Mobile Telecommunications Company K.S.C.P and its subsidiaries
Kuwait

Condensed Consolidated Interim Financial Information (Unaudited)
30 June 2026

Contents

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Independent auditor's report on review of condensed consolidated interim financial information

The Board of Directors
Mobile Telecommunications Company K.S.C.P. and its subsidiaries
State of Kuwait

Introduction

We have reviewed the accompanying 30 June 2026 condensed consolidated interim financial information of Mobile Telecommunications Company K.S.C.P. (the "Company") and its subsidiaries (together, the "Group"), which comprises the condensed consolidated interim statement of financial position as at 30 June 2026, the condensed consolidated interim statement of profit or loss and the condensed consolidated interim statement of other comprehensive income for the three month and six month periods then ended, the condensed consolidated interim statement of changes in equity and the condensed consolidated interim statement of cash flows for the six month period then ended, and notes to the condensed consolidated interim financial information. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, *Interim Financial Reporting*. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity.* A review of interim 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 30 June 2026 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, *Interim Financial Reporting.*

Emphasis of matter

We draw attention to note 2.4 of the condensed consolidated interim financial information, which describes management's assessment of the ongoing impact of the political uncertainty in the Republic of Sudan on the Group's operations and financial performance, and related uncertainties. Our conclusion is not modified in respect of this matter.

Report on review of other legal and regulatory requirements

Furthermore, based on our review, the condensed consolidated interim financial information is in agreement with the books of account of the Company. We further report that, nothing has come to our attention that causes us to believe that there were any violations of the provisions of the Companies Law No. 1 of 2016, as amended, and its Executive Regulations, as amended, or of the Company's Memorandum of Incorporation and Articles of Association, as amended, during the six month period ended 30 June 2026 that might have had a material effect on the business of the Company or on its financial position.

We further report that, based on our review, nothing has come to our attention that causes us to believe that there were any violations of the provisions of Law No. 7 of 2010, as amended, concerning the Capital Markets Authority, and its related regulations, as amended, during the six month period ended 30 June 2026 that might have had a material effect on the business of the Company or on its financial position.

Dr. Rasheed M. Al-Qenae
License No 130
of KPMG Al-Qenae & Partners
Member firm of KPMG International

Kuwait: 10 August 2026

Mobile Telecommunications Company K.S.C.P and its subsidiaries
Kuwait

Condensed Consolidated Interim Statement of Financial Position
As at 30 June 2026 (Unaudited)

		Unaudited 30 June 2026	Audited 31 December 2025	Unaudited 30 June 2025 (Restated)
ASSETS	Note	KD '000	KD '000	KD '000
Current assets				
Cash and cash equivalents	3	409,936	310,872	217,116
Bank balances held in customers' account	4	43,474	41,745	19,146
Trade and other receivables		1,156,212	1,168,637	1,111,465
Contract assets		102,548	98,357	92,473
Inventories		57,575	58,034	57,884
Investment securities at FVTPL		212,504	85,058	75,122
		1,982,249	1,762,703	1,573,206
Assets classified as held for sale	5	369,158	322,977	107,337
		2,351,407	2,085,680	1,680,543
Non-current assets				
Contract assets		83,062	84,476	79,722
Investment securities at FVOCI		13,963	12,833	14,340
Investments in associates and joint ventures	6	119,702	120,732	227,060
Other non-current assets		72,095	102,290	126,893
Right of use of assets		204,073	213,470	206,751
Property and equipment	7	1,286,227	1,369,986	1,157,320
Intangible assets and goodwill	8	1,897,303	1,924,772	1,937,453
		3,676,425	3,828,559	3,749,539
Total Assets		6,027,832	5,914,239	5,430,082
LIABILITIES AND EQUITY				
Current liabilities				
Trade and other payables		1,282,861	1,421,910	1,163,513
Contract liabilities		54,723	53,207	56,542
Income tax payables		31,823	27,733	20,940
Bank borrowings	9	307,827	277,157	642,845
Lease liabilities		42,390	40,194	35,518
		1,719,624	1,820,201	1,919,358
Liabilities classified as held for sale	5	91,670	80,883	36,100
		1,811,294	1,901,084	1,955,458
Non-current liabilities				
Bank borrowings	9	1,678,134	1,610,938	1,090,031
Lease liabilities		186,621	213,872	204,323
Contract liabilities		7,444	26,738	6,683
Other non-current liabilities	10	190,885	198,204	223,606
		2,063,084	2,049,752	1,524,643
Equity				
Attributable to owners of the Company				
Share capital	11.1	432,706	432,706	432,706
Share premium		1,261,937	1,261,937	1,707,164
Reserves	11.2	(298,962)	(479,948)	(896,582)
		1,395,681	1,214,695	1,243,288
Non-controlling interests		757,773	748,708	706,693
Total equity		2,153,454	1,963,403	1,949,981
Total Liabilities and Equity		6,027,832	5,914,239	5,430,082

The accompanying notes are an integral part of this condensed consolidated interim financial information.

This condensed consolidated interim financial information was approved and authorized for issue by the Board of Directors on 10 August 2026.

Nour Nael Ahmed Al-Jassim
Chairperson

Bader Nasser Al Kharafi
Vice Chairman & Chief Executive Officer

Mobile Telecommunications Company K.S.C.P and its subsidiaries
Kuwait

Condensed Consolidated Interim Statement of Profit or Loss
For the period ended 30 June 2026 (Unaudited)

		Three months ended 30 June		Six months ended 30 June	
		2026	**2025**	**2026**	**2025**
	Note	**KD'000**	**KD'000**	**KD'000**	**KD'000**
			Restated		**Restated**
Revenue		567,968	541,942	1,137,346	1,081,258
Cost of sales*		(196,880)	(181,766)	(396,430)	(370,109)
Operating and administrative expenses		(168,687)	(162,127)	(345,897)	(333,543)
Expected credit loss (ECL) on financial assets		(6,255)	(12,110)	(17,080)	(19,270)
Depreciation and amortization		(88,774)	(84,847)	(178,381)	(172,104)
Interest income		3,227	1,741	6,186	3,025
Investment income	12	88,720	6,144	126,412	22,229
Share of results of associates and joint ventures		(7)	18,115	(112)	19,251
Other (expenses) / income		(3,907)	(1,361)	3,773	(12,568)
Finance costs	13	(31,226)	(31,899)	(61,010)	(62,814)
Foreign exchange gain / (loss)		146	(1,036)	(8,002)	(308)
Net monetary gain	20	4,494	1,976	6,341	8,818
Profit before taxation and Board of Directors' remuneration		168,819	94,772	273,146	163,865
Taxation	14	(12,668)	(10,315)	(23,564)	(18,163)
Board of Directors' remuneration		(156)	(135)	(326)	(270)
Profit for the period		155,995	84,322	249,256	145,432
Attributable to:					
Owners of the Company		140,404	74,063	220,187	127,327
Non-controlling interests		15,591	10,259	29,069	18,105
		155,995	84,322	249,256	145,432
Earnings per share (EPS)					
Basic and diluted – Fils	15	32	17	51	29

*Cost of sales comprises of access charges, trading cost, dealer commission and regulatory revenue sharing.

The accompanying notes are an integral part of this condensed consolidated interim financial information.

Mobile Telecommunications Company K.S.C.P and its subsidiaries
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Condensed Consolidated Interim Statement of Other Comprehensive Income
For the period ended 30 June 2026 (Unaudited)

	Three months ended 30 June		Six months ended 30 June	
	2026	2025 (Restated)	2026	2025 (Restated)
	KD'000	KD'000	KD'000	KD'000
Profit for the period	155,995	84,322	249,256	145,432
Other comprehensive loss				
Items that are or may be reclassified subsequently to profit or loss:				
Foreign exchange differences on translating foreign operations	(8,501)	(16,012)	(35,137)	(9,542)
Other reserves	-	(783)	-	(1,437)
	(8,501)	(16,795)	(35,137)	(10,979)
Items that will not be reclassified subsequently to profit or loss:				
Fair value gain on investments in equity instruments designated as at FVOCI	815	3	1,388	293
Other comprehensive loss for the period	(7,686)	(16,792)	(33,749)	(10,686)
Total comprehensive income for the period	148,309	67,530	215,507	134,746
Total comprehensive income attributable to:				
Owners of the Company	130,349	64,847	181,717	123,992
Non-controlling interests	17,960	2,683	33,790	10,754
	148,309	67,530	215,507	134,746

The accompanying notes are an integral part of this condensed consolidated interim financial information.

Mobile Telecommunications Company K.S.C.P and its subsidiaries
Kuwait

Condensed Consolidated Interim Statement of Changes in Equity
For the period ended 30 June 2026 (Unaudited)

	Equity attributable to owners of the Company				
	Share capital	Share premium	Reserves (note 11.2)	Non -controlling interests	Total Equity
	KD '000	KD '000	KD '000	KD '000	KD '000
Balance at 1 January 2026 (Audited)	432,706	1,261,937	(479,948)	748,708	1,963,403
Profit for the period	-	-	220,187	29,069	249,256
Other comprehensive (loss) / income for the period	-	-	(38,470)	4,721	(33,749)
Total comprehensive income for the period	-	-	181,717	33,790	215,507
Transactions with shareholders of the Company, recognized directly in equity:					
Cash dividends to non-controlling interest of subsidiaries (2025)	-	-	-	(24,359)	(24,359)
Acquisition of additional stake in a subsidiary	-	-	(731)	(366)	(1,097)
Balance at 30 June 2026 (Unaudited)	432,706	1,261,937	(298,962)	757,773	2,153,454
Balance at 1 January 2025 (as reported) (Audited)	432,706	1,707,164	(912,183)	734,204	1,961,891
Impact of hyperinflation adjustments	-	-	(215)	215	-
Balance at 1 January 2025 (restated) (Audited)	432,706	1,707,164	(912,398)	734,419	1,961,891
Profit for the period (restated)	-	-	127,327	18,105	145,432
Other comprehensive loss for the period (restated)	-	-	(3,335)	(7,351)	(10,686)
Total comprehensive income for the period (restated)	-	-	123,992	10,754	134,746
Transactions with shareholders of the Company, recognized directly in equity:					
Cash dividends (2024) (note 11.3)	-	-	(108,176)	-	(108,176)
Cash dividends to non-controlling interest of subsidiaries (2024)	-	-	-	(38,480)	(38,480)
Balance at 30 June 2025 (restated) (Unaudited)	432,706	1,707,164	(896,582)	706,693	1,949,981

The accompanying notes are an integral part of this condensed consolidated interim financial information.

Mobile Telecommunications Company K.S.C.P and its subsidiaries
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Condensed Consolidated Interim Statement of Cash Flows
For the period ended 30 June 2026 (Unaudited)

	Note	Six months ended 30 June 2026 KD'000	Six months ended 30 June 2025 (Restated) KD'000
Cash flows from operating activities			
Profit before taxation and Board of Directors' remuneration		273,146	163,865
Adjustments for:			
Depreciation and amortization		178,381	172,104
ECL on financial assets		17,080	19,270
Interest income		(6,186)	(3,025)
Investment income	12	(126,412)	(22,229)
Share of results of associates and joint ventures		112	(19,251)
Finance costs	13	61,010	62,814
Foreign currency loss		8,002	308
Net monetary gain	20	(6,341)	(8,818)
Gain on sale of property and equipment		(650)	(558)
Operating cash flow before working capital changes		398,142	364,480
Increase in bank balances held in customers' account		(1,732)	(4,681)
Increase in trade and other receivables and contract assets		(27,805)	(143,692)
Decrease in inventories		320	19,770
(Decrease) / increase in trade and other payables		(46,452)	69,375
Cash flows generated from operations		322,473	305,252
Income tax paid		(5,573)	(8,352)
KFAS paid		(2,416)	(2,152)
NLST and Zakat paid		(27,341)	(6,226)
Net cash flows from operating activities		287,143	288,522
Cash flows from investing activities			
Deposits maturing after three months, cash at banks under lien and government certificates of deposits	3	23,767	1,055
Investments in securities		(2,754)	(2,509)
Proceeds from sale of investment securities		2,300	103
Acquisition of subsidiaries, net of cash acquired	2.5	(5,635)	-
Acquisition of property and equipment (net)		(121,983)	(100,444)
Acquisition of intangible assets (net)		(21,797)	(27,254)
Interest received		3,423	1,853
Dividend received		117	117
Net cash flows used in investing activities		(122,562)	(127,079)
Cash flows from financing activities			
Proceeds from bank borrowings	9	270,289	279,093
Repayment of bank borrowings	9	(188,106)	(43,533)
Repayment of government payables		(22,962)	(159,155)
Repayment of lease liabilities		(25,805)	(19,087)
Dividend paid to Company's shareholders		(416)	(107,984)
Dividend paid to minority shareholders of subsidiaries		(1,129)	(34,520)
Finance costs paid		(51,852)	(50,479)
Net cash flows used in financing activities		(19,981)	(135,665)
Net increase in cash and cash equivalents		144,600	25,778
Effect of foreign currency translation		(20,492)	(3,537)
Cash and cash equivalents at beginning of period		272,219	193,639
Cash and cash equivalents at end of period	3	396,327	215,880

The accompanying notes are an integral part of this condensed consolidated interim financial information.

1. Incorporation and activities

Mobile Telecommunications Company K.S.C.P (the "Company") is a Kuwaiti shareholding company incorporated in 1983 with commercial registration number 36025. Its shares are traded on the Kuwait Stock Exchange. The registered office of the Company is at P. O. Box 22244, 13083 Safat, State of Kuwait.

The Company and its subsidiaries (the "Group") along with associates and joint ventures provide mobile telecommunication services in Kuwait and 7 other countries (31 December 2025 - Kuwait and 7 other countries; 30 June 2025 - Kuwait and 7 other countries) under licenses from the Governments of the countries in which they operate; purchase, deliver, install, manage and maintain mobile telephone and paging systems; and invest surplus funds in investment securities.

The Company is a subsidiary of Oman Telecommunications Company SAOG, Oman (the "Parent Company").

2. Basis of preparation

The condensed consolidated interim financial information for six months ended 30 June 2026 has been prepared in accordance with *IAS 34: Interim Financial Reporting* and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2025 ("last annual financial statements").

The Group has prepared the condensed consolidated interim financial information on the basis that it will continue to operate as a going concern. The Group consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The condensed consolidated interim financial information does not contain all of the information and disclosures required for complete consolidated financial statements prepared in accordance with IFRS Accounting Standards issued by International Accounting Standards Board ("IASB"). However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Results for the interim period are not necessarily indicative of the results that may be expected for the year ending 31 December 2026. For further information, refer to the audited consolidated financial statements and notes thereto for the year ended 31 December 2025.

2.1 Standards, amendments and interpretations applicable during the period

The accounting policies adopted in the preparation of the condensed consolidated interim 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.

Several amendments and improvements apply for the first time in 2026, but do not have a significant impact on the condensed consolidated interim financial information of the Group as follows:

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

On 30 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:

- A clarification that a financial liability is derecognized on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognize financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed

- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)

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

Contracts referencing nature dependent electricity

In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity, and they:

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

The amendments had no material impact on the Group's condensed consolidated interim 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: Statement of Cash Flows.

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

Standards, amendments and interpretations issued but not effective

At the date of authorization of this condensed consolidated interim financial information, the Group has not applied the following new and revised IFRS Standards and interpretations that have been issued but are not yet effective:

IFRS 18: Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management-defined performance measures, which are subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. Narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. The Group is currently working to identify all impacts the amendments will have on the primary consolidated financial statements and notes to the consolidated financial statements.

The following amended standards and interpretations are not expected to have a significant impact on the financial statements in the period of initial application:

- IFRS 19: Subsidiaries without Public Accountability: Disclosures (1 January 2027);
- Translation to a hyperinflationary presentation currency – Amendments to IAS 21 (1 January 2027);
- Amendments to illustrative examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 (To be determined); and
- Sales or Contribution of assets between an Investor and its associate or joint venture - Amendments to IFRS 10 and IAS 28 (To be determined)

2.2 Significant judgments and estimates

The preparation of the condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments 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 Group's annual consolidated financial statements for the year ended 31 December 2025. However, the geo-political developments in the Middle East since late February 2026 have increased economic and market uncertainty across GCC countries, including in the State of Kuwait. These events have contributed to heightened volatility in the financial markets and may impact the measurements of Group's assets. The management has considered the potential effects of this evolving situation in its assessment of fair values and other estimates, based on the available information as of the reporting date. Given the dynamic nature of these developments, the extent of financial impact remains uncertain and may impact future results. Accordingly, the management will continue to monitor the situation and reassess its judgments and estimates as further information becomes available.

2.3 Reporting on Hyperinflationary economies

Republic of South Sudan ("South Sudan")

The economy of South Sudan became hyperinflationary in 2016. Accordingly, the results, cash flows and financial position of the Group's subsidiary in South Sudan have been expressed in terms of the measuring unit current at the reporting date in accordance with IAS 29: Financial Reporting in Hyperinflationary Economies.

Republic of Sudan ("Sudan")

In 2015, the Group noted that the economy of Sudan, where the Group has subsidiaries, may be hyperinflationary from the beginning of 2015. This was based on the general price index showing the cumulative three-year rate of inflation exceeding 100% at that time. However, International Accounting Standard, IAS 29: Financial Reporting in Hyperinflationary Economies, does not establish an absolute rate at which hyperinflation is deemed to arise and states that it is a matter of judgment when restatement of financial statements in accordance with this Standard becomes necessary. In addition, the Group noted that in the 2014 International Monetary Fund (IMF) Sudan country report, the cumulative projected three year inflation rate outlook for Sudan in 2016 to be around 57% and thus, applying IAS 29 in 2015, could have entailed going in and out of hyperinflation within a short period which was confirmed when Sudan went out of hyperinflation in 2016. Therefore, the Group did not account for its operations in Sudan using IAS 29. Sudan has been again declared as hyperinflationary in 2018.

Based on the above matters, during the year ended 31 December 2025, the Group reassessed the situation in Sudan and concluded that the economy of Sudan has been hyperinflationary from 1 January 2015 (cumulative three-year inflation exceeding 100% since 2015). Accordingly, the Group, had decided to apply IAS 29 retrospectively from the beginning of 2015 for its subsidiaries in Sudan. The Group therefore restated comparative information as detailed in note 22.

The methods used to measure the adjustments made to the accounts of Group's entities that operate in the hyperinflationary economies (Sudan and South Sudan) are mentioned in note 20 and 22.

2.4 Political uncertainty in Sudan

A violent power struggle erupted on 15 April 2023, in Khartoum, the capital of Sudan, involving the two primary factions of the ruling military regime. This conflict has directly affected the Group's operations and its telecommunication assets, as certain areas in Sudan continue to experience high levels of hostility or temporary control by opposing forces. Given the Group's extensive presence and service provision across Sudan, these events have had an adverse impact on the country's economy and consequently, on the Group's business and operational outcomes.

As of the issuance date of the condensed consolidated interim financial information, the Group has not incurred any significant damage to crucial assets that would hinder its ability to sustain operations.

Since 15 April 2023, continuous monitoring of network and base station equipment has been in place, particularly in areas experiencing significant downtime. Various actions, such as reallocation of network traffic, capacity expansion, and other measures aimed at restoring network coverage and ensuring satisfactory network performance, are being implemented. Zain Sudan is actively involved in performing essential network maintenance, repairs and optimizations utilizing both its current equipment and external resources.

The Group has taken appropriate actions to ensure the continuity of communication services and operations. The management has prepared and reviewed the updated financial forecasts for the year, taking into consideration most likely and possible downside scenarios for the ongoing business impacts of the war. These forecasts were based on the following key assumptions:

- There will be no substantial increase in the intensity of hostilities, thereby not adversely impacting the number of active sites significantly;
- Zain Sudan will have the capability to conduct maintenance and repair tasks in the affected territories of Sudan, ensuring a satisfactory level of network performance in regions where it is feasible while considering the physical security of technical specialists;
- There will be no significant fluctuations in the fuel rate, foreign exchange rates and other major costs during the course of the conflict;
- Zain Sudan will be able to ensure the uninterrupted functioning of its crucial IT infrastructure, aligning with management's implemented measures and incident response and disaster recovery plans; and
- The generated revenue from services and product sales will be sufficient for Zain Sudan to meet both operating expenses and essential capital investments.

Based on these forecasts, considering possible adverse scenarios, management reasonably expects that the Group possesses adequate resources to effectively handle its operations in Sudan. Management will maintain ongoing monitoring of the potential repercussions and will proactively implement all available measures to minimize any adverse consequences.

Zain Sudan currently holds agreements with suppliers of network equipment and transportation routes for its delivery are accessible in all regions of Sudan, except for Darfur, South Kordofan and some parts of North Kordofan, which are facing the most significant impact from the ongoing hostilities.

If a worst-case scenario unfolds with widespread hostilities across Sudan, it can be anticipated that the Group's operations in Sudan may encounter disruptions for an indeterminate duration. This represents an uncertainty that is beyond the control of the Group.

After evaluating the revised forecasts, management has examined Zain Sudan's capability to operate as a going concern at the time of releasing the condensed consolidated interim financial information. As a result, it has been determined that there are no significant uncertainties that could impede Zain Sudan's infrastructure and operations, thereby casting significant doubt on its ability to continue as a going concern. Consequently, Zain Sudan is expected to be able to realize its assets and fulfill its obligations in the ordinary course of business. Accordingly, the management of Zain Sudan has concluded that it is appropriate to prepare the condensed consolidated interim financial information on a going concern basis.

2.5 Acquisition of Subsidiary

During the period ended 30 June 2026, the Group, through Zain Bahrain B.S.C ("Zain Bahrain") acquired 100% equity interest in Infonas W.L.L. ("Infonas"). The transaction received approval from the Telecommunications Regulatory Authority ("TRA") on 12 April 2026. During June 2026, Zain Bahrain completed the acquisition of Infonas for a cash consideration of BD 6.079 million (KD 4.964 million), which was fully settled in June 2026. The net cash outflow on acquisition amounts to BD 5.568 million (KD 4.538 million). As of the acquisition date, the provisional fair value of identifiable assets acquired and liabilities assumed amounted to BD 7.466 million (KD 6.096 million) and BD 5.276 million (KD 4.308 million), respectively, resulting in net assets acquired of BD 2.190 million (KD 1.788 million). Accordingly, provisional goodwill of BD 3.889 million (KD 3.176 million) was recognized. The allocation of the purchase price may be modified within a period of twelve months from the date of acquisition, as more information is obtained about the fair value of assets acquired and liabilities assumed. Adjustment to the provisional values will be finalised within twelve months from the date of acquisition as allowed by IFRS 3. Infonas is a limited liability company incorporated in Bahrain and engaged in telecommunication related sale of goods and services to its customers.

Furthermore, during the period, the Group acquired additional 15.95% equity stake in its existing subsidiary Foo Holding Limited for cash consideration of USD 3.590 million (KD 1.097 million), thereby increasing its ownership interest to 65.05%.

2.6 Telecommunication License in Syria

On 30 June 2026, the Group received official notification from the Syrian Ministry of Communications and Information Technology confirming the award of a new mobile telecommunications license for USD 747 million following a competitive bid process. The license has been awarded for a period of 25 years (20 years plus an extendable 5 years) to operate a mobile telecom network in Syria. The license provides for the establishment of a new operating entity with an ownership structure of 75% held by the Group and 25% by a Syrian governmental entity. The targeted commercial launch is expected in Q1 2027 subject to the completion of all regulatory and license conditions. The Group will consolidate the operations in Syria once the conditions have been satisfied, and the operational and management control has transferred to the Group.

3. Cash and cash equivalents

Cash and cash equivalents include the following:

	Unaudited 30 June 2026 KD '000	Audited 31 December 2025 KD '000	Unaudited 30 June 2025 KD '000
Cash on hand and at banks	204,310	182,176	180,882
Short-term deposits with banks	213,630	140,206	47,313
Government certificates of deposits held by subsidiaries	1	2	2
	417,941	322,384	228,197
Expected credit loss	(8,005)	(11,512)	(11,081)
Cash and cash equivalents as per condensed consolidated interim statement of financial position	409,936	310,872	217,116
Cash at banks under lien*	(1,330)	(25,096)	(1,234)
Bank overdrafts	(12,278)	(13,555)	-
Government certificates of deposits with maturities exceeding three months held by subsidiaries	(1)	(2)	(2)
Cash and cash equivalents in the condensed consolidated interim statements of cash flows	396,327	272,219	215,880

*Cash at banks under lien mainly includes bank deposits held under lien by banks for letters of credit (LOC) issued by a subsidiary in Sudan in favor of a vendor.

4. Bank balances held in customers' account

Bank balances held in customers' account as part of electronic payment services provided by the Group are presented separately from cash and cash equivalents in the condensed consolidated interim statement of financial position of the Group. The regulations in respective locations require that these balances with banks are held in a manner to ensure that these balances are not co-mingled with the Group's cash and cash equivalents.

5. Assets and liabilities classified as held for sale and discontinued operations

5.1 Assets and liabilities classified as held for sale

Iraq

During the six-month period ended 30 June 2026, the Group further classified certain network equipment amounting to US$ 18.922 million (KD 5.833 million) as held for sale (31 December 2025 – US$ 72.57 million (KD 22.330 million), 30 June 2025 – US$ 45 million (KD 13.767 million)), on the basis that management is committed to a plan to sell this network equipment to a vendor. During the six-month period ended 30 June 2026, the Group sold network equipment amounting to US$ 20.712 million (KD 6.377 million) (31 December 2025 – US$ 38.30 million (KD 11.785 million), 30 June 2025 – US$ 17 million (KD 5.190 million)) and the sale of the remaining network equipment classified held for sale is expected to be completed within one year from the date of such classification.

Further during the period, the Group classified tower assets amounting to US$ 90.626 million (KD 27.903 million) (31 December 2025 – nil, 30 June 2025 – nil), right of use assets amounting to US$ 65.102 million (KD 20.045 million) (31 December 2025 – nil, 30 June 2025 – nil) and lease liabilities amounting to US$ 61.540 (KD 18.948 million) (31 December 2025 – nil, 30 June 2025 – nil) directly associated to sale and lease back arrangement with a related party as held for sale and ceased depreciation of these assets from the date of such classification. Under the terms of the arrangement, the Group will sell its passive physical towers infrastructure and while retaining all other wireless communication antennas, software, technology, and intellectual property (IPs).

The fair value of disposal group held for sale comprises of telecom tower assets and right of use assets and its related lease liabilities classified as held for sale.

	Unaudited 30 June 2026 KD '000	Audited 31 December 2025 KD '000	Unaudited 30 June 2025 KD '000
Telecom tower assets	37,904	10,545	8,577
Right of use assets	20,045	-	-
	57,949	10,545	8,577
Lease liabilities	18,948	-	-

Sudan

The Group has classified certain network equipment equivalent to KD 0.071 million as held for sale during the period ended 30 June 2026, on the basis that management is committed to a plan to sell this network equipment and the transaction is expected to be completed within one year.

5.2 Discontinued operations – IHS

In December 2024, IHS became a wholly owned subsidiary of the Group (previously accounted for as an associate with a 30% interest) and was classified as held for sale upon acquisition. As at 30 June 2026, the disposal process remained ongoing and the Group continues to actively pursue the sale, which is considered highly probable. Accordingly, IHS continues to be classified as held for sale as at 30 June 2026.

The related assets and liabilities are presented below:

	Unaudited	Audited	Unaudited
	30 June 2026	31 December 2025	30 June 2025
	KD '000	KD '000	KD '000
Fair value less cost to sell	62,660	62,660	62,660
Total liabilities of IHS	19,933	25,274	36,100
Total assets of IHS	82,593	87,934	98,760

IHS is engaged in the business of tower infrastructure services in Kuwait.

TASC

In Q4 2025, TASC Board approved the appointment of a Group representative as Chief Executive Officer. In addition, the Group increased its ownership interest in TASC from 92.87% to 99.64% for purchase consideration of US$30.875 million (KD 9.476 million). Based on these developments, the Group concluded that it obtained control over TASC and, accordingly, accounted for TASC as a subsidiary of the Group.

Details of TASC acquisition (representing a subsidiary acquired exclusively with a view to resale) are as follows:

	KD '000
Consideration transferred in cash	9,476
Acquisition date fair value of the previously held equity interest	130,280
Total purchase consideration	139,756

The related assets and liabilities are presented below:

	Unaudited	Audited
	30 June 2026	31 December 2025
	KD '000	KD '000
Fair value less cost to sell	139,847	139,756
Non-controlling interest	15,164	15,154
Total liabilities of TASC*	73,534	69,588
Total assets of TASC	228,545	224,498

* Amount included in the Condensed Consolidated Interim Statement of Financial Position is net off inter-company eliminations.

In December 2023, the Group entered into definitive agreements with Ooredoo Group Q.P.S.C ("Ooredoo") to combine both parties' passive infrastructure (tower) assets through a cash-and-share transaction. Under the proposed structure, the Group and Ooredoo will each contribute assets and cash to a newly formed tower company and are expected to retain an equal equity interest in this company. The transaction (including initial market closings) is in progress and is expected to be completed in the second half of 2026.

TASC and IHS are expected to be included in the transaction as part of the Group's tower assets. Accordingly, the Group intends to dilute its ownership interests in TASC and IHS within 12 months and continues to actively engage with potential buyers. On this basis, TASC and IHS are classified as held for sale.

6. Investments in associates and joint ventures

6.1 Investments in associates

As on 30 June 2026, Group's investment in associates amount to KD 0.486 million (31 December 2025 – KD 1.516 million, 30 June 2025 – KD 118.151 million).

TASC

In Q4 2025, the Group concluded that it obtained control over TASC and, accordingly, accounted for TASC as a subsidiary of the Group classified as held for sale (previously an associate of the Group) (refer note 5.2). There are no other material associates of the Group.

6.2 Investments in joint ventures

	Unaudited		Audited		Unaudited	
	30 June 2026		31 December 2025		30 June 2025	
	%	KD '000	%	KD '000	%	KD '000
Zain Al Ajial S.A. ("Zain Ajial")	50	119,216	50	119,216	50	108,909
		119,216		119,216		108,909

The Group has an interest in Zain Al Ajial S.A., a joint venture that owns 31% of the equity shares in Wana Corporate (a Moroccan joint stock company that is specialized in the telecom sector in that country). This underlying investment is accounted for at fair value through profit or loss in the joint venture. This investment materially represents the total assets of the joint venture. The investment in joint venture is accounted for using the equity method.

7. Property and equipment

	Unaudited	Audited	Unaudited
	30 June 2026	31 December 2025	30 June 2025 (Restated)
	KD '000	KD '000	KD '000
Net fixed assets	1,049,802	945,061	903,004
Capital work in progress	236,425	424,925	254,316
	1,286,227	1,369,986	1,157,320

During the six-month period ended 30 June 2026, the Group acquired property and equipment amounting to KD 69.980 million (30 June 2025: KD 72.744 million). Depreciation charged for the period amounted to KD 93.574 million (30 June 2025 (restated): KD 92.754 million).

8. Intangible assets and goodwill

	Unaudited 30 June 2026	Audited 31 December 2025	Unaudited 30 June 2025 (Restated)
	KD '000	KD '000	KD '000
Intangible assets	1,337,054	1,370,436	1,391,687
Goodwill	543,389	538,745	530,954
Capital work in progress	16,860	15,591	14,812
	1,897,303	1,924,772	1,937,453

During the six-month period ended 30 June 2026, the Group acquired intangible assets amounting to KD 7.281 million (30 June 2025: 49.453 million). Amortization charged for the period amounted to KD 61.453 million (30 June 2025 (restated): KD 56.457 million).

9. Bank borrowings

	Unaudited 30 June 2026	Audited 31 December 2025	Unaudited 30 June 2025
	KD '000	KD '000	KD '000
Company			
Short term loans	37,382	52,751	39,689
Long term loans	892,006	829,674	731,654
	929,388	882,425	771,343
Mobile Telecommunications Company Saudi Arabia ("SMTC")			
Short term loans	8,211	13,845	54,545
Long term loans	698,824	683,484	613,300
	707,035	697,329	667,845
Pella Investment Company ("Pella")			
Short term loans	7,535	8,884	11,581
Long term loans	102,892	81,287	79,377
	110,427	90,171	90,958
Atheer Telecom Iraq Limited ("Atheer")			
Bank overdrafts	12,278	13,555	441
Long term loans	212,852	200,405	198,843
	225,130	213,960	199,284
Zain Bahrain B.S.C. ("Zain Bahrain")			
Long term loans	9,236	-	-
	9,236	-	-
Others			
Short term loans	2,721	710	538
Long term loans	2,024	3,500	2,908
	4,745	4,210	3,446
	1,985,961	1,888,095	1,732,876

Reconciliation of movements of bank borrowings to cash flows from financing activities:

	Unaudited 30 June 2026 KD '000	Audited 31 December 2025 KD '000	Unaudited 30 June 2025 KD '000
Opening balance	1,888,095	1,490,352	1,490,352
Proceeds from bank borrowings	270,289	848,266	279,093
Repayment of bank borrowings	(188,106)	(479,447)	(43,533)
Net (repayment)/proceeds from bank overdraft	(1,285)	13,555	-
Increase in bank borrowings due to vendor financing arrangement (non-cash item)	9,261	21,562	15,204
Effect of change in foreign exchange rates	7,707	(6,193)	(8,240)
	1,985,961	1,888,095	1,732,876

The current and non-current amounts are as follows:

	Unaudited 30 June 2026 KD '000	Audited 31 December 2025 KD '000	Unaudited 30 June 2025 KD '000
Current liabilities	307,827	277,157	642,845
Non-current liabilities	1,678,134	1,610,938	1,090,031
	1,985,961	1,888,095	1,732,876

The carrying amounts of the Group's bank borrowings are denominated in the following currencies equivalent to Kuwaiti Dinar:

	Unaudited 30 June 2026 KD '000	Audited 31 December 2025 KD '000	Unaudited 30 June 2025 KD '000
US dollar	531,105	393,778	451,502
Kuwaiti dinar	719,045	773,252	660,447
Saudi Riyals	707,035	697,329	596,648
Jordanian Dinar	12,664	13,702	15,027
Others	16,112	10,034	9,252
	1,985,961	1,888,095	1,732,876

The average effective interest rate as at 30 June 2026 was 4.96% (31 December 2025 – 5.58%; 30 June 2025 – 5.76%) per annum.

The Group is compliant with the principal covenant ratios, which include:

- consolidated net borrowings to adjusted consolidated Earnings Before Interest Tax Depreciation and Amortization (EBITDA);
- adjusted consolidated EBITDA to adjusted consolidated net interest payable; and
- consolidated net borrowings to consolidated net worth (equity);

Also, the Group expects to comply with the covenants during 12 months after the reporting date.

Company

During the period, the Company has:

1) Drawn down loans amounting to KD 218.910 million from the loan facilities (31 December 2025 - KD 195.750 million, 30 June 2025: KD 73 million). This includes:
   - US$ 530 million (KD 163.187 million) of long term facility amounting to US$ 600 million
   - KD 45.723 million of revolving credit facility amounting to KD 145.700 million; and
   - KD 10 million of revolving credit facility amounting to KD 420 million.

2) repaid loans amounting to KD 172.224 million (31 December 2025 – KD 15.417 million, 30 June 2025: KD 2.675 million). This includes:
   - KD 100 million of revolving credit facility amounting to KD 420 million
   - US$ 148.500 million (KD 45.723 million) of long term facility amounting to US$ 148.500 million
   - US$ 50 million (net) (KD 15.395 million) of revolving credit facility amounting to US$ 130 million; and
   - KD 10 million of revolving credit facility amounting to KD 145.700 million

The above facilities carry a fixed margin over three-month CME term Secured Overnight Financing Rate (CME term SOFR) or over Central Bank Discount rate.

SMTC

Term loans include:

1) In 2025, SMTC obtained a new Islamic Shariah compliant facility amounting to SAR 1,934 million (KD 158.801 million) repayable in a single bullet payment upon its maturity on 17 February 2030. The facility obtained is on commercial term, where the profit is payable on quarterly basis based on fixed margin and three months SAIBOR. This facility was utilized by SMTC to repay in full the amount payable to Ministry of Finance – KSA.

2) In 2024, SMTC availed facilities of SAR 1,125 million (KD 92.374 million) to fund for the CAPEX payment against several projects.

   SMTC has availed SAR 1,125 million (KD 92.374 million) (31 December 2025: SAR 1,012.210 million equivalent to KD 82.434 million, 30 June 2025: SAR 1,125 million equivalent to KD 91.586 million) of the CAPEX facility as at the reporting period.

   The interest amounting to SAR 8.02 million (KD 0.659 million) and SAR 23.99 million (KD 1.970 million) (31 December 2025: SAR 59.310 million equivalent to KD 4.831 million, 30 June 2025: SAR 27.400 million equivalent to KD 2.231 million) has been capitalized by SMTC during the three and six months ended 30 June 2026, based on effective interest rate of the loan.

3) In 2025, a subsidiary of SMTC availed working capital Murabaha facility of SAR 200 million (KD 16.422 million) to fund for the short-term expenditure and be repayable within twelve months. As at 30 June 2026 the facility has expired. (31 December 2025: the total unutilized facility - SAR 30 million (KD 2.463 million, 30 June 2025: Nil).

4) In 2025, SMTC signed SAR 5,500 million (KD 451.605 million) syndicated Murabaha facility with commercial banks at three months SAIBOR plus margin. The proceeds of the loan have been used to pay existing Murabaha facility as mentioned below and receivables discounting banking facility, both matured on 30 September 2025, amounting to SAR 4,700.800 million (KD 382.833 million) and SAR 500 million (KD 40.720 million). Unused facility amounting to SAR 300 million (KD 24.633 million) was withdrawn for CAPEX payment in line with SMTC's CAPEX needs. The loan is repayable after one year grace period and in accordance with the terms of the agreement.

The interest amounting to SAR 4.29 million (KD 0.352 million) and SAR 8.52 (KD 0.700 million) has been capitalized by SMTC during the three and six months ended 30 June 2026 based on effective interest rate of the loan (31 December 2025: Nil, 30 June 2025: Nil and Nil).

Pella

Long term loans mainly include:

1) US$ 210 million (KD 64.659 million) (31 December 2025 – US$ 160 million equivalent to KD 49.232 million, 30 June 2025 - US$ 160 million equivalent to KD 48.848 million) term loan from a commercial bank which is repayable by 23 September 2030.

2) US$ 120 million (KD 36.948 million) (31 December 2025 – US$ 100 million equivalent to KD 30.770 million, 30 June 2025 – US$ 100 million equivalent to KD 30.530 million) term loan from a commercial bank which is repayable by 31 August 2030.

Atheer

Long-term loans include:

1) US$ 105 million (KD 32.330 million) (31 December 2025 – US$ 105 million equivalent to KD 32.309 million, 30 June 2025 - US$ 105 million equivalent to KD 32.057 million) term loan from a commercial bank which is repayable by 30 June 2029.

2) US$ 131 million (KD 40.335 million) (31 December 2025 – US$ 131 million equivalent to KD 40.309 million, 30 June 2025 – US$ 131 million equivalent to KD 39.994 million) revolving credit facilities from a commercial bank which is repayable by 17 December 2027.

3) US$100 million (KD 30.790 million) (31 December 2025 – US$ 100 million equivalent to KD 30.770 million,30 June 2025 – US$ 100 million equivalent to KD 30.530 million) term loan from a commercial bank which is repayable by 31 July 2029.

4) US$ 100 million (KD 30.790 million) ((31 December 2025 – US$ 60 million equivalent to KD 18.462 million, 30 June 2025 – US$ 60 million equivalent to KD 18.318 million) revolving credit facilities from a commercial bank which is repayable by 24 April 2027.

5) US$ 125 million (KD 38.488 million) (31 December 2025 – US$ 125 million equivalent to KD 38.463 million, 30 June 2025 – US$ 125 million equivalent to KD 38.163 million) term loan from a commercial bank which is repayable by 01 May 2029.

6) US$ 100 million (KD 30.790 million) (31 December 2025 – US$ 100 million equivalent to KD 30.770 million, 30 June 2025 – US$ 100 million equivalent to KD 30.530 million) term loan from a commercial bank which is repayable by 19 August 2027.

7) IQD 40 billion (KD 9.330 million) (31 December 2025 – IQD 40 billion equivalent to KD 9.324 million, 30 June 2025 - IQD 40 billion equivalent to KD 9.252 million) term loan from a commercial bank which is repayable by 08 April 2027. The facility is guaranteed by the Al Khatem Telecoms Company ('Parent of Atheer') and carry a fixed interest rate.

These facilities are guaranteed by the Company except point no.7 mentioned above and carry a floating interest rate of a fixed margin over three-month SOFR.

10. Other non-current liabilities

	Unaudited 30 June 2026 KD '000	Audited 31 December 2025 KD '000	Unaudited 30 June 2025 KD '000
Due for acquisition of spectrum	126,031	137,418	162,868
Customer deposits	3,385	2,593	2,798
Post-employment benefits	61,466	58,193	57,931
Others	3	-	9
	190,885	198,204	223,606

11. Share capital and reserves

11.1 Share capital

The authorized, issued and fully paid up share capital of the Company (in cash and bonus shares) as of 30 June 2026 is 4,327,058,909 shares (31 December 2025 – 4,327,058,909; 30 June 2025 - 4,327,058,909) of 100 fils each.

11.2 Reserves

	Legal reserve	Foreign currency translation reserve	Investment fair valuation reserve	Other reserves	Retained earnings	Total reserves
	KD '000	KD '000	KD '000	KD '000	KD '000	KD '000
Balance at 1 January 2026 (Audited)	216,353	(682,030)	(16,083)	1,812	-	(479,948)
Profit for the period	-	-	-	-	220,187	220,187
Other comprehensive (loss) / income for the period	-	(39,872)	1,388	14	-	(38,470)
Total comprehensive (loss) / income for the period	-	(39,872)	1,388	14	220,187	181,717
Transactions with owners of the Company, recognized directly in equity:						
Acquisition of additional stake in a subsidiary	-	-	-	-	(731)	(731)
Balance at 30 June 2026 (Unaudited)	216,353	(721,902)	(14,695)	1,826	219,456	(298,962)
Balance at 1 January 2025 (as reported) (Audited)	216,354	(1,633,480)	(13,994)	2,050	516,887	(912,183)
Impact of hyperinflation adjustments	-	940,485	-	-	(940,700)	(215)
Balance at 1 January 2025 (restated) (Audited)	216,354	(692,995)	(13,994)	2,050	(423,813)	(912,398)
Profit for the period (restated)	-	-	-	-	127,327	127,327
Other comprehensive (loss) / income for the period (restated)	-	(3,081)	293	(547)	-	(3,335)
Total comprehensive (loss) / income for the period (restated)	-	(3,081)	293	(547)	127,327	123,992
Transactions with owners of the Company, recognized directly in equity:						
Cash dividends (2024)	-	-	-	-	(108,176)	(108,176)
Balance at 30 June 2025 (restated) (Unaudited)	216,354	(696,076)	(13,701)	1,503	(404,662)	(896,582)

11.3 Dividend

During 2025, the Board of Directors, in their meetings held on 12 August 2025 and 28 October 2025, declared two interim cash dividend distributions of 10 fils per share and 25 fils per share respectively, totaling 35 fils per share for the year 2025 (31 December 2024 – 35 fils per share).

Interim Dividend

The Board of Directors in their meeting held on 10 August 2026, declared distribution of 17 fils per share as interim dividend in cash.

12. Investment income

	Three months ended June (Unaudited)		Six months ended June (Unaudited)	
	2026	2025	2026	2025
	KD'000	KD'000	KD'000	KD'000
(Loss) / gain from investment securities mandatorily at FVTPL	(564)	279	(40)	485
Gain from investment securities designated at inception as FVTPL*	89,167	5,748	126,335	21,627
Dividend income	117	117	117	117
	88,720	6,144	126,412	22,229

* These mainly represent unrealized gains from equity investments through a fund.

13. Finance costs

	Three months ended June (Unaudited)		Six months ended June (Unaudited)	
	2026	2025 (Restated)	2026	2025 (Restated)
	KD'000	KD'000	KD'000	KD'000
Interest on bank borrowings	23,965	24,020	46,442	45,767
Finance cost on lease liabilities	4,598	4,339	9,013	8,560
Interest relating to license and spectrum payable	2,454	2,703	5,003	5,430
Interest amount payable to Ministry of Finance (KSA)	-	-	-	1,394
Others	209	837	552	1,663
	31,226	31,899	61,010	62,814

14. Taxation

	Three months ended June (Unaudited)		Six months ended June (Unaudited)	
	2026	2025 (Restated)	2026	2025 (Restated)
	KD'000	KD'000	KD'000	KD'000
Contribution to Kuwait foundation for Advancement of Sciences (KFAS)	1,419	736	2,227	1,227
Zakat*	1,871	1,462	3,987	3,101
DMTT - Kuwait	747	576	1,687	576
DMTT - UAE	373	-	373	-
GloBE Tax (IIR/ UTPR)	1,005	698	1,355	1,586
Taxation related to subsidiaries	7,253	6,843	13,935	11,673
	12,668	10,315	23,564	18,163

* Zakat represents Zakat expenses of overseas subsidiaries.

The Group is within the scope of the OECD Pillar Two Global Anti-Base Erosion ("GloBE") rules, which introduce a minimum effective tax rate of 15% on a jurisdictional basis. In the State of Kuwait, Law No. 157 of 2024 (the Law) introducing a Domestic Minimum Top-up Tax ("DMTT") became effective from 1 January 2025. The Law effectively replaced National Labour Support Tax (NLST) and Zakat tax regimes in Kuwait for MNEs within scope. During the period, the Group recognized current tax expense in respect of DMTT in Kuwait and GloBE top-up taxes arising under the Income Inclusion Rule (IIR) and Undertaxed Profits Rule (UTPR), where applicable.

The Group continues to monitor the implementation of Pillar Two rules across jurisdictions in which it operates. The exposure to future top-up taxes is dependent on the effective tax rates and implementation of local legislation in those jurisdictions.

15. Earnings per share

Basic and diluted earnings per share based on the weighted average number of shares outstanding during the period are as follows:

	Three months ended June (Unaudited)		Six months ended June (Unaudited)	
	2026	**2025 (Restated)**	**2026**	**2025 (Restated)**
	KD'000	**KD'000**	**KD'000**	**KD'000**
Profit for the period attributable to shareholders of the Company	140,404	74,063	220,187	127,327
	Shares	**Shares**	**Shares**	**Shares**
Weighted average number of shares in issue outstanding during the period	4,327,058,909	4,327,058,909	4,327,058,909	4,327,058,909
	Fils	**Fils**	**Fils**	**Fils**
Earnings per share – basic and diluted	32	17	51	29

16. Segmental information

The Company and its subsidiaries operate in a single business segment, telecommunications and related services in Kuwait and other countries. This forms the basis of the geographical segments.

Based on the quantitative thresholds, the Group has identified telecom operations in Kuwait, Jordan, Sudan, Iraq, Bahrain and KSA as the basis for disclosing the segment information.

	30 June 2026 (Unaudited)							
	Kuwait	Jordan	Sudan	Iraq	Bahrain	KSA	Others	Total
	KD '000	KD '000	KD '000	KD '000	KD '000	KD '000	KD '000	KD '000
Segment revenues – airtime, data, subscriptions and other services (Point over time)	129,636	84,176	85,324	196,152	26,691	399,117	106,982	1,028,078
Segment revenues - trading income (Point in time)	52,598	8,409	1,784	5,894	6,192	34,369	22	109,268
Net profit before interest and tax	37,556	21,279	40,153	37,103	2,516	57,163	(1,498)	194,272
Interest income	422	43	894	56	148	1,297	2,669	5,529
Finance costs	(521)	(5,079)	(616)	(11,044)	(674)	(25,546)	(703)	(44,183)
Income tax expenses	(1,687)	(4,101)	(4,976)	(4,410)	-	-	(1,997)	(17,171)
	35,770	12,142	35,455	21,705	1,990	32,914	(1,529)	138,447
Unallocated items:								
Investment income								126,412
Others (including unallocated interest income, income tax and finance costs net of eliminations)								(15,603)
Profit for the period								249,256
Segment assets including allocated goodwill	610,109	423,977	167,792	1,088,815	105,575	2,237,463	525,297	5,159,028
ROU assets	25,843	9,955	3,539	22,929	20,520	116,560	4,727	204,073
Unallocated items:								
Investment securities at FVTPL								212,504
Investment securities at FVOCI								13,063
Investment in associates and joint ventures								119,216
Others (net of eliminations)								319,948
Consolidated assets								6,027,832
Segment liabilities	388,572	101,727	66,326	226,256	24,828	583,287	504,457	1,895,453
Lease liabilities (current and non-current)	22,997	12,405	1,565	25,822	18,595	142,884	4,743	229,011
Bank borrowings	-	110,427	-	225,130	9,236	707,035	4,745	1,056,573
	411,569	224,559	67,891	477,208	52,659	1,433,206	513,945	3,181,037
Unallocated items:								
Bank borrowings								929,388
Others (net of eliminations)								(236,047)
Consolidated liabilities								3,874,378
Net consolidated assets								2,153,454
Capital expenditure incurred during the period	16,982	1,490	20,784	18,199	358	13,954	4,744	76,511
Unallocated (net of eliminations)								750
Total capital expenditure								77,261
Depreciation of property and equipment and amortization of intangible assets	23,592	14,026	4,566	31,633	4,757	73,246	3,275	155,095
Amortization of ROU assets	4,534	797	460	2,016	1,892	13,153	483	23,335
Unallocated (net of elimination)								(49)
Total depreciation and amortization								178,381

	30 June 2025 (Restated) (Unaudited)							
	Kuwait	Jordan	Sudan	Iraq	Bahrain	KSA	Others	Total
	KD '000	KD '000	KD '000	KD '000	KD '000	KD '000	KD '000	KD '000
Segment revenues – airtime, data, subscriptions and other services (Point over time)	125,539	82,016	75,634	178,269	25,859	385,102	71,889	944,308
Segment revenues - trading income (Point in time)	61,668	6,748	1,672	5,922	7,770	53,158	12	136,950
Net profit before interest and tax	39,671	20,202	45,874	35,063	2,569	46,180	(729)	188,830
Interest income	2,145	100	519	326	124	628	254	4,096
Finance costs	(569)	(5,514)	(456)	(10,864)	(625)	(28,774)	(456)	(47,258)
Income tax expenses	(576)	(2,789)	(5,280)	(4,152)	-	-	(226)	(13,023)
	40,671	11,999	40,657	20,373	2,068	18,034	(1,157)	132,645
Unallocated items:								
Investment income								22,229
Share of results of associates and joint venture								19,093
Others (including unallocated interest income, income tax and finance costs net of eliminations)								(28,535)
Profit for the period								145,432
Segment assets including allocated goodwill	615,348	414,322	122,473	1,034,694	91,572	2,223,848	256,669	4,758,926
ROU assets	29,477	10,167	1,619	29,136	16,401	115,364	4,587	206,751
Unallocated items:								
Investment securities at FVTPL								75,122
Investment securities at FVOCI								13,469
Investment in associates and joint venture								226,322
Others (net of eliminations)								149,492
Consolidated assets								5,430,082
Segment liabilities	391,047	123,816	43,832	205,720	20,515	645,308	263,296	1,693,534
Lease liabilities (current and non-current)	26,315	12,543	1,330	37,086	16,841	141,408	4,318	239,841
Bank borrowings	-	90,958	-	199,284	-	667,845	3,446	961,533
	417,362	227,317	45,162	442,090	37,356	1,454,561	271,060	2,894,908
Unallocated items:								
Bank borrowings								771,343
Others (net of eliminations)								(186,150)
Consolidated liabilities								3,480,101
Net consolidated assets								1,949,981
Capital expenditure incurred during the period	34,647	4,684	10,432	9,640	1,909	48,260	12,135	121,707
Unallocated (net of eliminations)								490
Total capital expenditure								122,197
Depreciation of property and equipment and amortization of intangible assets	21,085	13,872	1,594	29,450	4,727	75,968	2,968	149,664
Amortization of ROU assets	4,473	733	357	2,076	1,902	12,963	394	22,898
Unallocated (net of elimination)								(458)
Total depreciation and amortization								172,104

17. Related party transactions and balances

The Group has entered into transactions with related parties on terms approved by management. Transactions and balances with related parties (in addition to those disclosed in other notes) are as follows:

Transactions

	Three months ended June (Unaudited)		Six months ended June (Unaudited)	
	2026	2025	2026	2025
	KD'000	KD'000	KD'000	KD'000
Revenue from Parent Company	7,596	4,264	12,784	9,197
Cost of sales from Parent Company	25,991	14,409	57,716	29,072
Operating expenses from Parent Company	1,216	3,590	1,666	9,339

Key management compensation

	Three months ended June (Unaudited)		Six months ended June (Unaudited)	
	2026	2025	2026	2025
	KD'000	KD'000	KD'000	KD'000
Salaries and other short term employee benefits	872	768	1,748	1,539
Post-employment benefits	135	107	1,035	591

Balances

	Unaudited 30 June 2026	Audited 31 December 2025	Unaudited 30 June 2025
	KD '000	KD '000	KD '000
Trade receivables (from parent company)	15,687	20,706	5,544
Trade payables (to parent company)	64,010	44,020	15,713

18. Commitments and contingencies

	Unaudited 30 June 2026	Audited 31 December 2025	Unaudited 30 June 2025
	KD '000	KD '000	KD '000
Capital commitments	347,236	303,921	413,176
Uncalled share capital of investee companies	156	610	1,605
Letters of guarantee and credit	67,583	59,795	58,230

In addition to the above, Group has Syria related commitments as mentioned in note 2.6.

Atheer - Iraq

a. On 10 September 2023, the Communication and Media Commission of Iraq ("CMC") imposed a fine of US$ 75 million (KD 23.093 million) on Atheer for failing to meet 4G QoS ('Quality of Service') KPIs for the year 2022. Atheer believes that there is an error in the fine calculation regarding coverage obligation. On 9 October 2023, Atheer challenged the decision before the Appeals Board. On 13 June 2024, the Appeals Board issued a decision in favor of CMC. On 7th July 2024, Atheer submitted a petition to the Board of Commissioners (the legislative body of the CMC), articulating that the petition stems from a fundamental error, requesting them to cancel the fine. On 19 August 2024, the CMC rejected the petition and issued a demand to pay the fine amount. On 27 August 2024, Atheer's attorneys filed another appeal, urging the Appeals Board to correct its decision on the grounds that it is fundamentally flawed as explained above.

In August 2024, a new fine amounting to US$ 1 million (KD 0.308 million) was imposed by CMC for failing to meet 4G QoS KPIs for the second half of the year 2023. This amount is significantly lower as compared to the fine levied for year 2022 and first half of year 2023. Furthermore, a new QoS regulation is expected to be issued, which may support Atheer's case in challenging the fine.

During the year ended 31 December 2025, the Appeals Board issued final and binding decisions on US$ 66.8 million (KD 20.501 million) out of the total US$ 75 million (KD 23.093 million) fine, reducing that portion to US$ 2.310 million (KD 0.711 million). These final outcomes reflect both the correction of material calculation errors and the application of the updated regulatory criteria. The decisions issued by the CMC Appeals Board are definitive, irrevocable, and carry full legal force. The remaining fine of US$ 8.200 million (KD 2.525 million) is currently under review by the Appeal Court, following a similar process and based on the new QoS regulations. Atheer believes that this remaining fine amount is expected to be reduced to approximately US$ 1 million (KD 0.308 million).

b. Newroz Telecom, based in the Kurdistan region, has initiated a preliminary lawsuit in the first instance court against Atheer and Huawei. The claim is predicated on allegations that the unlicensed installation of 4G equipment has caused harm to Newroz Telecom's infrastructure requesting US$ 50 million (KD 15.395 million) from Atheer and Huawei jointly. Atheer operates under a national license issued by the CMC, the competent federal authority. The CMC is anticipated to issue a statement to the court affirming Atheer's lawful nationwide authorization to provide 4G services, as well as confirming that Huawei holds the necessary credentials as an authorized vendor for the equipment supplied. Atheer has submitted both formal and substantive defenses and is currently awaiting the plaintiff's responses. The court has notified the plaintiff to reply to Atheer's statements. Based on the Atheer's attorneys report, the Group believes that Atheer has strong legal grounds and compelling arguments to successfully challenge and revoke the opposing claim.

Pella - Jordan

Pella is a defendant in multiple lawsuits amounting to KD 9.315 million (31 December 2025 – KD 7.581 million). Based on the report of its attorneys, the Group is of the view that the outcome of these proceedings will be favorable for Pella.

SMTC

a. SMTC received withholding tax ("WHT") assessments from Zakat, Tax and Customs Authority ("ZATCA") for an additional amount of SAR 100 million (KD 8.211 million) for certain withholding tax items for the years from 2015 to 2021. SMTC has appealed these assessments against the relevant committees. SMTC believes that the outcome of those appeals will be in its favor with no material financial impact.

b. SMTC was also subjected to WHT, for the years from 2012 to 2021, on International Interconnect traffic from ZATCA for payments made to International Operators and SMTC has received WHT assessment from ZATCA with respect to this. For the assessments received from ZATCA, SMTC has rejected these claims and appealed at various judiciary bodies against these assessments. In the process of appealing against these claims, SMTC had paid an amount of SAR 8.37 million (KD 0.687 million) and created a provision of SAR 148.18 million (KD 12.167 million).

However, during the year ended 31 December 2024, SMTC received communication from ZATCA that the dues for WHT on International traffic will be borne by the Government. Accordingly, SMTC has reversed the provision of SAR 148.18 million (KD 12.167 million) during 2024. The amount paid of SAR 8.37 million (KD 0.687 million) will be settled by SMTC with dues payable to ZATCA for other ongoing assessments. There is no change in the status during the period ended 30 June 2026.

Kuwait

In 2023, following the favorable judgments issued by the Court of First Instance and the Court of Appeal, the Group received KD 24.680 million from the telecommunications regulator in Kuwait in respect of the regulatory tariff (number range) legal case and recognized the amount in the consolidated statement of profit or loss for the year ended 31 December 2023. On 13 January 2026, the Court of Cassation annulled the judgment under appeal on the basis that the Commercial Circuit lacked jurisdiction and referred the matter to the competent Administrative Circuit for determination. Accordingly, the Group recognized appropriate provisions as at 31 December 2025 to reflect this development. The proceedings remain ongoing, and the outcome cannot be determined at this stage. There is no change in the status during the period ended 30 June 2026.

During 2018, the Group filed a case before the Court of First Instance against the Ministry of Finance, contesting the NLST assessment of KD 23.9 million issued for the year ended 31 December 2010. The claim was dismissed by the Court of First Instance and subsequently by the Court of Appeal. The Group filed a further appeal before the Court of Cassation, which was admitted; however, on 15 April 2026, the Court of Cassation issued its final judgment dismissing the appeal. The decision has no impact on the performance of the Group, as the Group carries adequate provisions and the amount has been settled during the period.

In addition, legal proceedings have been initiated by and against the Group in some jurisdictions. On the basis of information currently available and the advice of the legal advisors, Group management is of the opinion that the outcome of these proceedings is unlikely to have a material adverse effect on the consolidated financial position or the consolidated performance of the Group.

19. Financial instruments

19.1 Categories of financial assets and liabilities

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

	Unaudited 30 June 2026	Audited 31 December 2025	Unaudited 30 June 2025
	KD '000	KD '000	KD '000
Amortized costs:			
Cash and cash equivalents	409,936	310,872	217,116
Bank balances held in customers' account	43,474	41,745	19,146
Trade and other receivables	1,030,940	1,027,201	954,700
Other non-current assets	-	-	11,798
Investment securities at FVTPL	212,504	85,058	75,122
Investment securities at FVOCI	13,963	12,833	14,340

All financial liabilities are categorized at amortized cost.

19.2 Fair value hierarchy for financial instruments measured at fair value

The following table presents the financial assets which are measured at fair value in the condensed consolidated interim statement of financial position in accordance with the fair value hierarchy.

This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

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

30 June 2026 (Unaudited)

	Level 1	Level 2	Level 3	Total
	KD'000	KD'000	KD'000	KD'000
Financial assets at fair value:				
Investments at FVTPL	-	200,991	11,513	212,504
Investments at FVOCI	3,062	3,792	7,109	13,963
Total assets	3,062	204,783	18,622	226,467

31 December 2025 (Audited)

	Level 1	Level 2	Level 3	Total
	KD '000	KD '000	KD '000	KD '000
Financial assets at fair value:				
Investments at FVTPL	-	9,506	75,552	85,058
Investments at FVOCI	3,530	3,138	6,165	12,833
Total assets	3,530	12,644	81,717	97,891

30 June 2025 (Unaudited)

	Level 1	Level 2	Level 3	Total
	KD'000	KD'000	KD'000	KD'000
Financial assets at fair value:				
Investments at FVTPL	-	8,747	66,375	75,122
Investments at FVOCI	3,537	2,864	7,939	14,340
Total assets	3,537	11,611	74,314	89,462

During the period, equity instruments amounting to KD 192.28 million were transferred from Level 3 to Level 2 as the valuation inputs for these instruments were based on observable market inputs with appropriate adjustments.

Fair values of financial assets and liabilities are not materially different from their carrying values. For financial assets and financial liabilities that are liquid or having a short-term maturity (less than 12-months), it is assumed that the carrying amounts approximately to their fair value.

Measurement at fair value

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the year ended 31 December 2025 and 30 June 2025, except for equity instruments transferred from level 3 to level 2 (as mentioned above).

20. Hyperinflation – Sudan and South Sudan

Net monetary gain

The Republic of South Sudan economy had become hyperinflationary in 2016. During the year ended 31 December 2025, the Group also applied hyperinflation accounting (IAS 29) in Sudan since 2015. Accordingly, the results, cash flows and financial position of the Group's subsidiary in Sudan and South Sudan have been expressed in terms of the measuring unit current at the reporting date in accordance with IAS 29. The effect on the net monetary position is included in the condensed consolidated interim statement of profit or loss as 'net monetary gain'. The adjustment has been calculated by means of conversion factors derived from the Consumer Price Index (CPI) obtained from the Central Bank of Sudan.

21. Derivative financial instruments

On 22 September 2020, SMTC entered into profit rate swaps, which matures in 2025. The maturity of the profit rate swap has been extended till the extended maturity of the refinanced loan. The average contracted fixed interest rate ranges from 2% to 3%. During the year ended 31 December 2025, SMTC settled the loan resulting in the maturity of the profit rate swaps.

At 30 June 2026 (Unaudited)

	Notional amounts by term to maturity		
	Positive fair value	Negative fair value	Notional amount
	KD '000	KD '000	KD '000
Derivatives held for hedging:			
Cash flow hedges - Receive 3-month SIBOR, Pay fixed profit rate			
Profit rate swaps (maturing after one year)	-	-	-

At 31 December 2025 (Audited)	Notional amounts by term to maturity		
	Positive fair value	Negative fair value	Notional amount
	KD '000	KD '000	KD '000
Derivatives held for hedging:			
Cash flow hedges – Receive 3-month SIBOR, Pay fixed profit rate			
Profit rate swaps (maturing after one year)	-	-	-

At 30 June 2025 (Unaudited)	Notional amounts by term to maturity		
	Positive fair value	Negative fair value	Notional amount
	KD '000	KD '000	KD '000
Derivatives held for hedging:			
Cash flow hedges - Receive 3-month SIBOR, Pay fixed profit rate			
Profit rate swaps (maturing after one year)	894	-	156,307

22. Restatement of comparative information

In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and IAS 1 Preparation of Financial Statements, the comparative information has been restated to give effect to the following:

Restatement due to application of IAS 29 for subsidiaries in Sudan

During the year ended 31 December 2025, management applied IAS 29 Financial Reporting in Hyperinflationary Economies to the Group's subsidiaries operating in Sudan. Sudan has been a hyperinflationary economy since 2015. However, IAS 29 had not been applied previously to these operations.

Accordingly, the financial information of the Sudan operations has been restated to reflect the current purchasing power at the reporting date. As a result, comparative information has been restated to reflect the impact of applying IAS 29 retrospectively from 2015.

The following table summarizes the impact on Group's condensed consolidated interim financial information.

As at 30 June 2025

Condensed Consolidated Interim Statement of Financial Position

	As reported	Effect of restatement	As restated
	KD '000	KD '000	KD '000
Assets			
Inventories	57,810	74	57,884
Other non-current assets	126,548	345	126,893
Right of use assets	206,516	235	206,751
Property and equipment	1,143,407	13,913	1,157,320
Intangible assets and goodwill	1,936,917	536	1,937,453
Total assets	5,414,979	15,103	5,430,082
Equity			
Foreign currency translation reserve	(1,647,152)	951,076	(696,076)
Retained earnings	531,558	(936,220)	(404,662)
Non-controlling interests	706,446	247	706,693
Total equity	1,934,878	15,103	1,949,981
Total liabilities and equity	5,414,979	15,103	5,430,082

For the six-month period ended 30 June 2025

Condensed Consolidated Interim Statement of Profit or Loss

	As reported	Effect of restatement	As restated
	KD '000	KD '000	KD '000
Revenue	1,077,701	3,557	1,081,258
Cost of sales	(369,838)	(271)	(370,109)
Operating and administrative expenses	(332,269)	(1,274)	(333,543)
Expected credit loss (ECL) on financial assets	(19,246)	(24)	(19,270)
Depreciation and amortization	(171,921)	(183)	(172,104)
Interest income	2,996	29	3,025
Other expenses	(12,558)	(10)	(12,568)
Finance Costs	(62,794)	(20)	(62,814)
Foreign exchange loss	(383)	75	(308)
Net Monetary gain	4,222	4,596	8,818
Profit before taxation	157,390	6,475	163,865
Taxation	(17,826)	(337)	(18,163)
Profit for the period	139,294	6,138	145,432
Profit attributable to:			
Owners of the company	121,189	6,138	127,327
Non-controlling interests	18,105	-	18,105

For the three-month period ended 30 June 2025

Condensed Consolidated Interim Statement of Profit or Loss

	As reported	Effect of restatement	As restated
	KD '000	KD '000	KD '000
Revenue	541,479	463	541,942
Cost of sales	(181,757)	(9)	(181,766)
Operating and administrative expenses	(161,897)	(230)	(162,127)
Expected credit loss (ECL) on financial assets	(12,117)	7	(12,110)
Depreciation and amortization	(84,780)	(67)	(84,847)
Interest income	1,727	14	1,741
Other expenses	(1,293)	(68)	(1,361)
Finance Costs	(31,900)	1	(31,899)
Foreign exchange loss	(1,015)	(21)	(1,036)
Net Monetary gain	682	1,294	1,976
Profit before taxation	93,388	1,384	94,772
Taxation	(10,275)	(40)	(10,315)
Profit for the period	82,978	1,344	84,322
Profit attributable to:			
Owners of the company	72,719	1,344	74,063
Non-controlling interests	10,259	-	10,259

For the six-month period ended 30 June 2025

Condensed Consolidated Interim Statement of Other Comprehensive Income

	As reported	Effect of restatement	As restated
	KD '000	KD '000	KD '000
Profit for the period	139,294	6,138	145,432
Foreign exchange differences on translating foreign operations	(20,165)	10,623	(9,542)
Other comprehensive loss for the period	(21,309)	10,623	(10,686)
Total comprehensive income for the period	117,985	16,761	134,746
Total comprehensive income attributable to:			
Owners of the company	107,263	16,729	123,992
Non-controlling interests	10,722	32	10,754

For the three-month period ended 30 June 2025

Condensed Consolidated Interim Statement of Other Comprehensive Income

	As reported	Effect of restatement	As restated
	KD '000	KD '000	KD '000
Profit for the period	82,978	1,344	84,322
Foreign exchange differences on translating foreign operations	(19,783)	3,771	(16,012)
Other comprehensive loss for the period	(20,563)	3,771	(16,792)
Total comprehensive income for the period	62,415	5,115	67,530
Total comprehensive income attributable to:			
Owners of the company	59,731	5,116	64,847
Non-controlling interests	2,684	(1)	2,683

For the six-month period ended 30 June 2025

Condensed Consolidated Interim Statement of Cash Flows

	As reported	Effect of restatement	As restated
	KD '000	KD '000	KD '000
Profit before taxation and Board of Directors' remuneration	157,390	6,475	163,865
Depreciation and amortization	171,921	183	172,104
ECL on financial assets	19,246	24	19,270
Interest income	(2,996)	(29)	(3,025)
Finance Costs	62,794	20	62,814
Foreign exchange gain	383	(75)	308
Net Monetary gain	(4,222)	(4,596)	(8,818)
Operating cash flows before working capital changes	362,478	2,002	364,480
Decrease in inventories	19,844	(74)	19,770
Increase in trade and other payables	71,303	(1,928)	69,375

23. Financial risk management

All aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the Group's annual consolidated financial statements for the year ended 31 December 2025. However, recent geo-political developments in the region have increased market volatility and uncertainty, which may impact Group's risk profile. The management continues to monitor these developments closely.

24. Impacts of geopolitical conflict in the Middle East and related uncertainties

Geopolitical events in the Middle East since the end of February 2026 resulted in increased macro-economic uncertainties and risks. The Group managed the increased operational risk in accordance with risk management policies and our business continuity plans. The Group implemented protocols and processes to help protect employees, customers and community partners including leveraging our online platforms, supporting employees to work from home and planned strategies for critical site-based operations. These measures allowed us to continue to service our customers.

The Group continues to monitor these developments through its regular risk management and financial reporting processes. As further information becomes available, management will update its assessments, where necessary, to reflect any relevant impact on the Group's operations and financial position in future periods.