

**Al Madar Kuwait Holding Company K.S.C. (Public) and its Subsidiaries  
(Formerly: Al Madar Investment Company K.S.C. (Public) and its Subsidiaries)**

**Interim Condensed Consolidated Financial Information (Unaudited)  
and Review Report**

For the nine-month period ended 30 September 2024

**Al Madar Kuwait Holding Company K.S.C. (Public) and its Subsidiaries  
(Formerly: Al Madar Investment Company K.S.C. (Public) and its Subsidiaries)  
State of Kuwait**

**Interim condensed consolidated financial information (Unaudited) and review report  
For the nine-month period ended 30 September 2024**

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## **REPORT ON REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION**

**TO THE BOARD OF DIRECTOR  
AL MADAR KUWAIT HOLDING COMPANY K.S.C. (PUBLIC)  
(FORMERLY: AL MADAR INVESTMENT COMPANY K.S.C. (PUBLIC))  
STATE OF KUWAIT**

### ***Introduction***

We have reviewed the accompanying interim condensed consolidated financial information of Al Madar Kuwait Holding Company K.S.C. (Public) (the "Parent Company") and its subsidiaries (together referred to as the "Group") (Formerly: Al Madar Investment Company K.S.C. (Public) and its subsidiaries) which comprise the interim condensed consolidated statement of financial position as at 30 September 2024, and the interim condensed consolidated statement of income, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the nine-month period then ended. The preparation and fair presentation of this interim condensed consolidated financial information is the responsibility of the Parent Company's management in accordance with IAS 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 the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### ***Conclusion***

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

### ***Emphasis of matters***

We draw attention to the following:

- Note 4 to the interim condensed consolidated financial information, which states that an investment property with a book value of KD 2,338,134 (31 December 2023: KD 2,353,478 and 30 September 2023: KD 2,370,742) was registered through an irrevocable power of attorney.
- Note 19 to the interim condensed consolidated financial information, which states that certain clauses of the Parent Company's Articles of Association and Memorandum of Incorporation were subject to removal and amendment.

Our conclusion is not qualified regarding these matters



**REPORT ON REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)  
TO THE BOARD OF DIRECTOR  
AL MADAR KIWAIT HOLDING COMPANY K.S.C. (PUBLIC)  
(FORMERLY: AL MADAR INVESTMENT COMPANY K.S.C. (PUBLIC))  
STATE OF KUWAIT**

***Other Matter***

The consolidated financial statements of the Group for the financial year ended 31 December 2023 and the interim condensed consolidated financial information of the Group for the nine-month period ended 30 September 2023 were audited and reviewed by another auditor who expressed an unqualified opinion and conclusion on the consolidated financial statements and interim condensed consolidated financial information on 28 March 2024 and 13 November 2023, respectively.

**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 nothing has come to our attention indicating any violations during the nine-month period ended 30 September 2024 of the Companies Law No. 1 of 2016, and its executive regulations, as amended, Law No. 7 of 2010 concerning establishment of Capital Markets Authority and Organization of Securities Activity and its executive regulations, or the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, that would materially affect the Group's activities or its interim condensed consolidated financial position.

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**Qais M. Al Nisf**  
**License No. 172 "A"**  
**BDO Al Nisf & Partners**

**Kuwait: 13 November 2024**


**Al Madar Kuwait Holding Company K.S.C. (Public) and its Subsidiaries**  
**(Formerly: Al Madar Investment Company K.S.C. (Public) and its Subsidiaries)**  
**State of Kuwait**

**Interim Condensed Consolidated Statement of Financial Position (Unaudited)**  
**As at 30 September 2024**

		30 September 2024	(Audited) 31 December 2023	30 September 2023
	Notes	KD	KD	KD
<b>Assets</b>				
Investment properties	4	26,236,800	23,258,544	23,295,605
Trade receivables and other debit balances	5	414,200	419,934	463,738
Financial assets at fair value through profit or loss	6	910,588	752,389	788,795
Bank balances and cash		254,353	329,402	360,852
		<u>27,815,941</u>	<u>24,760,269</u>	<u>24,908,990</u>
Investment property held for sale	4	-	2,978,000	2,895,000
<b>Total assets</b>		<u>27,815,941</u>	<u>27,738,269</u>	<u>27,803,990</u>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital	7	21,386,865	21,386,865	21,386,865
Statutory reserve		152,426	152,426	148,859
Share premium		4,990,296	4,990,296	4,990,296
Treasury shares	8	(4,609,290)	(4,609,290)	(4,573,296)
Other reserve		(122,147)	(122,147)	(122,147)
Foreign currency translation reserve		128,012	129,103	130,331
Retained earnings		504,403	91,572	67,498
<b>Equity attributable to shareholders of the Parent Company</b>		<u>22,430,565</u>	<u>22,018,825</u>	<u>22,028,406</u>
Non-controlling interests		1,585,712	1,557,679	1,548,000
<b>Total equity</b>		<u>24,016,277</u>	<u>23,576,504</u>	<u>23,576,406</u>
<b>Liabilities</b>				
Employees' end of service indemnity		229,677	333,187	368,217
Due to related parties	9	353,559	1,348,768	1,349,300
Ijara contract with a promise to purchase	10	797,500	-	-
Other liabilities	11	2,418,928	2,479,810	2,510,067
<b>Total liabilities</b>		<u>3,799,664</u>	<u>4,161,765</u>	<u>4,227,584</u>
<b>Total equity and liabilities</b>		<u>27,815,941</u>	<u>27,738,269</u>	<u>27,803,990</u>

The notes on pages 7 to 17 form a part of this interim condensed consolidated financial information.

**Ahmad Abdulrazaq Al-Bahar**  
*Chairman*





**Al Madar Kuwait Holding Company K.S.C. (Public) and its Subsidiaries**  
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**State of Kuwait**

Interim Condensed Consolidated Statement of Income (Unaudited)  
For the nine-month period ended 30 September 2024

	Notes	Three months ended		Nine months ended	
		30 September		30 September	
		2024	2023	2024	2023
		KD	KD	KD	KD
<b>Revenues:</b>					
Net rental income	12	99,422	141,473	403,080	428,905
Changes in financial assets at fair value through profit or loss		42,769	(69,858)	158,199	(46,651)
Realized gain on sale of financial assets at fair value through profit or loss		-	16,886	-	17,633
Dividend income		-	-	23,855	18,080
Consultancy revenues		-	5,225	-	18,000
Write back of provision for expected credit losses		432	245	860	11,320
Other income	13	527	2,785	300,772	27,104
		<u>143,150</u>	<u>96,756</u>	<u>886,766</u>	<u>474,391</u>
<b>Expenses and other charges:</b>					
General and administrative expenses		(99,125)	(121,498)	(395,909)	(439,365)
Finance costs		(9,476)	(15,063)	(39,047)	(37,444)
		<u>(108,601)</u>	<u>(136,561)</u>	<u>(434,956)</u>	<u>(476,809)</u>
<b>Profit / (loss) for the period before contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS"), National Labour Support Tax ("NLST") and Zakat</b>					
		34,549	(39,805)	451,810	(2,418)
Contribution to Kuwait Foundation for the Advancement of Sciences		(311)	336	(4,066)	-
National Labour Support Tax		1,086	-	(2,672)	-
Zakat		(158)	443	(3,845)	(18)
<b>Total profit / (loss) for the period</b>		<u>35,166</u>	<u>(39,026)</u>	<u>441,227</u>	<u>(2,436)</u>
<b>Attributable to:</b>					
Shareholders of the Parent Company		28,770	(40,980)	412,831	(19,535)
Non-controlling interests		6,396	1,954	28,396	17,099
		<u>35,166</u>	<u>(39,026)</u>	<u>441,227</u>	<u>(2,436)</u>
<b>Basic and diluted earnings / (loss) per share attributable to shareholders of the Parent Company (fils)</b>					
	14	<u>0.14</u>	<u>(0.20)</u>	<u>2.00</u>	<u>(0.09)</u>

The notes on pages 8 to 17 form a part of this interim condensed consolidated financial information.

**Al Madar Kuwait Holding Company K.S.C. (Public) and its Subsidiaries**  
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**State of Kuwait**

**Interim Condensed Consolidated Statement of Comprehensive Income (Unaudited)**  
For the nine-month period ended 30 September 2024

	<b>Three months ended</b>		<b>Nine months ended</b>	
	<b>30 September</b>		<b>30 September</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>KD</b>	<b>KD</b>	<b>KD</b>	<b>KD</b>
<b>Profit / (loss) for the period</b>	<u>35,166</u>	<u>(39,026)</u>	<u>441,227</u>	<u>(2,436)</u>
<b>Items of other comprehensive (loss)/income:</b> <i>Items that may be reclassified subsequently to the interim condensed consolidated statement of income:</i>				
Foreign currency translation reserve	<u>(1,382)</u>	<u>1,418</u>	<u>(1,454)</u>	<u>1,967</u>
Other comprehensive (loss) / income for the period	<u>(1,382)</u>	<u>1,418</u>	<u>(1,454)</u>	<u>1,967</u>
<b>Total comprehensive income / (loss) for the period</b>	<u>33,784</u>	<u>(37,608)</u>	<u>439,773</u>	<u>(469)</u>
<b>Attributable to:</b>				
Shareholders of the Parent Company	<u>27,733</u>	<u>(39,916)</u>	<u>411,740</u>	<u>(18,062)</u>
Non-controlling interests	<u>6,051</u>	<u>2,308</u>	<u>28,033</u>	<u>17,593</u>
<b>Total comprehensive income / (loss)</b>	<u>33,784</u>	<u>(37,608)</u>	<u>439,773</u>	<u>(469)</u>

The notes on pages 8 to 17 form a part of this interim condensed consolidated financial information.

**Al Madar Kuwait Holding Company K.S.C. (Public) and its Subsidiaries**  
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**Interim Condensed Consolidated Statement of Changes in Equity (Unaudited)**

For the nine-month period ended 30 September 2024

	Equity attributable to shareholders of the Parent Company							Sub-total KD	Non- controlling interests KD	Total Equity KD
	Share capital KD	Statutory reserve KD	Share premium KD	Treasury shares KD	Other reserve KD	Foreign currency translation reserve KD	Retained earnings KD			
<b>At 1 January 2023</b>	21,386,865	148,859	4,990,296	(4,573,296)	(122,147)	128,858	87,033	22,046,468	1,530,407	23,576,875
(Loss) / profit for the period	-	-	-	-	-	-	(19,535)	(19,535)	17,099	(2,436)
Other comprehensive income for the period	-	-	-	-	-	1,473	-	1,473	494	1,96
Total comprehensive income / (loss) for the period	-	-	-	-	-	1,473	(19,535)	(18,062)	17,593	(469)
<b>At 30 September 2023</b>	<u>21,386,865</u>	<u>148,859</u>	<u>4,990,296</u>	<u>(4,573,296)</u>	<u>(122,147)</u>	<u>130,331</u>	<u>67,498</u>	<u>22,028,406</u>	<u>1,548,000</u>	<u>23,576,406</u>
<b>At 1 January 2024</b>	21,386,865	152,426	4,990,296	(4,609,290)	(122,147)	129,103	91,572	22,018,825	1,557,679	23,576,504
Profit for the period	-	-	-	-	-	-	412,831	412,831	28,396	441,227
Other comprehensive loss	-	-	-	-	-	(1,091)	-	(1,091)	(363)	(1,454)
Total comprehensive (loss) / income for the period	-	-	-	-	-	(1,091)	412,831	411,740	28,033	439,773
<b>At 30 September 2024</b>	<u>21,386,865</u>	<u>152,426</u>	<u>4,990,296</u>	<u>(4,609,290)</u>	<u>(122,147)</u>	<u>128,012</u>	<u>504,403</u>	<u>22,430,565</u>	<u>1,585,712</u>	<u>24,016,277</u>

The notes on pages 8 to 17 form a part of this interim condensed consolidated financial information.



**Al Madar Kuwait Holding Company K.S.C. (Public) and its Subsidiaries  
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State of Kuwait**

**Interim Condensed Consolidated Statement of Cash Flows (Unaudited)**

For the nine-month period ended 30 September 2024

	Note	Nine months ended 30 September	
		2024	2023
		KD	KD
<b>Operating activities:</b>			
Profit / (loss) for the period before contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS"), National Labour Support Tax ("NLST") and Zakat		451,810	(2,418)
<i>Adjustments for:</i>			
Changes in financial assets at fair value through profit or loss		(158,199)	46,651
Realized gain on sale of financial assets at fair value through profit or loss		-	(17,633)
Dividend income		(23,855)	(18,080)
Write back of provision for expected credit losses		(860)	(11,320)
Provision for employees' end of service indemnity		12,570	29,215
Finance costs		39,047	37,444
		<u>320,513</u>	<u>63,859</u>
<i>Changes in working capital:</i>			
Financial assets at fair value through profit or loss		-	73,781
Trade receivables and other debit balances		6,594	26,748
Due to related parties		(13,863)	(18,714)
Other liabilities		(29,577)	32,654
<b>Net cash flows generated from operations</b>		<u>283,667</u>	<u>178,328</u>
Employees' end of service indemnity paid		(116,080)	(13,900)
Paid for Kuwait Foundation for the Advancement of Sciences		(7,660)	(8,935)
Paid for National Labour Support Tax		(8,218)	(10,478)
Paid for Zakat		(12,120)	(5,235)
<b>Net cash flows generated from operating activities</b>		<u>139,589</u>	<u>139,780</u>
<b>Investing activities</b>			
Additions to investment properties	4	(15,600)	-
Dividend income received		23,855	18,080
<b>Net cash flows generated from investing activities</b>		<u>8,255</u>	<u>18,080</u>
<b>Financing activities</b>			
Due to related parties		(61,200)	(71,400)
Ijara contract with a promise to purchase		(101,931)	-
Finance costs paid		(59,762)	(43,860)
<b>Net cash flows used in financing activities</b>		<u>(222,893)</u>	<u>(115,260)</u>
<b>Net (decrease) / increase in bank balances and cash</b>		<u>(75,049)</u>	<u>42,600</u>
<b>Bank balances and cash at the beginning of the period</b>		<u>329,402</u>	<u>318,252</u>
<b>Bank balances and cash at the end of the period</b>		<u>254,353</u>	<u>360,852</u>
<b>Non-cash transactions excluded from the interim condensed consolidated statement of cash flows:</b>			
Adjustment of due to related parties with Ijara contract with a promise to purchase		<u>899,431</u>	<u>-</u>

The notes on pages 8 to 17 form a part of this interim condensed consolidated financial information.

**Al Madar Kuwait Holding Company K.S.C. (Public) and its Subsidiaries  
(Formerly: Al Madar Investment Company K.S.C. (Public) and its Subsidiaries)  
State of Kuwait**

**Notes to the Interim Condensed Consolidated Financial Information (Unaudited)**

For the nine-month period ended 30 September 2024

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**1. Company Information**

Al Madar Kuwait Holding Company K.S.C. (Public) (Formerly: Al Madar Investment Company K.S.C. (Public)) (the "Parent Company") was incorporated on 23 November 1998. The Parent Company is listed on Bursa Kuwait on 20 June 2005.

The Parent Company is principally engaged in the following activities:

- Managing its subsidiaries or participating in the management of other companies in which it contributes and providing the necessary support to them.
- Investing its funds in trading of shares, bonds and other securities.
- Owning real estate and movables that are necessary to practice its activities in accordance with the Law.
- Financing or lending companies in which the Parent Company holds shares and guaranteeing them against others. In this case, the contribution ratio of the holding company in the share capital of the borrowing company shall not be less than 20%.
- Owning intellectual property rights such as patents, trademarks or industrial designs, franchises and other moral rights, exploiting and leasing them to its holding companies and others.
- Owning shares for corporate accounts only.
- An office for management of the holding activities.

The Parent Company is a public shareholding company incorporated and domiciled in the State of Kuwait, whose shares are publicly traded on Bursa Kuwait.

Pursuant to the Extraordinary General Assembly Meeting of the Parent Company held on 14 March 2024, the shareholders approved changing its legal name to Al Madar Kuwait Holding Company K.S.C. (Public), as well as making amendments to the main activities of the Parent Company to comply with the permitted activities of the holding companies. The above changes were also authenticated in the Commercial Register on 15 and 16 April 2024, respectively. Furthermore, pursuant to Capital Markets Authority Resolution No. (54) of 2024 issued on 29 April 2024, the Parent Company has been deregistered as a licensed person by the Capital Markets Authority as of that date, and is committed to preserving clients' funds and assets in trust until these obligations are fulfilled.

Furthermore, subsequent to the date of the interim condensed consolidated financial information and pursuant to the Extraordinary General Assembly meeting held on 17 October 2024, certain clauses of the Parent Company's Articles of Association and Memorandum of Incorporation were amended. These changes were notarized in the commercial register on 6 November 2024 (Note 19)

The head office of the Parent Company is located in Al Qibla Area - Block No. 11 - Ali Al Salem Street - Building No. 21 "Al Faris Commercial Tower" - Mezzanine Floor and its registered postal code is P.O. Box 1376, Safat 13014, State of Kuwait.

The Parent Company is a subsidiary of Al Thekair General Trading and Contracting Company W.L.L. (the "Ultimate Parent Company"), a limited liability company incorporated and domiciled in the State of Kuwait.

The interim condensed consolidated financial information of the Group for the nine-month period ended 30 September 2024 was authorized for issue in accordance with a resolution of the Board of Directors of the Parent Company on 13 November 2024.

**Al Madar Kuwait Holding Company K.S.C. (Public) and its Subsidiaries  
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**Notes to the Interim Condensed Consolidated Financial Information (Unaudited)**  
For the nine-month period ended 30 September 2024

**2. Group Information**

***Subsidiaries***

The interim condensed consolidated financial information of the Group includes:

Name	Main activities	Country of incorporation	Percentage of ownership % (Audited)		
			30 September 2024	31 December 2023	30 September 2023
Dar Al-Thuraya Real Estate Company K.S.C.P. ("Dar Al-Thuraya")	Real Estate	State of Kuwait	91.46%	91.46%	91.46%
Al Madar Real Estate Development Company K.S.C. (Closed) ("Al Madar Real Estate")	Real Estate	State of Kuwait	100%	100%	100%
*Al Thuraya for Warehousing and Refrigeration Company K.S.C. (Closed)	Rental activities	State of Kuwait	99%	99%	99%
<b><i>Held indirectly by Dar Al Thuraya</i></b>					
Al Thuraya Star Company W.L.L.	General Trading and Contracting	State of Kuwait	100%	100%	100%
Kuwait Building Real Estate Company K.S.C. (Closed)	Real Estate	State of Kuwait	100%	99%	99%
Golden Madar Real Estate Company W.L.L.	Real Estate	State of Kuwait	100%	100%	100%
** Wafer Company for Food Supplies - W.L.L.	Catering services	State of Kuwait	100%	100%	100%
**Shrimz Restaurant Company W.L.L.	Restaurant services	State of Kuwait	100%	100%	100%
**Local Brokerage Company for General Trading W.L.L.	Wholesale and Retail Trade	State of Kuwait	100%	100%	100%
<b><i>Held indirectly by Al Madar Real Estate</i></b>					
Al Murooj Al Khaleejiya Trading LLC	Constructions	Oman	75%	75%	75%

\*The remaining shares in this subsidiary are held by third parties on behalf of the Group. Thus, the Group's effective ownership interest in this subsidiary is 100%.

\*\*These companies represent existing commercial licenses without operational activities.

**3. Basis of preparation**

This interim condensed consolidated financial information has been prepared in accordance with IAS 34 "Interim Financial Reporting" and should be read in conjunction with the Group's last annual audited consolidated financial statements as at 31 December 2023 ("last annual audited consolidated financial statements"), and does not include all the information required for the preparation of complete financial statements in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board ("IFRS").



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**Notes to the Interim Condensed Consolidated Financial Information (Unaudited)**  
For the nine-month period ended 30 September 2024

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**3. Basis of preparation (Continued)**

However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's interim condensed consolidated statement of financial position and consolidated performance since the last annual audited consolidated financial statements.

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. The results of operations for the nine months ended 30 September 2024 are not necessarily indicative of the results to be expected for the financial year ending 31 December 2024. For further information, refer to the annual audited consolidated financial statements of the Group for the financial year ended 31 December 2023.

The interim condensed consolidated financial information has been presented in Kuwaiti Dinars ("KD), which is the functional and presentation currency of the Group.

**Changes in material accounting policy information**

**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 adopted in the preparation of the annual audited consolidated financial statements of the Group for the financial year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments have been applied for the first time in 2024, but they do not have an impact on the interim condensed consolidated financial information of the Group.

*Supplier financing arrangements - Amendments to IAS (7) and IFRS (7)*

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier financing arrangements and require additional disclosure about these arrangements. The disclosure requirements in the amendments are intended to help users of financial statements understand the effects of supplier financing arrangements on the entity's liabilities, cash flows, and exposure to liquidity risk. The transition rules clarify that the entity is not required to provide disclosures at any interim periods in the year of initial application of the amendments.

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

*Amendments to IFRS 16: Lease liabilities in sale and leaseback*

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a lessee seller uses to measure the lease liability arising from a sale transaction and a leaseback, to ensure that the lessee seller does not recognize any amount of gain or loss that relates to a held right of use.

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

*Amendments to IAS 1: Classification of Liabilities as Current or Non-current*

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement.
- That a right to defer must exist at the end of the reporting period.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.

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**Notes to the Interim Condensed Consolidated Financial Information (Unaudited)**  
For the nine-month period ended 30 September 2024

**3. Basis of preparation (Continued)**

**Changes in material accounting policy information (Continued)**

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

*Amendments to IAS 1: Classification of Liabilities as Current or Non-current (continued)*

- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, a requirement has been introduced that an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer payment is conditional on compliance with future covenants within twelve months.

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

**Use of judgements and estimates**

In preparation of the interim condensed consolidated financial information, the management made judgments and estimates that may affect the adoption of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

The significant accounting judgements made by management in adopting the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual audited consolidated financial statements.

**4. Investment properties**

	<b>30 September 2024</b>	<b>(Audited) 31 December 2023</b>	<b>30 September 2023</b>
	KD	KD	KD
At the beginning of the period / year / period	23,258,544	23,274,889	23,274,889
Additions	15,600	-	-
Change in fair value	-	(25,000)	-
Foreign exchange differences	(15,344)	8,655	20,716
*Reclassified investment property	2,978,000	-	-
	<u>26,236,800</u>	<u>23,258,544</u>	<u>23,295,605</u>
*Investment property held for sale	-	2,978,000	2,895,000
At the end of the period / year / period	<u>26,236,800</u>	<u>26,236,544</u>	<u>26,190,605</u>

During the period ended 30 September 2024, one of the subsidiaries cancelled a preliminary contract that had been entered with an external party for the purpose of selling an investment property in the State of Kuwait. On 11 June 2024, the contract was cancelled due to the external party's inability to fulfill its obligations, and accordingly, the investment property was reclassified.

The Group's investment property portfolio consists of the following:

	<b>30 September 2024</b>	<b>(Audited) 31 December 2023</b>	<b>30 September 2023</b>
	KD	KD	KD
Properties under development	13,496,036	13,495,780	13,467,654
Developed properties	12,740,764	12,740,764	12,722,951
	<u>26,236,800</u>	<u>26,236,544</u>	<u>26,190,605</u>



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**4. Investment properties (Continued)**

The geographical concentration of the main investment properties is as follows:

	<b>30 September 2024</b>	<b>(Audited) 31 December 2023</b>	<b>30 September 2023</b>
	KD	KD	KD
State of Kuwait	19,987,600	19,972,000	19,914,000
Other countries	6,249,200	6,264,544	6,276,605
	<u>26,236,800</u>	<u>26,236,544</u>	<u>26,190,605</u>

- a) Investment properties include a developed property in Kuwait registered with one of the subsidiaries of the Parent Company with a book which was recorded in the books according to an Ijara contract with a promise to purchase which was entered into between the subsidiary and a local bank during the period ended 30 September 2024 and is due for payment on 18 August 2025. Previously, the property was registered under an Ijara contract with a promise to purchase between a related party (“one of the main partners of the Ultimate Parent Company”) and the local bank (Notes 9 , 10).
- b) An investment property with a book value of KD 2,338,134 (31 December 2023: KD 2,353,478 and 30 September 2023: KD 2,370,742) was registered in the name of one of the main partners of the Parent Company who assigned it to a subsidiary through an irrevocable power of attorney.

Investment property valuations at 31 December 2023 were carried out by two independent, accredited valuers who hold recognised and relevant professional qualifications and have experience of the locations and categories of the investment properties being valued. In accordance with the requirements of the Capital Markets Authority, the Group has chosen the lower of these two valuations, as the applied valuation models are consistent and the fair value is determined by combining the revenue capitalization method and the market comparison method, taking into account the nature and use of each property. The Group's investment property portfolio is evaluated on an annual basis as management believes that there are no significant circumstances that have arisen during the period of the interim condensed consolidated financial information, which may have a significant impact on the fair value.

**5. Trade receivables and other debit balances**

	<b>30 September 2024</b>	<b>(Audited) 31 December 2023</b>	<b>30 September 2023</b>
	KD	KD	KD
Tenant receivables	8,539	22,507	27,615
Prepaid expenses	37,106	44,037	61,686
Advance payments for acquire of investment properties	315,689	315,689	315,689
Staff receivables	13,707	18,195	19,963
Other debit balances	39,159	19,506	38,785
	<u>414,200</u>	<u>419,934</u>	<u>463,738</u>

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**6. Financial assets at fair value through profit or loss**

	<b>30 September 2024</b>	<b>(Audited) 31 December 2023</b>	<b>30 September 2023</b>
	KD	KD	KD
Investment in quoted local shares	910,588	752,389	788,795

Valuation techniques of financial assets at fair value through profit or loss are disclosed in Note 17.

**7. Share capital**

The authorized, issued, and fully paid up capital of the Parent Company is set at KD 21,386,865 distributed over 213,868,650 shares (31 December 2023: KD 21,386,865 distributed over 213,868,650 shares, 30 September 2023: KD 21,386,865 distributed over 213,868,650 shares) at a value of 100 fils per share, and all shares are cash.

**8. Treasury shares**

	<b>30 September 2024</b>	<b>(Audited) 31 December 2023</b>	<b>30 September 2023</b>
	KD	KD	KD
Number of treasury shares	7,286,736	7,286,736	6,845,096
Percentage of issued shares (%)	3.41%	3.41%	3.2%
Market value (KD)	750,534	582,939	622,904
Cost (KD)	4,609,290	4,609,290	4,573,296

The Parent Company shall maintain reserves and share premium for issuing shares and carry-over profits equivalent to the cost of treasury shares for the duration of its ownership by the parent company, in accordance with the instructions of the relevant regulatory authorities.

**9. Related party balances and transactions**

Related parties primarily comprise the Group's major shareholders, directors, key management personnel of the Group, their close family members and entities controlled or significantly influenced by them. In the normal course of business and subject to the approval of the Group's management, transactions were made with such related parties during the period ended 30 September.

	<b>Other related parties</b>	<b>30 September 2024</b>	<b>(Audited) 31 December 2023</b>	<b>30 September 2023</b>
	KD	KD	KD	KD
<i>Interim condensed consolidated statement of financial position:</i>				
Due to related parties				
*Major Partner in the Ultimate Parent Company	-	-	981,346	966,283
Al Shall international for investment and projects W.L.L.	353,559	353,559	367,422	383,017
	<u>353,559</u>	<u>353,559</u>	<u>1,348,768</u>	<u>1,349,300</u>

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**9. Related party balances and transactions (Continued)**

\* The balance due to a main partner of the Ultimate Parent Company as at 31 December 2023 and 30 September 2023 represents a financing for the acquire of an investment property through an Ijara contract with a promise to purchase concluded between the related party and a local bank. The Group incurred finance costs amounting to KD 29,571 for the nine-month period ended 30 September 2024 (30 September 2023: KD 37,444).

During the period ended 30 September 2024, the due balance was settled by entering into an Ijara contract with a promise to purchase between one of the subsidiaries and the local bank , instead of the related party (Notes 4 , 10).

Amounts due to other related parties are unsecured, non-interest bearing and are payable on demand.

**Key management benefits:**

	Three months ended 30 September		Nine months ended 30 September	
	2024	2023	2024	2023
	KD	KD	KD	KD
Salaries and other short-term benefits	10,503	15,967	31,510	67,634
Employees' end of service indemnity	1,190	1,210	3,570	5,079

**10. Ijara contract with a promise to purchase**

	30 September 2024
	KD
Ijara payables	843,500
Less: Future finance costs	(46,000)
	<u>797,500</u>

Ijara payables represent a contract concluded between one of the subsidiaries and a local bank in against utilization of an investment property with a promise to purchase, totaling a lease value of KD 843,500, and is due for payment on 18 August 2025 (Note 4 , 9).

**11. Other liabilities**

	30 September	(Audited) 31 December	30 September
	2024	2023	2023
	KD	KD	KD
Accrued expenses	209,479	205,079	208,941
Provision for employees' leave	34,737	38,889	36,241
KFAS payable	9,669	7,660	4,768
NLST payable	388,741	385,664	382,677
Zakat payable	155,447	160,273	157,758
Other credit balances	1,620,855	1,682,245	1,719,682
	<u>2,418,928</u>	<u>2,479,810</u>	<u>2,510,067</u>



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**12. Net rental income**

	<b>Three months ended</b>		<b>Nine months ended</b>	
	<b>30 September</b>		<b>30 September</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	KD	KD	KD	KD
Rental income from operating leases of investment properties	183,737	173,885	540,000	500,582
Property operating expenses	(84,315)	(32,412)	(136,920)	(71,677)
	<u>99,422</u>	<u>141,473</u>	<u>403,080</u>	<u>428,905</u>

**13. Other income**

Other income for the period ended 30 September 2024 includes an amount of KD 300,000 represents the refund of amounts paid in advance by one of the subsidiaries according to a court verdict after the other parties involved in the signed contract breached its terms.

**14. Basic and diluted earnings / (loss) per share (fils)**

Basic and diluted earnings per share is calculated by dividing the profit for the period attributable to shareholders of the Parent Company by the weighted average number of ordinary shares outstanding during the period, excluding treasury shares.

	<b>Three months ended</b>		<b>Nine months ended</b>	
	<b>30 September</b>		<b>30 September</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	KD	KD	KD	KD
Profit / (loss) for the period attributable to shareholders of the Parent Company (KD)	<u>28,770</u>	<u>(40,980)</u>	<u>412,831</u>	<u>(19,535)</u>
<i>Weighted average number of outstanding shares:</i>				
Number of issued shares	213,868,650	213,868,650	213,868,650	213,868,650
Less: weighted average number of treasury shares	<u>(7,286,736)</u>	<u>(6,845,096)</u>	<u>(7,286,736)</u>	<u>(6,845,096)</u>
Weighted average number of outstanding shares	<u>206,581,914</u>	<u>207,023,554</u>	<u>206,581,914</u>	<u>207,023,554</u>
<b>Basic and diluted earnings / (loss) per share attributable to shareholders of the Parent Company (fils)</b>	<u>0.14</u>	<u>(0.20)</u>	<u>2.00</u>	<u>(0.09)</u>

**15. Fiduciary assets**

The Group manages clients' assets as a trustee. Clients' assets are not included within the Group's general assets, and the Group cannot acquire the assets it manages. Consequently, the assets managed by the Group are not included in the interim condensed consolidated financial information, as they do not represent Group assets. As at 30 September 2024, the remaining client assets (funds and assets) for which the Group acts as custodian and fiduciary amounted to KD 12,979. This amount represents a frozen portfolio under the custody of the Ministry of Justice (based on the Company's monthly report regarding the winding-up process and related client funds and assets as of 30 September 2024; 31 December 2023: KD 12,979 and 30 September 2023: KD 53,168).

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**16. Segment information**

The Group identifies its operating segments based on internal management reporting information that is regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Parent Company's Chief Executive Officer is the Group's chief operating decision maker and has grouped the Group's products into the following operating segments:

- Investment Properties: Buying, selling and increasing the capital value of investment properties.
- Investments: Investment in subsidiaries, associates and equity shares.
- Other unallocated items: Assets, liabilities, revenues and expenses not allocated within the above segments.

	<b>30 September 2024</b>			
	<b>Investment properties</b>	<b>Investments</b>	<b>Other unallocated items</b>	<b>Total</b>
	KD	KD	KD	KD
Assets	26,589,914	910,588	315,439	27,815,941
Liabilities	800,500	-	2,999,164	3,799,664
Revenues	403,080	182,054	301,632	886,766
Segment results	403,080	182,054	(143,907)	441,227
	<b>31 December 2023 (Audited)</b>			
	<b>Investment properties</b>	<b>Investments</b>	<b>Other unallocated items</b>	<b>Total</b>
	KD	KD	KD	KD
Assets	26,574,740	752,389	411,140	27,738,269
Liabilities	1,034,348	-	3,127,417	4,161,765
	<b>30 September 2023</b>			
	<b>Investment properties</b>	<b>Investments</b>	<b>Other unallocated items</b>	<b>Total</b>
	KD	KD	KD	KD
Assets	26,555,694	790,388	457,908	27,803,990
Liabilities	1,019,283	338	3,207,963	4,227,584
Revenues	428,905	(10,938)	56,424	474,391
Segment results	428,905	(10,938)	(420,403)	(2,436)

**17. Fair value disclosures**

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

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, Grouped into Levels 1 to 3 based on the degree to which the fair value is observable:



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**17. Fair value disclosures (Continued)**

- Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (inputs relating to prices).
- Level 3: Inputs are unobservable inputs for the asset or liability.

**30 September 2024**

**Level 1**

**KD**

**Financial assets:**

Financial assets at fair value through profit or loss

**910,588**

**31 December 2023 (Audited)**

**Level 1**

**KD**

**Financial assets:**

Financial assets at fair value through profit or loss

**752,389**

**30 September 2023**

**Level 1**

**KD**

**Financial assets:**

Financial assets at fair value through profit or loss

**788,795**

**18. Annual General Assembly Meeting**

The Annual General Assembly of shareholders held on 27 May 2024 approved the consolidated financial statements of the Group for the financial year ended 31 December 2023. Moreover, it approved the Board of Directors' proposal not to distribute dividends to shareholders and not to distribute Board of Directors' remuneration for the financial year ended 31 December 2023.

The Annual General Assembly of shareholders held on 29 May 2023 approved the consolidated financial statements of the Group for the financial year ended 31 December 2022. Moreover, it approved the Board of Directors' proposal not to distribute dividends to shareholders and not to distribute Board of Directors' remuneration for the financial year ended 31 December 2022.

**19. Subsequent events**

Pursuant to the Extraordinary General Assembly Meeting held on 17 October 2024, certain clauses of the Parent Company's Articles of Association and Memorandum of Incorporation were amended, whereby certain articles were subject to removal and amendment with respect to the Parent Company's adherence to conduct its activities and operations in accordance with Islamic law and Sharia standards. These changes were notarized in the commercial register on 6 November 2024 (Note 1).

**20. Comparative figures**

Certain comparative figures have been reclassified to conform to the current period's presentations. Such reclassification did not affect previously reported profit or loss, equity or opening balances of the earliest comparative year/period presented and accordingly a third interim condensed consolidated statement of financial position is not presented.