Kuwait	7,139,218	-	-
United Arab Emirates	15,219,519	13,425,748	12,351,168
	22,358,737	13,425,748	12,351,168
<i>Capital expenditure**</i>			
Kuwait	5,062,209	16,219,175	8,031,080
Iraq	667,740	272,344	34,570
	5,729,949	16,491,519	8,065,650

* In presenting the geographic information, the segment has been based on the country of domicile of the legal entity; however geographical location of customers and assets is based in Egypt.

** These represent addition to non-current assets other than financial instruments.

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16 FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table provides the fair value measurement hierarchy of the Group's financial instruments:

	Fair value measurement using		
	<i>Quoted market prices (Level 1) KD</i>	<i>Significant observable inputs (Level 2) KD</i>	<i>Total KD</i>
30 June 2025			
Assets measured at fair value:			
Financial assets at FVOCI			
Quoted equity securities	633,500	-	633,500
Financial assets at FVPL			
Unquoted open-ended fund	-	1,737,458	1,737,458
Investment securities (at fair value)	633,500	1,737,458	2,370,958
Assets measured at fair value:			
Derivative financial assets			
Foreign exchange forward contracts	-	712,005	712,005
31 December 2024 (Audited)			
Assets measured at fair value:			
Financial assets at FVOCI			
Quoted equity securities	549,500	-	549,500
Financial assets at FVTPL			
Unquoted open-ended fund	-	1,510,926	1,510,926
Investment securities (at fair value)	549,500	1,510,926	2,060,426
Liabilities measured at fair value:			
Derivative financial liabilities			
Foreign exchange forward contracts	-	(192,346)	(192,346)
30 June 2024			
Assets measured at fair value:			
Financial assets at FVOCI			
Quoted equity securities	521,500	-	521,500

During the period, there were no transfers between the levels of fair value hierarchy.

The valuation techniques and inputs used in this interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024.

For other financial assets and financial liabilities carried at amortised cost, the carrying value is not significantly different from their fair value as most of these assets and liabilities are of short-term maturity or are re-priced immediately based on market movement in interest rates. The fair value of financial assets and financial liabilities with a demand feature is not less than its face value.

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