Grant Thornton
Al-Qatami, Al-Aiban & Partners

Interim condensed consolidated financial information and review report

Gulf Investment House – KPSC and Subsidiaries

Kuwait

30 June 2024 (Unaudited)

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Grant Thornton
Al-Qatami, Al-Aiban & Partners

Souq Al-Kabeer Building
Block A - 9th Floor
P. O. Box 2986 Safat 13030
State of Kuwait
T+965-2244-3900/9
F+965-2243-8451
www.grantthornton.com.kw

Report on review of interim condensed consolidated financial information

To the Board of Directors of
Gulf Investment House – KPSC
Kuwait

Introduction
We have reviewed the accompanying interim condensed consolidated statement of financial position of Gulf Investment House KPSC (the "Parent Company") and its subsidiaries (together "the Group") as of 30 June 2024 and the related interim condensed consolidated statement of profit or loss, statement of profit or loss and other comprehensive income for the three-month and six-month periods then ended and, interim condensed consolidated statements of changes in equity and cash flows for the six-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 is not 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, we have not become aware of any violation of the Companies Law No. 1 of 2016, as amended and its Executive Regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, during the six-month period ended 30 June 2024 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 provision of Law No. 7 of 2010 concerning the Capital Markets Authority and its related regulations during the six-month period ended 30 June 2024 that might have had a material effect on the business or financial position of the Parent Company.

Abdullatif M. Al-Aiban (CPA)
(Licence No. 94-A)
of Grant Thornton – Al-Qatami, Al-Aiban & Partners

Kuwait
14 August 2024

Interim condensed consolidated statement of profit or loss

	Note	Three months ended 30 June 2024 (Unaudited) KD	Three months ended 30 June 2023 (Unaudited) KD	Six months ended 30 June 2024 (Unaudited) KD	Six months ended 30 June 2023 (Unaudited) KD
Income					
Sale of Goods		**1,708,095**	2,114,147	**3,546,139**	4,286,819
Cost of sales		**(1,059,255)**	(1,502,033)	**(2,190,087)**	(3,095,745)
Gross profit		**648,840**	612,114	**1,356,052**	1,191,074
Unrealised gain/(loss) on financial assets at fair value through profit or loss		**197,855**	203,197	**(391,799)**	212,564
Realised gain on financial assets at fair value through profit or loss		**445,278**	695,665	**835,023**	268,481
Share of results of associates	9	**62,128**	132,993	**1,002,211**	201,747
Gains on bargain purchases of associates		**23,065**	129,293	**614,602**	904,416
Loss on disposal of investments in associates		**(7,902)**	-	**(7,902)**	-
Dividend income		**63,172**	25,228	**358,084**	432,894
Profit from saving deposits		**13,635**	28,368	**27,507**	56,937
Impairmemt in value of investment in associates	9	**-**	-	**(1,080,985)**	(770,465)
Other income		**53,755**	20,684	**84,071**	49,791
		1,499,826	1,847,542	**2,796,864**	2,547,439
Expenses and other charges					
General, administrative and other expenses		**(359,678)**	(218,573)	**(697,648)**	(433,109)
Staff costs		**(294,244)**	(208,318)	**(570,148)**	(516,107)
Selling and distribution costs		**(171,133)**	(159,299)	**(349,801)**	(355,584)
Finance costs		**(24,709)**	(11,523)	**(47,867)**	(19,150)
Foreign exchange loss		**(3,521)**	(206)	**(2,153)**	(55)
		(853,285)	(597,919)	**(1,667,617)**	(1,324,005)
Profit before contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS"), Zakat and National Labour Support Tax (NLST)		**646,541**	1,249,623	**1,129,247**	1,223,434
Provision for KFAS		**(3,495)**	(14,736)	**(9,579)**	(14,736)
Provision for Zakat		**(6,119)**	(12,596)	**(14,108)**	(12,596)
Provision for NLST		**(13,636)**	(24,419)	**(33,608)**	(24,419)
Profit for the period		**623,291**	1,197,872	**1,071,952**	1,171,683
Attributable to:					
Owners of the Parent Company		**521,260**	926,717	**900,629**	935,351
Non-controlling interest		**102,031**	271,155	**171,323**	236,332
		623,291	1,197,872	**1,071,952**	1,171,683
Basic and diluted earnings per share attributable to the owners of the Parent Company (Fils)	5	**1.29**	2.28	**2.23**	2.30

The notes set out on pages 8 to 16 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		Six months ended	
	30 June 2024 (Unaudited) KD	30 June 2023 (Unaudited) KD	**30 June 2024 (Unaudited) KD**	30 June 2023 (Unaudited) KD
Profit for the period	**623,291**	1,197,872	**1,071,952**	1,171,683
Other comprehensive (loss)/income:				
Items to be reclassified to profit or loss in subsequent periods:				
Exchange differences arising on translation of foreign operations	**(27,747)**	26,951	**(28,005)**	(8,342)
Total other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods	**(27,747)**	26,951	**(28,005)**	(8,342)
Items not to be reclassified to profit or loss in subsequent periods:				
Net changes in fair value of investments in equity instruments designated at FVOCI	**(15,297)**	(222,665)	**(230,617)**	(113,315)
Share of other comprehensive income of associates	**-**	-	**-**	336,490
Total other comprehensive (loss)/income not to be reclassified to profit or loss in subsequent periods	**(15,297)**	(222,665)	**(230,617)**	223,175
Total other comprehensive (loss)/income for the period	**(43,044)**	(195,714)	**(258,622)**	214,833
Total comprehensive income for the period	**580,247**	1,002,158	**813,330**	1,386,516
Total comprehensive income attributable to:				
Owners of the Parent Company	**470,974**	730,726	**653,464**	1,170,624
Non-controlling interests	**109,273**	271,432	**159,866**	215,892
	580,247	1,002,158	**813,330**	1,386,516

Interim condensed consolidated statement of financial position

	Note	30 June 2024 (Unaudited) KD	31 Dec. 2023 (Audited) KD	30 June 2023 (Unaudited) KD
Assets				
Cash and bank balances	6	**4,738,245**	3,952,008	6,339,316
Short-term deposits	6	**3,160,635**	4,128,051	3,560,000
Fi-nancial assets at fair value through profit or loss	7	**12,805,655**	13,350,455	14,759,948
Financial assets at fair value through other comprehensive income		**871,771**	1,098,104	724,005
Inventories		**840,248**	925,872	716,114
Accounts receivables and other assets	8	**3,292,020**	3,808,254	5,098,999
Investment in associates	9	**22,167,132**	21,597,287	18,952,513
Investment properties		**705,149**	705,783	763,044
Property, plant and equipment		**3,621,157**	3,307,372	1,667,305
Right of use of assets		**2,749,998**	2,734,186	1,534,752
Intangible assets		**581,866**	591,473	596,833
Goodwill		**356,017**	356,017	356,017
Total assets		**55,889,893**	56,554,862	55,068,846
Liabilities and equity				
Liabilities				
Trade payables and other liabilities		**2,232,596**	2,421,153	2,535,895
Lease liabilities		**2,786,320**	2,743,645	1,548,495
Total liabilities		**5,018,916**	5,164,798	4,084,390
Equity				
Share capital	10	**40,649,566**	40,649,566	40,649,566
Treasury shares	11	**(2,282,762)**	(1,237,521)	-
Treasury shares reserve		**25,710**	-	-
Statutory reserve		**446,340**	446,340	186,519
Cumulative changes in fair value		**(459,464)**	(228,847)	(269,779)
Foreign currency translation reserve		**857,494**	874,042	682,443
Retained earnings		**4,847,330**	3,944,872	2,779,108
Equity attributable to the owners of the Parent Company		**44,084,214**	44,448,452	44,027,857
Non-controlling interests		**6,786,763**	6,941,612	6,956,599
Total equity		**50,870,977**	51,390,064	50,984,456
Total liabilities and equity		**55,889,893**	56,554,862	55,068,846

Ali Mohammad Ali Alanbeei
Vice Chairman

Mohammad S. AlAyoub
Chief Executive Officer

The notes set out on pages 8 to 16 an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity

	Entity attributable to the owners of the Parent Company									
	Share Capital KD	Treasury shares KD	Treasury Shares reserve KD	Statutory Reserve KD	Cumulative changes in fair value KD	Foreign currency translation reserve KD	Retained earnings KD	Sub-Total KD	Non-controlling interests KD	Total equity KD
Balance as at 1 January 2024	40,649,566	(1,237,521)	-	446,340	(228,847)	874,042	3,944,872	44,448,452	6,941,612	51,390,064
Acquisition of additional shares in subsidiary	-	-	-	-	-	-	1,829	1,829	(7,431)	(5,602)
Purchase of treasury shares (Note 11)	-	(1,689,714)	-	-	-	-	-	(1,689,714)	-	(1,689,714)
Sales of treasury shares	-	644,473	25,710	-	-	-	-	670,183	-	670,183
Dividends paid to non-controlling interest by the subsidiary	-	-	-	-	-	-	-	-	(307,284)	(307,284)
Transaction with owners	-	(1,045,241)	25,710	-	-	-	1,829	(1,017,702)	(314,715)	(1,332,417)
Profit for the period	-	-	-	-	-	-	900,629	900,629	171,323	1,071,952
Total other comprehensive loss for the period	-	-	-	-	(230,617)	(16,548)	-	(247,165)	(11,457)	(258,622)
Total comprehensive (loss)/income for the period	-	-	-	-	(230,617)	(16,548)	900,629	653,464	159,866	813,330
Balance as at 30 June 2024	40,649,566	(2,282,762)	25,710	446,340	(459,464)	857,494	4,847,330	44,084,214	6,786,763	50,870,977

The notes set out on pages 8 to 16 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity

	Equity attributatble to the ownsers of the Parent Company							
	Share Capital KD	Statutory Reserve KD	Cumulative changes in fair value KD	Foreign currency translation reserve KD	Retained earnings KD	Sub-Total KD	Non-controlling interests KD	Total equity KD
Balance as at 1 January 2023	40,649,566	186,519	(849,456)	333,855	2,536,749	42,857,233	7,052,385	49,909,618
Acquisition of additional shares in subsidiary	-	-	-	-	-	-	(3,770)	(3,770)
Dividend paid to non-controlling interest by the subsidiaries	-	-	-	-	-	-	(307,908)	(307,908)
Transaction with owners	-	-	-	-	-	-	(311,678)	(311,678)
Profit for the period	-	-	-	-	935,351	935,351	236,332	1,171,683
Total other comprehensive (loss)/income for the period	-	-	(113,315)	348,588	-	235,273	(20,440)	214,833
Total comprehensive (loss)/income for the period	-	-	(113,315)	348,588	935,351	1,170,624	215,892	1,386,516
Transfer on derecognition/write off of financial assets at fair value through other comprehensive income	-	-	692,992	-	(692,992)	-	-	-
Balance as at 30 June 2023	40,649,566	186,519	(269,779)	682,443	2,779,108	44,027,857	6,956,599	50,984,456

The notes set out on pages 8 to 16 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

	Note	Six months ended 30 June 2024 (Unaudited) KD	Six months ended 30 June 2023 (Unaudited) KD
OPERATING ACTIVITIES			
Profit before KFAS, Zakat and NLST		**1,129,247**	1,223,434
Adjustments:			
Depreciation and amortisation		**426,176**	137,132
Finance cost on lease liabilities		**47,867**	-
Dividend income		**(358,084)**	(432,894)
Profit from saving deposits		**(27,507)**	(56,937)
Share of results of associates	9	**(1,002,211)**	(201,747)
Gain on bargain purchases of associates		**(614,602)**	(904,416)
Loss on disposal of investments in associates		**7,902**	-
Impairment in value of investment in associates.	9	**1,080,985**	770,465
Provision for slow moving inventory		**-**	(21,022)
Provision for employees end of service benefits		**137,319**	58,806
		827,092	572,821
Changes in operating assets and liabilities:			
Financial assets at fair value through profit or loss		**1,255,619**	2,508,824
Accounts receivables and other assets		**254,694**	(2,410,022)
Inventories		**85,623**	258,170
Trade payables and other liabilities		**(796,065)**	173,906
Cash used in operations		**1,626,963**	1,103,699
Employee end of service benefits paid		**(15,251)**	(8,100)
Net cash from operating activities		**1,611,712**	1,095,599
INVESTING ACTIVITIES			
Additions to property and equipment		**(559,810)**	(210,548)
Additions to investments in associates	9	**(467,800)**	(491,530)
Proceeds from disposal of investment in associates		**125,648**	-
Net cash flow from acquisition of subsidiary		**(7,375)**	(32,467)
Purchase of financial assets at FVTOCI		**(10,259)**	-
Proceeds from disposal of financial assets at FVTOCI		**-**	76,990
Dividend income received from associates		**279,826**	-
Dividend income received		**358,084**	241,761
Profit received from saving deposits		**27,507**	56,937
Net cash used in investing activities		**(254,179)**	(358,857)
FINANCING ACTIVITIES			
Purchase of treasury shares		**(1,689,714)**	-
Proceed from disposal of treasury shares		**644,473**	-
Lease liability paid		**(185,936)**	-
Dividend paid by subsidiary		**(307,535)**	-
Movement in restricted bank accounts	6	**5,089**	485
Net cash (used in)/from financing activities		**(1,533,623)**	485
Net (decrease)/increase in cash and cash equivalents		**(176,090)**	737,227
Cash and cash equivalents at beginning of the period		**7,953,049**	9,034,950
Cash and cash equivalents at end of the period	6	**7,776,959**	9,772,177

The notes set out on pages 8 to 16 form an integral part of this interim consolidated financial information.

Notes to the interim condensed consolidated financial information

1 Incorporation and activities

This interim condensed consolidated financial information of Gulf Investment House - K.P.S.C (the "Parent Company") and its subsidiaries (collectively the "Group") for the period ended 30 June 2024 were authorised for issue in accordance with a resolution of the Board of Directors on 14 August 2024.

The Parent Company was incorporated in Kuwait on 8 September 1998 as a Kuwaiti shareholding company in accordance with the Commercial Companies Law. The Parent Company along with its subsidiaries are jointly referred to as "the Group". The Parent Company is registered with the Central Bank of Kuwait as a finance company. The Parent Company's shares are traded on the Kuwait Stock Exchange and Abu Dhabi Securities Exchange.

The Parent Company is a subsidiary of GIH Financing Ltd., (The Ultimate Parent Company).

The Group is primarily engaged in investment activities and related financial and advisory services. All activities of the Group are carried out in compliance with the Noble Islamic Sharee'a, as approved by the Parent Company's Fatwa and Sharee'a Supervisory Board.

The Parent Company's registered head office is at Jawharat Al Khaleej Complex, Al Qibla, Block 6, Fadh Al Salem Street, Floor 8, PO Box 28808, 13149 Safat, Kuwait.

The annual consolidated financial statements for the year ended 31 December 2023 were authorised for issuance by the Board of Directors on 20 March 2024 and was approved by the shareholders at the Annual General Meeting held on 20 May 2024.

2 Basis of preparation and presentation

This interim condensed consolidated financial information of the Group for the six-months period ended 30 June 2024 has been prepared in accordance with IAS 34, Interim Financial Reporting.

The annual consolidated financial statements for the year ended 31 December 2023 were prepared in accordance with IFRS Accounting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board ("IASB").

The interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements prepared in accordance with 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 six-months period ended 30 June 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 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 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.

Notes to the interim condensed consolidated financial information (continued)

3 Changes in accounting policies (continued)

3.1 New and amended standards adopted by the Group

The following new amendments or standards were effective for the current period.

Description	*Effective for annual periods beginning*
IAS 1 Amendments- Classification of liabilities as current or non-current	1 January 2024
IFRS 16 Amendments- Lease liability in a sale and leaseback	1 January 2024

IAS 1 Amendments - Classification of 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 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. 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 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.

Notes to the interim condensed consolidated financial information (continued)

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 as follows (excluding treasury shares):

	Three months ended		Six months ended	
	30 June 2024 (Unaudited)	30 June 2023 (Unaudited)	**30 June 2024 (Unaudited)**	30 June 2023 (Unaudited)
Profit for the period attributable to the owners of the Parent Company (KD)	**521,260**	926,717	**900,629**	935,351
Weighted average number of shares outstanding during the period (excluding treasury shares)	**402,828,982**	406,495,660	**404,322,055**	406,495,660
Basic and diluted earnings per share (Fils)	**1.29**	2.28	**2.23**	2.30

6 Cash and cash equivalents

Cash and cash equivalents for the purpose of the interim condensed consolidated statement of cash flows are made up as follows:

	30 June 2024 (Unaudited) KD	31 Dec. 2023 (Audited) KD	30 June 2023 (Unaudited) KD
Cash and bank balances	**4,738,245**	3,952,008	6,339,316
Short term deposits	**3,160,635**	4,128,051	3,560,000
	7,898,880	8,080,059	9,899,316
Less: Dividend restricted bank accounts	**(121,921)**	(127,010)	(127,139)
Cash and cash equivalents as per the statement of cash flows	**7,776,959**	7,953,049	9,772,177

The short terms deposits have original maturity of six months or less and carry profit of 4.35% to 4.75% (31 December 2023: 4.35% to 5% and 30 June 2023: 5% to 5.3%) per annum.

7 Financial assets at fair value through profit or loss

	30 June 2024 (Unaudited) KD	31 Dec. 2023 (Audited) KD	30 June 2023 (Unaudited) KD
Quoted securities	**4,616,115**	4,374,750	6,085,050
Unquoted securities	**7,896,100**	7,880,854	8,249,577
Debt instruments	**293,440**	1,094,851	425,321
	12,805,655	13,350,455	14,759,948

Fair values of unquoted securities and unquoted funds managed by external fund managers are determined using valuation techniques that are not based on observable market prices or rates. The fair value of debt instruments are determined based on net assets value of operations (Note 14.2).

Notes to the interim condensed consolidated financial information (continued)

8 Accounts receivable and other assets

	30 June 2024 (Unaudited) KD	31 Dec. 2023 (Audited) KD	30 June 2023 (Unaudited) KD
Trade receivable	**1,318,049**	1,520,119	1,621,623
Provision for doubtful debts	**(77,141)**	(77,141)	(204,707)
	1,240,908	1,442,978	1,416,916
Staff receivables	**24,401**	22,898	20,239
Dividend receivable from an associate (Note 13)	**68,071**	238,044	238,044
Refundable deposits	**173,481**	158,039	53,783
Prepaid expenses	**17,659**	72,190	129,919
Due from an associate (Note 13)	**11,026**	-	665,591
Due from a related party (Note 13)	**178,080**	116,108	-
Other receivables	**828,181**	601,336	665,230
Advance payment to incorporate subsidiaries	**99,404**	956,661	1,156,777
Advance payment for the purchase of investments	**650,809**	200,000	752,500
	3,292,020	3,808,254	5,098,999

9 Investment in associates

The movement of investment in associates is as follows:

	30 June 2024 (Unaudited) KD	31 Dec. 2023 (Audited) KD	30 June 2023 (Unaudited) KD
Carrying value as at beginning of the period/year	**21,597,287**	17,819,575	17,819,575
Additions during the period/year	**467,800**	2,001,584	491,530
Disposals during the period	**(133,550)**	-	-
Share of results	**1,002,211**	2,400,487	201,747
Gains on bargain purchases of associates (Note 9a)	**614,602**	1,007,812	904,416
Impairment for investment in associates (Note 9b)	**(1,080,985)**	(1,957,256)	(770,465)
Share of foreign currency translation reserve	**(26,383)**	1,500	(17,876)
Other comprehensive income	**5,976**	323,585	323,586
Dividend received from associates	**(279,826)**	-	-
	22,167,132	21,597,287	18,952,513

a) During the period, the Parent Company has acquired an additional 7.17% equity interest in Mada'in Properties PJSC, for a consideration of KD388,777. The addition has resulted in a net bargain purchase of KD602,241. Further, the Group acquired additional equity stake of 0.25% in Al Rouyah Capital Holding KSCC, for a consideration of KD8,894. The addition has resulted in a net bargain purchase of KD12,361. Consequently, at 30 June 2024, the Group ownership in this associate increased to 28.02%.

b) The carrying value of investment in associates is tested for impairment by estimating the recoverable amount using fair value approach. The fair value calculation uses adjusted net assets values of investees and market observable data which includes price to book value multiples and price to earnings multiples of comparable companies. As a result, during the period, the Parent Company has made impairment provisions aggregating KD1,080,985 against its associates, based on the impairment assessment carried out.

Notes to the interim condensed consolidated financial information (continued)

10 Share Capital

The authorised, issued and paid up capital of the Parent Company amounts to KD40,649,566 (31 December 2023 and 30 June 2023: KD40,649,566) distributed over 406,495,660 shares (31 December 2023 and 30 June 2023: 406,495,660) with 100 Fils par value.

11 Treasury Shares

	30 June 2024 (Unaudited)	31 Dec. 2023 (Audited) KD	30 June 2023 (Unaudited)
Number of shares	**5,964,045**	3,246,884	-
Percentage of issued shares	**1.47%**	0.80%	-
Market value	**2,385,618**	1,068,225	-
Cost	**2,282,762**	1,237,521	-

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

12 Segment analysis

The Group activities are concentrated in three main segments: Investments and Real Estate and manufacturing. These segments are regularly reviewed by the Chief Operating Decision Maker (CODM) for resource allocation and performance assessment Segment results include revenue and expense directly attributable to each reporting segment as the Group does not have any inter segment charges. Segment assets comprise those operating assets that are directly attributable to the segment.

	Investments KD	Real estate KD	Manufacturing KD	Unallocated KD	Total KD
Six months ended 30 June 2024 (Unaudited)					
Segment income	**391,958**	**-**	**3,199,226**	**1,395,767**	**4,986,951**
Segment result	**391,958**	**-**	**1,043,474**	**(363,480)**	**1,071,952**
Total assets	**43,743,438**	**705,149**	**6,924,947**	**4,516,359**	**55,889,893**
Total liabilities	**-**	**-**	**893,801**	**4,125,115**	**5,018,916**
As at 31 December 2023 (Audited)					
Total assets	44,125,905	705,783	8,034,978	3,688,196	56,554,862
Total liabilities	-	-	1,083,951	4,080,847	5,164,798
Net assets	44,125,905	705,783	6,951,027	(392,651)	51,390,064
Six months ended 30 June 2023 (Unaudited)					
Segment income	1,356,365	-	4,080,817	206,002	5,643,184
Segment result	1,356,365	-	989,677	(1,174,359)	1,171,683
Total assets	43,910,460	763,044	6,805,085	3,590,257	55,068,846
Total liabilities	-	-	1,634,887	2,449,503	4,084,390

Notes to the interim condensed consolidated financial information (continued)

13 Related party transactions

Related parties represent the associates, major shareholders, directors and key management personnel of the Group, and other related parties 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. Pricing policies and terms of these transactions are approved by the Group's management.

Details of significant related party transactions are as follows:

	30 June 2024 (Unaudited) KD	30 June 2023 (Unaudited) KD
Balance included in the consolidated statement of finance position:		
Due from related parties – associates (included in accounts receivables and other assets)		
- Dividends receivable from an associate (Note 8)	**68,071**	238,044
- Due from an associate (Note 8)	**11,026**	665,591
- Due from a related party (Note 8)	**178,080**	-

	Six months ended 30 June 2024 (Unaudited) KD	Six months ended 30 June 2023 (Unaudited) KD
Compensation of key management personnel of the Group		
Salaries and other short-term benefits	**157,330**	124,909
Terminal benefits	**19,365**	13,802
Consultancy fees paid	**18,000**	18,000
	194,695	156,711

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

14.1 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 June 2024 (Unaudited) KD	31 Dec. 2023 (Audited) KD	30 June 2023 (Unaudited) KD
At amortised cost:			
• Bank balances and short term deposits	**7,898,880**	8,080,059	9,899,316
• Accounts receivables and other assets	**3,174,957**	2,779,403	3,059,803
	11,073,837	10,859,462	12,959,119
Financial assets at fair value through profit or loss:			
• Quoted securities	**4,616,115**	4,374,750	6,085,050
• Unquoted securities	**7,896,100**	7,880,854	8,249,577
• Debt instruments	**293,440**	1,094,851	425,321
	12,805,655	13,350,455	14,759,948

Notes to the interim condensed consolidated financial information (continued)

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

14.1 Categories of financial assets and liabilities (continued)

	30 June 2024 (Unaudited) KD	31 Dec. 2023 (Audited) KD	30 June 2023 (Unaudited) KD
Financial assets at fair value through other comprehensive income			
• Quoted equity securities	**553,917**	537,805	-
• Unquoted equity securities	**317,854**	560,299	79,630
• Unquoted funds managed by external fund managers	**-**	-	644,375
	871,771	1,098,104	724,005
Total financial assets	**24,751,263**	25,308,021	28,443,072
Financial liabilities (at amortised costs) :			
• Other liabilities	**2,232,596**	2,421,153	2,535,895
• Lease liabilities	**2,786,320**	2,743,645	1,548,495
	5,018,916	5,164,798	4,084,390

Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Group measures financial instruments such as transaction amount at fair value though profit or loss and financial asset at fair value through other comprehensive income at fair value and measurement details are disclosed in Note 14.2 to the interim condensed consolidated financial information. In the opinion of the Group's management, the carrying amounts of all other financial assets and liabilities which are carried at amortised costs are considered a reasonable approximation of their fair values.

14.2 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)

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

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

The financial assets and liabilities measured at fair value in the interim condensed 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 June 2024 (unaudited)				
Financial assets at fair value through profit or loss				
• Quoted securities	**4,616,115**	-	-	**4,616,115**
• Unquoted securities			**7,896,100**	**7,896,100**
• Debt instruments	-	**293,440**	-	**293,440**
Financial assets at fair value through other comprehensive income				
• Quoted equity securities	**553,917**	-	-	**553,917**
• Unquoted equity securities	-	-	**317,854**	**317,854**
Total financial assets at fair value	**5,170,032**	**293,440**	**8,213,954**	**13,677,426**
31 December 2023 (audited)				
Financial assets at fair value:				
Financial assets at fair value through profit or loss				
• Quoted securities	4,374,750	-	-	4,374,750
• Unqoted securities	-	-	7,880,854	7,880,854
• Unquoted funds managed by external fund managers	-	1,094,851	-	1,094,851
Financial assets at fair value through other comprehensive income				
• Unquoted equity securities	-	-	1,098,104	1,098,104
Total financial assets at fair value	4,374,750	1,094,851	8,978,958	14,448,559
30 June 2023 (unaudited)				
Financial assets at fair value through profit or loss				
• Quoted securities	6,085,050	-	-	6,085,050
• Unquoted securities	-	-	8,249,577	8,249,577
Financial assets at fair value through other comprehensive income				
• Unquoted equity securities	-	-	79,630	79,630
• Managed funds	-	-	644,375	644,375
Total financial assets at fair value	6,085,050	-	8,973,582	15,058,632

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

Notes to the interim condensed consolidated financial information (continued)

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

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

Level 3 Fair value measurements

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

	30 June 2024 (Unaudited) KD	31 Dec. 2023 (Audited) KD	30 June 2023 (Unaudited) KD
Balance at the beginning of the period/year	**8,441,153**	8,849,598	8,849,598
Net change in fair value recognised in profit or loss	**(424)**	59,213	315,722
Net change in fair value recognised in other comprehensive income	**(242,444)**	(253,234)	(177,078)
Addition/(disposal) during the period/year	**15,669**	(102,668)	(14,660)
Reclassification to associate	**-**	(111,756)	-
Balance at the end of the period/year	**8,213,954**	8,441,153	8,973,582

15 Dividend distribution

The shareholders at their Annual General Meeting was held on 20 May 2024 approved not to make any distributions for the year ended 31 December 2023 (31 December 2022: Nil).

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