

Interim condensed consolidated financial information and review report

Noor Financial Investment Company – KPSC and Subsidiaries

Kuwait

30 September 2024 (Unaudited)

Contents

	Page
Review report	1 and 2
Interim condensed consolidated statement of profit or loss	3
Interim condensed consolidated statement of profit or loss and other comprehensive income	4
Interim condensed consolidated statement of financial position	5
Interim condensed consolidated statement of changes in equity	6 and 7
Interim condensed consolidated statement of cash flows	8
Notes to the interim condensed consolidated financial information	9 to 23

Report on review of interim condensed consolidated financial information

To the board of directors of
Noor Financial Investment Company – KPSC
Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Noor Financial Investment Company - KPSC (the “Parent Company”) and its subsidiaries (together “the Group”) as of 30 September 2024 and the related interim condensed consolidated statements of profit or loss and profit or loss and other comprehensive income for the three-month and nine-month periods then ended, and interim condensed consolidated statements of changes in equity and cash flows for the nine-month period then ended.

Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with the basis of presentation set out in Note 2. 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 the basis of presentation set out in Note 2.

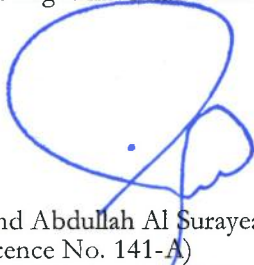
Report on review of other legal and regulatory requirements

Based on our review, the interim condensed consolidated financial information is in agreement with the books of the Parent Company. We further report that, to the best of our knowledge and belief, no violation of the Companies Law No. 1 of 2016 and its Executive Regulations, or of the Parent Company’s Memorandum of Incorporation and Articles of Association, as amended, have occurred during the nine-month period ended 30 September 2024 that might have had a material effect on the business or financial position of the Parent Company.

Report on Review of Interim Condensed Consolidated Financial Information of Noor Financial Investment Company – KPSC (continued)

Report on review of other legal and regulatory requirements (continued)

We further report that, to the best of our knowledge and belief, no violations of the provisions of Law No. 32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the organisation of banking business, and its related regulations, or of the provisions of law No. 7 of 2010 regarding the Capital Markets Authority and its relevant regulations have occurred during the nine-month period ended 30 September 2024 that might have had a material effect on the business or financial position of the Parent Company.



Hend Abdullah Al Surayea
(Licence No. 141-A)
Grant Thornton – Al-Qatami, Al-Aiban & Partners

Kuwait
21 October 2024

Interim condensed consolidated statement of profit or loss

	Notes	Three months ended		Nine months ended	
		30 Sept. 2024 (Unaudited) KD	30 Sept. 2023 (Unaudited) KD	30 Sept. 2024 (Unaudited) KD	30 Sept. 2023 (Unaudited) KD
Income					
Revenue from contracts with customers		3,322,779	2,999,341	9,766,757	9,910,398
Share of results of associates	10	10,128,908	9,420,230	28,984,014	21,960,957
Gain/(loss) on sale of investments at FVTPL		26,635	(405)	38,486	(2,584)
Change in fair value of investments at FVTPL		453,028	16,297	517,404	(53,930)
Loss on sale of investments at FVTOCI		-	-	(55,558)	-
Dividend income		90,768	137,061	552,206	584,899
Rental income		220,617	173,509	586,701	576,470
Interest and other income		322,742	448,613	1,555,968	1,763,563
Reversal of provision for a legal case	21.2	-	-	2,376,572	-
Reversal of impairment of wakala investments	21.1	-	-	-	8,584,340
Foreign exchange (loss) / gain		(133,840)	39,642	(63,532)	(598,488)
		14,431,637	13,234,288	44,259,018	42,725,625
Cost of contracts with customers		(2,417,983)	(2,055,408)	(7,196,324)	(7,250,521)
General, administrative and other expenses		(1,047,126)	(1,369,716)	(3,568,777)	(4,848,256)
Finance costs		(264,435)	(281,837)	(820,529)	(882,700)
Impairment of receivables		-	(350)	-	(716,722)
Profit before income tax		10,702,093	9,526,977	32,673,388	29,027,426
Income tax for overseas subsidiaries		(1,767)	-	(59,019)	(76,719)
Profit for the period before provisions for contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labour Support Tax (NLST) and Zakat		10,700,326	9,526,977	32,614,369	28,950,707
Provisions for KFAS, NLST and Zakat		(208,904)	(90,995)	(697,371)	(635,890)
Profit for the period		10,491,422	9,435,982	31,916,998	28,314,817
Profit for the period attributable to:					
Owners of the Parent Company		10,437,813	9,412,712	31,826,830	28,248,136
Non-controlling interests		53,609	23,270	90,168	66,681
Profit for the period		10,491,422	9,435,982	31,916,998	28,314,817
Basic and diluted earnings per share (Fils)	5	20.50	18.48	62.50	55.47

The notes set out on pages 9 to 23 form an integral part of this interim condensed consolidated financial information.


Interim condensed consolidated statement of profit or loss and other comprehensive income

	Three months ended		Nine months ended	
	30 Sept. 2024 (Unaudited) KD	30 Sept. 2023 (Unaudited) KD	30 Sept. 2024 (Unaudited) KD	30 Sept. 2023 (Unaudited) KD
Profit for the period	10,491,422	9,435,982	31,916,998	28,314,817
Other comprehensive income:				
<i>Items that will be reclassified subsequently to the consolidated statement of profit or loss:</i>				
Exchange differences arising on translation of foreign operations	(323,670)	817,987	440,823	(11,912,107)
Share of other comprehensive income/(loss) of associates	2,935,103	(318,818)	2,283,057	(997,411)
Net change in fair value of investments at FVTOCI	-	4,415	-	4,415
<i>Items that will not be reclassified subsequently to the consolidated statement of profit or loss:</i>				
Net change in fair value of investments at FVTOCI	183,549	140,306	973,052	(640,234)
Share of other comprehensive income of associates	220,841	-	227,771	-
Total other comprehensive income / (loss) for the period	3,015,823	643,890	3,924,703	(13,545,337)
Total comprehensive income for the period	13,507,245	10,079,872	35,841,701	14,769,480
Total comprehensive income attributable to:				
Owners of the Parent Company	13,453,636	10,056,602	35,751,533	14,702,799
Non-controlling interests	53,609	23,270	90,168	66,681
Total comprehensive income for the period	13,507,245	10,079,872	35,841,701	14,769,480

The notes set out on pages 9 to 23 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of financial position

	Notes	30 Sept. 2024 (Unaudited) KD	31 Dec. 2023 (Audited) KD	30 Sept. 2023 (Unaudited) KD
Assets				
Cash and cash equivalents	6	20,152,339	22,095,893	21,867,497
Investments at fair value through profit or loss	7	16,269,123	10,127,877	9,332,509
Accounts receivable and other assets	8	4,483,756	3,692,840	5,066,743
Inventories		1,057,745	623,728	761,319
Investments at fair value through other comprehensive income	9	9,770,806	17,375,815	12,449,422
Investment in associates	10	93,381,611	74,910,265	62,432,251
Investment properties		12,518,040	12,488,209	12,353,223
Property and equipment		1,173,170	1,175,643	1,269,914
Right of use assets		729,977	911,040	976,300
Goodwill		2,029,278	2,029,278	2,029,278
Total assets		161,565,845	145,430,588	128,538,456
Liabilities and equity				
Liabilities				
Due to banks	6	1,991,255	21,851	470,070
Accounts payable and other liabilities	11	10,836,645	13,347,301	10,209,404
Lease liabilities		881,064	998,028	1,169,841
Borrowings	12	-	14,750,000	15,000,000
Provision for employees' end of service benefits		1,213,475	1,597,386	1,599,678
Total liabilities		14,922,439	30,714,566	28,448,993
Equity				
Share capital		51,645,345	51,645,345	51,645,345
Share premium		3,410,573	3,410,573	3,410,573
Treasury shares	13	(1,197,666)	(1,197,666)	(1,197,666)
Statutory and voluntary reserves		28,583,634	28,583,634	20,997,662
Other components of equity	14	(52,121,551)	(56,342,069)	(62,180,552)
Retained earnings		114,045,153	86,358,133	85,181,318
Equity attributable to the owners of the Parent Company		144,365,488	112,457,950	97,856,680
Non-controlling interests		2,277,918	2,258,072	2,232,783
Total equity		146,643,406	114,716,022	100,089,463
Total liabilities and equity		161,565,845	145,430,588	128,538,456


Riyadh S. A.A. Edrees
Chairman

The notes set out on pages 9 to 23 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity

	Equity attributable to the owners of the Parent Company						Non-controlling interests		Total
	Share capital KD	Share premium KD	Treasury shares KD	Statutory and voluntary reserves KD	Other components of equity KD	Retained earnings KD	Sub-total KD	KD	
Balance as at 1 January 2024 (audited)	51,645,345	3,410,573	(1,197,666)	28,583,634	(56,342,069)	86,358,133	112,457,950	2,258,072	114,716,022
Dividend (note 20)	-	-	-	-	-	(4,073,781)	(4,073,781)	-	(4,073,781)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	(54,610)	(54,610)
Redemption of units by non-controlling interests	-	-	-	-	-	-	-	(15,712)	(15,712)
Total transactions with owners	-	-	-	-	-	(4,073,781)	(4,073,781)	(70,322)	(4,144,103)
Profit for the period	-	-	-	-	-	31,826,830	31,826,830	90,168	31,916,998
Total other comprehensive income for the period	-	-	-	-	3,924,703	-	3,924,703	-	3,924,703
Total comprehensive income for the period	-	-	-	-	3,924,703	31,826,830	35,751,533	90,168	35,841,701
Gain on sale of investments at FVTOCI	-	-	-	-	(3,956)	3,956	-	-	-
Share of gain on sale of investments at FVTOCI of an associate	-	-	-	-	(194,268)	194,268	-	-	-
Other adjustments arising from an associate	-	-	-	-	494,039	(264,253)	229,786	-	229,786
Balance as at 30 September 2024 (Unaudited)	51,645,345	3,410,573	(1,197,666)	28,583,634	(52,121,551)	114,045,153	144,365,488	2,277,918	146,643,406

The notes set out on pages 9 to 23 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity (continued)

	Equity attributable to the owners of the Parent Company							Non-controlling interests		Total
	Share capital KD	Share premium KD	Treasury shares KD	Statutory and voluntary reserves KD	Other components of equity KD	Retained earnings KD	Sub-total KD	KD	KD	
Balance as at 1 January 2023 (audited)	51,645,345	3,410,573	(1,197,666)	20,997,662	(49,024,292)	59,868,372	85,699,994	2,234,140	87,934,134	
Dividend (note 20)	-	-	-	-	-	(2,546,113)	(2,546,113)	-	(2,546,113)	
Dividend to non-controlling interests	-	-	-	-	-	-	-	(50,398)	(50,398)	
Redemption of units by non-controlling interests	-	-	-	-	-	-	-	(17,640)	(17,640)	
Total transactions with owners	-	-	-	-	-	(2,546,113)	(2,546,113)	(68,038)	(2,614,151)	
Profit for the period	-	-	-	-	-	28,248,136	28,248,136	66,681	28,314,817	
Total other comprehensive loss for the period	-	-	-	-	(13,545,337)	-	(13,545,337)	-	(13,545,337)	
Total comprehensive (loss) / income for the period	-	-	-	-	(13,545,337)	28,248,136	14,702,799	66,681	14,769,480	
Share of loss on sale of investments at FVTOCI of an associate	-	-	-	-	389,077	(389,077)	-	-	-	
Balance as at 30 September 2023 (Unaudited)	51,645,345	3,410,573	(1,197,666)	20,997,662	(62,180,552)	85,181,318	97,856,680	2,232,783	100,089,463	

The notes set out on pages 9 to 23 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

	Notes	Nine months ended 30 Sept. 2024 (Unaudited) KD	Nine months ended 30 Sept. 2023 (Unaudited) KD
OPERATING ACTIVITIES			
Profit before provisions for contribution to Zakat, NLST and KFAS		32,614,369	28,950,707
Adjustments:			
Dividend income		(552,206)	(584,899)
Share of results of associates	10	(28,984,014)	(21,960,957)
Interest income		(1,547,087)	(628,312)
Reversal of impairment on wakala investments		-	(8,584,340)
Depreciation and amortization		311,262	310,701
Provision charge for employees' end of service benefits		146,905	276,674
Finance costs		820,529	882,700
Reversal of provision for a legal case	21	(2,376,572)	-
Impairment of receivables		-	716,722
		433,186	(621,004)
Changes in operating assets and liabilities:			
Investments at fair value through profit or loss		(6,141,246)	(1,513,840)
Accounts receivable and other assets		(356,955)	4,384,701
Accounts payable and other liabilities		(878,642)	498,610
Inventories		(434,017)	(165,775)
Employees' end of service benefits paid		(530,816)	(48,388)
Net cash (used in) / from operating activities		(7,908,490)	2,534,304
INVESTING ACTIVITIES			
Change in cash in pledged portfolios		29,732	(26,931)
Change in pledged short term deposits		78,292	(18,140)
Additions to property and equipment		(156,138)	(15,010)
Purchases of investments at FVTOCI		(5,431,479)	(5,457,324)
Proceeds from sale of investments at FVTOCI		14,109,361	942,786
Dividend received from an associate		13,727,106	7,558,610
Proceeds from reduction in investment of associates		-	4,290,885
Dividend income received		552,206	584,899
Interest income received		1,113,127	392,374
Net cash from investing activities		24,022,207	8,252,149
FINANCING ACTIVITIES			
Repayments of borrowings		(14,750,000)	-
Paid to non-controlling interests on capital reduction		(143,170)	(38,592)
Redemption of units by non-controlling interests		(15,712)	(17,640)
Dividends paid to non-controlling interests		(54,986)	(50,774)
Lease liabilities paid		(211,049)	(189,171)
Dividend paid		(4,019,706)	(2,572,862)
Finance costs paid		(724,028)	(755,325)
Net cash used in financing activities		(19,918,651)	(3,624,364)
Net (decrease) / increase in cash and cash equivalents		(3,804,934)	7,162,089
Cash and cash equivalents at beginning of the period	6	21,360,028	13,466,406
Cash and cash equivalents at end of the period	6	17,555,094	20,628,495
Material non-cash transactions:			
Investment in an associate		-	8,584,340
Wakala investments		-	(8,584,340)

The notes set out on pages 9 to 23 form an integral part of this interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information

1 Incorporation and activities

Noor Financial Investment Company - KPSC (“the Parent Company”) was incorporated in Kuwait on 5 June 1996 and registered in the commercial register on 1 February 1997. The Parent Company is listed on Boursa Kuwait and is regulated by the Central Bank of Kuwait and the Capital Markets Authority. The Parent Company is a subsidiary of National Industries Group Holding - KPSC (“the Ultimate Parent Company”).

The Parent Company’s principal activities are as follows:

- Invest in various economic sectors through the establishment of specialized companies or purchase of shares or stakes in those companies;
- Act as an investment portfolio manager;
- Conduct financing and brokerage activities in international trade operations;
- Act as a collective investment system manager;
- Act as a subscription agent;
- Carry out all the services and activities that help developing the financial and monetary market in the State of Kuwait;
- Trade, by selling and buying, in shares, bonds, Sukuks and other securities listed in Boursa Kuwait and foreign securities for the Parent Company’s account only;
- Invest in real estate, industrial and agricultural sectors of the economy in all types of instruments;
- Provide funding operations to third parties to buy or lease fixed assets and movables through contracts;
- Act as an investment advisor;
- Act as a custodian;
- Represent foreign companies whose objectives are identical with the objectives of the Company in order to market their products and services in accordance with the relevant Kuwaiti legislations.
- Act as a non-registered stockbroker in a stock exchange.

The Parent Company has the right to perform the above mentioned activities inside and outside the State of Kuwait directly or through an agent. The Parent Company may have an interest or participate in any aspect with the entities performing similar works or which might assist it in the achievement of its objectives in Kuwait or abroad. The Parent Company may also purchase these entities or affiliate with them. Further, the Parent Company may practice works similar or complementary or necessary or related to its above mentioned objectives and may utilize its surplus funds by investing same in portfolios and funds managed by specialized companies and bodies.

The address of the Parent Company’s registered office is NIG Building, Ground Floor, Shuwaikh, Kuwait (PO Box 3311, Safat 13034, State of Kuwait).

The Board of Directors of the Parent Company approved this interim condensed consolidated financial information for issue on 21 October 2024.

2 Basis of preparation

This interim condensed consolidated financial information of the Group for the nine-month period ended 30 September 2024 has been prepared in accordance with IAS 34 “Interim Financial Reporting”.

Notes to the interim condensed consolidated financial information (continued)

2 Basis of preparation (continued)

The annual consolidated financial statements for the year ended 31 December 2023 were prepared in accordance with the IFRS Accounting Standards (“IFRS Accounting Standards”) as issued by the International Accounting Standards Board (“IASB”), as modified for use by the State of Kuwait for financial services institutions regulated by the Central Bank of Kuwait (“CBK”). The modification requires adoption of all IFRS Accounting Standards for such institutions, except for the IFRS 9 requirements for measurement of expected credit losses (“ECL”) for loans and receivables, which has been replaced by the CBK requirements for the ECL to be measured at the higher of the ECL on credit facilities computed under IFRS 9 under CBK guidelines and the provision required under CBK instructions, and the consequent impact on the related disclosures.

The above framework is hereinafter referred to as “IFRS Accounting Standards as adopted for use in the State of Kuwait”.

The interim condensed consolidated financial information has been presented in Kuwaiti Dinars which is the functional and presentation currency of the Parent Company.

The interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements prepared in accordance with the IFRS Accounting Standards. In the opinion of the Parent Company’s management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included.

Operating results for the nine-month period ended 30 September 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024. For further details, refer to the consolidated financial statements and its related disclosures for the year ended 31 December 2023.

3 Changes in accounting policies

The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of the new and amended IFRS Accounting Standards effective as of 1 January 2024 as described in Note 3.1. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

3.1 New and amended IFRS Accounting Standards adopted by the Group

The following new IFRS Accounting Standards or amendments to existing IFRS Accounting Standards were effective for the current period.

<i>Description</i>	<i>Effective for annual periods beginning</i>
IAS 1 Amendments - Classification of liabilities with debt covenants	1 January 2024
IAS 1 Amendments - Classification of liabilities as current or non-current	1 January 2024
IAS 7 and IFRS 7 Amendments Supplier finance arrangement disclosures	1 January 2024
IFRS 16 Amendments - Lease liability in a sale and leaseback	1 January 2024

IAS 1 Amendments - Classification of liabilities with debt covenants

The amendments to IAS 1 clarify that classification of liabilities as either current or non-current depends only on the covenants that an entity is required to comply with on or before the reporting date. In addition, an entity has to disclose information in the notes that enables users of financial statements to understand the risk that non-current liabilities with covenants could become repayable within twelve months.

Notes to the interim condensed consolidated financial information (continued)

3 Changes in accounting policies (continued)

3.1 New and amended IFRS Accounting Standards adopted by the Group (continued)

IAS 1 Amendments - Classification of liabilities with debt covenants (continued)

The adoption of the amendments did not have a significant impact on the Group's interim condensed consolidated financial information.

IAS 1 Amendments - Classification of liabilities as current or non-current

The amendments to IAS 1 clarify the classification of a liability as either current or non-current is based on the entity's rights at the end of the reporting period. Stating management expectations around whether they will defer settlement or not does not impact the classification of the liability. It has added guidance about lending conditions and how these can impact classification and has included requirements for liabilities that can be settled using an entity's own instruments.

The adoption of the amendments did not have a significant impact on the Group's interim condensed consolidated financial information.

IAS 7 and IFRS 7 Amendments – Supplier finance arrangements disclosures

The amendments to IAS 7 and IFRS 7 added disclosure objectives to IAS 7 to enable the users of the financial statements to assess how the supplier finance arrangements effect an entity's liabilities and cash flows, and to understand the effect of these arrangements on an entity's exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available to it. While the amendments do not explicitly define supplier finance arrangements it instead describes characteristics of such arrangements.

To meet the disclosure objectives, an entity is required to disclose in aggregate for its supplier finance arrangements:

- The terms and conditions of the arrangements
- The carrying amount, and associated line items presented in the entity's statement of financial position, of the liabilities that are part of the arrangements
- The carrying amount, and associated line items for which the suppliers have already received payment from the finance providers
- Ranges of payment due dates for both those financial liabilities that are part of a supplier finance arrangement and comparable trade payables that are not part of a supplier finance arrangement
- Liquidity risk information

The adoption of the amendments did not have a significant impact on the Group's interim condensed consolidated financial information.

IFRS 16 Amendments – Lease liability in a sale and leaseback

The amendments to IFRS 16 requires a seller-lessee to measure the right-of-use asset arising from a sale and leaseback transaction at the proportion of the previous carrying amount of the asset that relates to the right of use the seller-lessee retains. Accordingly, in a sale and leaseback transaction the seller-lessee recognises only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor. The initial measurement of the lease liability that arise from a sale and leaseback transaction is a consequence of how the seller-lessee measures the right-of-use asset and the gain or loss recognised at the date of the transaction.

Notes to the interim condensed consolidated financial information (continued)

3 Changes in accounting policies (continued)

3.1 New and amended IFRS Accounting Standards adopted by the Group (continued)

IFRS 16 Amendments – Lease liability in a sale and leaseback (continued)

The new requirements do not prevent a seller-lessee from recognising in any gain or loss relating to the partial or full termination of a lease.

The adoption of the amendments did not have a significant impact on the Group's interim condensed consolidated financial information.

4 Judgement and estimates

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited consolidated financial statements as at and for the year ended 31 December 2023.

5 Basic and diluted earnings per share

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

	Three months ended		Nine months ended	
	30 Sept. 2024 (Unaudited)	30 Sept. 2023 (Unaudited)	30 Sept. 2024 (Unaudited)	30 Sept. 2023 (Unaudited)
Profit for the period attributable to the owners of the Parent Company (KD)	10,437,813	9,412,712	31,826,830	28,248,136
Weighted average number of shares outstanding during the period (excluding treasury shares) (Share)	509,222,655	509,222,655	509,222,655	509,222,655
Basic and diluted earnings per share (Fils)	20.50	18.48	62.50	55.47

Notes to the interim condensed consolidated financial information (continued)

6 Cash and cash equivalents

	30 Sept. 2024 (Unaudited) KD	31 Dec. 2023 (Audited) KD	30 Sept. 2023 (Unaudited) KD
Cash and bank balances	3,057,555	2,682,645	4,603,046
Cash in portfolios	927,127	254,102	803,314
Short term deposits	16,167,657	19,159,146	16,461,137
Cash and cash equivalents as per consolidated financial position	20,152,339	22,095,893	21,867,497
Less:			
Due to banks	(1,991,255)	(21,851)	(470,070)
Restricted bank balances	(5,990)	(5,990)	(5,990)
Pledged cash in portfolios	-	(29,732)	(90,952)
Pledged short-term deposits	(600,000)	(678,292)	(671,990)
Cash and cash equivalents as per consolidated statements of cash flows	17,555,094	21,360,028	20,628,495

The short-term deposits carry effective interest rate ranging 3.5% - 5.35% (31 December 2023: 2.875% - 5.25% and 30 September 2023: 3% - 4.375%) per annum.

Due to banks represents bank overdraft facilities utilised by a subsidiary which is secured by pledge of short-term deposits, investment properties and a guarantee issued by one of the Group's subsidiaries. Due to banks carry effective interest rate of 6.68% (31 December 2023: 6.79% and 30 September 2023: 7.13%) per annum.

7 Investments at fair value through profit or loss

	30 Sept. 2024 (Unaudited) KD	31 Dec. 2023 (Audited) KD	30 Sept. 2023 (Unaudited) KD
Local quoted shares	3,859,749	3,518,664	3,568,713
Foreign quoted shares	4,555,074	4,288,877	4,131,936
Local quoted securities	1,346,207	-	-
Local unquoted securities	3,672,127	-	-
Foreign unquoted securities	2,835,966	-	-
Foreign funds	-	2,320,336	1,631,860
	16,269,123	10,127,877	9,332,509

The hierarchy for determining and disclosing the fair values of financial instruments is presented in note 17.2.

Notes to the interim condensed consolidated financial information (continued)

8 Accounts receivable and other assets

	30 Sept. 2024 (Unaudited) KD	31 Dec. 2023 (Audited) KD	30 Sept. 2023 (Unaudited) KD
Financial assets:			
Accounts receivable - net	2,253,807	1,994,910	2,306,892
Loans to customers – net	20,092	30,185	30,185
Accrued income - net	537,659	260,959	166,873
Dividend receivable from associates - net	-	-	942,533
Due from related parties	68,656	3,081	6,471
Other assets	611,644	751,223	1,012,985
	3,491,858	3,040,358	4,465,939
Non-financial assets			
Other assets	991,898	652,482	600,804
	4,483,756	3,692,840	5,066,743

9 Investments at fair value through other comprehensive income

	30 Sept. 2024 (Unaudited) KD	31 Dec. 2023 (Audited) KD	30 Sept. 2023 (Unaudited) KD
Local quoted shares	6,938,968	5,784,446	5,700,204
Foreign quoted shares	221,499	152,995	129,788
Local unquoted shares	1,693,157	1,640,897	1,638,578
Foreign unquoted shares	502,777	781,791	211,077
Foreign debt securities	-	8,936,101	4,420,085
Local debt securities	412,038	77,201	-
Foreign funds	2,367	2,384	349,690
	9,770,806	17,375,815	12,449,422

The hierarchy for determining and disclosing the fair values of financial instruments is presented in note 17.2.

10 Investment in associates

10.1 Details of the associates are set out below:

Name of associate	Country of Incorporation	Ownership percentage			Principal activities
		30 Sept. 2024 %	31 Dec. 2023 %	30 Sept. 2023 %	
Meezan Bank Limited	Pakistan	35.15	35.22	35.22	Islamic Bank
Excellent Choice General Trading and Contracting Co. – WLL	Kuwait	50	50	50	General Trading & Contracting

Notes to the interim condensed consolidated financial information (continued)

10 Investment in associates (continued)

10.2 The movement of investment in associates is as follows: (continued)

	30 Sept. 2024 (Unaudited) KD	31 Dec. 2023 (Audited) KD	30 Sept. 2023 (Unaudited) KD
Balance as of beginning of the period/year	74,910,265	59,119,058	59,119,058
Share of results	28,984,014	32,079,649	21,960,957
Share of other comprehensive income / (loss)	2,510,828	4,098,238	(997,411)
Additions	-	8,584,340	8,584,340
Dividends	(13,727,106)	(13,148,216)	(10,019,412)
Reduction	-	(4,290,885)	(4,290,885)
Foreign currency translation adjustments	473,824	(11,531,919)	(11,924,396)
Other adjustments	229,786	-	-
Balance at the end of the period/year	93,381,611	74,910,265	62,432,251

11 Accounts payable and other liabilities

	30 Sept. 2024 (Unaudited) KD	31 Dec. 2023 (Audited) KD	30 Sept. 2023 (Unaudited) KD
Financial liabilities			
Accounts payable	665,009	869,884	883,999
Taxes payable	4,078,960	3,363,221	2,292,328
Accrued expenses	3,684,745	3,930,432	4,558,926
Dividend payable	282,218	228,519	248,022
Due to related parties	-	406,050	-
Payable on account of capital reduction in subsidiary	428,857	572,028	589,641
Other payables	1,696,856	1,600,595	1,636,488
Provision for a legal case (note 21)	-	2,376,572	-
	10,836,645	13,347,301	10,209,404

12 Borrowings

	Note	30 Sept. 2024 (Unaudited) KD	31 Dec. 2023 (Audited) KD	30 Sept. 2023 (Unaudited) KD
Term loan	12.1	-	14,750,000	15,000,000

12.1 Term loan obtained in Kuwaiti Dinar from a local bank was fully settled during the period.

Notes to the interim condensed consolidated financial information (continued)

12 Borrowings (continued)

12.2 The borrowings are due for repayment as follows:

	30 Sept. 2024 (Unaudited) KD	31 Dec. 2023 (Audited) KD	30 Sept. 2023 (Unaudited) KD
Within one year	-	500,000	250,000
Over one year	-	14,250,000	14,750,000
	-	14,750,000	15,000,000

13 Treasury shares

	30 Sept. 2024 (Unaudited)	31 Dec. 2023 (Audited)	30 Sept. 2023 (Unaudited)
Number of shares	7,230,796	7,230,796	7,230,796
Percentage of issued shares	1.40%	1.40%	1.40%
Market value (KD)	1,822,161	1,634,160	1,222,005
Cost (KD)	1,197,666	1,197,666	1,197,666

Reserves of the Parent Company equivalent to the cost of treasury shares have been earmarked as non-distributable.

14 Other components of equity

	Foreign currency translation reserve KD	Cumulative changes in fair value KD	Total KD
Balances at 1 January 2024	(54,620,225)	(1,721,844)	(56,342,069)
Net change in fair value of investments at FVTOCI	-	973,052	973,052
Gain on sale of investments at FVTOCI	-	(3,956)	(3,956)
Share of other comprehensive income of associates	-	2,510,828	2,510,828
Share of gain on sale of investments at FVTOCI of an associate	-	(194,268)	(194,268)
Share of other adjustments arising from an associate	-	494,039	494,039
Exchange differences arising on translation of foreign operations	440,823	-	440,823
Balances at 30 September 2024	(54,179,402)	2,057,851	(52,121,551)

	Foreign currency translation reserve KD	Cumulative changes in fair value KD	Total KD
Balances at 1 January 2023	(43,107,941)	(5,916,351)	(49,024,292)
Net change in fair value of investments at FVTOCI	-	(635,819)	(635,819)
Share of other comprehensive loss of associates	-	(997,411)	(997,411)
Share of loss on sale of investments at FVTOCI of an associate	-	389,077	389,077
Exchange differences arising on translation of foreign operations	(11,912,107)	-	(11,912,107)
Balances at 30 September 2023	(55,020,048)	(7,160,504)	(62,180,552)

Notes to the interim condensed consolidated financial information (continued)

15 Segment analysis

The Group's activities are concentrated in four main segments: Investments, Real Estate, IT services and Hotel operations. These segments are identified based on internal management reporting information and regularly reviewed by the Chief Operating Decision Maker for resource allocation and performance assessment. The Group's principal activities, significant assets and liabilities are carried out and located mainly in Kuwait, Pakistan, Middle East and Europe.

The segmental analysis of total revenues, profit for the period, total assets and total liabilities for the business segments are as follows:

	Investments			Real Estate			IT services			Hotel operations			Total	
	30 Sept. 2024	30 Sept. 2023	30 Sept. 2024	30 Sept. 2023	30 Sept. 2024	30 Sept. 2023	30 Sept. 2024	30 Sept. 2023	30 Sept. 2024	30 Sept. 2023	30 Sept. 2024	30 Sept. 2023	30 Sept. 2024	30 Sept. 2023
	(Unaudited) KD	(Unaudited) KD	(Unaudited) KD	(Unaudited) KD	(Unaudited) KD	(Unaudited) KD	(Unaudited) KD	(Unaudited) KD	(Unaudited) KD	(Unaudited) KD	(Unaudited) KD	(Unaudited) KD	(Unaudited) KD	(Unaudited) KD
Revenue from contracts with customers	-	-	-	-	-	7,782,284	-	7,782,284	7,702,019	-	2,064,738	2,128,114	9,766,757	9,910,398
Share of results of associates	28,984,014	21,960,957	-	-	-	-	-	-	-	-	-	-	28,984,014	21,960,957
Gain / (loss) on sale of investments at FVTPL	38,486	(2,584)	-	-	-	-	-	-	-	-	-	-	38,486	(2,584)
Change in fair value of investments at FVTPL	517,404	(53,930)	-	-	-	-	-	-	-	-	-	-	517,404	(53,930)
Loss on sale of investments at FVTOCI	(55,558)	-	-	-	-	-	-	-	-	-	-	-	(55,558)	-
Dividend Income	552,206	584,899	-	-	-	-	-	-	-	-	-	-	552,206	584,899
Rental income	-	-	586,701	576,470	-	-	-	-	-	-	-	-	586,701	576,470
Reversal of provision for a legal case	2,376,572	-	-	-	-	-	-	-	-	-	-	-	2,376,572	-
Reversal of impairment of wakala investments	-	-	-	-	-	-	-	-	-	-	-	-	-	8,584,340
Interest income, other income and foreign exchange differences	1,492,436	1,165,075	-	-	-	-	-	-	-	-	-	-	1,492,436	1,165,075
Total Segment income	33,905,560	32,238,757	586,701	576,470	7,702,019	7,782,284	2,064,738	2,128,114	7,702,019	(6,512,679)	2,064,738	2,128,114	44,259,018	42,725,625
Cost of contracts with customers	-	-	-	-	(6,512,679)	(6,555,462)	(683,645)	(695,059)	(7,196,324)	(7,250,521)	(7,196,324)	(695,059)	(7,196,324)	(7,250,521)
General and administrative expenses	(1,817,218)	(3,004,022)	(117,489)	(180,779)	(764,153)	(795,465)	(869,917)	(867,990)	(764,153)	(867,990)	(869,917)	(867,990)	(3,568,777)	(4,848,256)
Finance costs	(656,678)	(750,210)	-	-	(71,325)	(38,674)	(92,526)	(93,816)	(71,325)	(93,816)	(92,526)	(93,816)	(820,529)	(882,700)
Impairment of receivables	-	(716,722)	-	-	-	-	-	-	-	-	-	-	-	(716,722)
Profit for the period before income tax	31,431,664	27,767,803	469,212	395,691	353,862	392,683	418,650	471,249	353,862	418,650	418,650	471,249	32,673,388	29,027,426
Assets	136,360,559	104,047,325	12,728,085	12,489,256	9,352,078	8,522,853	3,125,123	3,479,022	9,352,078	3,125,123	3,125,123	3,479,022	161,565,845	128,538,456
Liabilities	(9,568,488)	(23,171,507)	(94,141)	(94,677)	(4,013,865)	(3,397,151)	(1,245,945)	(1,785,658)	(4,013,865)	(3,397,151)	(1,245,945)	(1,785,658)	(14,922,439)	(28,448,993)
Net assets	126,792,071	80,875,818	12,633,944	12,394,579	5,338,213	5,125,702	1,879,178	1,693,364	5,338,213	1,879,178	1,879,178	1,693,364	146,643,406	100,089,463

Notes to the interim condensed consolidated financial information (continued)

17 Summary of financial assets and liabilities by category and fair value measurement

17.1 Categories of financial assets and liabilities

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

	30 Sept. 2024 (Unaudited) KD	31 Dec. 2023 (Audited) KD	30 Sept. 2023 (Unaudited) KD
Financial assets			
At amortised cost:			
Cash and cash equivalents	20,152,339	22,095,893	21,867,497
Accounts receivable and other assets (note 8)	3,491,858	3,040,358	4,465,939
At fair value:			
Investments at fair value through profit or loss	16,269,123	10,127,877	9,332,509
Investments at fair value through other comprehensive income	9,770,806	17,375,815	12,449,422
	49,684,126	52,639,943	48,115,367
Financial liabilities			
At amortised cost:			
Due to banks	1,991,255	21,851	470,070
Accounts payable and other liabilities	10,836,645	13,347,301	10,209,404
Lease liabilities	881,064	998,028	1,169,841
Borrowings	-	14,750,000	15,000,000
	13,708,964	29,117,180	26,849,315

Management considers that the carrying amounts of financial assets and all financial liabilities, which are stated at amortized cost, approximate their fair values.

17.2 Fair value hierarchy for financial instruments measured at fair value

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

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

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

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

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

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

Notes to the interim condensed consolidated financial information (continued)

17 Summary of financial assets and liabilities by category and fair value measurement (continued)

17.2 Fair value hierarchy for financial instruments measured at fair value (continued)

The financial assets and liabilities measured at fair value in the consolidated statement of financial position are grouped into the fair value hierarchy as follows:

	Level 1	Level 2	Level 3	Total
	KD	KD	KD	KD
30 September 2024 (Unaudited)				
Financial assets:				
Investments at fair value through profit or loss				
Quoted shares	8,414,823	-	-	8,414,823
Local quoted securities	1,346,207	-	-	1,346,207
Local unquoted securities	-	3,672,127	-	3,672,127
Foreign unquoted securities	-	2,835,966	-	2,835,966
Investments at fair value through other comprehensive income				
Quoted shares	7,160,467	-	-	7,160,467
Unquoted shares	-	499,779	1,696,155	2,195,934
Debt securities	-	412,038	-	412,038
Foreign funds	-	2,367	-	2,367
	16,921,497	7,422,277	1,696,155	26,039,929
31 December 2023 (Audited)				
Financial assets:				
Investments at fair value through profit or loss				
Quoted shares	7,807,541	-	-	7,807,541
Foreign fund	-	2,320,336	-	2,320,336
Investments at fair value through other comprehensive income				
Quoted shares	5,937,441	-	-	5,937,441
Unquoted shares	-	778,774	1,643,914	2,422,688
Debt securities	-	9,013,302	-	9,013,302
Foreign funds	-	2,384	-	2,384
	13,744,982	12,114,796	1,643,914	27,503,692
30 September 2023 (Unaudited)				
Financial assets:				
Investments at fair value through profit or loss				
Quoted shares	7,700,649	-	-	7,700,649
Foreign fund	-	1,631,860	-	1,631,860
Investments at fair value through other comprehensive income				
Quoted shares	5,829,992	-	-	5,829,992
Unquoted shares	-	207,798	1,641,857	1,849,655
Debt securities	-	4,420,085	-	4,420,085
Foreign funds	-	349,690	-	349,690
	13,530,641	6,609,433	1,641,857	21,781,931

The methods and valuation techniques used for the purpose of measuring fair values, are unchanged compared to the previous reporting year/period.

Notes to the interim condensed consolidated financial information (continued)

17 Summary of financial assets and liabilities by category and fair value measurement (continued)

17.2 Fair value hierarchy for financial instruments measured at fair value (continued)

Level 3 Fair value measurements

The Group's measurement of financial assets and liabilities classified in level 3 uses valuation techniques inputs that are not based on observable market data. The financial instruments within this level can be reconciled from beginning to ending balances as follows:

	30 Sept. 2024 (Unaudited) KD	31 Dec. 2023 (Audited) KD	30 Sept. 2023 (Unaudited) KD
Balance at the beginning of the period/year	1,643,914	1,664,683	1,664,683
Changes in fair value	52,241	(20,769)	(22,826)
Balance at the end of the period/year	1,696,155	1,643,914	1,641,857

18 Contingencies

At the reporting date the Group had contingent liabilities with respect to outstanding bank guarantees amounting to KD4,372,820 (31 December 2023: KD5,437,427 and 30 September 2023: KD4,367,191).

19 Fiduciary assets

The Group manages mutual funds and portfolios on behalf of its Ultimate Parent Company, other related parties and outsiders, and maintains securities in fiduciary accounts which are not reflected in the Group's interim condensed consolidated statement of financial position. Assets under management at 30 September 2024 amounted to KD18,478,149 (31 December 2023: KD19,446,645 and 30 September 2023: KD19,706,332) of which assets managed on behalf of its Ultimate Parent Company and other related parties amounted to KD18,439,581 (31 December 2023: KD19,409,375 and 30 September 2023: KD19,669,742).

20 Annual general assembly

The Annual General Assembly of the shareholders of the Parent Company held on 2 April 2024 approved the consolidated financial statements for the year ended 31 December 2023 and the board of directors' proposal to distribute cash dividend to shareholders equivalent to 8 fils per share for the year ended 31 December 2023 (31 December 2022: 5 fils per share) and an amount of KD177,500 as directors' remuneration for the year ended 31 December 2023 (31 December 2022: KD177,500).

21 Legal cases

- 21.1 Wakala investments of KD14,324,160 placed with a local Islamic investment company matured in the last quarter of 2008. The investee company defaulted on settlement of these balances on the original maturity date. However, revised maturity dates were stipulated by the court. The investee company again defaulted the payment of 2nd, 3rd, 4th and 5th instalments due in September 2014, 2015, 2016 and 2017, respectively. The Group made full provision in prior years for the receivable in accordance with the Central Bank of Kuwait provision rules.

Notes to the interim condensed consolidated financial information (continued)

21 Legal cases (continued)

The Group initiated various legal cases against the investee company which were eventually decided in favor of the Group. During 2019, the Parent Company signed a settlement agreement with the investee company under which 50% shares of Excellent Choice General Trading and Contracting Co. - WLL ("acquired company" or "ECC") were transferred to the Parent Company.

In years prior to the above settlement agreement, the acquired company had filed lawsuits against a local bank ("Bank") claiming return of the ownership of 33,544,500 shares of Boubyan Bank, which were transferred by the Bank through a sale contract, plus any cash or in-kind dividends and other benefits related to those shares. The lawsuits relating to the shares were finally decided by the Court of Cessation in favour of the acquired company. Accordingly, the acquired company obtained full rights over the transferred shares. Therefore, the Parent Company's share of the net assets of ECC was recognised and classified as an investment in associate amounting to KD8,584,340 against partial settlement of the wakala investments and recognised a gain on reversal of impairment of wakala investments of KD8,584,340 in the interim condensed consolidated statement of profit or loss for the period ended 31 March 2023.

In previous years, the acquired company filed a lawsuit against the legal representative of the Kuwait Clearing Company and others regarding the disbursement of dividends from previous years pertaining to the above shares of Boubyan Bank for an amount of KD1,354,064, which were held by the Kuwait Clearing Company. The court of first-instance ruling was issued on 24 October 2023 in favor of the acquired company, obliging the defendant to pay the amount of these dividends to the acquired company.

On 18 April 2024, the Court of Appeal upheld the above-mentioned ruling issued in favor of the acquired company. The Group will recognize its share of the amount on collection from the defendants.

- 21.2 On 1 December 2011, the Parent Company's Jordanian subsidiary, Noor Jordan Kuwait Financial Investment Company Limited ("the Seller" or "Noor Jordan") disposed of its entire equity interest in one of its Jordanian subsidiaries to nine individual buyers ("the Buyers"). Subsequent to the transfer of shares and control to the Buyers, they filed a case against the Seller claiming misrepresentation in valuing the net assets of the company sold. On 15 September 2022, the Court of First Instance ruled in favour of the Seller. However, the Buyers filed an appeal to the Court of Appeals which ruled to annul the decision and returned it back to the Court of First Instance for review. Later, the Court of First Instance issued another verdict in favor of the Seller. However, this verdict was appealed before the Amman Court of Appeal, which issued its decision on 5 December 2023 (in absentia) in favor of the Buyers and ordered the Seller and its representatives to jointly pay an amount of JOD2,744,370 equivalent of KD1,188,286. Therefore, the Group had recognised a provision of KD2,376,572 in the consolidated financial statements for the year ended 31 December 2023 which represented the judgment amount plus the legal interest according to the Civil Procedure Code in Jordan.

Notes to the interim condensed consolidated financial information (continued)

21 Legal cases (continued)

Noor Jordan submitted a request at the Court of Cassation to challenge the verdict issued by the Court of Appeal. This request was accepted in January 2024. On 4 April 2024, the Court of Cassation issued a verdict and referred the case back to Court of Appeal. On 23 June 2024, the Court of Appeal issued verdict in favor of Noor Jordan dismissing all criminal charges. Consequently, the Group has reversed the provision of KD2,376,572 in this interim condensed consolidated information for the period ended 30 September 2024.