

Interim condensed consolidated financial information and review report

Al-Deera Holding 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
Al-Deera Holding Company – KPSC
Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Al-Deera Holding Company - KPSC ("the Parent Company") and its subsidiaries ("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 International Accounting Standard 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim 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 has not been prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

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 violations 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.

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any material violations of the provisions of Law No. 7 of 2010, as amended, concerning the Capital Markets Authority and its related regulations during the three-month period ended 31 March 2025 that might had a material effect on the business or financial position of the Parent Company.



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

Kuwait
15 May 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
REVENUE			
Change in fair value of investments at fair value through profit or loss	8	6,719	505,013
(Loss)/gain on sale of investments at fair value through profit or loss	8	(5,090)	199,279
Share of results of associate	6	1,191,967	631,663
Other income		15,553	14,550
		1,209,149	1,350,505
EXPENSES AND OTHER CHARGES			
Staff costs		(99,332)	(42,710)
General, administrative and other expenses		(62,752)	(66,984)
Finance costs		(83,233)	(145,368)
		(245,317)	(255,062)
Profit before provisions for contribution to Kuwait Foundation for the Advancement of Science (KFAS), National Labour Support Tax (NLST) and Zakat		963,832	1,095,443
Provision for contribution to KFAS		-	(3,549)
Provision for NLST		-	(10,943)
Provision for Zakat		-	(4,377)
Profit for the period		963,832	1,076,574
Attributable to:			
Shareholders of the Parent Company		964,616	1,077,325
Non-controlling interests		(784)	(751)
		963,832	1,076,574
Basic and diluted earnings per share attributable to the shareholders of the Parent Company	5	9.34 Fils	10.43 Fils

The notes set out on pages 8 to 18 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	963,832	1,076,574
Other comprehensive income:		
Items that may be reclassified subsequently to consolidated statement of profit or loss:		
Share of other comprehensive profit/(loss) of an associate (Note 6)	21,020	(266,289)
Items that may not be reclassified subsequently to consolidated statement of profit or loss:		
Equity investments at fair value through other comprehensive income		
- Net change in fair value arising during the period	294,681	2,094,706
Share of other comprehensive income of an associate (Note 6)	1,725,048	3,163,722
	2,019,729	5,258,428
Total other comprehensive income for the period	2,040,749	4,992,139
Total comprehensive income for the period	3,004,581	6,068,713
Attributable to:		
Shareholders of the Parent Company	3,005,365	6,069,464
Non-controlling interests	(784)	(751)
	3,004,581	6,068,713

The notes set out on pages 8 to 18 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				
Non-current assets				
Property, plant and equipment		12	12	12
Investment in associates	6	31,718,673	28,780,638	24,815,640
Investments at fair value through other comprehensive income	7	3,928,842	3,677,275	11,879,690
		35,647,527	32,457,925	36,695,342
Current assets				
Receivables and other assets		1,053,638	1,110,231	1,473,832
Investments at fair value through profit or loss	8	6,841,704	7,085,084	4,807,772
Cash and cash equivalents		514,700	266,507	288,408
		8,410,042	8,461,822	6,570,012
Total assets		44,057,569	40,919,747	43,265,354
EQUITY AND LIABILITIES				
Equity				
Share capital	9	10,324,188	10,324,188	9,177,056
Statutory reserve		532,137	532,137	174,283
Voluntary reserve		532,137	532,137	174,283
Other components of equity	10	8,631,066	9,473,020	14,845,683
Retained earnings		15,035,490	11,188,171	2,733,644
Total equity attributable to the shareholders of the Parent Company		35,055,018	32,049,653	27,104,949
Non-controlling interests		355,249	356,033	318,335
Total equity		35,410,267	32,405,686	27,423,284
Liabilities				
Non-current liabilities				
Provision for employees' end of service benefits		230,000	219,063	196,626
Term loans from related parties	11	1,721,514	1,721,514	6,326,948
Wakala payable – non-current portion	12	4,460,000	4,589,375	4,625,000
		6,411,514	6,529,952	11,148,574
Current liabilities				
Term loans from related parties – current portion		-	-	1,150,000
Wakala payable – current portion	12	397,500	339,375	375,000
Payables and other liabilities	13	1,838,288	1,644,734	3,168,496
		2,235,788	1,984,109	4,693,496
Total liabilities		8,647,302	8,514,061	15,842,070
Total equity and liabilities		44,057,569	40,919,747	43,265,354


Bader Jassim Al-Hajiri
Vice Chairman

The notes set out on pages 8 to 18 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity

Equity attributable to the shareholders of the Parent Company								
	Share capital KD	Statutory reserve KD	Voluntary reserve KD	Other components of equity (Note 10) KD	Retained earnings KD	Sub – total KD	Non- controlling interests KD	Total KD
Balance at 31 December 2024 (Audited)	10,324,188	532,137	532,137	9,473,020	11,188,171	32,049,653	356,033	32,405,686
Profit/(loss) for the period	-	-	-	-	964,616	964,616	(784)	963,832
Other comprehensive income for the period	-	-	-	2,040,749	-	2,040,749	-	2,040,749
Total comprehensive income/(loss) for the period	-	-	-	2,040,749	964,616	3,005,365	(784)	3,004,581
Realized gain on disposal of investments at FVTOCI (Note 7)	-	-	-	(74,236)	74,236	-	-	-
Share of associate's realized gain on its disposal of investments at FVTOCI	-	-	-	(2,808,467)	2,808,467	-	-	-
Balance at 31 March 2025 (Unaudited)	10,324,188	532,137	532,137	8,631,066	15,035,490	35,055,018	355,249	35,410,267

The notes set out on pages 8 to 18 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity (continued)

	Equity attributable to the shareholders of the Parent Company						
	Share capital KD	Statutory reserve KD	Voluntary reserve KD	Other components of equity (Note 10) KD	Retained earnings KD	Sub – total KD	Non-controlling interests KD
Balance at 31 December 2023 (Audited)	9,177,056	174,283	174,283	9,850,520	1,681,832	21,057,974	319,086
Profit/(loss) for the period	-	-	-	-	1,077,325	1,077,325	(751)
Other comprehensive income for the period	-	-	-	4,992,139	-	4,992,139	-
Total comprehensive income/(loss) for the period	-	-	-	4,992,139	1,077,325	6,069,464	(751)
Share of associates realized loss on its disposal of investments at FVTOCI	-	-	-	3,024	(3,024)	-	-
Net effect of the change in ownership in associate on movement of treasury shares	-	-	-	-	(22,489)	(22,489)	-
Balance at 31 March 2024 (Unaudited)	9,177,056	174,283	174,283	14,845,683	2,733,644	27,104,949	318,335
							27,423,284

The notes set out on pages 8 to 18 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 Kuwait Foundation for the Advancement of Sciences (KFAS), National Labour Support Tax (NLST) and Zakat		963,832	1,095,443
Adjustments for:			
Loss/(gain) on sale of investments at fair value through profit or loss	8	5,090	(199,279)
Share of results of an associate	6	(1,191,967)	(631,663)
Finance costs		83,233	145,368
Provision for employees' end of service benefits		10,937	(1,301)
		(128,875)	408,568
Changes in operating assets and liabilities:			
Investments at fair value through profit or loss		(114,308)	(746,005)
Receivables and other assets		70,163	(180,956)
Payables and other liabilities		233,173	(102,004)
NLST and Zakat paid	17	-	(85,130)
Net cash from/(used in) operating activities		60,153	(705,527)
INVESTING ACTIVITIES			
Proceeds from sale of investments at fair value through other comprehensive income		100,870	-
Purchase of investment at fair value through other comprehensive income		-	(259,697)
Proceeds from sale of investments at fair value through profit or loss		245,009	-
Finance costs paid		(86,589)	(73,490)
Net cash from/(used in) investing activities		259,290	(333,187)
FINANCING ACTIVITIES			
Receipt of Wakala payable		-	900,000
Repayment of Wakala payable		(71,250)	-
Net cash (used in)/from financing activities		(71,250)	900,000
Net increase/(decrease) in cash and cash equivalents		248,193	(138,714)
Cash and cash equivalents at beginning of the period		266,507	427,122
Cash and cash equivalents at end of the period		514,700	288,408

The notes set out on pages 8 to 18 form an integral part of this interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information

1 Incorporation and activities

Al-Deera Holding Company (“the Parent Company”) was established on 18 February 1998 as a Kuwaiti limited liability company. On 8 September 2005, the legal status of the Parent Company was changed from a limited liability company to a Kuwaiti public shareholding company. The Parent Company’s shares are listed on Boursa Kuwait. The address of the Parent Company’s registered offices is PO. Box 4839, Safat 13049 – Kuwait.

The Group comprises the Parent Company and its subsidiaries.

The Parent Company is a subsidiary of Kuwait Holding Company – KSCC (“Intermediate Parent Company”) which is a subsidiary of Med Al-Bahar Holding – WLL (“Ultimate Parent Company”).

The Parent Company’s objectives are as follows:

- Management of the Parent Company’s subsidiaries or participation in management of other companies in which it holds ownership stakes and providing the necessary support thereto.
- Investing funds by way of trading in shares, bonds and other financial securities.
- Acquisition of properties and movables necessary to carry out the business activities as allowable by the law.
- Financing and extending loans to investee companies and providing guarantees for third parties, provided that the share of the holding company in the investee company is not less than 20%.
- Acquisition of industrial rights and related intellectual properties or any other industrial trademarks or royalties and any other property related thereto, and renting such properties to the subsidiary companies and others whether inside Kuwait or abroad.

The Parent Company has the right to carry out its activities inside Kuwait or abroad whether directly or through power of attorney.

The Parent Company is authorised to have interest in or participate with any party or institution carrying out similar activities or those parties who will assist the company in achieving its objectives whether in Kuwait or abroad. The Parent Company has the right to establish, participate in or acquire such institutions.

The interim condensed consolidated financial information for the three-month period ended 31 March 2025 was authorized for issuance by the Parent Company’s board of directors on 15 May 2025.

2 Basis of presentation

The interim condensed consolidated financial information of the Group for the three-month period ended 31 March 2025 has been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

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”).

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

Notes to the interim condensed consolidated financial information (continued)

2 Basis of presentation (continued)

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 these 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 new and amended 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.
- 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 Judgment 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.

Notes to the interim condensed consolidated financial information (continued)

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

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

	Three months ended 31 March 2025 (Unaudited)	Three months ended 31 March 2024 (Unaudited)
Profit for the period attributable to the shareholders of the Parent Company (KD)	964,616	1,077,325
Weighted average number of shares outstanding during the period (shares)	103,241,880	103,241,880
Basic and diluted earnings per share attributable to the shareholders of the Parent Company (Fils)	9.34	10.43

The comparatively weighted average number of shares for calculating the basic and diluted earnings per share was adjusted in the previous period to reflect the previous year's bonus shares of 10% of the issued share capital which was approved by the shareholders on 13 May 2024 (Note 14).

6 Investment in associate

The movement of investment in associate during the period/year is 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	28,780,638	21,309,033	21,309,033
Additional investment made during the period/year	-	39,641	-
Disposal of shares	-	(33,165)	-
Share of results	1,191,967	2,354,858	631,663
Cash dividend received	-	(277,633)	-
Share of other comprehensive income of the associate	1,746,068	4,140,462	2,897,433
Effect of change in ownership in an associate on purchase of treasury shares	-	1,247,442	(22,489)
Balance at the end of the period/year	31,718,673	28,780,638	24,815,640

Investment in associate with a carrying amount of KD17,250,464 is pledged against term loans from related parties (Note 11) and Wakala payable (Note 12) (31 December 2024: KD17,109,694 and 31 March 2024: KD24,815,640).

Notes to the interim condensed consolidated financial information (continued)

7 Investments at fair value through other comprehensive income

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Investment portfolio managed by a third party	-	-	1,222,535
Local quoted securities	2,517,008	2,265,412	9,400,008
Local unquoted securities	780,661	780,661	664,170
Foreign quoted securities	1,494	1,523	116
Foreign unquoted securities	629,679	629,679	592,861
	3,928,842	3,677,275	11,879,690

Investments at fair value through other comprehensive income with a carrying value of KD2,243,222 are pledged against term loans from related parties (Note 11) and Wakala payable (Note 12) (31 December 2024: KD3,047,596 and 31 March 2024: KD11,286,829).

8 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	6,841,704	7,085,084	4,807,772
	6,841,704	7,085,084	4,807,772

During the year 2023, the Group acquired 19.80% ownership which increased during the year 2024 to 20.57% of a local listed company. During the current quarter the ownership in this company has decreased to 19.95%. At 31 March 2025, the value of this investment amounted to KD4,483,758 (31 December 2024 KD4,622,858 and 31 March 2024 KD7,984,787). Management assessed that the Group does not exercise significant influence over the company. Accordingly, the investment is classified as investment at fair value through profit or loss.

9 Share capital

	Authorized, issued and fully paid-up		
	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
103,241,880 authorised, issued and fully paid-up shares of 100 Fils each - in cash (31 December 2024: 103,241,880 shares and 31 March 2024: 91,770,560 shares) (Note 14)	10,324,188	10,324,188	9,177,056

Notes to the interim condensed consolidated financial information (continued)

10 Other components of equity

	Fair value reserve KD	Foreign currency translation reserve KD	Total KD
Balance at 31 December 2024 (Audited)	10,516,212	(1,043,192)	9,473,020
Share of other comprehensive income of an associate	1,739,801	6,267	1,746,068
Net change in fair value of investments at fair value through other comprehensive income (FVTOCI)	294,681	-	294,681
Total other comprehensive income for the period	2,034,482	6,267	2,040,749
Realized gain on disposal of investments at FVTOCI (Note 7)	(74,236)	-	(74,236)
Share of associate's realized gain on its disposal of investments at FVTOCI	(2,808,467)	-	(2,808,467)
Balance at 31 March 2025 (Unaudited)	9,667,991	(1,036,925)	8,631,066
Balance at 31 December 2023 (Audited)	10,629,642	(779,122)	9,850,520
Share of other comprehensive income/(loss) of an associate	3,160,262	(262,829)	2,897,433
Net change in fair value of investments at fair value through other comprehensive income (FVTOCI)	2,094,706	-	2,094,706
Total other comprehensive income/(loss) for the period	5,254,968	(262,829)	4,992,139
Share of an associate's realized gain on disposal of investments at FVTOCI	3,024	-	3,024
Balance at 31 March 2024 (Unaudited)	15,887,634	(1,041,951)	14,845,683

11 Term loans from related parties

The loans outstanding as of 31 March 2025 represent credit balances owed to related parties that were converted into loans on 1 August 2020 to be payable on 31 July 2021. During the year 2021, the Group rescheduled all these loans to mature on 31 July 2028 under the new facility contracts concluded between the Parent Company and those related parties, and they are as follows:

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Kuwait Holding Company - KSCC	-	-	1,671,849
Al-Rana General Trading and Contracting Company - WLL	-	-	2,727,886
Al Nozha International Real Estate Company - WLL	-	-	1,150,000
International Resorts Company - KPSC (a)	359,469	359,469	359,469
AIM Consulting - WLL (b)	289,317	289,317	289,317
International Financial Advisors Holding Company - KPSC (c)	1,072,728	1,072,728	1,278,427
	1,721,514	1,721,514	7,476,948

Notes to the interim condensed consolidated financial information (continued)

11 Term loans from related parties (continued)

- a. The loan payable to International Resorts Company - KPSC does not carry interest and is guaranteed against investment in associate (Note 6) and investment at fair value through other comprehensive income (Note 7).
- b. The loan payable to AIM Consulting – WLL does not carry interest and is secured against investment in associate (Note 6) and investments at fair value through other comprehensive income (Note 7).
- c. The loan payable to International Financial Advisors Holding Company – KPSC does not carry interest and is unsecured.

12 Wakala payable

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Wakala facility of KD1,400,000	1,321,250	1,347,500	1,400,000
Wakala facility of KD3,600,000	3,536,250	3,581,250	3,600,000
	4,857,500	4,928,750	5,000,000
Instalments due within next twelve months	397,500	339,375	375,000
Instalments due after next twelve months	4,460,000	4,589,375	4,625,000
	4,857,500	4,928,750	5,000,000

The Wakala facilities carry annual profit rate of 2.5% above CBK discount rate and are secured against investment in associates (Note 6) and investments at fair value through other comprehensive income (Note 7).

13 Payables and other liabilities

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Due to related parties	685,589	489,921	2,174,071
Accrued expenses	101,824	97,318	91,824
Dividend payable	62,360	62,360	62,360
National Labour Support Tax payable (Note 18)	817,861	817,861	702,001
Zakat payable (Note 18)	107,362	107,362	61,323
KFAS payable (a)	8,658	8,658	9,365
Other payables	54,634	61,254	67,552
	1,838,288	1,644,734	3,168,496

Notes to the interim condensed consolidated financial information (continued)

13 Payables and other liabilities (continued)

- a. KFAS payable represents the provision charged during the previous periods. The Parent Company's management believes that the legislature has not issued a law on the contribution to Kuwait Foundation for the Advancement of Sciences (KFAS) and thus it is not a tax. KFAS is a private institution in accordance with the law. There is no provision in the Companies' Law or in the Parent Company's memorandum of incorporation and articles of association obligating the Parent Company to apply this deduction. Despite the above, the Ministry of Commerce and Industry (MOCI) has recently mandated that this deduction must be reflected in the financial statements until it is formally approved at the General Assembly meeting.

Therefore, the Parent Company's management decided to charge a provision as a precautionary procedure only even though it believes no amount is due from the Parent Company, particularly because the MOCI had issued similar instructions which were previously reversed.

14 Annual general assembly of shareholders and extraordinary general assembly

The Annual General Assembly of the Parent Company for the year ended 31 December 2024 was not held until the date of approval of this interim condensed consolidated financial information (it is scheduled to be on 21 May 2025). Accordingly, the consolidated financial statements for the year ended 31 December 2024 have not been approved by the shareholders of the Parent Company. The interim condensed consolidated financial information for the three-month period ended 31 March 2025 does not include any adjustments, which might have been required, had the General Assembly not approved the consolidated financial statements for the year ended 31 December 2024.

Subject to the requisite consent of the relevant authorities and approval of the shareholders' general assembly, the directors of the Parent Company proposed to distribute cash dividends of 5 Fils per share for the year ended 31 December 2024 and bonus shares of 10% for the shareholders of the Parent Company through increase in share capital.

The annual general assembly of the Parent Company's shareholders held on 13 May 2024 approved the consolidated financial statements for the year ended 31 December 2023. Also, it approved to distribute bonus shares of 12.5% (equivalent to KD1,147,132) through increase in share capital and KD25,000 as remuneration for the board of directors for the financial year ended 31 December 2023 which has been recognised under expenses in the previous year's interim condensed consolidated statement of profit or loss.

Further, the extraordinary general assembly of the Parent Company's shareholders held on 1 July 2024 approved to increase the share capital through the distribution of 12.5% bonus shares. As a result of this increase, the share capital became KD10,324,188 comprising of 103,241,880 shares of 100 Fils each.

15 Related party transactions and balances

Related parties represent major shareholders, subsidiaries, associates, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management. Transactions between the Parent Company and its subsidiaries which are related parties of the Parent Company have been eliminated on consolidation and have not been disclosed in this note.

Notes to the interim condensed consolidated financial information (continued)

15 Related party transactions and balances (continued)

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

	Three months ended 31 March 2025 (Unaudited) KD	Three months ended 31 March 2024 (Unaudited) KD
Transactions included in interim condensed consolidated statement of profit or loss:		
Other income	14,645	14,547
Advisory fees	19,625	20,250
Finance costs	-	65,733
Compensation of key management personnel:		
Salaries and other short-term benefits	53,840	31,800
End of service benefits	10,194	-
	64,034	31,800

	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 - net of provision of KD700,000 (31 December 2024: KD700,000 and 31 March 2024: KD145,800)	21,111	22,917	750,250
Balance due on sale and repurchase agreement with a related party (a)	925,200	924,300	922,200
Due to related parties (included in payables and other liabilities) (note 13)	685,589	489,921	2,174,071
Term loans from related parties (Note 11)	1,721,514	1,721,514	7,476,948

- a. During the previous year, the Parent Company entered a sale and repurchase (Repo) agreement of a foreign unquoted share with a related party. The related party received USD3,000,000 (equivalent to KD925,200) in exchange for the share. The amount advanced by the Parent Company carries an annual interest rate of 9.5% and matures within 180 days of the date of agreement. The agreement has been renewed to end on 16 December 2025.

Notes to the interim condensed consolidated financial information (continued)

16 Segmental information

The Group operates in one sector which is “investments”. Most of the Group’s assets and operations are located inside Kuwait.

	Investments	
	Three months ended 31 March 2025 (Unaudited) KD	Three months ended 31 March 2024 (Unaudited) KD
Segment revenue	1,209,149	1,350,505
Profit for the period	963,832	1,076,574

	Investments		
	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Total assets	44,057,569	40,919,747	43,265,354
Total liabilities	8,647,302	8,514,061	15,842,070
Net assets	35,410,267	32,405,686	27,423,284

17 Fair value measurement

17.1 Fair value hierarchy

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.

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- 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 the asset or liability that are not based on observable market data (i.e. 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 Fair value measurement (continued)

17.1 Fair value hierarchy (continued)

The financial assets measured at fair value on a recurring basis in the interim condensed consolidated statement of financial position are grouped into the fair value hierarchy as follows:

		Level 1 KD	Level 3 KD	Total KD
31 March 2025 (Unaudited)				
Investments at fair value through profit or loss				
Local quoted securities	a	6,841,704	-	6,841,704
Investments at fair value through other comprehensive income				
Local quoted securities	a	2,517,008	-	2,517,008
Local unquoted securities	b	-	780,661	780,661
Foreign quoted securities	a	1,494	-	1,494
Foreign unquoted securities	b	-	629,679	629,679
		9,360,206	1,410,340	10,770,546
31 December 2024 (Audited)				
Investments at fair value through profit or loss				
Local quoted securities	a	7,085,084	-	7,085,084
Investments at fair value through other comprehensive income				
Local quoted securities	a	2,265,412	-	2,265,412
Local unquoted securities	b	-	780,661	780,661
Foreign quoted securities	a	1,523	-	1,523
Foreign unquoted securities	b	-	629,679	629,679
		9,352,019	1,410,340	10,762,359
31 March 2024 (Unaudited)				
Investments at fair value through profit or loss				
Local quoted securities	a	4,807,772	-	4,807,772
Investments at fair value through other comprehensive income				
Investment portfolio managed by a third party	c	1,222,535	-	1,222,535
Local quoted securities	a	9,400,008	-	9,400,008
Local unquoted securities	b	-	664,170	664,170
Foreign quoted securities	a	116	-	116
Foreign unquoted securities	b	-	592,861	592,861
		15,430,431	1,257,031	16,687,462

Notes to the interim condensed consolidated financial information (continued)

17 Fair value measurement (continued)

17.1 Fair value hierarchy (continued)

Fair value measurement

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

a) Quoted securities

All the listed equity securities are publicly traded in stock exchanges. Fair values have been determined by reference to their quoted bid prices at the reporting date.

b) Unquoted securities

Unlisted securities are measured at fair value estimated using various models like discounted cash flow model, market multipliers and adjusted net book value which include some assumptions that are not supportable by observable market prices or rates.

c) Investment portfolios

The underlying investments of investment portfolios primarily comprise of local and foreign securities whose fair value has been determined by reference to their quoted bid prices at the reporting date and unquoted securities measured at fair value estimated using various models like discounted cash flow model, which includes some assumptions that are not supported by observable market prices or rates.

d) Financial liabilities

The Group does not have any financial liabilities at fair value.

Measurement at fair value level 3

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

	Investments at fair value through other comprehensive income		
	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Balance at beginning of the period/year	1,410,340	1,257,031	1,257,031
Change in fair value during the period/year	-	153,309	-
Balance at end of the period/year	1,410,340	1,410,340	1,257,031

18 Legal cases

The management of the Parent Company filed legal cases against the Tax Department of the Ministry of Finance with regard to method of calculation of National Labour Support Tax and Zakat provision for previous years especially with respect to unrealized income items. Appeal judgements were issued. Those legal cases are still under litigation at the Court of Cassation. In case the Court of Cassation ruled a judgement in favour of the Parent Company, those amounts (Note 13) will be reversed from payables and other liabilities to the consolidated statement of profit or loss of the Group.

During the previous year, according to the final judgement issued by the Court of Cassation, the Group has settled an amount of KD851,299 related to NLST's outstanding amount for the year ended 31 December 2005.

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