

Interim condensed consolidated financial information and review report

Noor Financial Investment Company – KPSC and Subsidiaries

Kuwait

31 March 2025 (Unaudited)

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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 31 March 2025 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 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.

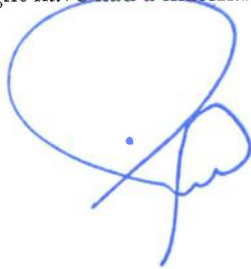
Report on review of other legal and regulatory requirements

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 three-month period ended 31 March 2025 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 three-month period ended 31 March 2025 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 April 2025

Interim condensed consolidated statement of profit or loss

	Notes	Three months ended 31 March 2025 (Unaudited) KD	Three months ended 31 March 2024 (Unaudited) KD
Income			
Revenue from contracts with customers		3,679,794	3,306,257
Share of results of associates	10	9,040,055	9,374,916
Net gain on financial assets at fair value		509,578	887,118
Rental income		248,964	170,230
Interest and other income		197,310	207,260
Foreign exchange gain		24,448	167,731
		13,700,149	14,113,512
Cost of contracts with customers		(2,779,802)	(2,430,068)
General, administrative and other expenses		(1,326,243)	(1,248,980)
Finance costs		(59,015)	(273,843)
Profit before income tax		9,535,089	10,160,621
Income tax for overseas subsidiaries		(1,594)	(1,455)
Profit for the period before provisions for contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labour Support Tax (NLST) and Zakat		9,533,495	10,159,166
Provisions for KFAS, NLST and Zakat		(169,561)	(194,926)
Profit for the period		9,363,934	9,964,240
Profit for the period attributable to:			
Owners of the Parent Company		9,316,406	9,909,789
Non-controlling interests		47,528	54,451
Profit for the period		9,363,934	9,964,240
Basic and diluted earnings per share (Fils)	5	18.30	19.46

The notes set out on pages 9 to 21 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 31 March 2025 (Unaudited) KD	Three months ended 31 March 2024 (Unaudited) KD
Profit for the period	9,363,934	9,964,240
Other comprehensive (loss) / income:		
<i>Items that will be reclassified subsequently to consolidated statement of profit or loss:</i>		
Exchange differences arising on translation of foreign operations	(576,281)	1,021,449
Share of other comprehensive loss of associates	(3,666,555)	(635,971)
Net change in fair value of investments at FVTOCI	9,689	(44,621)
<i>Items that will not be reclassified subsequently to consolidated statement of profit or loss:</i>		
Net change in fair value of investments at FVTOCI	268,227	472,518
Share of other comprehensive income of associates	45,170	6,930
Total other comprehensive (loss) / income for the period	(3,919,750)	820,305
Total comprehensive income for the period	5,444,184	10,784,545
Total comprehensive income attributable to:		
Owners of the Parent Company	5,401,027	10,730,094
Non-controlling interests	43,157	54,451
Total comprehensive income for the period	5,444,184	10,784,545

The notes set out on pages 9 to 21 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of financial position

	Notes	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Assets				
Cash and cash equivalents	6	24,411,147	22,753,083	21,460,253
Investments at fair value through profit or loss	7	14,482,513	15,580,222	10,194,037
Accounts receivable and other assets	8	12,755,741	7,822,852	10,186,069
Inventories		1,028,606	777,810	908,311
Investments at fair value through other comprehensive income	9	10,968,061	10,687,810	18,316,600
Investment in associates	10	101,940,076	101,341,490	79,790,271
Investment properties		12,780,652	12,754,717	12,479,557
Property and equipment		1,082,438	1,102,733	1,151,179
Right of use assets		680,879	784,461	853,705
Goodwill		2,029,278	2,029,278	2,029,278
Total assets		182,159,391	175,634,456	157,369,260
Liabilities and equity				
Liabilities				
Due to banks	6	2,301,356	1,937,486	456,829
Accounts payable and other liabilities	11	24,553,786	11,224,070	14,033,902
Lease liabilities		888,950	844,951	898,028
Borrowings		-	-	14,750,000
Provision for employees' end of service benefits		1,264,197	1,219,722	1,649,260
Total liabilities		29,008,289	15,226,229	31,788,019
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	12	(1,197,666)	(1,197,666)	(1,197,666)
Statutory and voluntary reserves		37,197,726	37,197,726	28,583,634
Other components of equity	13	(52,463,935)	(48,885,875)	(54,604,502)
Retained earnings		112,163,359	115,854,021	95,432,413
Equity attributable to the owners of the Parent Company		150,755,402	158,024,124	123,269,797
Non-controlling interests		2,395,700	2,384,103	2,311,444
Total equity		153,151,102	160,408,227	125,581,241
Total liabilities and equity		182,159,391	175,634,456	157,369,260


Riyadh S. A. Edrees
Chairman

The notes set out on pages 9 to 21 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 2025 (audited)	51,645,345	3,410,573	(1,197,666)	37,197,726	(48,885,875)	115,854,021	158,024,124	2,384,103	160,408,227
Dividend (note 19)	-	-	-	-	-	(12,730,566)	(12,730,566)	-	(12,730,566)
Redemption of units by non-controlling interests	-	-	-	-	-	-	-	(31,560)	(31,560)
Total transactions with owners	-	-	-	-	-	(12,730,566)	(12,730,566)	(31,560)	(12,762,126)
Profit for the period	-	-	-	-	-	9,316,406	9,316,406	47,528	9,363,934
Total other comprehensive loss for the period	-	-	-	-	(3,915,379)	-	(3,915,379)	(4,371)	(3,919,750)
Total comprehensive (loss) / income for the period	-	-	-	-	(3,915,379)	9,316,406	5,401,027	43,157	5,444,184
Share of gain on sale of investment at FVTOCI by an associate	-	-	-	-	(88,800)	88,800	-	-	-
Other adjustment arising from associate	-	-	-	-	365,302	(365,302)	-	-	-
Share of other reserve of an associate	-	-	-	-	60,817	-	60,817	-	60,817
Balance as at 31 March 2025 (Unaudited)	51,645,345	3,410,573	(1,197,666)	37,197,726	(52,463,935)	112,163,359	150,755,402	2,395,700	153,151,102

The notes set out on pages 9 to 21 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		
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
Redemption of units by non-controlling interests	-	-	-	-	-	-	-	(1,079)	(1,079)
Total transactions with owners	-	-	-	-	-	-	-	(1,079)	(1,079)
Profit for the period	-	-	-	-	-	9,909,789	9,909,789	54,451	9,964,240
Total other comprehensive income for the period	-	-	-	-	820,305	-	820,305	-	820,305
Total comprehensive income for the period	-	-	-	-	820,305	9,909,789	10,730,094	54,451	10,784,545
Other adjustments arising from associate	-	-	-	-	917,262	(835,509)	81,753	-	81,753
Balance as at 31 March 2024 (Unaudited)	51,645,345	3,410,573	(1,197,666)	28,583,634	(54,604,502)	95,432,413	123,269,797	2,311,444	125,581,241

The notes set out on pages 9 to 21 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

	Notes	Three months ended 31 March 2025 (Unaudited) KD	Three months ended 31 March 2024 (Unaudited) KD
OPERATING ACTIVITIES			
Profit before provisions for contribution to Zakat, NLST and KFAS		9,533,495	10,159,166
Adjustments:			
Dividend income		(67,848)	(141,840)
Share of results of associates	10	(9,040,055)	(9,374,916)
Interest income		(288,995)	(628,324)
Depreciation and amortization		153,390	102,569
Provision charge for employees' end of service benefits		54,625	51,874
Finance costs		59,015	273,843
		403,627	442,372
Changes in operating assets and liabilities:			
Investments at fair value through profit or loss		1,097,709	(66,160)
Accounts receivable and other assets		(447,006)	(1,036,834)
Accounts payable and other liabilities		384,510	353,994
Inventories		(250,796)	(284,583)
Employees' end of service benefits paid		(10,150)	-
Net cash from / (used in) operating activities		1,177,894	(591,211)
INVESTING ACTIVITIES			
Change in cash in pledged portfolios		-	2,641
Change in pledged short term deposits		-	78,292
Additions to property and equipment		(13,982)	(27,809)
Purchases of investments at FVTOCI		-	(381,456)
Dividend income received		67,848	141,840
Interest income received		173,392	194,364
Net cash from investing activities		227,258	7,872
FINANCING ACTIVITIES			
Paid to non-controlling interests on capital reduction		(7,364)	(16,417)
Redemption of units by non-controlling interests		(31,560)	(1,079)
Dividends paid to non-controlling interests		(645)	-
Lease liabilities paid		(16,497)	(135,634)
Dividend paid		(12,381)	(12,865)
Finance costs paid		(42,511)	(240,351)
Net cash used in financing activities		(110,958)	(406,346)
Net increase / (decrease) in cash and cash equivalents		1,294,194	(989,685)
Cash and cash equivalents at beginning of the period	6	20,210,597	21,360,028
Cash and cash equivalents at end of the period	6	21,504,791	20,370,343

The notes set out on pages 9 to 21 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 April 2025.

2 Basis of preparation

This interim condensed consolidated financial information of the Group for the three-month period ended 31 March 2025 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 2024 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 three-month period ended 31 March 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025. For further details, refer to the consolidated financial statements and its related disclosures for the year ended 31 December 2024.

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 2024, except for the adoption of the amendments to the IFRS Accounting Standards effective as of 1 January 2025 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 amendments to IAS 21 were effective for the current period:

IAS 21 Amendments – Lack of exchangeability

The amendments to IAS 21 addresses determination of exchange rate when there is long term lack of exchangeability. The amendments:

- Specify when a currency is exchangeable into another currency and when it is not — a currency is exchangeable when an entity is able to exchange that currency for the other currency through markets or exchange mechanisms that create enforceable rights and obligations without undue delay at the measurement date and for a specified purpose; a currency is not exchangeable into the other currency if an entity can only obtain an insignificant amount of the other currency.
- Specify how an entity determines the exchange rate to apply when a currency is not exchangeable — when a currency is not exchangeable at the measurement date, an entity estimates the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing.

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 21 Amendments – Lack of exchangeability (continued)

- Require the disclosure of additional information when a currency is not exchangeable — when a currency is not exchangeable an entity discloses information that would enable users of its financial statements to evaluate how a currency’s lack of exchangeability affects, or is expected to affect, its financial performance, financial position and cash flows.

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 2024.

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 31 March 2025 (Unaudited)	Three months ended 31 March 2024 (Unaudited)
Profit for the period attributable to the owners of the Parent Company (KD)	9,316,406	9,909,789
Weighted average number of shares outstanding during the period (excluding treasury shares) (Share)	509,222,655	509,222,655
Basic and diluted earnings per share (Fils)	18.30	19.46

Notes to the interim condensed consolidated financial information (continued)

6 Cash and cash equivalents

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Cash and bank balances	3,133,558	2,992,290	2,796,129
Cash in portfolios	162,876	86,978	776,191
Short term deposits	21,114,713	19,673,815	17,887,933
Cash and cash equivalents as per consolidated financial position	24,411,147	22,753,083	21,460,253
Less:			
Due to banks	(2,301,356)	(1,937,486)	(456,829)
Restricted bank balances	(5,000)	(5,000)	(5,990)
Pledged cash in portfolios	-	-	(27,091)
Pledged short-term deposits	(600,000)	(600,000)	(600,000)
Cash and cash equivalents as per consolidated statements of cash flows	21,504,791	20,210,597	20,370,343

The short-term deposits carry effective interest rate ranging 2.875% to 4.31% (31 December 2024: 3% to 4.7% and 31 March 2024: 3.5% to 5.5%) per annum.

Due to banks represents bank overdraft facilities utilised by a subsidiary which is secured by pledge of short-term deposit of KD600,000 (31 December 2024: KD600,000 and 31 March 2024: KD600,000), investment properties and a guarantee issued by one of the Group's subsidiaries. Due to banks carry effective interest rate of 6.25% to 7% (31 December 2024: 6.25% to 7% and 31 March 2024: 6.9%) per annum.

7 Investments at fair value through profit or loss

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Local quoted securities	4,058,188	4,987,921	3,896,259
Foreign quoted securities	4,596,007	4,452,374	4,213,376
Local unquoted securities	1,546,331	3,376,385	1,117,430
Foreign unquoted securities	4,281,987	2,763,542	-
Foreign funds	-	-	966,972
	14,482,513	15,580,222	10,194,037

The hierarchy for determining and disclosing the fair values of financial instruments is presented in note 16.2.

Notes to the interim condensed consolidated financial information (continued)

8 Accounts receivable and other assets

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Financial assets:			
Accounts receivable - net	2,861,937	2,786,344	2,587,414
Loans to customers – net	20,089	20,000	20,096
Accrued income - net	336,962	473,994	251,698
Dividend receivable from associates	4,371,580	-	5,022,435
Due from related parties	37,160	36,814	69,107
Other assets	642,111	641,609	1,321,293
	8,269,839	3,958,761	9,272,043
Non-financial assets			
Advance payment for purchase of investment (note 8.1)	2,979,375	2,979,375	-
Other assets	1,506,527	884,716	914,026
	12,755,741	7,822,852	10,186,069

8.1 On 29 December 2024, the Group signed an initial non-binding agreement with a related party for purchase of a 17.5% interest in J3 Land and Real Estate Management and Development Company W.L.L., the developer of Project 13 Jaber Al-Ahmad Residential City in the State of Kuwait, and a 9.4% interest in J3 Import and Export Company W.L.L., for a total consideration of KD9,931,250 payable in three instalments. The Group has made an advance payment of KD2,979,375.

As per the contract terms, the agreement becomes binding if the relevant official authorities and other required entities do not withhold the necessary approvals for the transfer of interest to the Group.

As of the date of issuance of this interim condensed consolidated financial information, the required approvals have not been obtained from the relevant authorities. Consequently, the Group has not recognized the interest in the above companies as investment in the interim condensed consolidated financial information for the period ended 31 March 2025.

9 Investments at fair value through other comprehensive income

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Local quoted securities	8,201,575	7,694,139	6,338,133
Foreign quoted securities	216,686	227,033	205,778
Local unquoted securities	1,543,094	1,552,721	1,642,491
Foreign unquoted securities	583,226	802,458	646,248
Foreign funds	2,398	2,397	2,388
Local debt securities	421,082	409,062	462,324
Foreign debt securities	-	-	9,019,238
	10,968,061	10,687,810	18,316,600

The hierarchy for determining and disclosing the fair values of financial instruments is presented in note 16.2.

Notes to the interim condensed consolidated financial information (continued)

10 Investment in associates

10.1 Details of the associates are set out below:

Name of associate	Country of Incorporation	Ownership percentage			Principal activities
		31 March 2025	31 Dec. 2024	31 March 2024	
		%	%	%	
Meezan Bank Limited	Pakistan	35.15	35.15	35.22	Islamic Bank
Excellent Choice General Trading and Contracting Co. – WLL	Kuwait	50	50	50	General Trading & Contracting

10.2 The movement of investment in associates is as follows:

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Balance as of beginning of the period/year	101,341,490	74,910,265	74,910,265
Share of results	9,040,055	38,786,497	9,374,916
Share of other comprehensive (loss) / income	(3,621,385)	4,136,389	(629,041)
Dividends	(4,369,991)	(18,115,376)	(4,994,276)
Foreign currency translation adjustments	(510,910)	1,152,646	1,046,654
Share of other reserve of an associate	60,817	-	-
Other adjustments	-	471,069	81,753
Balance at the end of the period/year	101,940,076	101,341,490	79,790,271

11 Accounts payable and other liabilities

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Financial liabilities			
Accounts payable	1,106,426	478,717	1,354,846
Provision for taxes	3,095,863	3,019,913	3,637,208
Accrued expenses	3,519,833	3,579,353	3,865,333
Dividend payable	12,991,877	274,337	215,654
Due to related parties	310,000	310,000	406,050
Payable on account of capital reduction in subsidiary	406,393	413,758	555,610
Other payables	3,123,394	3,147,992	1,622,629
Provision for a legal case	-	-	2,376,572
	24,553,786	11,224,070	14,033,902

Notes to the interim condensed consolidated financial information (continued)

12 Treasury shares

	31 March 2025 (Unaudited)	31 Dec. 2024 (Audited)	31 March 2024 (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)	2,357,239	2,089,700	1,605,237
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.

13 Other components of equity

	Foreign currency translation reserve KD	Cumulative changes in fair value KD	Other reserve of an associate KD	Total KD
Balances at 1 January 2025	(53,465,194)	4,579,319	-	(48,885,875)
Net change in fair value of investments at FVTOCI	-	282,287	-	282,287
Share of gain on sale of investment at FVTOCI by an associate	-	(88,800)	-	(88,800)
Share of other comprehensive loss of associates	-	(3,621,385)	-	(3,621,385)
Other adjustment arising from associate	-	-	365,302	365,302
Share of other reserve of an associate	-	-	60,817	60,817
Exchange differences arising on translation of foreign operations	(576,281)	-	-	(576,281)
Balances at 31 March 2025	(54,041,475)	1,151,421	426,119	(52,463,935)
Balances at 1 January 2024	(54,620,225)	(1,721,844)	-	(56,342,069)
Net change in fair value of investments at FVTOCI	-	427,897	-	427,897
Share of other comprehensive loss of associates	-	(629,041)	-	(629,041)
Share of loss on sale of investments at FVTOCI of an associate	-	917,262	-	917,262
Exchange differences arising on translation of foreign operations	1,021,449	-	-	1,021,449
Balances at 31 March 2024	(53,598,776)	(1,005,726)	-	(54,604,502)

Notes to the interim condensed consolidated financial information (continued)

14 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	
	31 March 2025 (Unaudited) KD	31 March 2024 (Unaudited) KD	31 March 2025 (Unaudited) KD	31 March 2024 (Unaudited) KD	31 March 2025 (Unaudited) KD	31 March 2024 (Unaudited) KD	31 March 2025 (Unaudited) KD	31 March 2024 (Unaudited) KD	31 March 2025 (Unaudited) KD	31 March 2024 (Unaudited) KD
Revenue from contracts with customers	-	-	-	-	2,994,475	2,684,515	685,319	621,742	3,679,794	3,306,257
Share of results of associates	9,040,055	9,374,916	-	-	-	-	-	-	9,040,055	9,374,916
Net gain on financial assets at fair value	509,578	887,118	-	-	-	-	-	-	509,578	887,118
Rental income	-	-	248,964	170,230	-	-	-	-	248,964	170,230
Interest income, other income and foreign exchange differences	221,758	374,991	-	-	-	-	-	-	221,758	374,991
Total Segment income	9,771,391	10,637,025	248,964	170,230	2,994,475	2,684,515	685,319	621,742	13,700,149	14,113,512
Cost of contracts with customers	-	-	-	-	(2,536,484)	(2,224,222)	(243,318)	(205,846)	(2,779,802)	(2,430,068)
General and administrative expenses	(494,664)	(654,481)	(59,878)	(31,466)	(315,200)	(308,529)	(456,501)	(254,504)	(1,326,243)	(1,248,980)
Finance costs	-	(229,837)	-	-	(44,094)	(12,896)	(14,921)	(31,110)	(59,015)	(273,843)
Profit for the period before income tax	9,276,727	9,752,707	189,086	138,764	98,697	138,868	(29,421)	130,282	9,535,089	10,160,621
Assets	156,198,920	132,428,372	13,133,515	12,624,213	10,159,254	9,322,950	2,667,702	2,993,725	182,159,391	157,369,260
Liabilities	(22,600,810)	(26,517,119)	(63,953)	(66,233)	(4,823,273)	(4,032,158)	(1,520,253)	(1,172,509)	(29,008,289)	(31,788,019)
Net assets	133,598,110	105,911,253	13,069,562	12,557,980	5,335,981	5,290,792	1,147,449	1,821,216	153,151,102	125,581,241

Notes to the interim condensed consolidated financial information (continued)

15 Related party transactions

Related parties represent the Ultimate Parent Company, associates, directors and key management personnel of the Group, and other related parties such as subsidiaries of the Ultimate Parent Company (fellow subsidiaries), major shareholders and companies in which directors and key management personnel of the Group are principal owners or over which they are able to exercise significant influence or joint control. Key management personnel include board of directors, chief executive officers and principal officers of the Parent Company and its subsidiaries. Pricing policies and terms of these transactions are approved by the Group's management.

Details of significant related party transactions and balances are as follows:

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Balances included in interim condensed consolidated statement of financial position			
Due from related parties (note 8)	5,868	5,094	4,582
Due from Ultimate Parent Company (note 8)	31,292	31,420	64,525
Dividend receivable from an associate (note 8)	4,371,580	-	5,022,435
Advance payment for purchase of investment (note 8.1)	2,979,375	2,979,375	-
Accruals and short-term benefit	113,057	110,747	89,391
Provision for employees' end of service benefit	361,957	354,860	333,052
Due to related parties (note 11)	310,000	310,000	406,050
		Three months ended 31 March 2025 (Unaudited) KD	Three months ended 31 March 2024 (Unaudited) KD
Interim condensed consolidated statement of profit or loss			
Fees income		1,028	840
Compensation of key management personnel of the Group			
Salaries and other short-term benefits		93,040	119,449
End of service benefits		6,825	7,102
		99,865	126,551

Notes to the interim condensed consolidated financial information (continued)

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

16.1 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:

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Financial assets			
At amortised cost:			
Cash and cash equivalents	24,411,147	22,753,083	21,460,253
Accounts receivable and other assets (note 8)	8,269,839	3,958,761	9,272,043
At fair value:			
Investments at fair value through profit or loss	14,482,513	15,580,222	10,194,037
Investments at fair value through other comprehensive income	10,968,061	10,687,810	18,316,600
	58,131,560	52,979,876	59,242,933
Financial liabilities			
At amortised cost:			
Due to banks	2,301,356	1,937,486	456,829
Accounts payable and other liabilities	24,553,786	11,224,070	14,033,902
Lease liabilities	888,950	844,951	898,028
Borrowings	-	-	14,750,000
	27,744,092	14,006,507	30,138,759

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

16.2 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)

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

16.2 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 KD	Level 2 KD	Level 3 KD	Total KD
31 March 2025 (Unaudited)				
Financial assets:				
Investments at fair value through profit or loss				
Quoted securities	8,654,195	-	-	8,654,195
Unquoted securities	-	5,828,318	-	5,828,318
Investments at fair value through other comprehensive income				
Quoted securities	8,418,261	-	-	8,418,261
Unquoted securities	-	580,192	1,546,128	2,126,320
Debt securities	-	421,082	-	421,082
Foreign funds	-	2,398	-	2,398
	17,072,456	6,831,990	1,546,128	25,450,574
31 December 2024 (Audited)				
Financial assets:				
Investments at fair value through profit or loss				
Quoted securities	9,440,295	-	-	9,440,295
Unquoted securities	-	6,139,927	-	6,139,927
Investments at fair value through other comprehensive income				
Quoted securities	7,921,172	-	-	7,921,172
Unquoted securities	-	799,428	1,555,751	2,355,179
Debt securities	-	409,062	-	409,062
Foreign funds	-	2,397	-	2,397
	17,361,467	7,350,814	1,555,751	26,268,032
31 March 2024 (Unaudited)				
Financial assets:				
Investments at fair value through profit or loss				
Quoted securities	8,109,635	-	-	8,109,635
Unquoted securities	-	1,117,430	-	1,117,430
Foreign fund	-	966,972	-	966,972
Investments at fair value through other comprehensive income				
Quoted securities	6,543,911	-	-	6,543,911
Unquoted securities	-	643,224	1,645,515	2,288,739
Debt securities	-	9,481,562	-	9,481,562
Foreign funds	-	2,388	-	2,388
	14,653,546	12,211,576	1,645,515	28,510,637

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)

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

16.2 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:

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Balance at the beginning of the period/year	1,555,751	1,643,914	1,643,914
Disposals	-	(28,750)	-
Changes in fair value	(9,623)	(59,413)	1,601
Balance at the end of the period/year	1,546,128	1,555,751	1,645,515

17 Contingencies

Contingent liabilities and capital commitments at the financial position date are as follows:

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited)
Issued letters of guarantee	4,855,918	4,693,515	5,147,788
Commitments on purchase of investment (note 8.1)	6,951,875	6,951,875	-
Capital commitments on purchase of investment	6,000,000	6,000,000	-
	17,807,793	17,645,390	5,147,788

18 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 31 March 2025 amounted to KD17,767,012 (31 December 2024: KD18,340,751 and 31 March 2024: KD19,473,552) of which assets managed on behalf of its Ultimate Parent Company and other related parties amounted to KD17,734,736 (31 December 2024: KD18,301,714 and 31 March 2024: KD19,434,375).

19 Annual general assembly

The Annual General Assembly of the shareholders of the Parent Company held on 17 March 2025 approved the consolidated financial statements for the year ended 31 December 2024 and the board of directors' proposal to distribute cash dividend to shareholders equivalent to 25 fils per share for the year ended 31 December 2024 (31 December 2023: 8 fils per share) and an amount of KD130,000 as directors' remuneration for the year ended 31 December 2024 (31 December 2023: KD177,500).

Notes to the interim condensed consolidated financial information (continued)

20 Legal cases

In prior years, one of the Group's associates, Excellent Choice General Trading and Contracting Co. – WLL ("ECC"), 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.

During 2023, the lawsuits relating to the shares were finally decided by the Court of Cessation in favour of ECC. Accordingly, ECC obtained full rights over the transferred shares of Boubyan Bank totaling 50,504,513 share.

In previous years, ECC 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 ECC, obliging the defendant to pay the amount of these dividends to ECC. On 18 April 2024, the Court of Appeal upheld the mentioned ruling issued in favor of ECC. Later during 2024, ECC collected an amount of KD1,368,259 from the defendants.

Furthermore, on 11 March 2025, the Court of the First Instance ruled in favour of ECC obligating the Bank to return to ECC the bonus shares totaling 5,176,713 shares of Boubyan Bank (being share dividends attributable to the above-mentioned shares for the years 2020 and 2021) or its equivalent in value at the date of distribution along with legal interest until 18 February 2024 totaling an amount of KD4,646,828 plus interest at 7% from date of ruling until full settlement. Furthermore, the issued ruling obliges the Kuwait Clearing Company to disburse and deliver to ECC an amount of KD265,149 which representing the disbursement of cash dividends pertaining to the above-mentioned shares of Boubyan Bank for the years 2020 and 2021. However, the said ruling has been appealed before court of appeal with the hearing scheduled for 22 May 2025.

The Group will recognize its share of the amount on collection from the defendants.

21 Comparative amounts

Certain comparative amounts have been reclassified to conform to the presentation in the current period, and such reclassification does not affect previously reported net assets, net equity and net results for the year/period.