

**Mezzan Holding Company K.S.C.P
and its Subsidiaries**

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

30 JUNE 2026



**Shape the future
with confidence**

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

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Mezzan Holding Company K.S.C.P. ("the Parent Company") and its subsidiaries (collectively, the "Group") as at 30 June 2026, and the related interim condensed consolidated statement of profit or loss, interim condensed consolidated statement of comprehensive income for the three-month and six-month period then ended, the interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six-month period then ended. 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* ("IAS 34"). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

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

Conclusion

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

Other Matter

The consolidated financial statements of the Group for the year ended 31 December 2025 and the interim condensed consolidated financial information for the six-month period ended 30 June 2025, were audited and reviewed, respectively, by another auditor who expressed an unmodified opinion and conclusion on those statements on 17 March 2026 and 13 August 2025, respectively.

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

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, as amended, during the six-month period then ended 30 June 2026 that might have had a material effect on the business of the Parent Company or on its financial position.

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any violations of the provisions of Law No. 7 of 2010 concerning establishment of Capital Markets Authority "CMA" and organization of security activity and its executive regulations, as amended during the six-month period then ended 30 June 2026 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

12 August 2026
Kuwait

Mezzan Holding Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
(UNAUDITED)

For the period ended 30 June 2026

	Notes	Three months ended 30 June		Six months ended 30 June	
		2026 KD	2025 KD	2026 KD	2025 KD
Revenue	3	75,707,023	71,023,409	163,308,819	159,022,751
Cost of sales		(57,220,364)	(53,602,720)	(123,931,124)	(119,873,100)
GROSS PROFIT		18,486,659	17,420,689	39,377,695	39,149,651
Selling and distribution expenses		(7,883,910)	(7,078,469)	(16,026,326)	(15,105,505)
General and administrative expenses		(4,952,841)	(5,153,783)	(9,820,103)	(10,022,691)
Net (allowance for) reversal of expected credit losses	8	(41,217)	509,820	2,057,183	545,834
Other income		478,572	(224,070)	784,432	39,592
Results from operating activities		6,087,263	5,474,187	16,372,881	14,606,881
Finance costs		(1,308,537)	(1,643,291)	(2,661,165)	(3,130,878)
Share of results of an associate		63,354	-	74,768	-
Profit before tax and board of directors' remuneration		4,842,080	3,830,896	13,786,484	11,476,003
Taxation	5	(354,434)	(469,530)	(1,044,866)	(913,793)
Board of directors' remuneration	10	(18,750)	(35,000)	(62,500)	(70,000)
PROFIT FOR THE PERIOD	4	4,468,896	3,326,366	12,679,118	10,492,210
Attributable to:					
Equity holders of the Parent Company		4,097,446	3,025,569	12,058,252	9,904,065
Non-controlling interests		371,450	300,797	620,866	588,145
		4,468,896	3,326,366	12,679,118	10,492,210
BASIC AND DILUTED EARNINGS (EPS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT COMPANY (FILS)	6	13.18	9.73	38.77	31.83

The attached notes 1 to 18 form part of this interim condensed consolidated financial information.

Mezzan Holding Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME (UNAUDITED)

For the period ended 30 June 2026

	<i>Three months ended</i> <i>30 June</i>		<i>Six months ended</i> <i>30 June</i>	
	2026	2025	2026	2025
	KD	KD	KD	KD
PROFIT FOR THE PERIOD	4,468,896	3,326,366	12,679,118	10,492,210
Other comprehensive income (loss)				
<i>Other comprehensive income (loss) that may be reclassified to profit or loss in subsequent periods:</i>				
Foreign currency translation differences on foreign operations	85,193	(205,099)	229,427	(174,803)
Net loss on hedge of net investment	(10,299)	34,588	(27,593)	31,091
	74,894	(170,511)	201,834	(143,712)
<i>Other comprehensive income (loss) that will not be reclassified to profit or loss in subsequent periods:</i>				
Net gain (loss) on equity instruments at fair value through other comprehensive income	19,767	(214,736)	67,464	(265,025)
Other comprehensive income (loss)	94,661	(385,247)	269,298	(408,737)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	4,563,557	2,941,119	12,948,416	10,083,473
Attributable to:				
Equity holders of the Parent Company	4,191,539	2,641,076	12,326,341	9,496,616
Non-controlling interests	372,018	300,043	622,075	586,857
	4,563,557	2,941,119	12,948,416	10,083,473

The attached notes 1 to 18 form part of this interim condensed consolidated financial information.

Mezzan Holding Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2026

		30 June 2026 KD	(Audited) 31 December 2025 KD	30 June 2025 KD
	Notes			
ASSETS				
Non-current assets				
Property, plant and equipment		98,277,498	93,002,843	86,721,024
Right-of-use assets		2,569,513	3,258,473	2,693,659
Intangible assets		36,333,884	36,254,290	36,324,382
Investment in an associate		1,126,811	1,095,855	991,020
Investment properties		3,380,429	3,403,848	3,465,392
Biological assets		1,420,178	1,457,750	1,351,598
Investments at fair value through other comprehensive income		2,260,576	2,193,112	2,774,568
		145,368,889	140,666,171	134,321,643
Current assets				
Inventories	7	54,332,244	69,249,836	54,665,314
Trade and other receivables	8	104,734,416	82,359,750	93,300,439
Cash and short-term deposits	9	23,862,915	20,232,872	60,875,117
		182,929,575	171,842,458	208,840,870
TOTAL ASSETS		328,298,464	312,508,629	343,162,513
EQUITY AND LIABILITIES				
Equity				
Share capital		31,132,500	31,132,500	31,132,500
Treasury shares	11	(555,779)	(3,559)	(222,510)
Treasury shares reserve		798,364	798,364	631,630
Statutory reserve		16,601,335	16,601,335	16,601,335
Voluntary reserve		21,268,548	21,268,548	19,345,468
Fair value reserve		1,238,022	1,170,558	1,752,014
Foreign currency translation reserve		(391,770)	(592,395)	(555,426)
Other reserve		(4,378,343)	(4,378,343)	(4,009,194)
Retained earnings		60,675,651	62,607,852	57,098,143
Equity attributable to equity holders of the Parent Company		126,388,528	128,604,860	121,773,960
Non-controlling interests		10,360,717	9,893,280	9,348,361
Total equity		136,749,245	138,498,140	131,122,321
Liabilities				
Non-current liabilities				
Employees' end of service benefits		10,286,685	9,971,921	9,237,684
Loans and borrowings	12	10,640,546	8,514,765	5,761,216
Lease liabilities		1,525,441	2,038,766	1,695,739
		22,452,672	20,525,452	16,694,639
Current liabilities				
Loans and borrowings	12	88,564,600	84,454,600	125,552,660
Bank overdrafts	9	8,991,847	1,545,545	4,363,756
Lease liabilities		983,726	1,019,473	1,228,572
Trade and other payables	13	70,556,374	66,465,419	64,200,565
		169,096,547	153,485,037	195,345,553
TOTAL LIABILITIES		191,549,219	174,010,489	212,040,192
TOTAL EQUITY AND LIABILITIES		328,298,464	312,508,629	343,162,513

Muntasser Jassim Mohamed Al Wazzan
Chairman

Amr Wafik Farghal
Chief Executive Officer

The attached notes 1 to 18 form part of this interim condensed consolidated financial information.

Mezzan Holding Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 June 2026

	Attributable to shareholders of the Parent Company											
	<i>Share capital KD</i>	<i>Treasury shares KD</i>	<i>Treasury shares reserve KD</i>	<i>Statutory reserve KD</i>	<i>Voluntary reserve KD</i>	<i>Fair value reserve KD</i>	<i>Foreign currency translation reserve KD</i>	<i>Other reserve KD</i>	<i>Retained earnings KD</i>	<i>Sub-total KD</i>	<i>Non-controlling interests KD</i>	<i>Total equity KD</i>
As at 1 January 2026 (audited)	31,132,500	(3,559)	798,364	16,601,335	21,268,548	1,170,558	(592,395)	(4,378,343)	62,607,852	128,604,860	9,893,280	138,498,140
Profit for the period	-	-	-	-	-	-	-	-	12,058,252	12,058,252	620,866	12,679,118
Other comprehensive income for the period	-	-	-	-	-	67,464	200,625	-	-	268,089	1,209	269,298
Total comprehensive income for the period	-	-	-	-	-	67,464	200,625	-	12,058,252	12,326,341	622,075	12,948,416
Purchase of treasury shares	-	(552,220)	-	-	-	-	-	-	-	(552,220)	-	(552,220)
Dividends	-	-	-	-	-	-	-	-	(13,990,453)	(13,990,453)	(154,638)	(14,145,091)
At 30 June 2026	31,132,500	(555,779)	798,364	16,601,335	21,268,548	1,238,022	(391,770)	(4,378,343)	60,675,651	126,388,528	10,360,717	136,749,245
As at 1 January 2025 (audited)	31,132,500	-	631,630	16,601,335	19,345,468	2,017,039	(413,002)	(4,009,194)	54,970,216	120,275,992	8,920,538	129,196,530
Profit for the period	-	-	-	-	-	-	-	-	9,904,065	9,904,065	588,145	10,492,210
Other comprehensive loss for the period	-	-	-	-	-	(265,025)	(142,424)	-	-	(407,449)	(1,288)	(408,737)
Total comprehensive (loss) income for the period	-	-	-	-	-	(265,025)	(142,424)	-	9,904,065	9,496,616	586,857	10,083,473
Purchase of treasury shares	-	(222,510)	-	-	-	-	-	-	-	(222,510)	-	(222,510)
Dividends	-	-	-	-	-	-	-	-	(7,776,138)	(7,776,138)	(159,034)	(7,935,172)
At 30 June 2025	31,132,500	(222,510)	631,630	16,601,335	19,345,468	1,752,014	(555,426)	(4,009,194)	57,098,143	121,773,960	9,348,361	131,122,321

The attached notes 1 to 18 form part of this interim condensed consolidated financial information.

Mezzan Holding Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the period ended 30 June 2026

		Six months ended 30 June	
		2026 KD	2025 KD
OPERATING ACTIVITIES			
Profit before tax and board of directors' remuneration		13,786,484	11,476,003
<i>Adjustment to reconcile profit for the period before tax and board of directors' remuneration to net cashflows</i>			
Depreciation expense		4,049,694	4,066,193
Amortisation of intangible assets		282,842	292,530
Share of results of an associate		(74,768)	-
Provision for employees' end of service benefits		839,277	897,591
Provision for obsolete and slow-moving inventories	7	382,451	656,824
Net reversal of expected credit losses	8	(2,057,183)	(545,834)
Gain on disposal of property, plant and equipment		(39,009)	(52,498)
Gain on revaluation of biological assets		(34,389)	(57,930)
Gain on disposal of biological assets		(23,529)	(6,699)
Write-off of biological assets		21,355	18,488
Gain on derecognition of lease liabilities		-	(465)
Finance costs		2,661,165	3,130,878
Dividend income		(108,747)	(100,385)
Net foreign exchange differences		(344,986)	604,656
		19,340,657	20,379,352
<i>Working capital adjustments:</i>			
Inventories		14,538,876	13,555,132
Trade and other receivables		(20,234,708)	(18,797,608)
Net movement in amount due from/to related parties		1,387,005	(2,270,857)
Trade and other payables		2,223,643	(1,976,574)
		17,255,473	10,889,445
Cash flows from operations		17,255,473	10,889,445
Employees' end of service benefits paid		(536,008)	(508,425)
Taxes paid		(257,121)	(268,545)
Board of directors' remuneration paid		(95,000)	(140,000)
Net cash flows from operating activities		16,367,344	9,972,475
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(8,636,276)	(8,511,874)
Proceeds from disposal of property, plant and equipment		215,024	74,697
Purchase of intangible assets		(200,715)	(167,410)
Proceeds from disposal of biological assets		74,135	37,444
Dividend received		108,747	100,385
Dividend income received from associate		43,812	43,812
Movement in restricted balance and margin deposits		(19,437)	3,847
Net cash flows used in investing activities		(8,414,710)	(8,419,099)
FINANCING ACTIVITIES			
Proceeds from loans and borrowings		26,325,781	48,181,822
Repayment of loans and borrowings		(20,200,000)	-
Payment of lease liabilities		(637,362)	(549,661)
Dividends paid to equity holders of the Company		(13,981,293)	(7,776,138)
Dividends paid to non-controlling interest		(154,638)	(42,707)
Purchase of treasury shares		(552,220)	(222,510)
Finance costs paid		(2,549,767)	(2,800,001)
Net cash flows (used in) from financing activities		(11,749,499)	36,790,805
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(3,796,865)	38,344,181
Cash and cash equivalents at 1 January		18,472,669	17,789,083
Net foreign exchange difference		(38,831)	58,797
CASH AND CASH EQUIVALENTS AT 30 JUNE	9	14,636,973	56,192,061
Non-cash items excluded from the interim condensed consolidated statement of cash flows:			
Additions to intangible assets (transfers from capital work in progress)		76,929	-

The attached notes 1 to 18 form part of this interim condensed consolidated financial information.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2026

1 CORPORATE INFORMATION

This interim condensed consolidated financial information of Mezzan Holding Company K.S.C.P (the “Parent Company”) and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2026 were authorised for issue in accordance with a resolution of the Parent Company’s Board of Directors on 12 August 2026.

The shareholders of the Parent Company at the annual general assembly meeting (“AGM”) held on 16 April 2026 approved the consolidated financial statements for the year ended 31 December 2025. Dividends proposed and paid by the Group for the year then ended are provided in Note 17.

The Parent Company is a shareholding company registered and incorporated as a holding company in Kuwait on 3 August 1999. The shares of the Company were listed on Kuwait Stock Exchange (“Boursa Kuwait”) since 11 June 2015.

The Group is principally engaged in the manufacture, distribution and sale of food products, beverages, fast-moving consumer goods (“FMCG”), healthcare and pharmaceutical products, predominantly across the GCC and other regional markets.

The registered office of the Parent Company is Building no. 287, Block 1, Aradiya, Kuwait.

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

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with International Accounting Standard 34 “*Interim Financial Reporting*” (IAS 34). The Group has prepared the interim condensed consolidated financial information on the basis that it will continue to operate as a going concern.

The interim condensed consolidated financial information does not contain all information and disclosures required for full consolidated annual financial statements and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2025.

Certain comparative amounts have been reclassified to conform with the current period presentation and improve the presentation of the interim condensed consolidated financial information. Such reclassifications had no impact on the previously reported profit for the period or equity of the Group.

2.2 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of new standards effective as of 1 January 2026. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, *Amendments to the Classification and Measurement of Financial Instruments* (the Amendments). The Amendments include:

- ▶ Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the ‘settlement date’ and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- ▶ Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- ▶ Clarifications on what constitute ‘non-recourse features’ and what are the characteristics of contractually linked instruments
- ▶ The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2026

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

2.2 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP (continued)

Annual Improvements to IFRS Accounting Standards – Volume 11

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 *First-time Adoption of International Financial Reporting Standards*, IFRS 7 *Financial Instruments: Disclosure* and its accompanying Guidance on implementing IFRS 7, IFRS 9 *Financial Instruments*, IFRS 10 *Consolidated Financial Statements* and IAS 7 *Statements of Cash Flows*.

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

3 REVENUE

Disaggregated revenue information

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

	Three months ended 30 June		Six months ended 30 June	
	2026	2025	2026	2025
	KD	KD	KD	KD
Revenue streams:				
Sale of goods	71,105,633	66,722,059	154,204,318	150,225,604
Service revenue	4,601,390	4,301,350	9,104,501	8,797,147
Total revenue from contracts with customers	75,707,023	71,023,409	163,308,819	159,022,751
Geographical markets:				
Kuwait	54,514,871	51,624,889	121,475,734	120,318,850
Kingdom of Saudi Arabia	2,668,745	1,742,060	5,193,098	3,629,099
United Arab Emirates	10,745,566	9,753,848	20,739,212	19,365,289
Qatar	3,602,121	3,073,293	7,229,565	6,189,733
Jordan	4,097,290	4,003,024	8,224,881	7,853,658
Iraq	78,430	826,295	446,329	1,666,122
Total revenue from contracts with customers	75,707,023	71,023,409	163,308,819	159,022,751
Timing of revenue recognition:				
Goods transferred at a point in time	71,105,633	66,722,059	154,204,318	150,225,604
Services rendered over a period of time	4,601,390	4,301,350	9,104,501	8,797,147
Total revenue from contracts with customers	75,707,023	71,023,409	163,308,819	159,022,751

Mezzan Holding Company K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2026

4 PROFIT FOR THE PERIOD

The profit for the period is stated after charging:

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Staff costs included in:				
Cost of sales	3,564,016	3,167,284	7,120,795	6,390,291
General and administration expenses	2,105,615	2,175,517	4,112,376	4,245,721
Selling and distribution expenses	4,387,638	3,840,738	8,766,911	7,694,119
	10,057,269	9,183,539	20,000,082	18,330,131
Expense relating to short term leases included in:				
Cost of sales	75,162	31,103	77,994	45,725
General and administration expenses	216,910	159,317	440,127	320,335
Selling and distribution expenses	402,049	430,487	812,960	828,210
	694,121	620,907	1,331,081	1,194,270
Costs of inventories recognised as an expense (included in cost of sales)	51,065,189	48,063,697	111,844,272	108,779,073
Depreciation expense recognised included in:				
Cost of sales	1,260,187	1,173,902	2,527,674	2,520,984
General and administration expenses	438,231	456,161	841,831	909,189
Selling and distribution expenses	337,038	392,652	680,189	636,020
	2,035,456	2,022,715	4,049,694	4,066,193
Provision for obsolete and slow-moving inventories (included in cost of sales)	170,182	290,240	382,451	656,824

5 TAXATION

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS")	44,706	35,301	131,656	108,879
Domestic minimum top-up tax	309,728	434,229	913,210	804,914
	354,434	469,530	1,044,866	913,793

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2026

5 TAXATION (continued)

Pillar 2 Income Taxes

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

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

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

At the reporting date, Pillar Two legislation had been enacted in the jurisdictions in which the Group operates. Management, with the assistance of an independent tax advisor, performed an assessment of the impact of the enacted legislation on the Group. Based on the assessment performed, the Group recognised an additional tax liability amounting to KD 913,210 during the period.

6 BASIC AND DILUTED EARNINGS PER SHARE (EPS)

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

	<i>Three months ended</i> <i>30 June</i>		<i>Six months ended</i> <i>30 June</i>	
	2026	2025	2026	2025
Profit for the period attributable to equity holders of the Parent Company (KD)	4,097,446	3,025,569	12,058,252	9,904,065
Weighted average number of shares outstanding during the period, net of treasury shares (shares)	310,881,380	311,067,671	310,991,415	311,195,625
Basic and diluted EPS attributable to equity holders of the Parent Company (Fils)	13.18	9.73	38.77	31.83

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

Mezzan Holding Company K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

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7 INVENTORIES

	30 June 2026 KD	<i>(Audited)</i> 31 December 2025 KD	30 June 2025 KD
Goods for resale	37,039,344	49,484,158	37,372,454
Raw materials and consumables	12,816,911	15,909,026	13,786,687
Finished goods and work in progress	3,430,914	2,983,357	2,686,762
Goods in transit	2,355,768	2,235,781	2,464,503
	55,642,937	70,612,322	56,310,406
Provision for obsolete and slow-moving inventories	(1,310,693)	(1,362,486)	(1,645,092)
	54,332,244	69,249,836	54,665,314

The charge of provision for obsolete and slow-moving inventories during the period amounted to KD 382,451 (30 June 2025: KD 656,824) and is included in 'cost of sales' in the interim condensed consolidated statement of profit or loss.

8 TRADE AND OTHER RECEIVABLES

	30 June 2026 KD	<i>(Audited)</i> 31 December 2025 KD	30 June 2025 KD
Trade receivables	75,910,939	67,201,362	75,890,320
Less: allowance for expected credit losses	(11,207,290)	(13,238,794)	(15,041,546)
	64,703,649	53,962,568	60,848,774
Advances to suppliers and prepayments	32,416,638	22,600,296	26,423,948
Refundable deposits	738,940	726,693	837,068
Amounts due from related parties (Note 10)	33,508	10,797	43,773
Other receivables	6,841,681	5,059,396	5,146,876
	104,734,416	82,359,750	93,300,439

Set out below is the movement in allowance for expected credit losses:

	30 June 2026 KD	<i>(Audited)</i> 31 December 2025 KD	30 June 2025 KD
As at 1 January	13,238,794	15,849,256	15,849,256
Reversals for the period, net	(2,057,183)	(2,314,915)	(545,834)
Write-offs	(34,386)	(210,148)	(199,619)
Net foreign exchange differences	60,065	(85,399)	(62,257)
At 30 June	11,207,290	13,238,794	15,041,546

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2026

8 TRADE AND OTHER RECEIVABLES (continued)

The reversal of expected credit losses presented separately in the interim condensed consolidated statement of profit or loss during the period mainly represents the recovery of previously impaired trade receivable balances amounting to QAR 25,696,414 at one of the Group's subsidiaries, following agreement on a settlement arrangement with the debtor. These balances had been fully provided for in prior years due to the customer's financial difficulties and subsequent liquidation proceedings.

9 CASH AND CASH EQUIVALENTS

For the purpose of the interim condensed consolidated statement of cash flows, cash and cash equivalents are comprised of the following:

	30 June 2026 KD	<i>(Audited)</i> 31 December 2025 KD	30 June 2025 KD
Cash and current accounts with banks	23,789,956	20,159,913	19,304,964
Term deposits with banks	72,959	72,959	41,570,153
Cash and short-term deposits	23,862,915	20,232,872	60,875,117
Less: Bank overdrafts	(8,991,847)	(1,545,545)	(4,363,756)
Less: Restricted balance	(63,484)	(59,628)	(60,492)
Less: Margin deposits	(97,652)	(82,071)	(188,655)
Less: Term deposits with original maturities of three months or more	(72,959)	(72,959)	(70,153)
Cash and cash equivalents	14,636,973	18,472,669	56,192,061

Term deposits are denominated in Kuwaiti Dinars and are placed with local banks carrying an effective interest rate of 3.50% (31 December 2025: 4.00% and 30 June 2025: 3.50%) per annum.

Bank overdrafts are denominated in Kuwaiti Dinars, Qatari Riyals and Jordanian Dinars, and carry effective interest rates ranging from 4.25% to 5.10% per annum (31 December 2025: 4.25% to 5.10%; 30 June 2025: 4.75% to 5.85%).

10 RELATED PARTY DISCLOSURES

Related parties represent major shareholders, associates, directors and key management personnel of the Parent Company, 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 six months ended 30 June 2026 and 2025, as well as balances with related parties as at 30 June 2026, 31 December 2025 and 30 June 2025:

	<i>Six months ended</i>			
	Major shareholders KD	Other related parties KD	30 June 2026 KD	30 June 2025 KD
Sales	14,974	39,689	54,663	11,278
Purchases	-	9,253,357	9,253,357	6,978,514
General and administrative expenses	-	154,730	154,730	144,037

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2026

10 RELATED PARTY DISCLOSURES (continued)

	<i>Major shareholders KD</i>	<i>Other related parties KD</i>	<i>30 June 2026 KD</i>	<i>(Audited) 31 December 2025 KD</i>	<i>30 June 2025 KD</i>
Statement of financial position					
Amounts due to related parties	148,977	4,181,256*	4,330,233	2,920,517	2,345,124
Amounts due from related parties	-	33,508	33,508	10,797	43,773

* The balance primarily relates to purchases of inventory from a related party and reflects the timing of purchases and settlements at the reporting date.

Terms and conditions of transactions with related parties

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. outstanding balances at the year-end are unsecured, interest free and repayable on demand. There have been no guarantees provided or received for any related party receivables or payables. For the period ended 30 June 2026, the Group has not recorded any allowance for expected credit loss relating to amounts owed by related parties (30 June 2025: Nil). This assessment is undertaken each financial period through examining the financial position of the related party and the market in which the related party operates.

Transactions with key management personnel

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>Transaction values for the six months ended</i>		<i>Balances outstanding as at</i>		
	<i>30 June 2026 KD</i>	<i>30 June 2025 KD</i>	<i>30 June 2026 KD</i>	<i>31 December 2025 KD</i>	<i>30 June 2025 KD</i>
				<i>(Audited)</i>	
Salaries and other short-term benefits	2,836,693	2,362,189	267,907	224,124	224,184
End of service benefits	61,408	50,517	894,468	1,032,886	941,141
	2,898,101	2,412,706	1,162,375	1,257,010	1,165,325

During the period, the Group accrued Board of Directors' remuneration amounting to KD 62,500 (30 June 2025: KD 70,000), representing the quarterly accrual based on the estimated annual remuneration for the year ending 31 December 2026. The final remuneration remains subject to proposal by the Board of Directors and approval by the shareholders at the AGM, with any resulting adjustment recognised in the period in which such approval is obtained.

The Board of Directors of the Parent Company in its meeting held on 17 March 2026 proposed directors' remuneration of KD 70,000 (31 December 2024: KD 140,000) for the year ended 31 December 2025. The remuneration was approved by the shareholders at the AGM held on 16 April 2026.

Mezzan Holding Company K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

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11 TREASURY SHARES

	30 June 2026	(Audited) 31 December 2025	30 June 2025
Number of shares	489,552	4,470	279,470
Percentage of share capital (%)	0.1572%	0.0014%	0.09%
Cost ("KD")	555,779	3,559	222,510
Market value ("KD")	520,883	5,588	343,748
Market value per share (KD)	1.064	1.250	1.230

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

12 LOANS AND BORROWINGS

	30 June 2026 KD	(Audited) 31 December 2025 KD	30 June 2025 KD
<i>Term loan (non-current portion) denominated in:</i>			
Kuwaiti Dinars	10,640,546	8,514,765	5,761,216
<i>Revolving loans (current portion) denominated in:</i>			
Kuwaiti Dinars	74,995,000	70,995,000	112,495,000
US Dollars	13,569,600	13,459,600	13,057,660
	88,564,600	84,454,600	125,552,660
	99,205,146	92,969,365	131,313,876

Term loan

Term loan represent unsecured Kuwaiti Dinar facilities from a local bank. The bank loan carries fixed interest rate at 3.50% per annum.

Revolving loan

The Group obtained various unsecured revolving credit facilities from local banks to fund its operational requirements. These loans carry effective interest rates of 4.25% to 5.64% (31 December 2025: 4.25% to 5.54% and 30 June 2025: 4.75% to 6.233%) per annum.

13 TRADE AND OTHER PAYABLES

	30 June 2026 KD	(Audited) 31 December 2025 KD	30 June 2025 KD
Trade payables	40,041,536	38,173,406	35,850,197
Accrued expenses	23,777,140	23,367,452	23,473,674
Refundable deposits	2,485	75,224	98,852
Amounts due to related parties (Note 10)	4,330,233	2,920,517	2,345,124
KFAS payable	131,656	192,308	108,879
Other payables	2,273,324	1,736,512	2,323,839
	70,556,374	66,465,419	64,200,565

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2026

14 SEGMENT INFORMATION

The Group is organised into three principal segments comprising six reportable operating segments based on the internal reports that are reviewed regularly by the chief operating decision maker (“CODM”) in order to allocate resources to the segments and assess their performance. The Group does not have material inter-segment transactions.

The principal activities of these segments are, as follows:

Food segment	
▪ Food	Manufacturing, distribution, wholesale trading and retailing of food and beverage products, including meat products, bakery products, snacks, dairy products, canned foods and bottled water.
▪ Catering	Provision of catering and food services, including operation of catering facilities and event catering services.
▪ Services	Provision of support and ancillary services, including logistics, storage, maintenance and sale of non-food items.
Non-food segment	
▪ Fast Moving Consumer Goods (“FMCG”) and Healthcare (“HC”)	Distribution and manufacturing of health and beauty products, pharmaceuticals, medical devices, household products and other consumer products.
▪ Industrial	Manufacturing of packaging and industrial products, including plastic materials, lubricants and cartons.
Corporate segment	Represents centralised treasury, financing and shared support functions of the Group, including management, procurement, information technology, human resources and finance.

The Group’s chief executive officer reviews the internal management reports of each reportable segment on a regular basis. Segment performance is evaluated based on segmental operating results. Statutory contributions and Board of Directors’ remuneration are managed on a Group-wide basis and are not allocated to the operating segments.

Mezzan Holding Company K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2026

14 SEGMENT INFORMATION (continued)

The following tables present information for the Group's operating segments:

30 June 2026	<i>Food</i>				<i>Non-food</i>			<i>Corporate KD</i>	<i>Total KD</i>
	<i>Food KD</i>	<i>Catering KD</i>	<i>Services KD</i>	<i>Sub-total KD</i>	<i>FMCG & HC KD</i>	<i>Industrial KD</i>	<i>Sub-total KD</i>		
Revenue	95,312,251	7,504,892	1,551,157	104,368,300	56,284,336	2,649,928	58,934,264	6,255	163,308,819
Segment profit (loss)	6,961,579	1,978,259	809,013	9,748,851	5,480,960	109,040	5,590,000	(1,552,367)	13,786,484
Total assets	140,333,233	15,977,240	8,994,014	165,304,487	134,916,266	10,302,032	145,218,298	17,775,679	328,298,464
Total liabilities	34,036,133	4,693,488	1,434,656	40,164,277	43,004,616	1,709,310	44,713,926	106,671,016	191,549,219
31 December 2025 (audited)	<i>Food</i>				<i>Non-food</i>			<i>Corporate KD</i>	<i>Total KD</i>
	<i>Food KD</i>	<i>Catering KD</i>	<i>Services KD</i>	<i>Sub-total KD</i>	<i>FMCG & HC KD</i>	<i>Industrial KD</i>	<i>Sub-total KD</i>		
Revenue	174,345,260	13,786,820	3,099,755	191,231,835	100,205,528	5,705,867	105,911,395	4,501	297,147,731
Segment profit (loss)	12,914,511	2,368,861	1,773,241	17,056,613	10,634,880	288,185	10,923,065	(7,480,604)	20,499,074
Total assets	135,930,025	14,701,553	7,873,441	158,505,019	126,468,434	11,031,676	137,500,110	16,503,500	312,508,629
Total liabilities	30,203,562	4,540,990	1,387,942	36,132,494	42,371,766	1,666,929	44,038,695	93,839,300	174,010,489
30 June 2025	<i>Food</i>				<i>Non-food</i>			<i>Corporate KD</i>	<i>Total KD</i>
	<i>Food KD</i>	<i>Catering KD</i>	<i>Services KD</i>	<i>Sub-total KD</i>	<i>FMCG & HC KD</i>	<i>Industrial KD</i>	<i>Sub-total KD</i>		
Revenue	91,984,630	7,271,497	1,459,120	100,715,247	55,608,008	2,699,374	58,307,382	122	159,022,751
Segment profit (loss)	7,439,358	428,376	747,600	8,615,334	5,949,692	281,246	6,230,938	(3,370,269)	11,476,003
Total assets	132,037,595	15,876,279	7,476,183	155,390,057	118,729,917	10,308,694	129,038,611	58,733,845	343,162,513
Total liabilities	32,721,257	4,434,757	1,308,076	38,464,090	30,232,251	2,400,553	32,632,804	140,943,298	212,040,192

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

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15 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value hierarchy

All financial and non-financial assets for which fair value is recognised 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:

- ▶ 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

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.

Set out below that are a summary of financial instruments and non-financial assets measured at fair value on a recurring basis, other than those with carrying amounts that are reasonable approximations of fair values:

	<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>
At 30 June 2026				
Financial assets at FVOCI	-	-	2,260,576	2,260,576
At 31 December 2025 (Audited)				
Financial assets at FVOCI	-	-	2,193,112	2,193,112
At 30 June 2025				
Financial assets at FVOCI	-	-	2,774,568	2,774,568

There were no transfers between different levels of the fair value hierarchy during the period.

Reconciliation of Level 3 fair values

The following table shows a reconciliation of all movements in the fair value of items categorised within Level 3 between the beginning and the end of the reporting period:

	<i>30 June 2026 KD</i>	<i>(Audited) 31 December 2025 KD</i>	<i>30 June 2025 KD</i>
Opening balance	2,193,112	3,039,593	3,039,593
Remeasurement recognised in OCI	67,464	(846,481)	(265,025)
Closing balance	2,260,576	2,193,112	2,774,568

The valuation techniques and inputs used in this interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

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15 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The fair value of financial instruments classified as level 3 are, in certain circumstances, measured using valuation techniques that incorporate assumptions that are not evidenced by the prices from observable current market transactions in the same instrument and are not based on observable market data. The Group employs valuation techniques, depending on the instrument type and available market data. For example, in the absence of active market, an investment's fair value is estimated on the basis of an analysis of the investee's financial position and results, risk profile and other factors. Favourable and unfavourable changes in the value of financial instruments are determined on the basis of changes in the value of the instruments as a result of varying the levels of the unobservable parameters, quantification of which is judgmental. The management assessed that the impact on profit or loss or other comprehensive income would be immaterial if the relevant risk variables used to fair value the financial instruments classified as Level 3 were altered by 5 percent.

For other financial assets and financial liabilities carried at amortised cost, the carrying value is not significantly different from their fair value as most of these assets and liabilities are of short-term maturity or are re-priced immediately based on market movement in profit rates.

16 CONTINGENCIES AND COMMITMENTS**16.1 Contingencies**

At the reporting date, the Group had the following contingent liabilities in respect of letters of guarantee granted by banks from which it is anticipated that no material liabilities will arise:

	30 June 2026 KD	<i>(Audited)</i> 31 December 2025 KD	30 June 2025 KD
Letters of guarantee	27,446,891	26,540,503	23,771,240
Letters of credit	7,531,953	7,755,521	11,311,914

Letters of guarantee and letters of credit represent commitments issued by banks on behalf of the Group and its subsidiaries in the ordinary course of business, and are primarily related to imports, exports and performance guarantees.

16.2 Legal claims contingency

As at the reporting date, the Group is involved in certain claims and legal proceedings arising in the ordinary course of business. Based on the latest available information and legal advice obtained from the Group's legal counsel, management does not expect these matters to have a material adverse effect on the Group's interim condensed consolidated financial information.

16.3 Commitments

	30 June 2026 KD	<i>(Audited)</i> 31 December 2025 KD	30 June 2025 KD
<i>Capital expenditure commitments</i>			
Property, plant and equipment	17,402,898	18,432,110	16,400,245
Intangible assets	1,949,658	1,620,272	244,520
	<u>19,352,556</u>	<u>20,052,382</u>	<u>16,644,765</u>

17 DISTRIBUTIONS MADE AND PROPOSED

The shareholders at the AGM held on 16 April 2026 approved a cash dividend of 45 fils per share (2024: 25 fils per share) amounting to KD 13,990,453 (2024: KD 7,776,138) for the year ended 31 December 2025.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
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As at and for the period ended 30 June 2026

18 IMPACT OF GEOPOLITICAL ESCALATION RISK AND RELATED UNCERTAINTY

The Group operates predominantly in the GCC region through its food manufacturing, catering, FMCG, healthcare and industrial operations, and continues to monitor the impact of ongoing geopolitical developments in the Middle East on regional economic conditions and supply chain networks.

Management has assessed the potential implications of the current geopolitical environment on the Group's operations and financial position, including:

- ▶ availability and sourcing of raw materials, finished goods and pharmaceutical products;
- ▶ freight, shipping, logistics and distribution costs;
- ▶ supply chain continuity and inventory lead times;
- ▶ customer demand and consumer spending patterns across certain markets;
- ▶ recoverability of trade receivables and expected credit losses; and
- ▶ liquidity, financing arrangements and compliance with financial covenants.

The Group's food, FMCG and healthcare operations remain exposed to changes in freight costs, shipping routes and regional supply chain conditions, while the industrial segment may be impacted by fluctuations in raw material and packaging input costs.

As at the reporting date, the Group's operations continue without material disruption and management has not identified any material adverse financial impact on the Group's interim condensed consolidated financial information.

Management has also considered the impact of these developments on the Group's ability to continue as a going concern and concluded that the going concern basis of preparation remains appropriate.

The geopolitical situation remains dynamic and management continues to monitor developments closely and will reflect the impact of any significant changes in market conditions, assumptions or estimates in future reporting periods, where applicable.