

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

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

**31 MARCH 2026**



**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 31 March 2026, and the related interim condensed consolidated statement of profit or loss, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the three month 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 three-month period ended 31 March 2026, 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 three-month period ended 31 March 2026, that might have had a material effect on the business of the Parent Company or on its financial position.



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SHEIKHA AL FULAIJ  
LICENCE NO. 289 A  
EY  
AL AIBAN, AL OSAIMI & PARTNERS

12 May 2026  
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 31 March 2026

	<i>Notes</i>	<i>Three months ended 31 March</i>	
		<b>2026</b>	2025
		<b>KD</b>	<b>KD</b>
Revenue from contracts with customers	3	<b>54,649,303</b>	76,091,729
Vehicle lease income		<b>2,069,809</b>	1,708,461
<b>Revenue</b>		<b>56,719,112</b>	77,800,190
Cost of sales and services rendered		<b>(43,994,413)</b>	(60,435,211)
<b>GROSS PROFIT</b>		<b>12,724,699</b>	17,364,979
Other operating income		<b>42,595</b>	253,204
Selling and distribution expenses		<b>(4,155,159)</b>	(4,343,596)
Administrative expenses		<b>(2,816,867)</b>	(3,455,070)
<b>OPERATING PROFIT</b>		<b>5,795,268</b>	9,819,517
Finance costs		<b>(729,210)</b>	(862,731)
Share of results of equity-accounted investees	7	<b>453,502</b>	1,132,548
<b>PROFIT BEFORE TAX</b>		<b>5,519,560</b>	10,089,334
Taxation	5	<b>(128,811)</b>	(520,152)
<b>PROFIT FOR THE PERIOD</b>		<b>5,390,749</b>	9,569,182
<b>Attributable to:</b>			
Equity holders of the Parent Company		<b>4,809,249</b>	7,514,483
Non-controlling interests		<b>581,500</b>	2,054,699
		<b>5,390,749</b>	9,569,182
<b>BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT COMPANY (FILS)</b>	6	<b>12.20</b>	19.17

The attached notes 1 to 17 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 31 March 2026

	<i>Three months ended</i>	
	<i>31 March</i>	
	<b>2026</b>	<b>2025</b>
	<b>KD</b>	<b>KD</b>
<b>PROFIT FOR THE PERIOD</b>	<b>5,390,749</b>	<b>9,569,182</b>
<b>Other comprehensive (loss) income</b>		
<i>Other comprehensive (loss) income that may be reclassified to profit or loss in subsequent periods:</i>		
Cash flow hedges – effective portion of changes in fair value	<b>(29,842)</b>	425,263
Cost of hedging reserve – changes in fair value	<b>(71,799)</b>	(94,243)
Cost of hedging reserve – amortised to profit or loss	<b>6,961</b>	41,966
Net (loss) gain on cash flow hedges	<b>(94,680)</b>	372,986
Net exchange differences on translation of foreign operations	<b>(2,425,677)</b>	146,141
Share of other comprehensive income of equity- accounted investee	<b>5,057</b>	-
<b>Other comprehensive (loss) income that may be reclassified to profit or loss in subsequent periods</b>	<b>(2,515,300)</b>	<b>519,127</b>
<i>Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:</i>		
Net loss on equity instruments designated at fair value through other comprehensive income	<b>(49,514)</b>	-
<b>Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods</b>	<b>(49,514)</b>	-
<b>Other comprehensive (loss) income for the period</b>	<b>(2,564,814)</b>	<b>519,127</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>2,825,935</b>	<b>10,088,309</b>
<b>Attributable to:</b>		
Equity holders of the Parent Company	<b>3,278,791</b>	7,962,133
Non-controlling interests	<b>(452,856)</b>	2,126,176
	<b>2,825,935</b>	<b>10,088,309</b>

The attached notes 1 to 17 form part of this interim condensed consolidated financial information.

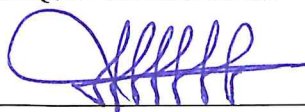
Ali Al-Ghanim Sons Automotive Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL

POSITION (UNAUDITED)

As at 31 March 2026

		(Audited)	
		31 March	31 March
		2026	2025
	Notes	KD	KD
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant, and equipment		105,328,920	105,282,052
Investment properties		16,810,632	16,801,571
Intangible assets		126,228	150,849
Medium-term receivables		359,670	587,150
Investment in equity-accounted investees	7	21,690,398	23,650,260
Investment securities		2,262,200	2,520,078
		<u>146,578,048</u>	<u>148,991,960</u>
<b>Current assets</b>			
Inventories		74,654,941	77,801,029
Accounts receivable and prepayments		12,167,504	14,073,418
Receivables from related parties	13	4,726,315	4,972,994
Cash and short-term deposits	8	22,441,029	28,686,629
		<u>113,989,789</u>	<u>125,534,070</u>
<b>TOTAL ASSETS</b>		<u>260,567,837</u>	<u>274,526,030</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	9	36,075,000	36,075,000
Statutory reserve		13,899,235	13,899,235
Treasury shares	10	(4,095,103)	(938,402)
Treasury shares reserve		1,773,964	1,779,952
Asset revaluation surplus		29,980,446	29,980,446
Cash flow hedge reserve		(29,842)	-
Cost of hedging reserve		(64,838)	-
Fair value reserve		217,449	266,963
Foreign currency translation reserve		(5,643,570)	(4,257,306)
Other reserve		-	-
Retained earnings		23,774,952	28,625,894
<b>Equity attributable to equity holders of the Parent Company</b>		<u>95,887,693</u>	<u>105,431,782</u>
Non-controlling interests		11,753,904	12,265,560
<b>Total equity</b>		<u>107,641,597</u>	<u>117,697,342</u>
<b>Non-current liabilities</b>			
Islamic finance payables	11	40,612,346	29,612,346
Employees' end of service benefits		6,658,743	6,560,786
Trade payables, accruals and other provisions	12	19,987,214	21,202,133
		<u>67,258,303</u>	<u>57,375,265</u>
<b>Current liabilities</b>			
Islamic finance payables	11	10,257,885	21,033,791
Trade payables, accruals and other provisions	12	65,069,512	67,787,576
Payables to related parties	13	10,340,540	10,632,056
		<u>85,667,937</u>	<u>99,453,423</u>
<b>TOTAL LIABILITIES</b>		<u>152,926,240</u>	<u>156,828,688</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>260,567,837</u>	<u>274,526,030</u>



Eng. Fahad Ali Mohammed Thunayan Alghanim  
Chairman

The attached notes 1 to 17 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 31 March 2026

	<i>Attributable to equity holders of the Parent Company</i>											<i>Non-controlling interests</i> KD	<i>Total equity</i> KD
	<i>Share capital</i> KD	<i>Statutory reserve</i> KD	<i>Treasury shares</i> KD	<i>Treasury shares reserve</i> KD	<i>Asset revaluation surplus</i> KD	<i>Cash flow hedge reserve</i> KD	<i>Cost of hedging Reserve</i> KD	<i>Fair value reserve</i> KD	<i>Foreign currency translation reserve</i> KD	<i>Retained earnings</i> KD	<i>Sub-total</i> KD		
<b>As at 1 January 2026 (Audited)</b>	<b>36,075,000</b>	<b>13,899,235</b>	<b>(938,402)</b>	<b>1,779,952</b>	<b>29,980,446</b>	-	-	<b>266,963</b>	<b>(4,257,306)</b>	<b>28,625,894</b>	<b>105,431,782</b>	<b>12,265,560</b>	<b>117,697,342</b>
Profit for the period	-	-	-	-	-	-	-	-	-	4,809,249	4,809,249	581,500	5,390,749
Other comprehensive loss for the period	-	-	-	-	-	(29,842)	(64,838)	(49,514)	(1,386,264)	-	(1,530,458)	(1,034,356)	(2,564,814)
Total comprehensive (loss) income for the period	-	-	-	-	-	(29,842)	(64,838)	(49,514)	(1,386,264)	4,809,249	3,278,791	(452,856)	2,825,935
Net movement of treasury shares	-	-	(3,156,701)	(5,988)	-	-	-	-	-	-	(3,162,689)	-	(3,162,689)
Dividends to equity holders of the Parent Company (Note 9)	-	-	-	-	-	-	-	-	-	(9,660,191)	(9,660,191)	-	(9,660,191)
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(58,800)	(58,800)
<b>At 31 March 2026</b>	<b>36,075,000</b>	<b>13,899,235</b>	<b>(4,095,103)</b>	<b>1,773,964</b>	<b>29,980,446</b>	<b>(29,842)</b>	<b>(64,838)</b>	<b>217,449</b>	<b>(5,643,570)</b>	<b>23,774,952</b>	<b>95,887,693</b>	<b>11,753,904</b>	<b>107,641,597</b>

The attached notes 1 to 17 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 31 March 2026

	<i>Attributable to equity holders of the Parent Company</i>												<i>Non-controlling interests</i>	<i>Total equity</i>
	<i>Share capital</i>	<i>Statutory reserve</i>	<i>Treasury shares</i>	<i>Treasury shares reserve</i>	<i>Asset revaluation surplus</i>	<i>Cash flow hedge reserve</i>	<i>Cost of hedging reserve</i>	<i>Fair value reserve</i>	<i>Foreign currency translation reserve</i>	<i>Other reserve</i>	<i>Retained earnings</i>	<i>Sub-total</i>		
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
As at 1 January 2025	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	-	-	-	-	-	-	-	-	-	-	7,514,483	7,514,483	2,054,699	9,569,182
Other comprehensive income (loss) for the period	-	-	-	-	-	425,263	(52,277)	-	74,664	-	-	447,650	71,477	519,127
Total comprehensive income (loss) for the period	-	-	-	-	-	425,263	(52,277)	-	74,664	-	7,514,483	7,962,133	2,126,176	10,088,309
Transfer of cash flow hedge reserve to inventories	-	-	-	-	-	(120,974)	-	-	-	-	-	(120,974)	-	(120,974)
Net movement of treasury shares	-	-	304,050	116,270	-	-	-	-	-	-	-	420,320	-	420,320
Dividends to equity holders of the Parent Company (Note 9)	-	-	-	-	-	-	-	-	-	-	(9,620,800)	(9,620,800)	-	(9,620,800)
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(58,800)	(58,800)
At 31 March 2025	27,750,000	10,747,874	(2,831,198)	121,409	31,508,181	304,289	(52,277)	74,783	(4,684,320)	1,196,343	23,337,242	87,472,326	12,634,021	100,106,347

The attached notes 1 to 17 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 31 March 2026

	Notes	Three months ended 31 March	
		2026 KD	2025 KD
<b>OPERATING ACTIVITIES</b>			
Profit before tax		5,519,560	10,089,334
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Gain on disposal of property, plant and equipment		(31,750)	(17,545)
Share of results of equity-accounted investees	7	(453,502)	(1,132,548)
Unrealised gain on investment securities		208,364	(136,857)
Depreciation of property, plant and equipment and right of use assets	4	2,338,468	2,002,636
Amortisation of intangible assets		14,938	8,479
Charge of provision for old and obsolete inventories	4	120,175	455,516
Allowance for expected credit losses on trade receivables	4	46,985	87,905
Provision for employees' end of service benefits		167,662	258,121
Dividend income		(91,533)	-
Finance costs on Islamic finance payables		652,591	778,561
Finance costs on lease liabilities		76,619	84,170
		<b>8,568,577</b>	<b>12,477,772</b>
<i>Working capital adjustments:</i>			
Inventories		5,095,400	1,267,012
Medium term receivables		227,480	(371,095)
Accounts receivable and prepayments		1,826,207	(1,309,479)
Receivables from related parties		246,679	118
Payables to related parties		(70,394)	80,825
Accounts payable and accruals		(13,217,302)	(17,513,787)
Cash flows from (used in) operations		2,676,647	(5,368,634)
Employees' end of service benefits paid		(69,705)	(75,361)
Taxes paid		(12,132)	(425,325)
<b>Net cash flows from (used in) operating activities</b>		<b>2,594,810</b>	<b>(5,869,320)</b>
<b>INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(3,120,881)	(2,985,333)
Proceeds from disposal of property, plant and equipment		35,921	22,941
Capital expenditure incurred on investment properties		(9,061)	-
Net payments made towards investment in equity accounted investees		(1,274,300)	-
Purchase of intangible assets		-	(9,720)
Dividend received from investment securities		91,533	-
<b>Net cash flows used in investing activities</b>		<b>(4,276,788)</b>	<b>(2,972,112)</b>
<b>FINANCING ACTIVITIES</b>			
Proceeds from Islamic finance payables		15,000,000	24,500,000
Repayment of Islamic finance payables		(8,698,297)	(10,579,137)
Dividends paid to non-controlling interests		(58,800)	(58,800)
Net movement in treasury shares		(3,162,689)	420,320
Net movement in payables to related parties		(221,122)	-
Dividends paid to equity holders of the Parent Company		(3,182)	(7,434)
Finance costs paid on Islamic finance payables		(652,591)	(778,561)
Payment of lease liabilities		(687,712)	(667,166)
<b>Net cash flows from financing activities</b>		<b>1,515,607</b>	<b>12,829,222</b>

The attached notes 1 to 17 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 31 March 2026

	Note	Three months ended	
		31 March	
		2026	2025
		KD	KD
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(166,371)</b>	3,987,790
Cash and cash equivalents at 1 January		<b>22,201,170</b>	16,860,471
Net foreign exchange difference		<b>(1,620)</b>	(29,952)
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>	8	<b>22,033,179</b>	20,818,309
<b>Non-cash items excluded from the interim condensed consolidated statement of cash flows:</b>			
Additions to lease liabilities (included with accounts payable and accruals)		<b>1,353,961</b>	354,193
Additions to right-of-use assets (included with property, plant and equipment)		<b>(1,353,961)</b>	(354,193)
Derecognition and remeasurement of right-of-use assets (adjusted property, plant and equipment)		<b>34,975</b>	4,469
Derecognition and remeasurement of lease liabilities (adjusted with accounts payable and accruals)		<b>(34,975)</b>	(4,469)
Transfer of property, plant and equipment to inventories (net) - (adjusted with property, plant and equipment)		<b>(2,073,505)</b>	(185,499)
Transfer of property, plant and equipment to inventories (net) - (adjusted with inventories)		<b>2,073,505</b>	185,499
Additions to equity-accounted investees (adjusted with accounts payable and accruals)		-	6,939,007
Additions to equity-accounted investees (adjusted with investment in equity-accounted investees )		-	(6,939,007)

The attached notes 1 to 17 form part of this interim condensed consolidated financial information.

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

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

As at and for the period ended 31 March 2026

### 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 three months ended 31 March 2026 was authorised for issue in accordance with a resolution of the Parent Company’s Board of Directors on 12 May 2026.

The shareholders of the Parent Company at the annual general assembly meeting (“AGM”) held on 26 March 2026 approved the consolidated financial statements for the year ended 31 December 2025. 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 three months ended 31 March 2026 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 2025.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2026

**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 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 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.

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

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

As at and for the period ended 31 March 2026

### 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</i>	
	<i>31 March</i>	
	<i>2026</i>	<i>2025</i>
	<i>KD</i>	<i>KD</i>
<b>Type of goods or service:</b>		
Sales of vehicles and spare parts	50,779,607	72,385,378
Vehicle inspection, repair and maintenance services	3,531,977	3,267,223
Insurance brokerage income	337,719	439,128
<b>Total revenue from contracts with customers</b>	<b>54,649,303</b>	<b>76,091,729</b>
<b>Geographical markets:</b>		
Kuwait	50,077,032	63,403,653
Iraq	4,572,271	12,688,076
<b>Total revenue from contracts with customers</b>	<b>54,649,303</b>	<b>76,091,729</b>
<b>Timing of revenue recognition:</b>		
Goods transferred at a point in time	50,154,821	71,897,232
Goods transferred over a period of time	624,786	488,146
Services rendered at a point in time	3,496,551	3,315,132
Services rendered over a period of time	373,145	391,219
<b>Total revenue from contracts with customers</b>	<b>54,649,303</b>	<b>76,091,729</b>

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

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

As at and for the period ended 31 March 2026

### 4 PROFIT FOR THE PERIOD

The profit for the period is stated after charging:

	<i>Three months ended</i>	
	<i>31 March</i>	
	<b>2026</b>	<b>2025</b>
	<b>KD</b>	<b>KD</b>
<b>Staff costs included in:</b>		
Cost of sales and services rendered	1,355,640	1,279,711
Selling and distribution expenses	904,949	871,310
Administrative expenses	1,484,912	1,828,612
	<b>3,745,501</b>	<b>3,979,633</b>
<b>Expense relating to short term leases included in:</b>		
Cost of sales and services rendered	12,150	9,000
Administrative expenses	18,543	17,089
	<b>30,693</b>	<b>26,089</b>
<b>Costs of inventories recognised as an expense (included in cost of sales and services rendered)</b>	<b>39,075,985</b>	<b>55,862,867</b>
<b>Rental vehicle fleet insurance charges (included in cost of sales and services rendered)</b>	<b>201,377</b>	<b>165,828</b>
<b>Charge of provision for obsolete and slow-moving inventories (included in cost of sales and services rendered)</b>	<b>120,175</b>	<b>455,516</b>
<b>Allowance for ECL on trade receivables and instalment credit receivables included in:</b>		
Selling and distribution expenses	9,695	5,602
Administrative expenses	37,290	82,303
	<b>46,985</b>	<b>87,905</b>
<b>Depreciation expense recognised included in:</b>		
Cost of sales and services rendered	1,211,550	880,173
Selling and distribution expenses	736,463	723,489
Administrative expenses	390,455	398,974
	<b>2,338,468</b>	<b>2,002,636</b>

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

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

As at and for the period ended 31 March 2026

### 5 TAXATION

	<i>Three months ended</i>	
	<i>31 March</i>	
	<b>2026</b>	2025
	<b>KD</b>	<b>KD</b>
Taxation on overseas subsidiary	<b>79,138</b>	442,881
Contribution to Kuwait Foundation for the Advancement of Sciences (“KFAS”)	<b>49,673</b>	77,271
	<b>128,811</b>	520,152

#### ***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 earnings per share are identical.

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

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

As at and for the period ended 31 March 2026

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

	<i>Three months ended</i>	
	<i>31 March</i>	
	<b>2026</b>	<b>2025*</b>
Profit for the period attributable to equity holders of the Parent Company (KD)	<b>4,809,249</b>	7,514,483
Weighted average number of shares outstanding during the period, net of treasury shares (shares)*	<b>394,310,049</b>	392,054,768
<b>Basic and diluted EPS attributable to equity holders of the Parent Company (fils)</b>	<b>12.20</b>	19.17

\* The comparative basic and diluted EPS has been adjusted to reflect the impact of bonus shares approved for issuance in 2026 (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

	<i>31 March</i>	<i>(Audited)</i>	<i>31 March</i>
	<b>2026</b>	<i>31 December</i>	<i>31 March</i>
	<b>KD</b>	<i>2025</i>	<i>2025</i>
		<i>KD</i>	<i>KD</i>
<b>As at 1 January</b>	<b>23,650,260</b>	13,425,748	13,425,748
Additions	-	6,182,538	6,939,007
Share of profit for the period	<b>453,502</b>	3,481,061	1,132,548
Share of other comprehensive income (loss) for the period	<b>5,057</b>	(154,137)	-
Dividends	-	(228,357)	-
Exchange differences	<b>(2,418,421)</b>	943,407	175,845
<b>Total equity accounted investments</b>	<b>21,690,398</b>	23,650,260	21,673,148

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

During the year ended 31 December 2025, the Group acquired additional equity interest of 8.33% in Global Auto for a consideration of KD 6,182,538.

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

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

As at and for the period ended 31 March 2026

### 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:

	<b>31 March 2026 KD</b>	<i>(Audited)</i> <b>31 December 2025 KD</b>	<b>31 March 2025 KD</b>
Cash at banks and on hand	<b>20,939,864</b>	20,620,746	24,290,595
Cash held in managed portfolios	<b>666,165</b>	3,829,883	772,008
Short-term deposits	<b>835,000</b>	4,236,000	110,000
<b>Cash and short-term deposits</b>	<b>22,441,029</b>	28,686,629	25,172,603
Less: Bank overdrafts	<b>(172,850)</b>	(6,250,459)	(4,354,294)
Less: Term deposits with original maturity exceeding three months	<b>(235,000)</b>	(235,000)	-
<b>Cash and cash equivalents</b>	<b>22,033,179</b>	22,201,170	20,818,309

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 fully paid-up share capital in cash and bonus shares as at 31 March 2026 is KD 36,075,000 (31 December 2025: KD 36,075,000 and 31 March 2025: KD 27,750,000) comprising of 360,750,000 (31 December 2025: 360,750,000 and 31 March 2025: 277,500,000) shares of 100 fils each.

At the Extraordinary General Assembly meeting (“EGM”) of the shareholders of the Parent Company held on 26 March 2026, a resolution was passed approving an increase in the authorised, issued and paid-up share capital of the Parent Company from KD 36,075,000 to KD 39,682,500 through the issuance of 36,075,000 bonus shares with a nominal value of 100 fils each, aggregating to KD 3,607,500. The capital increase was duly authenticated and registered in the commercial register on 07 April 2026 under registration number 399347.

#### 9.2 Distributions made

On 26 March 2026, the Parent Company’s shareholders at the AGM approved the following:

- Cash dividends of 26.86 fils per share (31 December 2024: 35 fils per share) amounting to KD 9,660,191 (31 December 2024: KD 9,620,800) to the eligible shareholders on the record date (i.e. 21 April 2026), after excluding treasury shares; and
- Bonus shares of 10% amounting to KD 3,607,500 to the eligible shareholders as on record date 21 April 2026

Dividends payable to equity holders of the Parent Company as at 31 March 2026 amounted to KD 9,716,451 (31 December 2025: KD 59,442 and 31 March 2025: KD 9,688,166) and recorded within “trade payables, accruals and other provisions” (Note 12) in the interim condensed consolidated statement of financial position.

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

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

As at and for the period ended 31 March 2026

### 10 TREASURY SHARES

	<i>31 March</i> <i>2026</i>	<i>(Audited)</i> <i>31 December</i> <i>2025</i>	<i>31 March</i> <i>2025</i>
Number of treasury shares	<b>3,623,780</b>	823,305	3,216,550
Percentage of total outstanding shares	<b>1%</b>	0.23%	1.16%
Cost (KD)	<b>4,095,103</b>	938,402	2,831,198
Market value (KD)	<b>3,910,059</b>	927,865	4,197,598
Market value per share (fils)	<b>1,079</b>	1,127	1,305

An equity reserve with 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

	<i>31 March</i> <i>2026</i> <i>KD</i>	<i>(Audited)</i> <i>31 December</i> <i>2025</i> <i>KD</i>	<i>31 March</i> <i>2025</i> <i>KD</i>
Islamic finance payables	<b>50,870,231</b>	50,646,137	59,168,808
Non-current	<b>40,612,346</b>	29,612,346	34,115,360
Current	<b>10,257,885</b>	21,033,791	25,053,448
	<b>50,870,231</b>	50,646,137	59,168,808

Islamic finance payables bear finance costs at commercial rates.

Islamic finance payables include facilities amounting to KD 20,197,270 (31 December 2025: KD 21,393,288; 31 March 2025: KD 15,666,301), secured by a corporate guarantee provided by certain Group entities (Note 13). The remaining Islamic finance payables are unsecured.

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

	<i>31 March 2026</i>		
	<i>Non-current</i> <i>KD</i>	<i>Current</i> <i>KD</i>	<i>Total</i> <i>KD</i>
Trade payables	-	<b>26,926,037</b>	<b>26,926,037</b>
Advances from customers	-	<b>5,769,546</b>	<b>5,769,546</b>
Contract liabilities*	<b>13,196,283</b>	<b>7,870,252</b>	<b>21,066,535</b>
Lease liabilities	<b>6,379,996</b>	<b>1,731,940</b>	<b>8,111,936</b>
Accrued expenses and provisions	-	<b>9,663,805</b>	<b>9,663,805</b>
Dividends payable (Note 9)	-	<b>9,716,451</b>	<b>9,716,451</b>
Other payables	<b>410,935</b>	<b>3,391,481</b>	<b>3,802,416</b>
	<b>19,987,214</b>	<b>65,069,512</b>	<b>85,056,726</b>

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

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

As at and for the period ended 31 March 2026

### 12 TRADE PAYABLES, ACCRUALS AND OTHER PROVISIONS (continued)

	31 December 2025 (Audited)		
	Non-current KD	Current KD	Total KD
Trade payables	-	36,408,566	36,408,566
Advances from customers	-	6,971,452	6,971,452
Contract liabilities*	15,283,521	5,417,612	20,701,133
Lease liabilities	5,254,890	2,139,756	7,394,646
Accrued expenses and provisions	-	12,309,097	12,309,097
Dividend payable (Note 9)	-	59,442	59,442
Other payables	663,722	4,481,651	5,145,373
	<u>21,202,133</u>	<u>67,787,576</u>	<u>88,989,709</u>
	31 March 2025		
	Non-current KD	Current KD	Total KD
Trade payables	-	37,184,184	37,184,184
Advances from customers	-	6,221,012	6,221,012
Contract liabilities*	12,963,266	4,954,693	17,917,959
Lease liabilities	5,358,093	2,506,235	7,864,328
Accrued expenses and provisions	-	13,401,923	13,401,923
Dividend payable (Note 9)	-	9,688,166	9,688,166
Other payables	2,037,283	9,325,630	11,362,913
	<u>20,358,642</u>	<u>83,281,843</u>	<u>103,640,485</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 their immediate family members and other 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 three months ended 31 March 2026 and 2025, as well as balances with related parties as at 31 March 2026, 31 December 2025 and 31 March 2025:

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

As at and for the period ended 31 March 2026

### 13 RELATED PARTY DISCLOSURES (continued)

	<i>Three months ended</i>		
	<i>31 March</i>		
	<b>2026</b>	<b>2025</b>	
	<b>KD</b>	<b>KD</b>	
<b>Interim condensed consolidated statement of profit or loss</b>			
<i>Affiliates and other related parties</i>			
Sale of goods	<b>2,035,989</b>	119,477	
Rendering of services	<b>16,821</b>	10,472	
Vehicle rental income	<b>14,362</b>	13,692	
Administrative expenses	<b>(1,450)</b>	(23,980)	
		<i>(Audited)</i>	
	<i>31 March</i>	<i>31 December</i>	<i>31 March</i>
	<b>2026</b>	<b>2025</b>	<b>2025</b>
	<b>KD</b>	<b>KD</b>	<b>KD</b>
<b>Consolidated statement of financial position</b>			
Investment securities	<b>620,389</b>	669,903	549,500
Accounts receivable and prepayments	<b>125,616</b>	22,926	121,481
Trade payables, accruals and other provisions	<b>66,000</b>	66,000	-
Receivables from related parties:			
- Equity-accounted investees*	<b>3,582,166</b>	3,563,069	6,437,811
- Affiliates and other related parties	<b>1,144,149</b>	1,409,925	345,942
	<b>4,726,315</b>	4,972,994	6,783,753
Payables to related parties:			
<i>Key management</i>	<b>86,419</b>	86,419	86,419
<i>Affiliates and other related parties**</i>	<b>10,254,121</b>	10,545,637	11,985,809
	<b>10,340,540</b>	10,632,056	12,072,228

\* The balance includes an amount of KD 3,582,166 (31 December 2025: KD 3,563,069; 31 March 2025: KD 6,282,631) 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.

\*\* As at the period end this balance includes an amount payable to the non-controlling investor of German Automotive Holding Limited amounting to KD 9,563,587 (31 December 2025: KD 9,784,709; 31 March 2025: KD 11,392,215).

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

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

As at and for the period ended 31 March 2026

### 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 31 March 2026, the Group has not recognised any provision for expected credit losses relating to amounts owed by related parties (31 December 2025: Nil; 31 March 2025: Nil).

#### Other related party disclosures

- ▶ Islamic finance payables include tawarruq facilities amounting to KD 20,197,270 (31 December 2025: KD 21,393,288; 31 March 2025: KD 15,666,301) secured by a corporate guarantee provided by certain Group entities (Note 11).
- ▶ As at 31 March 2026, the Group has provided corporate guarantee and bank guarantee of KD 7,668,750 (31 December 2025: KD 15,014,496; 31 March 2025: KD 6,842,772) in the ordinary course of business to be utilised by related parties (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>31 March 2026 KD</i>	<i>31 March 2025 KD</i>	
Salaries and short-term benefits	94,990	102,899	
End of service benefits	14,380	18,273	
	<b>109,370</b>	<b>121,172</b>	

	<i>Balances outstanding as at</i>		
	<i>(Audited)</i>		
	<i>31 March 2026 KD</i>	<i>31 December 2025 KD</i>	<i>31 March 2025 KD</i>
Salaries and short-term benefits	140,725	1,123,509	197,203
End of service benefits	382,185	367,805	530,878
Directors' remuneration	85,000	85,000	85,000
	<b>607,910</b>	<b>1,576,314</b>	<b>813,081</b>

The Board of Directors of the Parent Company in its meeting held on 23 February 2026 proposed directors' remuneration of KD 85,000 (31 December 2024: KD 85,000) for the year ended 31 December 2025. The remuneration was approved by the shareholders at the AGM held on 26 March 2026.

### 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.

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

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

As at and for the period ended 31 March 2026

### 14 CONTINGENCIES (continued)

#### 14.2 Other contingencies

The Group had contingent liabilities in respect of corporate guarantees, bank guarantees and letters of credit arising in the ordinary course of business amounting to KD 29,891,318 (31 December 2025: KD 35,368,606; 31 March 2025: KD 28,343,293), out of which KD 7,668,750 (31 December 2025: KD 15,014,496; 31 March 2025: KD 6,842,772) is utilised by related parties, 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 three-month ended 31 March 2026 and 2025, respectively:

	<i>Revenue</i>		<i>Results</i>	
	<i>Three months ended</i>		<i>Three months ended</i>	
	<i>31 March</i>		<i>31 March</i>	
	<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Kuwait	<b>57,812,138</b>	69,131,544	<b>14,259,111</b>	17,258,253
Iraq	<b>4,572,271</b>	12,688,076	<b>437,150</b>	2,551,521
United Arab Emirates	-	-	<b>382,110</b>	1,128,436
Adjustments and eliminations	<b>(5,665,297)</b>	(4,019,430)	<b>(9,687,622)</b>	(11,369,028)
	<b>56,719,112</b>	77,800,190	<b>5,390,749</b>	9,569,182

#### b) Segment assets and liabilities

The following tables present assets and liabilities information for the Group's operating segments as at 31 March 2026, 31 December 2025 and 31 March 2025, respectively:

	<i>31 March</i>	<i>(Audited)</i>	
		<i>31 December</i>	<i>31 March</i>
	<i>2026</i>	<i>2025</i>	<i>2025</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>
<b>Segment assets</b>			
Kuwait	<b>274,877,264</b>	281,310,722	291,064,170
Iraq	<b>24,652,552</b>	23,271,814	28,900,759
United Arab Emirates	<b>18,492,831</b>	20,748,687	21,566,396
Adjustments and eliminations	<b>(57,454,810)</b>	(50,805,193)	(60,115,275)
<b>Total consolidated segment assets</b>	<b>260,567,837</b>	274,526,030	281,416,050
<b>Segment liabilities</b>			
Kuwait	<b>153,610,167</b>	152,122,300	178,646,655
Iraq	<b>8,379,374</b>	6,748,781	13,253,219
United Arab Emirates	<b>9,575,392</b>	9,796,454	11,405,317
Adjustments and eliminations	<b>(18,638,693)</b>	(11,838,847)	(21,995,488)
<b>Total consolidated segment liabilities</b>	<b>152,926,240</b>	156,828,688	181,309,703

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2026

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>Three months ended 31 March</i>		<i>Three months ended 31 March</i>	
	<b>2026</b>	<b>2025</b>	<b>2026</b>	<b>2025</b>
	<b>KD</b>	<b>KD</b>	<b>KD</b>	<b>KD</b>
Kuwait	<b>69,354</b>	-	<b>36,086,450</b>	46,327,051
Iraq	-	-	<b>2,989,535</b>	9,535,816
United Arab Emirates*	<b>384,148</b>	1,132,548	-	-
	<b>453,502</b>	1,132,548	<b>39,075,985</b>	55,862,867

d) Other disclosures

	<i>31 March 2026</i>	<i>(Audited)</i>	
		<i>31 December 2025</i>	<i>31 March 2025</i>
	<b>KD</b>	<b>KD</b>	<b>KD</b>
<i>Investment in equity accounted investees</i>			
Kuwait	<b>6,535,007</b>	6,773,818	6,939,007
United Arab Emirates*	<b>15,155,391</b>	16,876,442	14,734,141
	<b>21,690,398</b>	23,650,260	21,673,148
 <i>Capital expenditure**</i>			
Kuwait	<b>2,782,608</b>	11,634,959	2,664,416
Iraq	<b>347,334</b>	1,909,820	330,637
	<b>3,129,942</b>	13,544,779	2,995,053

\* 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.

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2026

16 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

	<i>Fair value measurement using</i>		
	<i>Quoted market prices (Level 1)</i> <i>KD</i>	<i>Significant observable inputs (Level 2)</i> <i>KD</i>	<i>Total</i> <i>KD</i>
<b>31 March 2026</b>			
<b>Assets measured at fair value:</b>			
<i>Financial assets at FVOCI</i>			
Quoted equity securities	620,389	-	620,389
<i>Financial assets at FVPL</i>			
Unquoted open-ended fund	-	1,641,811	1,641,811
<b>Investment securities (at fair value)</b>	<b>620,389</b>	<b>1,641,811</b>	<b>2,262,200</b>
<b>Liabilities measured at fair value:</b>			
Derivative financial liabilities			
Foreign exchange forward contracts	-	(72,578)	(72,578)
<b>31 December 2025 (Audited)</b>			
<b>Assets measured at fair value:</b>			
<i>Financial assets at FVOCI</i>			
Quoted equity securities	669,903	-	669,903
<i>Financial assets at FVPL</i>			
Unquoted open-ended fund	-	1,850,175	1,850,175
<b>Investment securities (at fair value)</b>	<b>669,903</b>	<b>1,850,175</b>	<b>2,520,078</b>
<b>Liabilities measured at fair value:</b>			
Derivative financial liabilities			
Foreign exchange forward contracts	-	-	-
<b>31 March 2025</b>			
<b>Assets measured at fair value:</b>			
<i>Financial assets at FVOCI</i>			
Quoted equity securities	549,500	-	549,500
<i>Financial assets at FVPL</i>			
Unquoted open-ended fund	-	1,647,783	1,647,783
<b>Investment securities (at fair value)</b>	<b>549,500</b>	<b>1,647,783</b>	<b>2,197,283</b>
<b>Assets measured at fair value:</b>			
Derivative financial assets			
Foreign exchange forward contracts	-	487,040	487,040

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2026

**16 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)**

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 2025.

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.

**17 IMPACT OF GEOPOLITICAL ESCALATION RISK AND RELATED UNCERTAINTY**

The Group operates in an environment affected by ongoing geopolitical tensions in the Middle East, creating uncertainty in financial markets, energy costs, supply chains, and broader economic conditions. Management has assessed the potential impacts of the geopolitical situation on the Group's operations and financial position, taking into consideration macroeconomic factors, liquidity risk, counterparty and credit risk, supply chain disruptions, commodity and product price volatility, and currency volatility.

The Group's financial performance during the period reflects the impact of the prevailing geopolitical and economic environment; however, gross margins have remained broadly stable, and there has been no material impact on the Group's operating capability.

As at the reporting date, the Group continues to operate without material disruption to its core operations. The Group maintains liquidity buffers and capital resources that management considers sufficient to meet its commitments and operating expenses as they fall due.

The geopolitical situation remains dynamic, and the extent and duration of potential impacts on global financial markets are uncertain. Management continues to monitor developments closely and will reflect any material impacts in future financial reporting and risk disclosures as appropriate.