Grant Thornton
Al-Qatami, Al-Aiban & Partners

Interim condensed consolidated financial information and review report

Gulf Cables and Electrical Industries Group Company – KPSC and Subsidiaries

Kuwait

30 June 2025 (Unaudited)

Contents

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Report on review of interim condensed consolidated financial information

To the board of directors of
Gulf Cables and Electrical Industries Group Company – KPSC
Kuwait

Introduction
We have reviewed the accompanying interim condensed consolidated statement of financial position of Gulf Cables and Electrical Industries Group Company – KPSC (the "Parent Company") and its subsidiaries (together referred to as the "Group") as of 30 June 2025 and the related interim condensed consolidated statements of profit or loss and profit or loss and other comprehensive income for the three-month and six-month periods then ended, and interim condensed consolidated statements of changes in equity and cash flows for the six-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". 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 International Accounting Standard 34, "Interim Financial Reporting".

Report on review of other legal and regulatory requirements
Based on our review, the interim condensed consolidated financial information is in agreement with the books of the Parent Company. We further report that, to the best of our knowledge and belief, no violations of the Companies Law No. 1 of 2016 and its Executive Regulations, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, have occurred during the six-month period ended 30 June 2025 that might have had a material effect on the business or financial position of the Parent Company.

We further report that, during the course of our review, we have not become aware of any material violations of the provisions of Law No. 7 of 2010 concerning the Capital Markets Authority and its related regulations during the six-month period ended 30 June 2025 that might have had a material effect on the business or financial position of the Parent Company.

Hend Abdullah Al Surayea
(Licence No. 141-A)
of Grant Thornton – Al-Qatami, Al-Aiban & Partners

Kuwait
13 August 2025

Interim condensed consolidated statement of profit or loss

	Note	Three months ended 30 June 2025 (Unaudited) KD	Three months ended 30 June 2024 (Unaudited) KD	Six months ended 30 June 2025 (Unaudited) KD	Six months ended 30 June 2024 (Unaudited) KD
Revenue					
Sales and contracting revenue		**21,438,273**	28,095,895	**45,359,923**	52,717,858
Cost of revenue		**(20,181,214)**	(23,251,878)	**(40,639,440)**	(45,035,737)
Gross profit		**1,257,059**	4,844,017	**4,720,483**	7,682,121
Gain/(loss) from investments at fair value through profit or loss		**2,428,383**	(113,338)	**2,190,668**	(171,899)
Dividend income		**7,257,418**	2,325,097	**7,257,418**	11,535,097
Other investment (losses)/gains		**(3,945)**	58,002	**(49,775)**	37,374
Share of results of associates and joint venture	7	**2,817,490**	1,041,749	**4,870,765**	2,607,508
Interest and other income		**7,156**	78,444	**16,402**	142,437
Foreign currency exchange gain		**85,378**	150,437	**173,088**	276,316
		13,848,939	8,384,408	**19,179,049**	22,108,954
Expenses and other charges					
General and administrative expenses		**(2,012,484)**	(1,589,255)	**(3,269,529)**	(3,170,419)
Commercial expenses		**(795,518)**	(761,369)	**(1,280,221)**	(1,446,898)
Provision (charge)/ reversal for slow moving inventories - net		**(72,558)**	27,689	**(86,133)**	78,322
Provision reversal /(charge) for doubtful debts - net		**61,181**	(1,113,389)	**61,181**	(1,228,695)
Finance costs		**(464,488)**	(380,572)	**(870,603)**	(787,989)
		(3,283,867)	(3,816,896)	**(5,445,305)**	(6,555,679)
Profit for the period before provision for taxation and Board of Directors' remuneration		**10,565,072**	4,567,512	**13,733,744**	15,553,275
Provision for taxation	5	**(314,388)**	(154,179)	**(367,863)**	(606,498)
Board of directors' remuneration		**(76,250)**	(76,250)	**(152,500)**	(152,500)
Profit for the period		**10,174,434**	4,337,083	**13,213,381**	14,794,277
Profit for the period attributable to:					
Owners of the Parent Company		**10,174,115**	4,337,373	**13,205,383**	14,790,941
Non-controlling interests		**319**	(290)	**7,998**	3,336
Profit for the period		**10,174,434**	4,337,083	**13,213,381**	14,794,277
Basic and diluted earnings per share attributable to the owners of the Parent Company	6	**49 Fils**	21 Fils	**64 Fils**	71 Fils

The notes set out on pages 8 to 21 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of profit or loss and other comprehensive income

	Three months ended		Six months ended	
	30 June 2025 (Unaudited) KD	30 June 2024 (Unaudited) KD	**30 June 2025 (Unaudited) KD**	30 June 2024 (Unaudited) KD
Profit for the period	**10,174,434**	4,337,083	**13,213,381**	14,794,277
Other comprehensive income/(loss):				
Items that will be reclassified subsequently to consolidated statement of profit or loss:				
Share of other comprehensive (loss)/income of associates	**(23,751)**	(7,815)	**(21,056)**	(4,312)
Exchange differences arising on translation of foreign operations	**(34,224)**	31,017	**(90,898)**	(10,661)
	(57,975)	23,202	**(111,954)**	(14,973)
Items that will not be reclassified subsequently to consolidated statement of profit or loss:				
Share of other comprehensive income/(loss) of associates	**1,747,808**	(527,421)	**4,656,221**	4,426,637
Net change in fair value of investments at FVTOCI	**9,268,944**	(1,118,161)	**25,846,839**	16,041,799
	11,016,752	(1,645,582)	**30,503,060**	20,468,436
Total other comprehensive income/(loss)	**10,958,777**	(1,622,380)	**30,391,106**	20,453,463
Total comprehensive income for the period	**21,133,211**	2,714,703	**43,604,487**	35,247,740
Total comprehensive income/(loss) for the period attributable to:				
Owners of the Parent Company	**21,134,774**	2,713,287	**43,601,488**	35,244,990
Non-controlling interests	**(1,563)**	1,416	**2,999**	2,750
	21,133,211	2,714,703	**43,604,487**	35,247,740

Interim condensed consolidated statement of financial position

	Note	**30 June 2025 (Unaudited) KD**	31 Dec. 2024 (Audited) KD	30 June 2024 (Unaudited) KD
Assets				
Non-current assets				
Goodwill and other intangible assets		**7,730,928**	7,790,389	3,603,180
Property, plant and equipment		**8,995,238**	9,615,133	8,635,736
Right-of-use assets		**190,319**	301,076	380,584
Investment in associates and joint venture	7	**93,620,976**	90,713,766	85,247,578
Investments at fair value through other comprehensive income	8	**169,455,822**	141,821,815	122,237,368
Other receivables		**371,252**	292,842	-
		280,364,535	250,535,021	220,104,446
Current assets				
Inventories	9	**44,018,177**	45,494,341	40,888,374
Trade accounts receivable		**18,165,488**	15,963,732	22,564,343
Other receivables and prepayments		**2,898,652**	2,585,369	2,291,635
Investments at fair value through profit or loss		**9,223,538**	3,798,808	3,051,313
Cash and cash equivalents	10	**5,045,678**	7,740,901	8,324,872
		79,351,533	75,583,151	77,120,537
Total assets		**359,716,068**	326,118,172	297,224,983
Equity and liabilities				
Equity				
Share capital		**20,993,131**	20,993,131	20,993,131
Share premium		**29,160,075**	29,160,075	29,160,075
Treasury shares	11	**(2,599,824)**	(2,244,008)	(1,724,854)
Statutory, voluntary and general reserves		**76,290,067**	76,290,067	74,109,625
Other components of equity	12	**122,966,154**	92,423,573	79,321,300
Retained earnings		**53,324,070**	54,804,385	49,767,715
Total equity attributable to the owners of the Parent Company		**300,133,673**	271,427,223	251,626,992
Non-controlling interests		**532,674**	529,675	506,668
Total equity		**300,666,347**	271,956,898	252,133,660
Non-current liabilities				
Provision for employees' end of service benefits		**5,767,032**	5,609,216	5,087,134
Borrowings	13	**12,098,000**	16,053,000	19,508,000
Other payables		**97,063**	27,563	-
Lease liabilities		**20,964**	23,899	33,007
		17,983,059	21,713,678	24,628,141
Current liabilities				
Trade accounts payable		**5,156,033**	3,785,272	2,966,899
Other payables and accruals		**10,362,331**	15,652,005	8,582,214
Lease liabilities		**2,246**	268,042	227,124
Borrowings	13	**24,160,000**	12,044,495	7,844,495
Due to banks	10	**1,386,052**	697,782	842,450
		41,066,662	32,447,596	20,463,182
Total liabilities		**59,049,721**	54,161,274	45,091,323
Total equity and liabilities		**359,716,068**	326,118,172	297,224,983

Bader Naser Al-Kharafi
Vice Chairman

The notes set out on pages 8 to 21 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity

	Equity attributable to the owners of the Parent Company							Non-controlling interests	Total
	Share capital KD	Share premium KD	Treasury shares KD	Statutory, voluntary and general reserves KD	Other components of equity KD	Retained earnings KD	Sub-total KD	KD	KD
Balance at 1 January 2025 (Audited)	20,993,131	29,160,075	(2,244,008)	76,290,067	92,423,573	54,804,385	271,427,223	529,675	271,956,898
Purchase of treasury shares	-	-	(355,816)	-	-	-	(355,816)	-	(355,816)
Cash dividends (Note 14)	-	-	-	-	-	(14,550,540)	(14,550,540)	-	(14,550,540)
Transactions with owners	-	-	(355,816)	-	-	(14,550,540)	(14,906,356)	-	(14,906,356)
Profit for the period	-	-	-	-	-	13,205,383	13,205,383	7,998	13,213,381
Other comprehensive income/(loss)	-	-	-	-	30,396,105	-	30,396,105	(4,999)	30,391,106
Total comprehensive income for the period	-	-	-	-	30,396,105	13,205,383	43,601,488	2,999	43,604,487
Loss on sale of investments at FVTOCI	-	-	-	-	223,278	(223,278)	-	-	-
Gain on sale of investments at FVTOCI by an associate	-	-	-	-	(76,802)	76,802	-	-	-
Net loss on sale of investments at FVTOCI	-	-	-	-	146,476	(146,476)	-	-	-
Gain on additional acquisition of a subsidiary by an associate	-	-	-	-	-	11,318	11,318	-	11,318
Balance at 30 June 2025 (Unaudited)	20,993,131	29,160,075	(2,599,824)	76,290,067	122,966,154	53,324,070	300,133,673	532,674	300,666,347

The notes set out on pages 8 to 21 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity

	Equity attributable to the owners of the Parent Company							Non-controlling interests	Total
	Share capital KD	Share premium KD	Treasury shares KD	Statutory, voluntary and general reserves KD	Other components of equity KD	Retained earnings KD	Sub-total KD	KD	KD
Balance at 1 January 2024 (Audited)	20,993,131	29,160,075	(1,361,022)	74,109,625	58,867,251	48,507,417	230,276,477	503,918	230,780,395
Purchase of treasury shares	-	-	(363,832)	-	-	-	(363,832)	-	(363,832)
Cash dividends (Note 14)	-	-	-	-	-	(13,530,643)	(13,530,643)	-	(13,530,643)
Transactions with owners	-	-	(363,832)	-	-	(13,530,643)	(13,894,475)	-	(13,894,475)
Profit for the period	-	-	-	-	-	14,790,941	14,790,941	3,336	14,794,277
Other comprehensive income/(loss)	-	-	-	-	20,454,049	-	20,454,049	(586)	20,453,463
Total comprehensive income for the period	-	-	-	-	20,454,049	14,790,941	35,244,990	2,750	35,247,740
Balance at 30 June 2024 (Unaudited)	20,993,131	29,160,075	(1,724,854)	74,109,625	79,321,300	49,767,715	251,626,992	506,668	252,133,660

The notes set out on pages 8 to 21 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

	Note	Six months ended 30 June 2025 (Unaudited) KD	Six months ended 30 June 2024 (Unaudited) KD
OPERATING ACTIVITIES			
Profit for the period		**13,213,381**	14,794,277
Adjustments:			
Depreciation and amortization		**980,175**	901,484
Finance costs		**870,603**	787,989
Interest income		**(10,448)**	(133,718)
Dividend income		**(7,257,418)**	(11,535,097)
Share of results of associates and joint venture		**(4,870,765)**	(2,607,508)
Gain on sale/disposal of property, plant and equipment		**(1,225)**	(778)
Provision charge/(reversal) for slow-moving inventories – net		**86,133**	(78,322)
Provision (reversal)/charge for doubtful debts - net		**(61,181)**	1,228,695
Provision charge for employees' end of service benefits		**303,795**	284,109
		3,253,050	3,641,131
Changes in operating assets and liabilities:			
Inventories		**1,390,031**	(2,872,890)
Investments at fair value through profit or loss		**(5,424,730)**	163,157
Trade accounts receivable		**(2,140,575)**	3,854,045
Other receivables and prepayments		**(388,742)**	(585,845)
Trade accounts payable		**1,370,761**	(945,017)
Other payables and accruals		**(5,490,757)**	(322,821)
Employees' end of service benefits paid		**(145,979)**	(76,524)
Net cash (used in)/from operating activities		**(7,576,941)**	2,855,236
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**(196,442)**	(181,961)
Proceeds from sale/disposal of property, plant and equipment		**1,245**	-
Proceeds from sale of investments at FVTOCI		**889,789**	-
Purchase of investments at FVTOCI		**(2,676,957)**	(2,400,424)
Dividend income received		**7,257,418**	11,535,097
Dividend income received from associates		**6,610,038**	4,817,075
Interest income received		**7,498**	133,718
Net increase in time deposit with originally maturity exceeding three months		**(120,000)**	-
Net cash from investing activities		**11,772,589**	13,903,505
FINANCING ACTIVITIES			
Payment of cash dividends		**(14,381,235)**	(13,552,827)
Purchase of treasury shares		**(355,816)**	(363,832)
Net movement in borrowings		**8,160,505**	(3,805,000)
Lease liabilities paid		**(273,676)**	(227,124)
Finance costs paid		**(767,515)**	(716,409)
Net cash used in financing activities		**(7,617,737)**	(18,665,192)
Decrease in cash and cash equivalents		**(3,422,089)**	(1,906,451)
Foreign currency adjustment		**(81,404)**	(10,955)
Cash and cash equivalents at beginning of the period	10	**6,843,119**	9,399,828
Cash and cash equivalents at end of the period	10	**3,339,626**	7,482,422

The notes set out on pages 8 to 21 form an integral part of this interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information

1 General information and nature of operations

Gulf Cables and Electrical Industries Group Company – KPSC ("the Parent Company") is a registered Kuwaiti Public Shareholding Company, which was established on 15 March 1975. The shares of the Parent Company are listed on Boursa Kuwait.

The Group comprises the Parent Company and its subsidiaries.

Objectives for which the Parent Company was incorporated are as follows:

1- Produce all kinds of electrical and telephone cables of various sizes and varieties;
2- Produce all kinds of electric and telephone wires of various sizes and varieties;
3- Produce the wires necessary for the production of light bulbs;
4- Produce light bulbs of all varieties and sizes after obtaining the necessary license from the Public Authority for Industry;
5- Manufacture electrical transformers, switches and distribution panels after obtaining the necessary license from the Public Authority for Industry;
6- Various manufacturing relating to power equipment and tools for industrial or household purposes after obtaining the necessary license from the Public Authority for Industry;
7- Produce all kinds of aluminum chips and nylon covering rolls of various sizes and varieties after obtaining the necessary license from the Public Authority for Industry;
8- Produce copper bars which are used in the production of electrical and telephone cables after obtaining the necessary license from the Public Authority for Industry;
9- Trade in all kinds of these products;
10- Import machinery, plant, equipment and tools necessary to achieve the Company's objectives;
11- Import the raw materials for this industry;
12- Invest the surplus funds in investment portfolios in order to serve the Company's objectives;
13. Owning real estate and movables for the benefit of the Company.
14- Owning stocks and shares in Kuwaiti or non-Kuwaiti shareholding companies and shares in Kuwaiti and non-Kuwaiti limited liability companies and participating in the establishment of, lending and managing of these companies and acting as guarantor for these companies.
15- Managing its subsidiaries or participating in the management of other companies in which it contributes and providing the necessary support for them.

The Parent Company may have interest or participate in any aspect in the authorities and companies which practice similar activities, or which may assist it in the achievement of its objectives in Kuwait and abroad. The Parent Company may also purchase these authorities and companies or affiliate them therewith.

The address of the Parent Company's registered office is PO Box 1196, Safat 13012, State of Kuwait.

This interim condensed consolidated financial information for the six-month period ended 30 June 2025 was authorised for issue by the Parent Company's board of directors on 13 August 2025.

2 Basis of preparation

The interim condensed consolidated financial information of the Group for the six-month period ended 30 June 2025 has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting".

Notes to the interim condensed consolidated financial information (continued)

2 Basis of preparation (continued)

The annual consolidated financial statements for the year ended 31 December 2024 were prepared in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

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

This interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements prepared in accordance with the IFRS Accounting Standards. In the opinion of the Parent Company's management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included.

Operating results for the six-month period ended 30 June 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025. For further details, refer to the consolidated financial statements and their disclosures for the year ended 31 December 2024.

The Group has consolidated its subsidiaries using management accounts for the period ended 30 June 2025.

3 Changes in accounting policies

The accounting polices used in the preparation of this interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the new and amended IFRS Accounting Standards effective as of 1 January 2025 as described in Note 3.1. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

3.1 New and amended IFRS Accounting Standards adopted by the Group

The following amendments to IAS 21 were effective for the current period:

IAS 21 Amendments – Lack of exchangeability

The amendments to IAS 21 addresses determination of exchange rate when there is long term lack of exchangeability. The amendments:

- Specify when a currency is exchangeable into another currency and when it is not — a currency is exchangeable when an entity is able to exchange that currency for the other currency through markets or exchange mechanisms that create enforceable rights and obligations without undue delay at the measurement date and for a specified purpose; a currency is not exchangeable into the other currency if an entity can only obtain an insignificant amount of the other currency.
- Specify how an entity determines the exchange rate to apply when a currency is not exchangeable — when a currency is not exchangeable at the measurement date, an entity estimates the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing.
- Require the disclosure of additional information when a currency is not exchangeable — when a currency is not exchangeable an entity discloses information that would enable users of its financial statements to evaluate how a currency's lack of exchangeability affects, or is expected to affect, its financial performance, financial position and cash flows.

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

Notes to the interim condensed consolidated financial information (continued)

4 Judgement and estimates

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited consolidated financial statements as at and for the year ended 31 December 2024.

5 Provision for taxation

	Three months ended		Six months ended	
	30 June 2025 (Unaudited) KD	30 June 2024 (Unaudited) KD	**30 June 2025 (Unaudited) KD**	30 June 2024 (Unaudited) KD
Provision for contributions to Kuwait Foundation for Advancement of Science	**76,969**	35,133	**88,091**	129,499
Provision for Zakat	**52,135**	23,978	**64,055**	126,152
Provision for National Labour Support Tax	**130,393**	60,335	**160,826**	316,114
Taxation charge on overseas subsidiary	**54,891**	34,733	**54,891**	34,733
	314,388	154,179	**367,863**	606,498

6 Basic and diluted earnings per share attributable to the owners of the Parent Company

Basic and diluted earnings per share is calculated by dividing the profit for the period attributable to the owners of the Parent Company by the weighted average number of shares outstanding during the period after excluding treasury shares. As there are no dilutive instruments outstanding, basic and diluted loss per share are identical.

	Three months ended		Six months ended	
	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)	**30 June 2025 (Unaudited)**	30 June 2024 (Unaudited)
Profit for the period attributable to the owners of the Parent Company – KD	**10,174,115**	4,337,373	**13,205,383**	14,790,941
Weighted average number of shares outstanding during the period (excluding treasury shares)	**207,920,846**	208,214,785	**207,936,371**	208,343,964
Basic and diluted earnings per share attributable to the owners of the Parent Company	**49 Fils**	21 Fils	**64 Fils**	71 Fils

Notes to the interim condensed consolidated financial information (continued)

7 Investment in associates and joint venture

	30 June 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	30 June 2024 (Unaudited) KD
Investment in associates (7.1)	**91,011,710**	88,113,502	82,680,177
Investment in joint venture (7.2)	**2,609,266**	2,600,264	2,567,401
	93,620,976	90,713,766	85,247,578

7.1 Investment in associates

7.1.1 Details of the Group's associates are as follows:

Name	Country of incorporation	Effective interest held by Group at period/year end			Principal activities
		30 June 2025 (Unaudited) %	31 Dec. 2024 (Audited) %	30 June 2024 (Unaudited) %	
Team Holding Company – KSC (Closed) - (Unquoted)	Kuwait	**50.00**	50.00	47.50	Financing and investment
National Investment Company – KPSC (Quoted)	Kuwait	**26.98**	26.98	26.98	Financial services
Heavy Engineering Industries and Shipbuilding – KPSC (Quoted)	Kuwait	**28.33**	28.33	28.33	Industrial

7.1.2 The movement in the carrying value of the investment in associates during the period/year is as follows:

	30 June 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	30 June 2024 (Unaudited) KD
At the beginning of the period/year	**88,113,502**	80,509,610	80,509,610
Additions during the period/year	-	57,797	-
Gain on bargain purchase	-	240	-
Share of results for the period/year	**4,861,763**	5,939,039	2,565,317
Share of other comprehensive income for the period/year	**4,635,165**	6,423,890	4,422,325
Share of other equity movements for the period/year	**11,318**	-	-
Dividends received	**(6,610,038)**	(4,817,074)	(4,817,075)
At the end of period/year	**91,011,710**	88,113,502	82,680,177

7.2 Investment in joint venture

This represents the Group's participation in a joint venture "Gulf and Riyadh Electric Wires, Cables and Electronics Manufacturing Company – WLL" (Kuwait) having a total share capital of KD5,000,000 in which the Group has 50% ownership. The joint venture's main objective is manufacture of electric and electronic wires and cables. The movement in the carrying amount of the investment in the joint venture is as follows:

Notes to the interim condensed consolidated financial information (continued)

7 Investment in associates and joint venture (continued)

7.2 Investment in joint venture (continued)

	30 June 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	30 June 2024 (Unaudited) KD
At the beginning of the period/year	**2,600,264**	2,525,210	2,525,210
Share of results for the period/year	**9,002**	75,054	42,191
	2,609,266	2,600,264	2,567,401

8 Investments at fair value through other comprehensive income

	30 June 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	30 June 2024 (Unaudited) KD
Quoted securities	**101,992,215**	79,378,732	65,862,997
Unquoted securities	**61,519,290**	56,620,985	50,864,392
Managed funds	**5,944,317**	5,822,098	5,509,979
	169,455,822	141,821,815	122,237,368

8.1 These investments are held in equity instruments for medium to long term strategic objectives. Accordingly, management has chosen to identify these investments in equity instruments as investments at fair value through other comprehensive income where it is believed that the recognition of short-term fluctuations in the fair value of these investments in the statement of profit or loss will not be consistent with the Group's strategy to hold such investments for long-term purposes and realizing their performance potential in the long term.

8.2 The board of directors of the Parent Company in their meeting held on 10 October 2024 approved a non-binding offer submitted to Foulath Holding Co.- BSC (Bahrain) ("Foulath") regarding the acquisition of 100% of the shares of the Foulath which is conditional upon the completion of due diligence after which a binding offer will be made with a final price. Currently, the Parent Company owns 10% shareholding in Foulath.

8.3 Certain investments with a carrying value of KD104,190,857 (31 December 2024: KD82,183,495 and 30 June 2024: KD69,847,621) are held in portfolios managed by related parties.

8.4 During the period the Group acquired additional quoted shares in in an investment classified at fair value through other comprehensive income which increased the Group's ownership interest from 14.08% to 21.34% and amounted to KD5,103,160 at 30 June 2025. Management believes that the Group does not exercise significant influence over the investee, and therefore, the investment continues to classified as investment at fair value through other comprehensive income.

Notes to the interim condensed consolidated financial information (continued)

9 Inventories

	30 June 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	30 June 2024 (Unaudited) KD
Raw materials	**17,263,930**	15,061,886	11,605,283
Finished goods	**16,470,362**	16,983,425	15,678,849
Work-in-progress	**6,729,985**	8,699,914	8,453,660
Spare parts	**2,998,285**	3,006,806	3,107,530
	43,462,562	43,752,031	38,845,322
Less: provision for slow-moving inventories	**(1,273,846)**	(1,188,994)	(1,079,664)
	42,188,716	42,563,037	37,765,658
Goods in transit	**1,829,461**	2,931,304	3,122,716
	44,018,177	45,494,341	40,888,374

10 Cash and cash equivalents

	30 June 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	30 June 2024 (Unaudited) KD
Cash in hand	**92,635**	175,585	19,347
Cash held in managed portfolios	**2,924,925**	687,392	2,626,889
Bank balances	**1,458,118**	6,493,734	5,614,794
Time deposits	**570,000**	384,190	63,842
Cash and cash equivalents for the purpose of interim condensed consolidated statement of financial position	**5,045,678**	7,740,901	8,324,872
Less: due to banks	**(1,386,052)**	(697,782)	(842,450)
Less: time deposits with original maturity exceeding three months	**(320,000)**	(200,000)	-
Cash and cash equivalents for the purpose of interim condensed consolidated statement of cash flows	**3,339,626**	6,843,119	7,482,422

Due to banks represent overdraft facilities which carry commercial interest rates and are payable on demand.

11 Treasury shares

The Group holds treasury shares as follows:

	30 June 2025 (Unaudited)	31 Dec. 2024 (Audited)	30 June 2024 (Unaudited)
Number of shares	**2,095,349**	1,912,211	1,729,330
Percentage of issued shares	**1.00%**	0.91%	0.82%
Cost of treasury shares (KD)	**2,599,824**	2,244,008	1,724,854
Market value (KD)	**4,230,510**	3,269,881	2,386,475

Reserves of the Parent Company equivalent to the cost of treasury shares have been earmarked as non-distributable.

Notes to the interim condensed consolidated financial information (continued)

12 Other components of equity

	Cumulative changes in fair value KD	Foreign currency translation reserve KD	Treasury shares reserve KD	Other reserves KD	Total KD
Balance at 1 January 2025 (Audited)	**91,325,423**	**639,969**	**446,089**	**12,092**	**92,423,573**
Group's share in associates' other comprehensive income/(loss)	**4,656,221**	**(21,056)**	-	-	**4,635,165**
Exchange differences arising on translation of foreign operations	-	**(85,899)**	-	-	**(85,899)**
Change in fair value of investments at FVTOCI	**25,846,839**	-	-	-	**25,846,839**
Total other comprehensive income/(loss) for the period	**30,503,060**	**(106,955)**	-	-	**30,396,105**
Loss on sale of investments at FVTOCI	**223,278**	-	-	-	**223,278**
Gain on sale of investments at FVTOCI in associate	**(76,802)**	-	-	-	**(76,802)**
Net loss on sale of investments at FVTOCI	**146,476**	-	-	-	**146,476**
Balance at 30 June 2025 (Unaudited)	**121,974,959**	**533,014**	**446,089**	**12,092**	**122,966,154**
Balance at 1 January 2024 (Audited)	58,013,541	603,284	238,334	12,092	58,867,251
Group's share in associates' other comprehensive income/(loss)	4,426,637	(4,312)	-	-	4,422,325
Exchange differences arising on translation of foreign operations	-	(10,075)	-	-	(10,075)
Change in fair value of investments at FVTOCI	16,041,799	-	-	-	16,041,799
Total other comprehensive income/(loss) for the period	20,468,436	(14,387)	-	-	20,454,049
Balance at 30 June 2024 (Unaudited)	78,481,977	588,897	238,334	12,092	79,321,300

13 Borrowings

	30 June 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	30 June 2024 (Unaudited) KD
Short term loans (13.1)	**10,250,000**	3,134,495	934,495
Long term loans (13.2)	**19,508,000**	22,963,000	26,418,000
Islamic financing (13.3)	**6,500,000**	2,000,000	-
	36,258,000	28,097,495	27,352,495
Due within one year	**24,160,000**	12,044,495	7,844,495
Due after one year	**12,098,000**	16,053,000	19,508,000
	36,258,000	28,097,495	27,352,495

Notes to the interim condensed consolidated financial information (continued)

13 Borrowings (continued)

13.1 Short-term loans represent the following:

- A short-term loan amounting to KD 9,750,000 (31 December 2024: KD2,500,000 and 30 June 2024: Nil) is repayable on 15 August 2025.

- Short-term loan amounting to KD500,000 (31 December 2024: KD634,495 and 30 June 2024: KD934,495) is repayable on various dates ending 15 August 2025.

13.2 Long-term loans represent the following:

- A long-term loan amounting to KD10,000,000 (31 December 2024: KD12,500,000 and 30 June 2024: KD15,000,000) repayable in 12 semi-annual installments of KD2,500,000 and matures on 20 December 2027.

- A long-term loan amounting to KD3,920,000 (31 December 2024: KD4,280,000 and 30 June 2024: KD4,640,000) repayable in 11 quarterly installments of KD180,000 each with a balloon repayment amounting to KD3,020,000 on 1 January 2027.

- A long-term loan amounting to KD3,908,000 (31 December 2024: KD4,272,000 and 30 June 2024: KD4,636,000) repayable in 11 quarterly installments of KD182,000 each with a balloon repayment amounting to KD2,998,000 on 31 December 2026.

- A long-term loan amounting to KD1,680,000 (31 December 2024: KD1,911,000 and 30 June 2024: KD2,142,000) is repayable on various dates and matures on 1 September 2026.

13.3 Islamic financing represents Murabaha payables amounting to KD6,500,000 (31 December 2024: KD2,000,000 and 30 June 2024: Nil) are repayable on various dates ending 26 September 2025.

The borrowings are denominated in Kuwaiti Dinar carrying commercial interest rates.

14 General Assembly of the shareholders and dividend

The Annual General Assembly of the shareholders held on 18 May 2025 approved the consolidated financial statements of the Group for the year ended 31 December 2024 and cash dividend of 70% (2023: 65%) equivalent to 70 Fils (2023: 65Fils) per share of the paid- up share capital.

Further, the shareholders approved the board of directors' remuneration of KD305,000 for the year ended 31 December 2024 (2023: KD305,000).

15 Segmental information

The Group activities are concentrated in three main segments: cable manufacture, investment and services and contracting works. The segments' results are reported to the senior management in the Group.

The following is the segments information, which conforms with the internal reporting presented to management:

Notes to the interim condensed consolidated financial information (continued)

15 Segmental information (continued)

	Cable manufacture KD	Investment KD	Services and contracting works KD	Total KD
For the three months ended 30 June 2025 (Unaudited):				
Total revenue	**18,837,648**	**12,499,346**	**2,600,625**	**33,937,619**
Segment (loss)/profit	**(1,124,186)**	**11,870,868**	**(181,610)**	**10,565,072**
Unallocated expenses				**(390,638)**
Profit for the period				**10,174,434**
Additions to property, plant and equipment	**61,351**	**-**	**2,688**	**64,039**
Depreciation and amortization	**(296,733)**	**-**	**(195,452)**	**(492,185)**
Finance costs	**(1,428)**	**(413,857)**	**(49,203)**	**(464,488)**
Dividend income	**-**	**7,257,418**	**-**	**7,257,418**
For the six months ended 30 June 2025 (Unaudited):				
Total revenue	**40,305,796**	**14,269,076**	**5,054,127**	**59,628,999**
Segment profit/(loss)	**859,566**	**13,138,459**	**(264,281)**	**13,733,744**
Unallocated expenses				**(520,363)**
Profit for the period				**13,213,381**
Additions to property, plant and equipment	**174,615**	**-**	**21,827**	**196,442**
Depreciation and amortization	**(589,215)**	**-**	**(390,960)**	**(980,175)**
Finance costs	**(3,489)**	**(769,973)**	**(97,141)**	**(870,603)**
Dividend income	**-**	**7,257,418**	**-**	**7,257,418**
Total assets	**68,839,306**	**275,261,579**	**15,615,183**	**359,716,068**
Total liabilities	**(18,509,946)**	**(34,470,247)**	**(6,069,528)**	**(59,049,721)**
Net assets	**50,329,360**	**240,791,332**	**9,545,655**	**300,666,347**
For the three months ended 30 June 2024 (Unaudited):				
Total revenue	26,139,104	3,311,510	1,956,791	31,407,405
Segment profit	1,684,963	2,857,541	25,008	4,567,512
Unallocated expenses				(230,429)
Profit for the period				4,337,083
Additions to property, plant and equipment	60,720	-	13,036	73,756
Depreciation	(304,006)	-	(139,551)	(443,557)
Finance costs	(1,677)	(318,748)	(60,147)	(380,572)
Dividend income	-	2,325,097	-	2,325,097

Notes to the interim condensed consolidated financial information (continued)

15 Segmental information (continued)

	Cable manufacture KD	Investment KD	Rendering of services KD	Total KD
For the six months ended 30 June 2024 (Unaudited):				
Total revenue	48,990,940	14,008,080	3,726,918	66,725,938
Segment profit/(loss)	2,635,857	13,035,374	(117,956)	15,553,275
Unallocated expenses				(758,998)
Profit for the period				14,794,277
Additions to property, plant and equipment	98,665	-	83,296	181,961
Depreciation	(609,876)	-	(291,608)	(901,484)
Finance costs	(4,638)	(660,551)	(122,800)	(787,989)
Dividend income	-	11,535,097	-	11,535,097
Total assets	75,688,666	213,199,467	8,336,850	297,224,983
Total liabilities	(15,404,750)	(24,685,733)	(5,000,840)	(45,091,323)
Net assets	60,283,916	188,513,734	3,336,010	252,133,660
31 December 2024 (audited)				
Total assets	73,998,160	237,058,098	15,061,914	326,118,172
Total liabilities	(22,932,382)	(25,937,038)	(5,291,854)	(54,161,274)
Net assets	51,065,778	211,121,060	9,770,060	271,956,898

16 Related party balances and transactions

Related parties represent subsidiaries, associate, joint venture, major shareholders, 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. Transactions between the Parent Company and its subsidiaries which are related parties of the Parent Company have been eliminated on consolidation and are not disclosed in this note. Details of balances and transactions between the Group and its other related parties are disclosed below.

	30 June 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	30 June 2024 (Unaudited) KD
Balances included in the interim condensed consolidated statement of financial position:			
Due from a related party (joint venture) – included within other receivables and prepayments	**-**	-	32,592
Due to a related party (joint venture) – included within other payables and accruals	**1,963,594**	1,965,278	-
Trade accounts payable	**12,785**	108,875	13,490

Notes to the interim condensed consolidated financial information (continued)

16 Related party balances and transactions (continued)

	Three months ended		Six months ended	
	30 June 2025 (Unaudited) KD	30 June 2024 (Unaudited) KD	**30 June 2025 (Unaudited) KD**	30 June 2024 (Unaudited) KD
Amounts included in the interim condensed consolidated statement of profit or loss:				
Expenses	**(124,015)**	(68,222)	**(208,117)**	(150,363)
Key management compensation:				
Salaries and other short-term benefits	**171,205**	142,717	**346,960**	299,988
End of service benefits	**14,436**	11,724	**25,670**	26,868
Provision for board of directors' remuneration	**76,250**	76,250	**152,500**	152,500
	261,891	230,691	**525,130**	479,356

17 Contingent liabilities

Contingent liabilities as at 30 June 2025 in respect of outstanding letters of guarantee amounted to KD13,127,199 (31 December 2024: KD13,010,189 and 30 June 2024: KD9,514,447).

18 Capital commitments

Capital commitments at 30 June 2025 in respect of contracted capital expenditure amounted to Nil (31 December 2024: KD20,280 and 30 June 2024: KD929,504).

19 Fair value measurement

19.1 Fair value hierarchy

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

Financial assets and financial liabilities measured at fair value in the interim condensed consolidated statement of financial position are grouped into six levels of a fair value hierarchy. The six levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

19.2 Fair value measurement of financial instruments

The carrying amounts of the Group's financial assets and liabilities as stated in the interim condensed consolidated statement of financial position may also be categorized as follows:

Notes to the interim condensed consolidated financial information (continued)

19 Fair value measurement (continued)

19.2 Fair value measurement of financial instruments (continued)

	30 June 2025 (Unaudited) KD	31 Dec 2024 (Audited) KD	30 June 2024 (Unaudited) KD
Financial assets:			
At amortised cost:			
- Trade accounts receivable	**18,165,488**	15,963,732	22,564,343
- Other financial assets	**1,291,444**	1,139,169	937,279
- Cash and cash equivalents	**5,045,678**	7,740,901	8,324,872
At fair value:			
- Investments at FVTPL	**9,223,538**	3,798,808	3,051,313
- Investments at FVTOCI	**169,455,822**	141,821,815	122,237,368
	203,181,970	170,464,425	157,115,175
Financial liabilities:			
At amortised cost:			
- Trade accounts payable	**5,156,033**	3,785,272	2,966,899
- Other payables and accruals	**10,385,577**	15,624,127	8,582,214
- Borrowings	**36,258,000**	28,097,495	27,352,495
- Due to banks	**1,386,052**	697,782	842,450
	53,185,662	48,204,676	39,744,058

Management considers that the carrying amounts of financial assets and financial liabilities, which are stated at amortized cost, approximate their fair values. The level within which the asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

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

	Level 1 KD	Level 2 KD	Level 3 KD	Total KD
30 June 2025 (Unaudited):				
Investments at FVTPL:				
Quoted equity securities	**9,223,538**	**-**	**-**	**9,223,538**
Investments at FVTOCI:				
Quoted equity securities	**101,992,215**	**-**	**-**	**101,992,215**
Unquoted equity securities	**-**	**4,620,528**	**56,898,762**	**61,519,290**
Managed funds	**-**	**5,944,317**	**-**	**5,944,317**
	111,215,753	**10,564,845**	**56,898,762**	**178,679,360**

Notes to the interim condensed consolidated financial information (continued)

19 Fair value measurement (continued)

19.2 Fair value measurement of financial instruments (continued)

	Level 1 KD	Level 2 KD	Level 3 KD	Total KD
31 December 2024 (Audited):				
Investments at FVTPL:				
Quoted equity securities	3,798,808	-	-	3,798,808
Investments at FVTOCI:				
Quoted equity securities	79,378,732	-	-	79,378,732
Unquoted equity securities	-	3,155,162	53,465,823	56,620,985
Managed funds	-	5,822,098	-	5,822,098
	83,177,540	8,977,260	53,465,823	145,620,623
30 June 2024 (Unaudited):				
Investments at FVTPL:				
Quoted equity securities	3,051,313	-	-	3,051,313
Investments at FVTOCI:				
Quoted equity securities	65,862,997	-	-	65,862,997
Unquoted equity securities	-	-	50,864,392	50,864,392
Managed funds	-	5,509,979	-	5,509,979
	68,914,310	5,509,979	50,864,392	125,288,681

There have been no transfers between level 1 and 2 during the reporting period.

Measurement at fair value

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

Level 3 fair value measurements

The Group's financial assets classified in level 3 uses valuation techniques based on significant inputs that are not based on observable market data. The financial instruments within this level can be reconciled from beginning to ending balances as follows:

	(Unquoted equity securities) (Investments at FVTOCI)		
	30 June 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	30 June 2024 (Unaudited) KD
Opening balance	**53,465,823**	51,056,987	51,056,987
Change in fair value	**3,432,939**	2,408,836	(192,595)
Closing balance	**56,898,762**	53,465,823	50,864,392

Notes to the interim condensed consolidated financial information (continued)

19 Fair value measurement (continued)

19.2 Fair value measurement of financial instruments (continued)

Level 3 fair value measurements (continued)
The Group's finance team performs valuations of financial items for financial reporting purposes, including Level 3 fair values. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information.

The fair value of financial instruments that are not traded in an active market (e.g. unquoted securities) is determined by using valuation techniques. Fair value for the unquoted securities investments are approximately the summation of the estimated value of underlying investments as if realised on the reporting date.

The investment managers and Group's finance team in determining the fair value of these investments use a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. In determining fair value, techniques such as recent transactions prices and adjusted net book value have been used.

The impact on interim condensed consolidated statement of profit or loss and other comprehensive income would be immaterial if the relevant risk variable used to fair value the level 3 investments were changed by 5%.

20 Events after the reporting date

No events have occurred that would require disclosure or adjustment in the interim condensed consolidated financial information from the reporting date up to the date this interim condensed consolidated financial information was authorized for issue.

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