

**First Investment Company K.S.C.P.
and its Subsidiaries**

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

30 JUNE 2025



REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF FIRST INVESTMENT COMPANY K.S.C.P.

Report on the Interim Condensed Consolidated Financial Information

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of First Investment Company K.S.C.P. (the “Parent Company”) and its Subsidiaries (collectively, the “Group”) as at 30 June 2025, and the related interim condensed consolidated statements of profit or loss, interim condensed consolidated statements of comprehensive income for the three-month and six-month periods then ended, interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended. The management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with 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 IAS 34.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.1 in the interim condensed consolidated financial information which states that, the Group’s accumulated losses amounted to KD 15,407,491 as at 30 June 2025 (31 December 2024: KD 15,762,139 and 30 June 2024: KD 15,723,130) and, as of that date, the Group’s current liabilities exceeded its current assets by KD 28,904,062 (31 December 2024: KD 25,167,032 and 30 June 2024: KD 30,115,284). This position is primarily attributable to total outstanding legal claims of KD 46,153,414 (31 December 2024: 46,187,014 and 30 June 2024: KD 46,669,606), including certain legally enforceable litigation claims amounting to KD 45,168,459 (31 December 2024: KD 40,125,976 and 30 June 2024: KD 36,886,734) that the Group is currently unable to settle. As a result, restrictions have been placed on certain assets aggregating to KD 19,652,612 (31 December 2024: KD 17,211,775 and 30 June 2024: KD 13,118,931). As stated in Note 2.1, these events or conditions, along with other matters set forth in note 11, indicate that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF FIRST INVESTMENT COMPANY K.S.C.P. (continued)

Report on the Interim Condensed Consolidated Financial Information (continued)

Emphasis of Matters

- i) We draw attention to note 11 to the interim condensed consolidated financial information, which describes the material uncertainty related to the final outcome of ongoing litigation claims. As stated in the note therein, the Parent Company is the defendant in legal proceedings brought by several parties. The legal actions commenced by the counterparties against the Parent Company are in various stages of litigation. As at 30 June 2025, the Group recorded a total provision of KD 46,153,414 (31 December 2024: KD 46,187,014 and 30 June 2024: KD 46,669,606) against the litigation claims, reflecting management's best estimate of the most likely outcome of these claims as at the authorisation date of this interim condensed consolidated financial information.
- ii) We draw attention to the Note 5 to the interim condensed consolidated financial information which states that the construction contract for the Beach Resort project (the "Project") in the Governorate of Dhofar, Sultanate of Oman, undertaken by Dhofar Beach Resort LLC, a subsidiary of Taameer Investment Company S.A.O.C., an associate of the Group (referred to hereunder as "Taameer") was terminated by Taameer. Following the termination, the Contractor of the Project initiated legal proceedings against Tameer, and the dispute is currently being address through various legal cases. Based on the legal counsel's advice, Taameer has concluded that while an adverse outcome is possible, it is not probable, that the action against Taameer will succeed. Accordingly, Taameer has not recognised any provision for any liability that may arise in connection with this matter in its consolidated financial statements.

Our conclusion is not modified in respect of the above matters.

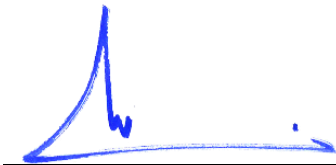
Report on Other Legal and Regulatory Requirements

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

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION TO THE BOARD OF DIRECTORS OF FIRST INVESTMENT COMPANY
K.S.C.P. (continued)**

Report on Other Legal and Regulatory Requirements (continued)

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



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

6 August 2025
Kuwait

First Investment Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
(UNAUDITED)

For the period ended 30 June 2025

	<i>Notes</i>	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
		2025	2024	2025	2024
		KD	KD	KD	KD
INCOME					
Revenue from contracts with customers		220,825	216,764	429,441	456,578
Cost of sales		(92,093)	(97,832)	(184,207)	(206,622)
GROSS PROFIT		128,732	118,932	245,234	249,956
Murabaha income		7,789	12,582	10,376	54,974
Net change in fair value of financial assets at fair value through profit or loss		2,002	3,056	1,599	2,982
Share of results of associates	5	(136,226)	(176,115)	(314,320)	(135,860)
Gain from dilution of ownership interest in an associate	5	631,488	-	631,488	-
Net change in fair value of investment properties		-	(305,988)	-	(305,988)
Dividend income		156,133	57,370	352,121	57,370
Rental income		98,489	282,154	199,436	564,852
Management fees		52,975	53,079	105,900	106,229
Net foreign exchange differences		11,977	(670)	9,913	(4,487)
Reversal of provision for legal claims	11	-	2,800,000	-	2,800,000
Other income		291	1,651	411	2,704
TOTAL INCOME		953,650	2,846,051	1,242,158	3,392,732
EXPENSES AND OTHER CHARGES					
Staff costs		(224,556)	(242,489)	(451,621)	(494,391)
Depreciation and amortisation		(83,430)	(83,028)	(167,175)	(166,355)
Finance costs		(2,569)	(36,082)	(5,623)	(74,370)
Other expenses		(144,197)	(197,268)	(263,938)	(317,405)
TOTAL EXPENSES AND OTHER CHARGES		(454,752)	(558,867)	(888,357)	(1,052,521)
PROFIT FOR THE PERIOD		498,898	2,287,184	353,801	2,340,211
Attributable to:					
Equity holders of the Parent Company		499,105	2,370,686	354,648	2,367,273
Non-controlling interests		(207)	(83,502)	(847)	(27,062)
		498,898	2,287,184	353,801	2,340,211
BASIC AND DILUTED EARNINGS PER SHARE (EPS) ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT COMPANY	3	1.12 Fils	5.32 Fils	0.80 Fils	5.31 Fils

The attached notes 1 to 11 form part of this interim condensed consolidated financial information.

First Investment Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 June 2025

	Note	Three months ended 30 June		Six months ended 30 June	
		2025 KD	2024 KD	2025 KD	2024 KD
PROFIT FOR THE PERIOD		498,898	2,287,184	353,801	2,340,211
Other comprehensive income					
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</i>					
Net gain on equity instruments at fair value through other comprehensive income		2,616,101	329,844	843,593	1,223,492
Share of other comprehensive income (loss) of associates	5	87,477	(100,621)	66,097	(100,659)
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods		2,703,578	229,223	909,690	1,122,833
<i>Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of foreign operations		(116,842)	(42,537)	(105,251)	(3,030)
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods		(116,842)	(42,537)	(105,251)	(3,030)
Other comprehensive income		2,586,736	186,686	804,439	1,119,803
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		3,085,634	2,473,870	1,158,240	3,460,014
Attributable to:					
Equity holders of the Parent Company		3,084,523	2,563,694	1,157,896	3,487,872
Non-controlling interests		1,111	(89,824)	344	(27,858)
		3,085,634	2,473,870	1,158,240	3,460,014

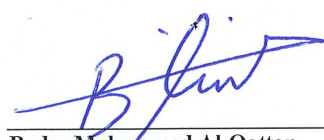
The attached notes 1 to 11 form part of this interim condensed consolidated financial information.

First Investment Company K.S.C.P. and its Subsidiaries

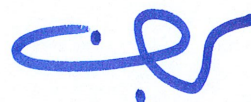
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL
POSITION (UNAUDITED)

As at 30 June 2025

		30 June 2025 KD	(Audited) 31 December 2024 KD	30 June 2024 KD
	Notes			
ASSETS				
Cash and cash equivalents	4	10,528,187	9,311,870	6,671,370
Financial assets at fair value through profit or loss	10	174,789	173,190	172,304
Other assets		4,371,431	4,519,553	4,614,341
Inventories		403,143	386,542	334,350
Financial assets at fair value through other comprehensive income	10	39,977,080	39,133,487	35,270,313
Investment in associates	5	17,713,908	18,659,642	18,270,254
Investment properties		4,570,000	4,570,000	11,468,626
Property and equipment		1,947,181	2,085,559	2,199,189
Goodwill and other intangible assets		518,739	548,625	578,510
TOTAL ASSETS		80,204,458	79,388,468	79,579,257
LIABILITIES AND EQUITY				
LIABILITIES				
Murabaha payables	6	221,543	256,545	1,968,856
Other liabilities		2,812,249	3,079,567	2,206,251
Provision for legal claims	11	46,153,414	46,187,014	46,669,606
End of service benefits		1,105,756	1,112,086	1,088,309
TOTAL LIABILITIES		50,292,962	50,635,212	51,933,022
EQUITY				
Share capital	7	44,597,874	44,597,874	44,597,874
Fair value reserve		(439,204)	(1,348,894)	(5,126,367)
Foreign currency translation reserve		971,841	1,078,283	1,061,996
Accumulated losses		(15,407,491)	(15,762,139)	(15,723,130)
Equity attributable to equity holders of the Parent Company		29,723,020	28,565,124	24,810,373
Non-controlling interests		188,476	188,132	2,835,862
TOTAL EQUITY		29,911,496	28,753,256	27,646,235
TOTAL LIABILITIES AND EQUITY		80,204,458	79,388,468	79,579,257



Bader Mohammed Al-Qattan
Chairman



Mohammad Ghaith Al-Tayyar
Chief Executive Officer

The attached notes 1 to 11 form part of this interim condensed consolidated financial information.

First Investment Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 June 2025

	<i>Attributable to equity holders of the Parent Company</i>					<i>Non-</i>	<i>Total</i>
	<i>Share</i>	<i>Fair value</i>	<i>Foreign</i>	<i>Accumulated</i>	<i>Sub-total</i>	<i>controlling</i>	<i>equity</i>
	<i>capital</i>	<i>reserve</i>	<i>currency</i>	<i>losses</i>		<i>interests</i>	
	<i>KD</i>	<i>KD</i>	<i>translation</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
			<i>reserve</i>				
			<i>KD</i>				
At 1 January 2025 (Audited)	44,597,874	(1,348,894)	1,078,283	(15,762,139)	28,565,124	188,132	28,753,256
Profit (loss) for the period	-	-	-	354,648	354,648	(847)	353,801
Other comprehensive income (loss) for the period	-	909,690	(106,442)	-	803,248	1,191	804,439
Total comprehensive income (loss) for the period	-	909,690	(106,442)	354,648	1,157,896	344	1,158,240
At 30 June 2025	44,597,874	(439,204)	971,841	(15,407,491)	29,723,020	188,476	29,911,496
At 1 January 2024 (Audited)	44,597,874	(6,249,200)	1,064,230	(18,090,403)	21,322,501	2,863,720	24,186,221
Profit (loss) for the period	-	-	-	2,367,273	2,367,273	(27,062)	2,340,211
Other comprehensive income (loss) for the period	-	1,122,833	(2,234)	-	1,120,599	(796)	1,119,803
Total comprehensive income (loss) for the period	-	1,122,833	(2,234)	2,367,273	3,487,872	(27,858)	3,460,014
At 30 June 2024	44,597,874	(5,126,367)	1,061,996	(15,723,130)	24,810,373	2,835,862	27,646,235

The attached notes 1 to 11 form part of this interim condensed consolidated financial information.

First Investment Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

As at and for the period ended 30 June 2025

		Six months ended 30 June	
		2025 KD	2024 KD
	Notes		
OPERATING ACTIVITIES			
Profit for the period		353,801	2,340,211
<i>Adjustments to reconcile profit for the period to net cash flows:</i>			
Murabaha income		(10,376)	(54,974)
Net change in fair value of financial assets at fair value through profit or loss		(1,599)	(2,982)
Share of results of associates	5	314,320	135,860
Gain from dilution of ownership interest in an associate	5	(631,488)	-
Net change in fair value of investment properties		-	305,988
Dividend income		(352,121)	(57,370)
Net foreign exchange differences		(9,913)	4,487
Depreciation of property and equipment and right-of-use assets		137,289	136,469
Amortisation of intangible assets		29,886	29,886
Finance costs		5,623	74,370
Gain on derecognition of right-of-use assets and lease liabilities		(427)	-
Reversal of provision for legal claims	11	-	(2,800,000)
Provision for employees' end of service benefits		6,808	21,145
		(158,197)	133,090
<i>Working capital adjustments:</i>			
Financial assets at fair value through profit or loss		-	2,503
Other assets		476,556	(279,520)
Inventories		(16,601)	63,756
Other liabilities		(128,977)	(107,557)
Cash used in operations		172,781	(187,728)
Murabaha income received		10,376	64,960
Finance costs paid		-	(70,396)
Employee's end of service benefits paid		(13,138)	-
Net cash flows from (used in) operating activities		170,019	(193,164)
INVESTING ACTIVITIES			
Proceeds from capital redemption from investment in associate		1,220,267	7,226
Purchase of property and equipment		(13,005)	(9,108)
Capital expenditure on investment properties		-	(26,239)
Net cash flows from (used in) investing activities		1,207,262	(28,121)
FINANCING ACTIVITIES			
Repayment of murabaha payables		(35,002)	(237,310)
Dividends paid to equity holders of the Parent Company		(206)	(2,049)
Payment of principle portion of lease liabilities		(92,245)	(92,244)
Net cash flows used in financing activities		(127,453)	(331,603)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		1,249,828	(552,888)
Cash and cash equivalents at 1 January		8,719,846	6,935,047
CASH AND CASH EQUIVALENTS AT 30 June	4	9,969,674	6,382,159
Non-cash items excluded from the interim condensed consolidated statement of cash flows			
Derecognition of right of use assets and lease liabilities		14,094	-
Financial assets at fair value through other comprehensive income	11	-	(800,000)
Other liabilities	11	-	800,000

The attached notes 1 to 11 form part of this interim condensed consolidated financial information.

First Investment Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2025

1 CORPORATE INFORMATION

The interim condensed consolidated financial information of First Investment Company K.S.C.P. (the “Parent Company”) and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2025 was authorised for issue in accordance with a resolution of the board of directors of the Parent Company on 6 August 2025.

The consolidated financial statements of the Group for the year ended 31 December 2024 were approved by the shareholders of the Parent Company in the annual general assembly meeting held on 29 May 2025. No dividend has been proposed by the Board of Directors for the financial year ended 31 December 2024.

The Parent Company is a Kuwaiti shareholding company incorporated and domiciled in Kuwait and whose shares are publicly traded on Boursa Kuwait. The Parent Company is subject to the supervision of Capital Markets Authority (“CMA”).

The Parent Company’s registered office is located at Floor 14-15, Safat Tower, Beirut Street, Hawally, Kuwait.

The Parent Company is principally engaged in the provision of investment and financial services in accordance with Islamic Shari’a principles as approved by the Group's Fatwa and Shari’a Supervisory committee.

The Parent Company’s principal objectives comprise the following:

1. Invest in real estate, industrial, financial, services and other economic sectors through shareholding in incorporating specialized companies or acquisition of stocks and shares of such companies for the account of the Company.
2. Carry out real estate investment deals with the objective of developing real estates and constructing residential and commercial units and complexes for sale or rent.
3. Purchase lands and real estates for the purpose of selling the same in their original condition or after the division thereof, leasing the same unoccupied or uninhabited, or after the construction of new facilities, buildings, and equipment.
4. Conduct all transactions related to the trading in financial securities for the account of the Company.
5. Investment portfolio manager.
6. Investment advisor.
7. Collective investment scheme manager.
8. Subscription agent.
9. Fund Custodian
10. Investment Controller
11. Carry out brokerage activities in the international trading transactions

In accordance with CMA decisions number 83 dated 27 June 2024 and 146 dated 29 October 2024, activities numbered 5, 7, 8 and 9 have been suspended. Accordingly, the Parent Company’s operation related to these activities have been limited to maintaining the existing portfolio as it stood prior to the CMA decisions.

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

2.1 Fundamental Accounting Concept

As at 30 June 2025, the Group’s accumulated losses amounted to KD 15,407,491 (31 December 2024: KD 15,762,139 and 30 June 2024: KD 15,723,130) and, as of that date, the Group’s current liabilities exceeded its current assets by KD 28,904,062 (31 December 2024: KD 25,167,032 and 30 June 2024: KD 30,115,284). This position is primarily attributable to total outstanding legal claims of KD 46,153,414 (31 December 2024: KD 46,187,014 and 30 June 2024: KD 46,669,606), including certain legally enforceable litigation claims amounting to KD 45,168,459 (31 December 2024: KD 40,125,976 and 30 June 2024: KD 36,886,734) that the Group is currently unable to settle. As a result, restrictions have been placed on certain assets aggregating to KD 19,652,612 (31 December 2024: KD 17,211,775 and 30 June 2024: KD 13,118,931) (Note 11).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2025

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (continued)

2.1 Fundamental Accounting Concept (continued)

Management continues to actively monitor the situation and seek the best available information to assess risks and implement appropriate mitigation measures. In response to the legal cases and their potential outcomes, the Group has taken, and continues to take, a number of actions. These include the following:

- ▶ Initiating and pursuing all appropriate legal actions before various courts to achieve a favorable outcome for the Group.
- ▶ On 17 April 2023, the shareholders of the Parent Company in the extraordinary general assembly meeting ("EGM") approved the Board of Directors recommendation to apply for preventive protection or restructuring as per Law No. 71/2020.
- ▶ On 26 September 2024, the Board of Directors of the Parent Company resolved to proceed with an application to the Bankruptcy Department of the Ministry of Justice to commence restructuring procedures in accordance with Law No. 71 of 2020.
- ▶ On 17 October 2024, the Parent Company has filed the application for approval to initiate the restructuring procedures under the same law.
- ▶ On 20 February 2025, the Bankruptcy judge accepted the application and issued his decision to initiate the restructuring proceedings.
- ▶ The Parent Company's management is currently in the process of preparing and submitting a settlement proposal to the Debtors' Committee. It is expected that settlement of claims will be achieved either through in-kind settlements or through sale of certain assets, subject to approval of the settlement proposal.
- ▶ In forming its assessment of the Group's ability to continue as a going concern, management has exercised significant judgment, considering the following:
 - The ability to generate sufficient cash flows over the next twelve months, contingent on successfully implementing mitigation measures within the Group's control
 - The expected outcome of ongoing litigation, as further detailed in Note 11.
 - The absence of enforcement actions against the Group's restricted assets during the restructuring period (refer to Note 11).

Management acknowledges that material uncertainty remains over the Group's ability to settle its outstanding legal claims and associated obligations as they fall due. However, based on current plans and ongoing restructuring efforts, management has a reasonable expectation that the Group will have sufficient resources to continue in operational existence for the foreseeable future, and that obligations subject to legal claims will be met through the restructuring process.

Notwithstanding the above facts, the interim condensed consolidated financial information has been prepared on a going concern basis, which assumes that the Group will be able to realise its assets and discharge its liabilities in the normal course of business at the amounts stated in the interim condensed consolidated financial information. If the Group is unable to continue as a going concern, adjustments may be required to reflect the recoverability and classification on assets and liabilities on an alternative basis other than going concern, which could result in adjustments to the carrying amounts.

2.2 Basis of preparation

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with IAS 34 "*Interim Financial Reporting*".

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2024.

2.3 New standards, interpretations and amendments adopted by the Group

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

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2025

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (continued)

2.3 New standards, interpretations and amendments adopted by the Group (continued)

Lack of exchangeability - Amendments to IAS 21

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

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

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

3 EARNINGS PER SHARE

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

	<i>Three months ended</i> 30 June		<i>Six months ended</i> 30 June	
	2025	2024	2025	2024
Profit for the period attributable to the equity holders of the Parent Company (KD)	499,105	2,370,686	354,648	2,367,273
Weighted average number of shares outstanding during the period	445,978,742	445,978,742	445,978,742	445,978,742
Basic and diluted earnings per share	1.12 fils	5.32 fils	0.80 fils	5.31 fils

There have been no transactions involving ordinary shares between the reporting date and the date of authorisation of this interim condensed consolidated financial information which would require the restatement of loss per share.

4 CASH AND CASH EQUIVALENTS

Cash at banks includes restricted cash amounting to KD 558,513 (31 December 2024: KD 592,024 and 30 June 2024: KD 289,211) representing uncollected distribution attributable to certain shareholders of First Energy Resource Company K.S.C. (Closed), a subsidiary currently under liquidation.

First Investment Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2025

5 INVESTMENT IN ASSOCIATES

			30 June 2025	(Audited) 31 December 2024		30 June 2024	
	County of incorporation	% equity interest	Carrying amount KD	% equity interest	Carrying amount KD	% equity interest	Carrying amount KD
Arkan Al-Kuwait Real Estate Company K.S.C.P. ("Arkan") (i)	Kuwait	23.35%	6,873,192	28.95%	6,170,146	28.95%	5,565,612
Taameer Investment Company S.A.O.C. ("Taameer") (ii)	Oman	24.82%	4,296,362	24.82%	4,407,498	24.82%	4,488,953
Al-Subeih Medical Company (Khalid Hamad Al-Subeih & Partners) W.L.L.	Kuwait	25%	2,675,774	25%	3,009,083	25%	3,367,750
Al Jazeera Al Oula Real Estate W.L.L.	Saudi Arabia	20.90%	2,391,637	20.90%	2,348,059	20.90%	2,227,567
First Education Company K.S.C. (Closed)	Kuwait	22.19%	1,177,675	22.19%	2,376,406	22.19%	2,222,733
Sons of Yousef Al-Subeih Real Estate Company (Khalid Hamad Al-Subeih & Partners) W.L.L.	Kuwait	25%	299,268	25%	348,450	25%	397,639
			<u>17,713,908</u>		<u>18,659,642</u>		<u>18,270,254</u>

i) Merger and dilution of interest

On 15 April 2025, Arkan completed a merger with its subsidiary First Real Estate Investment Company K.S.C. (Closed) through a share-for-share exchange resulted in the issuance of additional shares to the minority shareholders of First Real Estate Investment Company K.S.C. (Closed). As a result of the merger, the Group's equity interest in Arkan was diluted from 28.95% to 23.35% and a gain amounting to KD 631,488 recorded in the interim condensed consolidated statement of profit or loss.

ii) Legal claim contingency in respect of Taameer

The construction contract for a Beach Resort project in the Governorate of Dhofar, Sultanate of Oman, undertaken by Dhofar Beach Resort LLC, a subsidiary of Taameer, was terminated by Taameer. The contract was originally executed by Ghantoot Transport & Gen. Cont. LLC ("the Contractor"). The termination was due to a dispute involving, among other matters, the Contractor's prolonged delay in resuming work following a natural disaster at the project site in May 2018.

Following the termination, the Contractor initiated legal proceedings against Tameer, challenging the termination on various grounds and has requested the court to appoint a panel of expert, as a preliminary step toward filing a formal claim. In return, on 10 February 2020, Taameer filed a counterclaim against the Contractor for damages and breach of contract in the amount of OMR 25 million (equivalent to KD 19.7 million).

On 21 May 2025, the arbitration committee of the court issued arbitration award in favor of the Taameer, granting a settlement amount amounting to OMR 13.2 million. This award may be challenged for an annulment before the Court of Appeal by either party within 90 days from the date of the award.

First Investment Company K.S.C.P. and its Subsidiaries

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As at and for the period ended 30 June 2025

5 INVESTMENT IN ASSOCIATES (continued)

ii) Legal claim contingency in respect of Taameer (continued)

Further, during the year 2019, Taameer encashed performance bonds amounting to OMR 6.55 million (equivalent to KD 5.2 million) provided by the Contractor. The Contractor is contesting the encashment through a separate legal action, which is still in progress.

Based on the legal counsel's advice, Taameer has concluded that while an adverse outcome is possible, it is not probable, that the action against Taameer will succeed. Accordingly, Taameer has not recognised any provision for any liability that may arise in connection with this matter in its consolidated financial statements for the year ended 31 December 2024.

Set out below is the movement in the carrying amount of investment in associates:

	30 June 2025 KD	(Audited) 31 December 2024 KD	30 June 2024 KD
As at the beginning of the period/year	18,659,642	18,515,077	18,515,077
Share of results	(314,320)	291,976	(135,860)
Capital redemption	(1,220,267)	(7,226)	(7,226)
Gain from dilution of ownership interest in an associate	631,488	-	-
Share of other comprehensive income (loss)	66,097	46,175	(100,659)
Exchange difference	(108,732)	(186,360)	(1,078)
Aa at the end of the period/year	17,713,908	18,659,642	18,270,254

6 MURABAHA PAYABLES

	30 June 2025 KD	(Audited) 31 December 2024 KD	30 June 2024 KD
Gross amount	238,376	278,432	2,421,628
Less: Deferred finance costs	(16,833)	(21,887)	(452,772)
	221,543	256,545	1,968,856

As at 30 June 2025, murabaha payables amounting to KD 221,543 (31 December 2024: KD 256,545 and 30 June 2024: KD 1,679,010) are denominated in Kuwaiti Dinars, have an effective profit rate ranging from 3.7%-6.3% (31 December 2024: 3.7%-6.3%% and 30 June 2024: 3.7%-6.3%) per annum and secured against property and equipment with a carrying amount of KD 1,059,528 (31 December 2024: KD 1,074,818 and 30 June 2024: KD 1,120,290).

7 SHARE CAPITAL

At 30 June 2025, the authorised, issued and fully paid-up capital of the Parent Company comprises of 445,978,742 (31 December 2024: 445,978,742 and 30 June 2024: 445,978,742) shares of 100 fils each. All shares are paid in cash.

First Investment Company K.S.C.P. and its Subsidiaries

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8 RELATED PARTY DISCLOSURES

Related parties represent associated companies, managed funds, 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 Parent Company's management.

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

	<i>Three months ended</i> <i>30 June</i>		<i>Six months ended</i> <i>30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
<i>Interim condensed consolidated statement of profit or loss:</i>				
Management fees	-	15	-	32
		<i>30 June</i>	<i>(Audited)</i>	<i>30 June</i>
		<i>2025</i>	<i>31 December</i>	<i>2024</i>
		<i>KD</i>	<i>KD</i>	<i>KD</i>
<i>Interim condensed consolidated statement of financial position:</i>				
Other assets (management fees and other receivables)		20,146	487	462

Key management personnel compensation:

Key management personnel comprise of the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Group.

The aggregate value of transactions and outstanding balances related to key management personnel were as follows:

	<i>Three months ended</i> <i>30 June</i>		<i>Six months ended</i> <i>30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Salaries and short-term benefits	38,169	38,050	76,626	74,166
End of service benefits	2,805	1,102	6,378	4,762
	<u>40,974</u>	<u>39,152</u>	<u>83,004</u>	<u>78,928</u>
			<i>Balance outstanding</i>	
			<i>(Audited)</i>	
		<i>30 June</i>	<i>31 December</i>	<i>30 June</i>
		<i>2025</i>	<i>2024</i>	<i>2024</i>
		<i>KD</i>	<i>KD</i>	<i>KD</i>
Salaries and short-term benefits		-	11,000	-
End of service benefits		266,446	260,068	253,723
		<u>266,446</u>	<u>271,068</u>	<u>253,723</u>

Other related party disclosures:

The Group also manages investment portfolios on behalf of related parties amounting to KD Nil (31 December 2024: KD 3,725 and 30 June 2024: KD 4,929) which are not reflected in the Group's interim condensed consolidated statement of financial position.

First Investment Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2025

9 SEGMENT INFORMATION

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on return on investments. For management purposes, the Group is organised into four operating segments:

- ▶ Real Estate
- ▶ Financial
- ▶ Services
- ▶ Others

The Group does not have any inter-segment transactions.

The following tables present revenue and profit information for the Group's operating segments for the six months ended 30 June 2025 and 2024, respectively:

	<i>Real Estate</i>		<i>Financial</i>		<i>Services</i>		<i>Others</i>		<i>Total</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Income	1,022,465	251,944	20,437	50,615	(49,689)	3,032,803	248,945	57,370	1,242,158	3,392,732
Expenses	(263,858)	(393,298)	(42,774)	(54,104)	(456,951)	(505,484)	(124,774)	(99,635)	(888,357)	(1,052,521)
Segment results	758,607	(141,354)	(22,337)	(3,489)	(506,640)	2,527,319	124,171	(42,265)	353,801	2,340,211

First Investment Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2025

9 SEGMENT INFORMATION (continued)

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

	<i>Real Estate</i>			<i>Financial</i>			<i>Services</i>			<i>Others</i>			<i>Total</i>		
	<i>(Audited)</i>			<i>(Audited)</i>			<i>(Audited)</i>			<i>(Audited)</i>			<i>(Audited)</i>		
	31			31			31			31			31		
	30 June	December	30 June	30 June	December	30 June	30 June	December	30 June	30 June	December	30 June	30 June	December	30 June
	2025	2024	2024	2025	2024	2024	2025	2024	2024	2025	2024	2024	2025	2024	2024
	KD	KD	KD	KD	KD	KD	KD	KD	KD	KD	KD	KD	KD	KD	KD
Segment assets	19,745,671	19,251,216	25,079,551	8,595,629	5,974,447	5,273,036	39,865,106	41,729,551	40,056,692	11,998,052	12,433,254	9,169,978	80,204,458	79,388,468	79,579,257
Segment liabilities	(430,762)	(655,691)	(2,260,066)	(505,857)	(509,995)	(7,717)	(985,364)	(1,068,957)	(795,935)	(48,370,979)	(48,400,569)	(48,869,304)	(50,292,962)	(50,635,212)	(51,933,022)
Other disclosures:															
Total non-current assets*	19,076,678	18,611,676	24,449,845	7,200,033	5,902,173	4,342,560	31,554,283	39,639,041	38,400,298	3,446,946	(2,652,281)	3,597,291	61,277,940	61,500,609	70,789,994
Additions to non-current assets	(615)	(3,011)	-	-	(60)	60	(12,390)	(28,763)	9,048	-	-	-	(13,005)	(31,834)	9,108
Share of results from associates (Note 5)	(19,157)	309,706	(114,743)	-	-	-	(295,163)	(17,730)	(21,117)	-	-	-	(314,320)	291,976	(135,860)

*Non-current assets for this purpose consist of goodwill and other intangible assets, property and equipment, investment properties, investment in associates and financial assets at FVOCI and certain other assets due more than one year.

First Investment Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2025

9 SEGMENT INFORMATION (continued)

Geographic information

	Six months ended 30 June		
	2025 KD	2024 KD	
Income			
Kuwait	1,101,415	3,256,396	
Kingdom of Saudi Arabia (KSA)	165,599	103,979	
Sultanate of Oman	(24,856)	32,357	
	<u>1,242,158</u>	<u>3,392,732</u>	
Segment results			
Kuwait	214,246	2,315,521	
Kingdom of Saudi Arabia (KSA)	164,411	103,979	
Sultanate of Oman	(24,856)	(79,289)	
	<u>353,801</u>	<u>2,340,211</u>	
		(Audited)	
	30 June	31 December	30 June
	2025	2024	2024
	KD	KD	KD
Segment assets			
Kuwait	45,335,077	44,018,036	38,959,654
Kingdom of Saudi Arabia (KSA)	28,166,939	28,268,249	27,923,021
Sultanate of Oman	4,342,545	4,495,418	11,526,814
Others	2,359,897	2,606,765	1,169,768
	<u>80,204,458</u>	<u>79,388,468</u>	<u>79,579,257</u>
Segment liabilities			
Kuwait	(18,168,283)	(18,459,769)	(18,175,244)
Kingdom of Saudi Arabia (KSA)	(31,796,998)	(31,803,444)	(31,799,805)
Sultanate of Oman	(327,681)	(371,999)	(1,957,973)
	<u>(50,292,962)</u>	<u>(50,635,212)</u>	<u>(51,933,022)</u>

10 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is 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.

Fair value hierarchy

All assets and liabilities for which fair value is recognized or disclosed are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

The Group uses the following hierarchy for determining and disclosing the fair values of financial assets carried at fair value by valuation technique:

- ▶ Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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10 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

The following table provides the fair value measurement hierarchy of the Group's financial instruments measured at fair value.

	<i>Fair value measurement using</i>			
	<i>Quoted prices in active markets (Level 1) KD</i>	<i>Significant observable inputs (Level 2) KD</i>	<i>Significant unobservable inputs (Level 3) KD</i>	<i>Total KD</i>
Financial assets at FVTPL:				
30 June 2025				
Unquoted funds	-	174,789	-	174,789
31 December 2024 (Audited)				
Unquoted funds	-	173,190	-	173,190
30 June 2024				
Unquoted funds	-	172,304	-	172,304
Financial assets at FVOCI:				
30 June 2025				
Quoted equity securities	13,169,175	-	-	13,169,175
Unquoted equity securities	-	-	26,807,905	26,807,905
	13,169,175	-	26,807,905	39,977,080
31 December 2024 (Audited)				
Quoted equity securities	12,088,455	-	-	12,088,455
Unquoted equity securities	-	-	27,045,032	27,045,032
	12,088,455	-	27,045,032	39,133,487
30 June 2024				
Quoted equity securities	9,186,427	-	-	9,186,427
Unquoted equity securities	-	-	26,083,886	26,083,886
	9,186,427	-	26,083,886	35,270,313

Reconciliation of recurring fair value measurements categorised within Level 3 of the fair value hierarchy:

	30 June 2025 KD	<i>(Audited)</i> 31 December 2024 KD	30 June 2024 KD
As at 1 January	27,045,032	24,798,606	24,798,606
Additions	-	800,000	800,000
Remeasurement recognised in OCI	(237,127)	1,446,426	485,280
At the end of the period/ year	26,807,905	27,045,032	26,083,886

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

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10 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Description of significant unobservable inputs to valuation

Set out below are the significant unobservable inputs to valuation as at 30 June 2025:

	<i>Valuation techniques</i>	<i>Significant unobservable inputs</i>	<i>Range (weighted average)</i>	<i>Sensitivity of the input to fair value</i>
Unquoted equity securities	Market multiple approach	Sector PBV Multiple	0.44-3.56 (1.71)	10% increase (decrease) in the Sector PBV multiple would result in an increase (decrease) in fair value by KD 1,881,087.
		DLOM *	20%	5% increase (decrease) in the DLOM would result in (decrease) increase in fair value by KD 1,339,102.
	Adjusted NAV	DLOM *	20%	5% increase (decrease) in the DLOM would result in (decrease) increase in fair value by KD 1,340,395.

* Discount for lack of marketability represents the amounts that the Group has determined that market participants would take into account when pricing the investments.

11 LEGAL CLAIMS

- a) During the years ended 31 December 2006 and 31 December 2007, the Parent Company has entered into agreements to purchase shares in Al Muttahed for Investment and Real Estate Development Company S.S.C.C (the investee company) from certain shareholders (the sellers).

During the subsequent period, the Parent Company noted that the sellers have not fulfilled their commitment of transferring certain assets of the investee company as part of their share of capital increase of the investee company. Accordingly, the Parent Company filed a lawsuit against the sellers claiming for a temporary compensation. On the other hand, the sellers filed a counterclaim against the Parent Company demanding for a compensation for the breach of the sale contract. However, both the original and counterclaim were dismissed. The Court of First Instance dismissed the sellers' lawsuit on the basis of the sellers' breach of the contract by cancelling the registration of 3 million shares out of 4 million shares of the investee company, agreed to be sold, and this was upheld by the Court of Appeal and the Court of Cassation on 11 April 2016.

Despite the verdict by the Court of Cassation, the sellers filed another lawsuit against the Parent Company demanding the payment of KD 13,814,991 related to the purchase consideration.

On 17 January 2017, the Court of First Instance ruled in favour of the Parent Company rejecting the claim filed by the sellers based on the earlier verdict that was adjudicated by the Court of Cassation on 11 April 2016. The sellers further appealed against the ruling of the Court of First Instance and a verdict was issued on 21 September 2017, accepting the appeal in form, cancelling the earlier verdict issued by the Court of First Instance and referring the case to the Capital Markets Court. The Parent Company filed an appeal by cassation against Commercial Judgment No. 1187/2017 Commercial, which has not yet been adjudicated.

On 9 January 2018, the Capital Markets Court's verdict was issued dismissing the case of the sellers on inadmissibility ground for being previously adjudicated by verdicts, the last of which was the cassation verdicts no. 711 and 734/2015, commercial issued on 11 April 2016. However, the Sellers appealed the previous verdict before the Court of Appeal. On 4 July 2019, under the Case No 13/2018, the Court of Appeal issued a ruling to refer the case to the Department of Expert at the Ministry of Justice.

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11 LEGAL CLAIMS (continued)

On 14 November 2022, the Appeal Court of Capital Markets Court have ruled against the Parent Company ordering to pay the seller an amount of KD 13,814,991 plus an interest of 7% starting from 30 January 2013. The Parent Company appealed against the ruling, due to the contradiction of the ruling with previous verdicts and other legal matters, Subsequently, the Court of Cassation ruled that the appeal shall be rejected. The Parent Company also filed petition for reconsideration on which a verdict of inadmissibility was issued, and it was appealed against from the Court of Cassation. Moreover, an original annulment lawsuit was filed by the Company on the appeal ruling, which has been rejected and upheld by the Court of Appeal decision. The Parent Company appealed the rejection to the Court of Cassation.

- b) During the year ended 31 December 2017, the aforementioned sellers filed another lawsuit against the Parent Company demanding for a compensation of KD 5,001 against the seizure of certain securities held under an investment portfolio. After deliberation by the Court and Department of Experts on the lawsuit, on 24 December 2019, the ruling of the Court of First Instance was issued dismissing the case of the sellers on inadmissibility ground for being previously adjudicated by virtue of final verdicts issued by the Court of Cassation (Appeal no. 711 and 734/2015, commercial). The sellers were not satisfied by the verdict and appealed against it. The Parent Company's defence was that the sellers mortgaged the investment portfolio to certain bank, and that the sellers did not request to receive the investment portfolio in the first place and appealed the forgery of the sellers's alleged warning.

On 14 November 2022, the Court have ruled against the Parent Company to pay the compensation amounting to KD 6,101,424 plus an interest of 7% starting from 26 November 2017. The Parent Company filed three appeals by cassation of the ruling on the basis of several errors in the appeal verdict which among which was its contradiction with the previous verdicts and that the opponent has only requested KD 5,001 as a temporary compensation and the judgment awarded the opponent two thousand double his request. Also, he had pledged the portfolio to one of the banks, and because he did not request to receive the portfolio in the first place as well as other legal reasons, these appeals were not yet decided. The Parent Company has also submitted two petitions for reconsideration, and a ruling was issued deeming the petitions inadmissible. This ruling was appealed from the Court of Cassation. Additionally, the Parent Company filed a constitutional appeal challenging the constitutionality of Article 112 of Law No. 7/2010, which allows petitions for reconsideration and appeals on capital market rulings. The Parent Company also filed an originally annulment lawsuit, which has been rejected and upheld by the Court of Appeal decision. The Parent Company appealed the rejection to the Court of Cassation.

- c) The Parent Company is a defendant in legal proceedings brought by several portfolio clients ("clients") in relation to certain investment transactions executed in a fiduciary capacity by the Parent Company in prior years. The legal actions commenced by the clients against the Parent Company are in various phases of litigation.

Certain unfavourable appeal and cassation judgments were issued against the Parent Company with respect to these claims. However, the Parent Company filed an appeal before the Court of Cassation on the basis of several errors in the appeal verdicts in the application and interpretation of the law and flawed reasoning and other legal reasons.

The recognised provision in the interim condensed consolidated financial position as at the reporting date reflects the management's best estimate of the most likely outcome of the Group's liability as of that date in respect of the legal claims for which first instance and appeal verdicts have been issued, and the outcome of these claims is not expected to exceed the amount provided for.

Based on the verdicts issued against the Parent Company in points (a) and (b) in favour of aforementioned sellers and point (c) in favour of certain portfolios clients, the total unsettled verdicts which became legally enforceable as at the authorisation date this interim condensed consolidated financial information amounted to KD 45,168,459 (31 December 2024: KD 40,125,976 and 30 June 2024: KD 36,886,734).

During prior period, the Group signed a legal settlement agreement with one of the portfolio clients resulted in receiving certain financial assets from the customer classified as fair value through other comprehensive income for a total amount of KD 800,000 which not yet paid to the customer as at reporting date. The settlement agreement resulted in a reversal of provision for legal claims amounting to KD 2,800,000.

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11 LEGAL CLAIMS (continued)

The aforementioned sellers and several portfolio clients were able to block certain assets through the Execution Department of the Ministry of Justice. The carrying value of the blocked assets are, as follow:

	30 June 2025 KD	(Audited) 31 December 2024 KD	30 June 2024 KD
Bank balances	374,746	374,643	3,164
Other assets	421,832	166,926	166,921
Financial assets at fair value through other comprehensive income	13,502,947	13,771,639	11,677,391
Investment in subsidiaries*	5,353,087	2,898,567	1,271,455
	19,652,612	17,211,775	13,118,931

* Investment in subsidiaries represent the Parent Company's ownership in Al Marwa Holding Company K.S.C. (Closed) and First Energy Resource Company K.S.C. (Closed). The carrying value of those subsidiaries represents the net value between the total assets amounting to KD 19,191,314 (31 December 2024: KD 16,780,842 and 30 June 2024: KD 15,990,147) and total liabilities amounting to KD 13,571,371 (2024: KD 13,614,860 and 30 June 2024: KD 13,745,816) included as part of the consolidated financial position after eliminating intercompany liabilities of KD 12,551,294 (31 December 2024: KD 12,560,192 and 30 June 2024: KD 13,401,942).