

BAYAN INVESTMENT HOLDING COMPANY - K.S.C. (PUBLIC)
AND ITS SUBSIDIARY
STATE OF KUWAIT

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2026
(UNAUDITED)
WITH
REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

CONTENTS

	<u>Pages</u>
Report on review of interim condensed consolidated financial information	1
Interim condensed consolidated statement of financial position (unaudited)	2
Interim condensed consolidated statement of profit or loss (unaudited)	3
Interim condensed consolidated statement of profit or loss and other comprehensive income (unaudited)	4
Interim condensed consolidated statement of changes in equity (unaudited)	5
Interim condensed consolidated statement of cash flows (unaudited)	6
Notes to interim condensed consolidated financial information (unaudited)	7 - 12

RSM Albazie & Co.

Arraya Tower 2, Floors 41 & 42
Abdulaziz Hamad Alsaqar St., Sharq
P.O Box 2115, Safat 13022, State of Kuwait

T: +965 22961000

F: +965 22412761

www.rsm.global/kuwait

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
Bayan Investment Holding Company K.S.C. (Public)
and its subsidiary
State of Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Bayan Investment Holding Company K.S.C.P. ("the Parent Company") and its subsidiary (collectively, "the Group") as at March 31, 2026 and the related interim condensed consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the three-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". 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 condensed financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

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, and its Executive Regulations, as amended or by the Parent Company's Memorandum of Incorporation and Articles of Association, as amended during the three-month period ended March 31, 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 Law No. 7 of 2010 concerning the Capital Markets Authority and its related regulations during the three-month period ended March 31, 2026, that might have had a material effect on the business of the Parent Company or on its financial position.

State of Kuwait
May 13, 2026

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**BAYAN INVESTMENT HOLDING COMPANY K.S.C. (PUBLIC) AND ITS SUBSIDIARY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT MARCH 31, 2026**

(All amounts are in Kuwaiti Dinars)

	Note	March 31, 2026	(Audited) December 31, 2025	March 31, 2025
ASSETS				
Cash and bank balances	3	1,684,393	1,823,389	3,670,875
Financial assets at fair value through profit or loss ("FVTPL")	10	1,623,370	1,741,802	971,133
Accounts receivable and other debit balances		1,359,185	1,168,838	880,251
Inventories		560,356	572,846	496,762
Financial assets at fair value through other comprehensive income ("FVOCI")	10	9,466,306	9,897,734	9,440,847
Property, plant and equipment		241,845	271,321	313,692
Intangible assets		6,333	6,833	8,333
Total assets		14,941,788	15,482,763	15,781,893
LIABILITIES AND EQUITY				
Liabilities:				
Term loan		-	-	600,000
Accounts payable and other credit balances		1,254,328	1,213,991	1,243,945
Provision for end of service indemnity		295,114	294,938	290,315
Total liabilities		1,549,442	1,508,929	2,134,260
Equity:				
Share capital	8	23,589,266	23,589,266	22,902,200
Treasury shares	4	(3,469,655)	(3,469,655)	(3,469,655)
Statutory reserve		277,746	277,746	150,842
Voluntary reserve		3,469,655	3,469,655	3,469,655
Fair value reserve		(8,112,959)	(7,682,566)	(6,811,136)
Foreign currency translation adjustments		(4,219,586)	(4,049,894)	(4,096,107)
Retained earnings		1,888,791	1,869,001	1,535,789
Equity attributable to shareholders of the Parent Company		13,423,258	14,003,553	13,681,588
Non-controlling interests		(30,912)	(29,719)	(33,955)
Total equity		13,392,346	13,973,834	13,647,633
Total liabilities and equity		14,941,788	15,482,763	15,781,893

The accompanying notes from (1) to (11) form an integral part of the interim condensed consolidated financial information.

Faisal Ali Al-Mutawa
Chairman



BAYAN INVESTMENT HOLDING COMPANY K.S.C. (PUBLIC) AND ITS SUBSIDIARY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2026

(All amounts are in Kuwaiti Dinars)

	Note	Three months ended March 31,	
		2026	2025
Net sales		532,978	545,877
Cost of sales		(286,597)	(364,112)
Gross profit		246,381	181,765
Expenses and other charges:			
General and administrative expenses		(182,054)	(187,436)
Foreign exchange gain		4,378	25,363
		(177,676)	(162,073)
Operating profit		68,705	19,692
Net (loss) income from financial assets	5	(79,558)	128,312
Other income		18,594	32,141
Profit before financing		7,741	180,145
Finance charges		(2,358)	(11,972)
Profit for the period before contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), Zakat and National Labor Support Tax (NLST)		5,383	168,173
Contribution to KFAS		(41)	(1,671)
Zakat		-	(1,670)
NLST		-	(2,752)
Profit for the period		5,342	162,080
Attributable to:			
Shareholders of the Parent Company		4,045	161,015
Non-controlling interests		1,297	1,065
Profit for the period		5,342	162,080
		Fils	Fils
Basic and diluted earnings per share attributable to shareholders of the Parent Company	6	0.019	0.740

The accompanying notes from (1) to (11) form an integral part of the interim condensed consolidated financial information.

BAYAN INVESTMENT HOLDING COMPANY K.S.C.(PUBLIC) AND ITS SUBSIDIARY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2026
(All amounts are in Kuwaiti Dinars)

	Three months ended March 31,	
	<u>2026</u>	<u>2025</u>
Profit for the period	<u>5,342</u>	<u>162,080</u>
Other comprehensive (loss) income:		
<u>Items that may be reclassified subsequently to profit or loss</u>		
Exchange differences on translating foreign operations	(171,147)	(34,735)
<u>Items that will not be reclassified subsequently to profit or loss</u>		
Changes in fair value of financial assets at FVOCI	<u>(431,428)</u>	531,576
Other comprehensive (loss) income for the period	<u>(602,575)</u>	496,841
Total comprehensive (loss) income for the period	<u>(597,233)</u>	<u>658,921</u>
Attributable to:		
Shareholders of the Parent Company	(596,040)	657,948
Non-controlling interests	<u>(1,193)</u>	973
Total comprehensive (loss) income for the period	<u>(597,233)</u>	<u>658,921</u>

The accompanying notes from (1) to (11) form an integral part of the interim condensed consolidated financial information.

BAYAN INVESTMENT HOLDING COMPANY K.S.C. (PUBLIC) AND ITS SUBSIDIARY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2026
(All amounts are in Kuwaiti Dinars)

	Equity attributable to the shareholders of the Parent Company							Sub-total	Non-controlling interests	Total equity
	Share capital	Treasury shares	Statutory reserve	Voluntary reserve	Fair value reserve	Foreign currency translation adjustments	Retained earnings			
Balance as at December 31, 2025 (Audited)	23,589,266	(3,469,655)	277,746	3,469,655	(7,682,566)	(4,049,894)	1,869,001	14,003,553	(29,719)	13,973,834
Transfer of net gain on disposal of financial assets at FVOCI to retained earnings	-	-	-	-	-	-	15,745	15,745	-	15,745
Total comprehensive (loss) income for the period	-	-	-	-	(430,393)	(169,692)	4,045	(596,040)	(1,193)	(597,233)
Balance as at March 31, 2026	<u>23,589,266</u>	<u>(3,469,655)</u>	<u>277,746</u>	<u>3,469,655</u>	<u>(8,112,959)</u>	<u>(4,219,586)</u>	<u>1,888,791</u>	<u>13,423,258</u>	<u>(30,912)</u>	<u>13,392,346</u>
Balance as at December 31, 2024 (Audited)	22,902,200	(3,469,655)	150,842	3,469,655	(7,325,332)	(4,061,464)	1,347,929	13,014,175	(34,928)	12,979,247
Transfer of net gain on disposal of financial assets at FVOCI to retained earnings	-	-	-	-	(17,380)	-	26,845	9,465	-	9,465
Total comprehensive income (loss) for the period	-	-	-	-	531,576	(34,643)	161,015	657,948	973	658,921
Balance as at March 31, 2025	<u>22,902,200</u>	<u>(3,469,655)</u>	<u>150,842</u>	<u>3,469,655</u>	<u>(6,811,136)</u>	<u>(4,096,107)</u>	<u>1,535,789</u>	<u>13,681,588</u>	<u>(33,955)</u>	<u>13,647,633</u>

The accompanying notes from (1) to (11) form an integral part of the interim condensed consolidated financial information.

**BAYAN INVESTMENT HOLDING COMPANY K.S.C. (PUBLIC) AND ITS SUBSIDIARY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2026**

(All amounts are in Kuwaiti Dinars)

	Three months ended March 31,	
	2026	2025
Cash flows from operating activities:		
Profit for the period before KFAS, Zakat and NLST	5,383	168,173
Adjustments for:		
Foreign exchange gain	(4,378)	(25,363)
Net loss (income) from financial assets	79,558	(128,312)
Interest income	(18,594)	(32,137)
Depreciation and amortization	32,644	20,678
Provision for end of service indemnity	6,390	6,533
Finance charges	2,358	11,972
	<u>103,361</u>	<u>21,544</u>
Changes in operating assets and liabilities:		
Accounts receivable and other debit balances	(43,152)	(388,805)
Inventories	12,490	(113,589)
Accounts payable and other credit balances	(122,815)	352,681
Cash flows used in operating activities	<u>(50,116)</u>	<u>(128,169)</u>
Provision for end of service indemnity paid	(6,214)	-
Net cash flows used in operating activities	<u>(56,330)</u>	<u>(128,169)</u>
Cash flows from investing activities:		
Purchases of financial assets at FVTPL	(232,196)	(1,949,458)
Proceeds from sale of financial assets at FVTPL	119,288	1,517,362
Purchase of financial assets at FVOCI	-	(117,335)
Proceeds from sale of financial assets at FVOCI	15,745	672,277
Property, plant and equipment – net	(15,130)	(446)
Cash dividends received	9,282	3,343
Interest income received	13,899	32,137
Net cash flows (used in) generated from investing activities	<u>(89,112)</u>	<u>157,880</u>
Cash flows from financing activities:		
Lease payments	(18,270)	(18,355)
Cash dividends paid	(300)	(378)
Finance charges paid	-	(8,791)
Net cash flows used in financing activities	<u>(18,570)</u>	<u>(27,524)</u>
Net (decrease) increase in cash and cash equivalents	(164,012)	2,187
Effect of foreign currency translation on cash and cash equivalents	25,016	(120)
Cash and cash equivalents at the beginning of the period (Note 3)	<u>423,389</u>	<u>2,268,808</u>
Cash and cash equivalents at the end of the period (Note 3)	<u>284,393</u>	<u>2,270,875</u>

The accompanying notes from (1) to (11) form an integral part of the interim condensed consolidated financial information.

BAYAN INVESTMENT HOLDING COMPANY K.S.C. (PUBLIC) AND ITS SUBSIDIARY
NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
MARCH 31, 2026

(All amounts are in Kuwaiti Dinars)

1. Incorporation and activities of the Parent Company

Bayan Investment Holding Company K.S.C. (Public) (formerly Bayan Investment Company K.S.C. (Public)) (the Parent Company) is a Kuwaiti public shareholding company incorporated through an agreement No. 1491/Vol 1 dated July 21, 1997, with latest amendment on May 18, 2025 (Note 8). The Parent Company is listed in Boursa Kuwait. The Parent Company's commercial registration number is 70718 dated August 30, 1997.

The objectives of the Parent Company are as follows:

- a. Invest in shares, membership interests, or investment units in Kuwaiti or foreign companies or funds, establish and manage subsidiaries companies or own membership interests in Kuwaiti or foreign companies and lending to such companies and guaranteeing their obligations towards third parties.
- b. Management of its subsidiary companies or participation in the management of other companies in which the Parent Company is a stakeholder and providing the necessary support to these companies.
- c. Investing its assets in the trading of shares, bonds and other securities.
- d. Owning real estate and movable property necessary to carry out its operations within the limits permitted under the law.
- e. Financing or lending to companies in which the Parent Company holds shares or membership interests and guaranteeing their obligations towards third parties. In such case, the share of the Parent Company in the capital of the borrowing company shall be no less than twenty percent.
- f. Owning intellectual property rights, including patents, trademarks, industrial designs, concession rights and other such intangible rights and exploiting them and licensing them to its subsidiaries or third parties, whether inside or outside Kuwait.
- g. Utilization of surplus available at the Parent Company by investing it in financial and real estate portfolios, managed by specialized companies and agencies in favour of the Parent Company.

The Parent Company may carry out directly all the above activities inside the state of Kuwait or abroad or through agents on its behalf. The Parent Company may also have an interest in or participate in any manner with the other bodies of similar engagements or that may cooperate to achieve the Parent Company's objectives inside or outside the State of Kuwait, and may establish or partner or purchase these bodies or append it to the Parent Company.

The Parent Company is located in Souad Commercial Building, Fahad Al-Salem St., Area 12, Building No. 21 and its registered office is P.O. Box No. 104, Al Dasma 35151, State of Kuwait.

The Parent Company and its subsidiary are referred to as the Group.

Parent Company is regulated and supervised by the Capital Markets Authority ("CMA") as a listed Company.

The interim condensed consolidated financial information was authorized for issue by the Board of Directors on May 13, 2026.

2. Basis of presentation

The interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". The accounting policies used in the preparation of the interim condensed consolidated financial information for the period are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2025.

The interim condensed consolidated financial information does not include all the information and notes required for complete financial statements prepared in accordance International Financial Reporting Standards ("IFRS") as issued by International Accounting Standards Board ('IASB'). In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included in the accompanying interim condensed consolidated financial information. Operating results for the three-month period ended March 31, 2026, are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2026. For further information, refer to the consolidated financial statements and notes thereto for the financial year ended December 31, 2025.

BAYAN INVESTMENT HOLDING COMPANY K.S.C. (PUBLIC) AND ITS SUBSIDIARY
NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
MARCH 31, 2026

(All amounts are in Kuwaiti Dinars)

Standards, interpretation and amendments issued and adopted by the Group

The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

The new standards and amendments that are effective for annual reporting periods beginning on or after January 1, 2026, did not have material impact on the financial position or the performance of the Group.

3. Cash and bank balances

	March 31, 2026	(Audited) December 31, 2025	March 31, 2025
Cash on hand and at banks	278,341	254,456	173,821
Cash held with clearing company	4,079	166,987	295,868
Short-term deposits (a)	-	-	1,800,000
Cash held in investment portfolios	1,973	1,946	1,186
Term deposit (b)	1,400,000	1,400,000	1,400,000
Cash and bank balances as presented in the interim condensed consolidated statement of financial position	1,684,393	1,823,389	3,670,875
Less: restricted cash (c)	-	-	(1,400,000)
Less: term deposit	(1,400,000)	(1,400,000)	-
Cash and cash equivalents as presented in the interim condensed consolidated statement of cash flows	<u>284,393</u>	<u>423,389</u>	<u>2,270,875</u>

- (a) During the year ended December 31, 2025, the short-term deposits were matured. As at March 31, 2025, the effective interest rate on short-term deposits ranged from 3.8% to 4.125% per annum.
- (b) The effective interest rate on term deposit was 4.13% (December 31, 2025: 4.13%, March 31, 2025: 4.13%) per annum. This deposit has a contractual maturity of more than 3 months.
- (c) During the prior year, restricted cash of KD 1,400,000 pledged against the term loan was released upon settlement of the related loan.

4. Treasury shares

	March 31, 2026	(Audited) December 31, 2025	March 31, 2025
Number of shares	18,217,313	18,217,313	17,685,630
Percentage to authorized, issued and paid-up shares	7.72%	7.72%	7.72%
Market value (KD)	1,366,298	1,384,516	1,041,684
Cost (KD)	3,469,655	3,469,655	3,469,655

The Parent Company's management has allotted the balance of the voluntary reserve equal to cost of the treasury shares balance as a reserve as at the interim condensed consolidated financial information date. This amount will not be available for distribution during the treasury shares holding period. Treasury shares are not pledged.

5. Net (loss) income from financial assets

	Three months ended March 31,	
	<u>2026</u>	<u>2025</u>
Unrealized (loss) gain from changes in fair value of financial assets at FVTPL	(233,428)	10,282
Realized gain on sale of financial assets at FVTPL	2,088	24,187
Dividend income	151,782	93,843
	<u>(79,558)</u>	<u>128,312</u>

BAYAN INVESTMENT HOLDING COMPANY K.S.C. (PUBLIC) AND ITS SUBSIDIARY
NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
MARCH 31, 2026

(All amounts are in Kuwaiti Dinars)

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

There are no potential dilutive ordinary shares. Basic and diluted earnings per share attributable to shareholders of the Parent Company is computed by dividing the profit for the period attributable to shareholders of the Parent Company by the weighted average number of shares outstanding during the period:

	Three months ended March 31,	
	2026	(Restated*) 2025
Profit for the period attributable to shareholders of the Parent Company	<u>4,045</u>	<u>161,015</u>
	Shares	Shares
Number of issued and fully paid-up shares at the beginning of the period	<u>235,892,660</u>	229,022,000
Add: bonus shares (Note 8)	-	6,870,660
Less: weighted average number of treasury shares	<u>(18,217,313)</u>	<u>(18,217,313)</u>
Weighted average number of shares outstanding at the end of the period	<u>217,675,347</u>	<u>217,675,347</u>
	Fils	Fils
Basic and diluted earnings per share attributable to shareholders of the Parent Company	<u>0.019</u>	<u>0.740</u>

As there are no dilutive instruments outstanding, basic and diluted earnings per share attributable to shareholders of the Parent Company are identical.

* Basic and diluted earnings per share amounted to 0.762 fils for the period ended March 31, 2025, before the effect of restatement resulting from the issuance of bonus shares during the financial year ended December 31, 2025.

7. Related party balances and transactions

The Group has entered into various transactions with related parties, i.e. Shareholders, Board of Directors and Key Management Personnel. Prices and terms of payment are approved by the Group's management. Significant related party balances and transactions are as follows:

	Board of Directors	Shareholders	March 31, 2026	(Audited) December 31, 2025	March 31, 2025
(i) Balances included in the interim condensed consolidated statement of financial position:					
Dividends payable to shareholders "accounts payable and other credit balances"	-	248,002	248,002	248,302	249,520
Board of Directors' remuneration payable "accounts payable and other credit balances"	20,000	-	20,000	20,000	-

BAYAN INVESTMENT HOLDING COMPANY K.S.C. (PUBLIC) AND ITS SUBSIDIARY
NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

MARCH 31, 2026

(All amounts are in Kuwaiti Dinars)

	Three months ended March 31,	
	<u>2026</u>	<u>2025</u>
(ii) Key management compensation:		
Salaries and other short-term benefits	32,813	32,249
Terminal benefits	1,527	2,646
	<u>34,340</u>	<u>34,895</u>

8. Ordinary and Extraordinary General Assembly

- The Shareholders' Annual General Assembly held on May 3, 2026, approved the following:
 - (a) The consolidated financial statements for the financial year ended December 31, 2025.
 - (b) To distribute Board of Directors' remuneration amounting to KD 20,000 for the financial year ended December 31, 2025.
 - (c) To distribute bonus shares to shareholders in the ratio of 4 shares for every 100 shares amounting to KD 943,571. This decision is subject to the approval of the Extraordinary General Assembly of the Parent Company's shareholders and obtaining the necessary approvals from the relevant authorities.
- Furthermore, the Shareholders' Extraordinary General Assembly held on May 12, 2026, resolved to increase the Parent Company's authorized, issued and paid-up share capital through the issue of 9,435,706 bonus shares at par value of 100 fils per share. The procedures for notarizing this amendment in the commercial registry are in progress. This amendment will increase the authorized, issued and paid-up share capital to KD 24,532,837 (2025: KD 23,589,266).
- The Shareholders' Annual General Assembly held on April 27, 2025, approved the following:
 - (a) The consolidated financial statements for the financial year ended December 31, 2024.
 - (b) Not to distribute Board of Directors' remuneration for the year ended December 31, 2024.
 - (c) To distribute bonus shares to shareholders of 3% of the share capital, equal 3 shares for every 100 shares amounting to KD 687,066.
- The Shareholders' Extraordinary General Assembly held on May 6, 2025, resolved to increase the Parent Company's authorized, issued and paid-up share capital through the issue of 6,870,660 bonus shares at par value of 100 fils per share. This amendment was notarized in the Parent Company's commercial registry on May 18, 2025 (Note 1). Accordingly, the authorized, issued and paid-up share capital increased to KD 23,589,266 as at December 31, 2025 (2024: KD 22,902,200).

9. Segment information

For management purposes, the Group is organized into two main business segments based on internal reporting provided to the chief operating decision maker:

- **Investment Operations:** Investing for the Group's benefit in securities, portfolios and funds.
- **Industrial:** Production and manufacturing of ferrite and geese materials and selling them in the ordinary course of business.

The segment information for the reportable operating segments is as follows:

BAYAN INVESTMENT HOLDING COMPANY K.S.C. (PUBLIC) AND ITS SUBSIDIARY
NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
MARCH 31, 2026

(All amounts are in Kuwaiti Dinars)

	March 31, 2026			Total
	Investment Operations	Industrial	Unallocated items	
Net segment revenue	(79,558)	246,381	-	166,823
Foreign exchange gain	-	-	4,378	4,378
Other income	-	-	18,594	18,594
Unallocated operating expenses	-	-	(182,054)	(182,054)
Finance charges	(2,358)	-	-	(2,358)
Contribution to KFAS	-	-	(41)	(41)
Profit for the period				5,342
Other information:				
Total segment assets	13,047,466	1,894,322	-	14,941,788
Total segment liabilities	794,190	413,342	341,910	1,549,442
	March 31, 2025			
	Investment Operations	Industrial	Unallocated items	Total
Net segment revenue	128,312	181,765	-	310,077
Foreign exchange gain	-	-	25,363	25,363
Other income	-	-	32,141	32,141
Unallocated operating expenses	-	-	(187,436)	(187,436)
Finance charges	(11,972)	-	-	(11,972)
Contribution to KFAS	-	-	(1,671)	(1,671)
Zakat	-	-	(1,670)	(1,670)
NLST	-	-	(2,752)	(2,752)
Profit for the period				162,080
Other information:				
Total segment assets	14,393,405	1,388,488	-	15,781,893
Total segment liabilities	890,315	620,687	623,258	2,134,260

10. Fair value measurement

The details of fair value measurement hierarchy are 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.

The following table presents the Group's financial instruments that are measured at fair value at:

March 31, 2026	Level 1	Level 2	Total
Financial assets at FVTPL	1,623,370	-	1,623,370
Financial assets at FVOCI	7,762,207	1,704,099	9,466,306
Total	9,385,577	1,704,099	11,089,676

BAYAN INVESTMENT HOLDING COMPANY K.S.C. (PUBLIC) AND ITS SUBSIDIARY
NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

MARCH 31, 2026

(All amounts are in Kuwaiti Dinars)

<u>December 31, 2025 (Audited)</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Financial assets at FVTPL	1,741,802	-	1,741,802
Financial assets at FVOCI	7,941,671	1,956,063	9,897,734
Total	9,683,473	1,956,063	11,639,536
<u>March 31, 2025</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Financial assets at FVTPL	971,133	-	971,133
Financial assets at FVOCI	7,186,708	2,254,139	9,440,847
Total	8,157,841	2,254,139	10,411,980

During the period ended March 31, 2026, there were no transfers among different levels of fair value measurement.

11. Outbreak of geopolitical conflict

The Group operates within a global and regional economic environment that remains influenced by escalating geopolitical tensions in the Middle East. Recent developments in the region have led to increased uncertainty in financial markets, energy supplies and costs, and the global geopolitical and trade landscape. The wider regional impact of these events may affect economic conditions relevant to the various sectors. Management has assessed the potential impacts of the geopolitical situation on the Group's operations and financial position, taking into consideration:

- Macroeconomic conditions, including inflationary pressures, interest rate volatility, and economic growth trends.
- Fair value volatility of investments, particularly those exposed to emerging markets, energy-sensitive sectors, or regions indirectly affected by supply-chain disruptions and energy market instability.
- Market liquidity risk, including the ability to realise investments at quoted or observable market prices in periods of heightened volatility.
- Supply-chain disruption, including delays in shipping, rerouting of cargo, congestion at ports, and increased freight and insurance costs.
- Availability of goods, including extended lead times from suppliers and changes in sourcing strategies.
- Foreign exchange risk, arising from increased currency volatility in markets linked to the region.

As at the reporting date, the Group has not experienced any material disruption to its core operations. Accordingly, management has not identified any material adverse impacts on the overall valuation of the investment portfolios or property, plant and equipment that require specific adjustment beyond those reflected in observable market prices and valuation inputs. However, future adverse developments in the geopolitical environment may result in changes to key valuation assumptions.

The Group maintains liquidity buffers and capital resources that management considers sufficient to meet its commitments and operating expenses as they fall due. The Group has assessed the potential impact of adverse market movements on its ability to realize investments or access funding, including under stressed market scenarios. No breaches of liquidity thresholds, investment restrictions, or capital management policies were identified as at the reporting date.

Management has also considered the impact of these events on the Group's ability to continue as a going concern and concluded that the going concern basis remains appropriate. The geopolitical situation remains dynamic, and the extent and duration of potential impacts on global financial markets are uncertain. Management continues to monitor developments closely and will reflect any material impacts in future valuations, risk disclosures, and financial reporting as appropriate.