

**COAST INVESTMENT & DEVELOPMENT
COMPANY K.S.C.P.**

**INTERIM CONDENSED FINANCIAL INFORMATION
(UNAUDITED)**

30 SEPTEMBER 2024



REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF COAST INVESTMENT & DEVELOPMENT COMPANY K.S.C.P.

Report on the Interim Condensed Financial Information

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Coast Investment & Development Company K.S.C.P. (the “Company”) as at 30 September 2024, and the related interim condensed statement of profit or loss and interim condensed statement of comprehensive income for the three-month and nine-month periods then ended, and the related interim condensed statement of changes in equity and interim condensed statement of cash flows for the nine-month period then ended. Management of the Company is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Accounting Standard 34: *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on this interim condensed 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 financial information is not prepared, in all material respects, in accordance with IAS 34.


Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed financial information is in agreement with the books of account of the Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended, and its executive regulations, as amended, or of the Company’s Memorandum of Incorporation and Articles of Association, as amended, have occurred during the nine-month period ended 30 September 2024 that might have had a material effect on the business of the Company or on its financial position.

**REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION TO
THE BOARD OF DIRECTORS OF COAST INVESTMENT & DEVELOPMENT
COMPANY K.S.C.P. (continued)**

Report on Other Legal and Regulatory Requirements (continued)

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 violations of the provisions of Law No 7 of 2010 concerning establishment of Capital Markets Authority “CMA” and organization of security activity and its executive regulations, as amended, during the nine months period ended 30 September 2024 that might have had a material effect on the business of the Company or on its financial position.



ABDULKARIM ALSAMDAN
LICENCE NO. 208 A
EY
AL AIBAN, AL OSAIMI & PARTNERS

13 November 2024
Kuwait

Coast Investment & Development Company K.S.C.P.

INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

For the period ended 30 September 2024

	<i>Notes</i>	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
		2024	2023	2024	2023
		KD	KD	KD	KD
INCOME					
Net investment income (loss)	3	638,311	41,313	546,015	(2,963)
Management fees	11	52,129	76,553	149,734	246,784
Other income		1,994	2,706	5,367	6,559
Share of results of associates	5	68,119	564,356	(390,768)	49,017
Net foreign exchange differences		35,897	(48,245)	(21,046)	(1,229)
		796,450	636,683	289,302	298,168
EXPENSES					
Staff costs		(198,342)	(168,017)	(675,904)	(603,069)
General and administrative expenses		(75,001)	(81,430)	(253,096)	(217,839)
Depreciation expense		(2,706)	(1,846)	(7,044)	(8,013)
		(276,049)	(251,293)	(936,044)	(828,921)
PROFIT (LOSS) FOR THE PERIOD		520,401	385,390	(646,742)	(530,753)
BASIC AND DILUTED EARNINGS (LOSS) PER SHARE	4	1.12 Fils	0.83 Fils	(1.39) Fils	(1.14) Fils

The attached notes 1 to 12 form part of this interim condensed financial information.

Coast Investment & Development Company K.S.C.P.

**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
(UNAUDITED)**

For the period ended 30 September 2024

	<i>Notes</i>	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
		2024	2023	2024	2023
		KD	KD	KD	KD
PROFIT (LOSS) FOR THE PERIOD		520,401	385,390	(646,742)	(530,753)
Other comprehensive income (loss):					
<i>Other comprehensive income (loss) that may be reclassified to profit or loss in subsequent periods:</i>					
Share of other comprehensive income (loss) of associates	5	321,695	(243,677)	325,388	(232,786)
Exchange differences on translation of foreign operations	5	594,380	(422,821)	(19,332)	(6,925)
Other comprehensive income (loss) that may be reclassified to profit or loss in subsequent periods		916,075	(666,498)	306,056	(239,711)
<i>Other comprehensive income (loss) that will not be reclassified profit or loss in subsequent periods:</i>					
Net gain (loss) on equity instruments designated at FVOCI	12	7,545	(2,729)	30,948	(9,843)
Share of other comprehensive (loss) income of associates	5	(148,401)	165,398	(17,996)	165,398
Other comprehensive (loss) income that will not be reclassified to profit or loss in subsequent periods		(140,856)	162,669	12,952	155,555
Other comprehensive income (loss) for the period		775,219	(503,829)	319,008	(84,156)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		1,295,620	(118,439)	(327,734)	(614,909)

The attached notes 1 to 12 form part of this interim condensed financial information.


Coast Investment & Development Company K.S.C.P.

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 September 2024

		<i>(Audited)</i>	
	<i>30 September</i>	<i>31 December</i>	<i>30 September</i>
	<i>2024</i>	<i>2023</i>	<i>2023</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>
ASSETS			
Non-current assets			
Property and equipment	1,137,713	1,093,846	1,082,490
Investment in associates	34,020,077	34,424,191	29,857,804
Financial assets at fair value through profit or loss	7,810,566	7,635,704	7,489,291
Financial assets at fair value through other comprehensive income	97,376	66,428	66,204
Other assets	1,043,285	1,320,138	1,267,791
	<u>44,109,017</u>	<u>44,540,307</u>	<u>39,763,580</u>
Current assets			
Financial assets at fair value through profit or loss	1,960,983	1,733,400	1,257,205
Other assets	1,540,821	1,568,013	722,198
Cash and cash equivalents	1,468,546	4,178,433	6,278,078
	<u>4,970,350</u>	<u>7,479,846</u>	<u>8,257,481</u>
TOTAL ASSETS	<u>49,079,367</u>	<u>52,020,153</u>	<u>48,021,061</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	46,502,690	46,502,690	46,502,690
Statutory reserve	870,593	945,662	533,379
Voluntary reserve	-	266,548	-
Other reserve	378,578	396,574	847,961
Foreign currency translation reserve	1,893,713	1,587,657	(211,319)
Fair value reserve	(816,006)	(846,954)	(847,179)
(Accumulated losses) retained earnings	(646,742)	1,983,518	(508,253)
Total equity	<u>48,182,826</u>	<u>50,835,695</u>	<u>46,317,279</u>
Liabilities			
Non-current liability			
Employees' end of service benefits	297,072	242,423	225,464
Current liability			
Other liabilities	599,469	942,035	1,478,318
Total liabilities	<u>896,541</u>	<u>1,184,458</u>	<u>1,703,782</u>
TOTAL EQUITY AND LIABILITIES	<u>49,079,367</u>	<u>52,020,153</u>	<u>48,021,061</u>


Basim Abdullah Al-Othman
Chairman


Asaad Ahmad Al-Banwan
Vice Chairman & CEO

The attached notes 1 to 12 form part of this interim condensed financial information.

Coast Investment & Development Company K.S.C.P.

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 September 2024

	<i>Share Capital KD</i>	<i>Statutory reserve KD</i>	<i>Voluntary reserve KD</i>	<i>Other reserve KD</i>	<i>Foreign currency translation reserve KD</i>	<i>Fair value reserve KD</i>	<i>Retained earnings (accumulated losses) KD</i>	<i>Total equity KD</i>
As at 1 January 2024 (Audited)	46,502,690	945,662	266,548	396,574	1,587,657	(846,954)	1,983,518	50,835,695
Loss for the period	-	-	-	-	-	-	(646,742)	(646,742)
Other comprehensive (loss) income for the period	-	-	-	(17,996)	306,056	30,948	-	319,008
Total comprehensive income (loss) for the period	-	-	-	(17,996)	306,056	30,948	(646,742)	(327,734)
Dividends (Note 7)	-	(75,069)	(266,548)	-	-	-	(1,983,518)	(2,325,135)
As at 30 September 2024	46,502,690	870,593	-	378,578	1,893,713	(816,006)	(646,742)	48,182,826
As at 1 January 2023 (Audited)	46,502,690	679,114	679,114	682,563	28,392	(814,836)	1,500,221	49,257,258
Loss for the period	-	-	-	-	-	-	(530,753)	(530,753)
Other comprehensive income (loss) for the period	-	-	-	165,398	(239,711)	(9,843)	-	(84,156)
Total comprehensive income (loss) for the period	-	-	-	165,398	(239,711)	(9,843)	(530,753)	(614,909)
Transfer of reserve on redemption of equity investments designated at FVOCI to retained earnings	-	-	-	-	-	(22,500)	22,500	-
Dividends (Note 7)	-	(145,735)	(679,114)	-	-	-	(1,500,221)	(2,325,070)
As at 30 September 2023	46,502,690	533,379	-	847,961	(211,319)	(847,179)	(508,253)	46,317,279

The attached notes 1 to 12 form part of this interim condensed financial information.

Coast Investment & Development Company K.S.C.P.

INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)

For the period ended 30 September 2024

		<i>Nine months ended 30 September</i>	
		2024	2023
	<i>Notes</i>	KD	KD
OPERATING ACTIVITIES			
Loss for the period		(646,742)	(530,753)
<i>Adjustments to reconcile loss for the period to net cash flows:</i>			
Share of results of associates	5	390,768	(49,017)
Withholding tax expense on dividends distribution from investment in associates	5	15,070	-
Realised gain on sale of financial assets at FVPL	3	(111,670)	(32,057)
Unrealised (gain) loss on financial assets at FVPL, net	3	(225,376)	367,400
Interest income	3	(122,852)	(176,194)
Dividends income	3	(86,117)	(156,186)
Net foreign exchange differences		21,046	1,229
Depreciation expense		7,044	8,013
Provision for employees' end of service benefits		54,649	48,925
		(704,180)	(518,640)
<i>Changes in working capital:</i>			
Financial assets at FVPL		(65,399)	2,868,074
Other assets		366,957	1,398,316
Other liabilities		(128,407)	52,508
Cash flows (used in) from operations		(531,029)	3,800,258
Employees' end of service benefits paid		-	(97,077)
Taxes paid		(275,672)	-
Dividends income received		86,117	156,186
Net cash flows (used in) from operating activities		(720,584)	3,859,367
INVESTING ACTIVITIES			
Purchase of property and equipment		(50,911)	(33,877)
Dividends received from investment in associates		221,910	232,806
Proceeds from capital redemption of financial assets at FVOCI		-	22,500
Capital redemption from an associate		-	687,783
Interest income received		103,320	112,195
Net cash flows from investing activities		274,319	1,021,407
FINANCING ACTIVITIES			
Dividends paid		(2,253,028)	(2,267,062)
Payment of prior years' dividends		(10,594)	-
Net cash flows used in financing activities		(2,263,622)	(2,267,062)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(2,709,887)	2,613,712
Cash and cash equivalents as at 1 January		4,178,433	3,664,366
CASH AND CASH EQUIVALENTS AS AT 30 SEPTEMBER		1,468,546	6,278,078

The attached notes 1 to 12 form part of this interim condensed financial information.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
(UNAUDITED)

As at and for the period ended 30 September 2024

1 CORPORATE INFORMATION

The interim condensed financial information of Coast Investment & Development Company K.S.C.P. (the "Company") for the nine month period end 30 September 2024 was authorised for issue in accordance with a resolution of the Board of Directors on 13 November 2024.

The consolidated financial statements for the year ended 31 December 2023 were approved by the shareholders at the Annual General Assembly meeting ("AGM") held on 30 April 2024. Dividends declared by the Company for the year then ended are provided in Note 7.

The Company is a public shareholding company incorporated on 29 July 1975, whose shares are publicly traded on Boursa Kuwait. The Company is engaged in various types of investment management activities such as private equity, asset management and real estate investments in local and international markets. The Company is regulated by the Capital Markets Authority ("CMA").

The activities are carried out in accordance with Company's Articles of Association. The principal activities of Company are, as follows:

- ▶ Investing in the field of trading and projects for the account of Company.
- ▶ Investing in real estate field through selling, buying and owning for the account of Company as well as investing in real estate funds for the account of Company.
- ▶ Investing in processes of management, development, construction, reconstruction and housing as well as all developmental processes in any field for the account of Company.
- ▶ Carrying out all business related to securities, including buying and selling shares and bonds of companies, governmental and semi-governmental bodies for the account of Company.
- ▶ Acting as an investment advisor.
- ▶ Acting as an unregistered security broker in the stock exchange.
- ▶ Acting as an investment portfolio manager.
- ▶ Carrying out all financial transactions such as borrowing, guarantees and issuing bonds of all kinds, with or without guarantee, in the local and international markets.
- ▶ Carrying out structuring, consulting works and buying and selling assets related to securitization operations for the account of Company or for the account of others.
- ▶ Acting as a collective investment scheme manager.

The Company may have an interest in or participate in any manner with entities that carry on business activities similar to its own or which may assist Company in achieving its objectives inside Kuwait or abroad and it has the right to buy or affiliate with these bodies.

2 BASIS OF PREPARATION AND CHANGES TO THE COMPANY'S ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed financial information for the nine months ended 30 September 2024 has been prepared in accordance with IAS 34 *Interim Financial Reporting*.

The interim condensed financial information is presented in Kuwaiti Dinars ("KD"), which is also the functional currency of the Company.

The Company has prepared the interim condensed financial information on the basis that it will continue to operate as a going concern. The management considers that there are no material uncertainties that may cast doubt significant over this assumption. They have formed a judgement that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The interim condensed financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements as at 31 December 2023.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
(UNAUDITED)

As at and for the period ended 30 September 2024

**2 BASIS OF PREPARATION AND CHANGES TO THE COMPANY'S ACCOUNTING
POLICIES (continued)**

2.2 New standards, interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the interim condensed financial information are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2024, but do not have an impact on the interim condensed financial information of the Company.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The transition rules clarify that an entity is not required to provide the disclosures in any interim periods in the year of initial application of the amendments. Thus, the amendments had no impact on the Company's interim condensed financial information.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Company's interim condensed financial information.

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

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

- ▶ What is meant by a right to defer settlement
- ▶ That a right to defer must exist at the end of the reporting period
- ▶ That classification is unaffected by the likelihood that an entity will exercise its deferral right
- ▶ That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

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

The amendments had no impact on the Company's interim condensed financial information.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
(UNAUDITED)

As at and for the period ended 30 September 2024

3 NET INVESTMENT INCOME (LOSS)

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Realised gain on sale of financial assets at FVPL	80,022	30,004	111,670	32,057
Unrealised gain (loss) gain on sale of financial assets at FVPL, net*	503,949	(152,449)	225,376	(367,400)
Interest income*	27,551	58,325	122,852	176,194
Dividends income	26,789	105,433	86,117	156,186
	638,311	41,313	546,015	(2,963)

* This includes transactions with related parties for the nine months ended 30 September 2024 amounting to gain of KD 233,799 (30 September 2023: loss of KD 282,851) (Note 8).

4 EARNINGS (LOSS) PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit (loss) for the period by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is calculated by dividing the profit (loss) for the period by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. As there are no dilutive instruments outstanding, basic and diluted EPS are identical.

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
Profit (loss) for the period (KD)	520,401	385,390	(646,742)	(530,753)
Weighted average number of shares outstanding during the period (shares)	465,026,902	465,026,902	465,026,902	465,026,902
Basic and diluted EPS (Fils)	1.12	0.83	(1.39)	(1.14)

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these interim condensed financial information.

Coast Investment & Development Company K.S.C.P.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2024

5 INVESTMENT IN ASSOCIATES

Set out below are the associates of the Company as at the reporting date:

Company	Country of incorporation	Principal activities	% equity interest			Carrying amount		
			30	(Audited)	30	(Audited)		
			September 2024	31 December 2023	September 2023	30 September 2024	31 December 2023	30 September 2023
						KD	KD	KD
Rico GmbH Kuwaiti German Holding Company K.S.C. (Closed)	Germany	Manufacturing	23.73	23.73	23.73	2,353,488	2,439,868	2,395,134
(“KGH”)*	Kuwait	Investment	23.49	23.49	23.49	15,643,496	15,560,418	13,494,080
Weinig International A.G. (“Weinig”)*	Germany	Manufacturing	12.37	12.37	12.37	16,023,093	16,423,905	13,968,590
						<u>34,020,077</u>	<u>34,424,191</u>	<u>29,857,804</u>

* KGH has a direct ownership of 52% in Weinig.

Reconciliation to carrying amounts:

	30 September 2024	(Audited) 31 December 2023	30 September 2023
	KD	KD	KD
As at 1 January	34,424,191	30,887,436	30,887,436
Share of results	(390,768)	1,125,288	49,017
Reversal of impairment losses previously recognised	-	2,142,527	-
Share of other comprehensive income (loss) that may be reclassified profit or loss in subsequent periods	325,388	372,452	(232,786)
Share of other comprehensive (loss) income that will not be reclassified to profit or loss in subsequent periods	(17,996)	(285,989)	165,398
Dividends	(221,910)	(316,553)	(316,553)
Withholding tax receivables	(64,426)	-	-
Withholding tax expenses	(15,070)	-	-
Redemption	-	(687,783)	(687,783)
Exchange differences	(19,332)	1,186,813	(6,925)
As at end of the period/year	<u>34,020,077</u>	<u>34,424,191</u>	<u>29,857,804</u>

6 SHARE CAPITAL

	30 September 2024	(Audited) 31 December 2023	30 September 2023
	KD	KD	KD
Authorised, issued and paid-up capital of the Company			
465,026,902 (2023: 465,026,902) shares of 100 (2023: 100) fils each	<u>46,502,690</u>	<u>46,502,690</u>	<u>46,502,690</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
(UNAUDITED)

As at and for the period ended 30 September 2024

7 DIVIDENDS AND ANNUAL GENERAL ASSEMBLY MEETING

On 30 April 2024, the shareholders approved in the AGM the distribution of cash dividends of 5 fils per share to the shareholders registered on 01 July 2024 aggregating to KD 2,325,135 for the year ended 31 December 2023. This distribution was made through retained earnings of KD 1,983,518, voluntary reserve of KD 266,548 and part of statutory reserve of KD 75,069.

On 16 May 2023, the shareholders approved in the AGM the distribution of cash dividends of 5 fils per share to the shareholders registered on 20 June 2023 aggregating to KD 2,325,070 for the year ended 31 December 2022. This distribution was made through retained earnings of KD 1,500,221, voluntary reserve of KD 679,114 and part of statutory reserve of KD 145,735.

8 RELATED PARTY DISCLOSURES

Related parties represent major shareholders, associates, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by Company's management.

The following table provides the total amount of transactions that have been entered into with related parties during the three-months and nine-months periods ended 30 September 2024 and 2023, as well as balances with related parties as at 30 September 2024, 31 December 2023 and 30 September 2023:

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
<i>Included in the interim condensed statement of profit or loss:</i>				
Management fees (Note 11)	22,350	43,264	66,230	184,241
Unrealised gain (loss) on sale of financial assets at FVPL, net (Note 3)	104,219	(28,731)	189,014	(331,856)
Interest income (Note 3)	12,383	16,407	44,785	49,005
General and administrative expenses	(5,959)	-	(24,356)	-
			<i>(Audited)</i>	<i>30</i>
	<i>Associates</i>	<i>Others</i>	<i>30 September</i>	<i>31 December</i>
	<i>KD</i>	<i>KD</i>	<i>2024</i>	<i>2023</i>
			<i>KD</i>	<i>KD</i>
<i>Statement of interim condensed financial position:</i>				
Promissory notes (under other assets)*	956,166	-	956,166	1,232,447
Accrued management fees (under other assets)	-	22,351	22,351	19,868
Investment in a managed fund (under financial assets at FVPL)	-	4,398,650	4,398,650	4,209,637
Other liabilities	16,741	-	16,741	184,035

* Promissory notes represent a financing arrangement to an associate for the purpose of financing its operations and earn interest at 1.5% (31 December 2023: 1.5% and 30 September 2023: 1.5%) above 3-months EURIBOR, per annum.

Key management personnel:

Key management personnel comprise of the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Company.

The aggregate value of transactions and outstanding balances related to key management personnel were as follows:

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
(UNAUDITED)

As at and for the period ended 30 September 2024

8 RELATED PARTY DISCLOSURES (continued)**Key management personnel: (continued)**

	<i>Transaction values for the</i>				<i>Balances outstanding as at</i>		
	<i>Three months</i>		<i>Nine months</i>		<i>(Audited)</i>		
	<i>ended 30</i>		<i>ended 30</i>		<i>30</i>	<i>31</i>	<i>30</i>
	<i>September</i>		<i>September</i>		<i>September</i>	<i>December</i>	<i>September</i>
	2024	2023	2024	2023	2024	2023	2023
	KD	KD	KD	KD	KD	KD	KD
Key management personnel compensation							
Salaries and other short-term benefits	91,113	46,411	298,610	135,613	68,431	60,808	42,808
End of service benefits	7,384	3,825	22,495	12,268	102,422	79,927	66,383
	98,497	50,236	321,105	147,881	170,853	140,735	109,191

9 SEGMENT INFORMATION

The Company's operating segments are determined based on the reports reviewed by the decision makers that are used for strategic decisions. These segments are strategic business units that offer different products and services. They are managed separately since the nature of the products and services; class of customers and marketing strategies of these segments are different.

The Company is primarily engaged in investment activities, the following tables present information regarding the Company's geographical segments:

	For the nine months ended 30 September 2024 (unaudited)			
	<i>Kuwait and GCC</i>	<i>Europe</i>	<i>USA</i>	<i>Total</i>
	KD	KD	KD	KD
Total income (loss)	392,856	(126,812)	23,258	289,302
Share of results of associates	(232,780)	(157,988)	-	(390,768)
Depreciation expense	(7,044)	-	-	(7,044)
(Loss) profit for the period	(514,128)	(149,497)	16,883	(646,742)
Total income (loss)	301,577	(3,409)	-	298,168
Share of results of associates	34,609	14,408	-	49,017
Depreciation expense	(8,013)	-	-	(8,013)
Loss for the period	(527,344)	(3,409)	-	(530,753)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2024

9 SEGMENT INFORMATION (continued)

	<i>Kuwait and GCC KD</i>	<i>Europe KD</i>	<i>USA KD</i>	<i>Total KD</i>
<i>As at 30 September 2024 (Unaudited)</i>				
Total assets	25,873,015	22,803,196	403,156	49,079,367
Total liabilities	879,800	16,741	-	896,541
<i>Other disclosures:</i>				
Investment in associates	15,643,496	18,376,581	-	34,020,077
<i>As at 31 December 2023 (Audited)</i>				
Total assets	28,097,417	23,513,892	408,844	52,020,153
Total liabilities	1,184,458	-	-	1,184,458
<i>Other disclosures:</i>				
Investment in associates	15,560,418	18,863,773	-	34,424,191
<i>As at 30 September 2023 (Unaudited)</i>				
Total assets	27,145,268	20,803,075	72,718	48,021,061
Total liabilities	1,703,782	-	-	1,703,782
<i>Other disclosures:</i>				
Investment in associates	13,494,080	16,363,724	-	29,857,804

10 CAPITAL COMMITMENTS

As at the reporting date, the Company had capital commitments of Nil (31 December 2023: Nil and 30 September 2023: KD 20,088) in respect of uncalled capital in certain private equity funds classified as financial assets at FVTPL.

11 FIDUCIARY ASSETS

The Company manages number of investments in a fiduciary capacity. The client assets have no recourse to the general assets of the Company and the Company has no recourse to the assets under management. Accordingly, assets under management are not included in the interim condensed financial information, as they are not assets of the Company. As at 30 September 2024, portfolio and funds under management amounted to KD 61,247,481 (31 December 2023: KD 62,673,989 and 30 September 2023: KD 68,923,334).

Income earned from fiduciary assets amounted to KD 149,734 for the nine months ended 30 September 2024 (30 September 2023: KD 246,784) out of which an amount of KD 66,230 (30 September 2023: KD 184,241) was earned from related parties (Note 8).

12 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

- ▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
(UNAUDITED)

As at and for the period ended 30 September 2024

12 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)***Fair value hierarchy (continued)***

For instruments that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

There were no changes in the Company's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

Set out below is the fair values of financial assets measured at fair value on a recurring basis as at 30 September 2024, 31 December 2023 and 30 September 2023:

		Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	Total KD	KD	KD	KD
30 September 2024				
Financial assets at FVPL*:				
Quoted equity securities	1,960,983	1,960,983	-	-
Open-ended fund	4,398,650	-	4,398,650	-
Private equity funds	1,903,143	-	-	1,903,143
Unquoted equity securities	1,508,773	-	-	1,508,773
	<u>9,771,549</u>	<u>1,960,983</u>	<u>4,398,650</u>	<u>3,411,916</u>
Financial assets at FVOCI:				
Unquoted equity securities	97,376	-	-	97,376
Investment securities (at fair value)	<u>9,868,925</u>	<u>1,960,983</u>	<u>4,398,650</u>	<u>3,509,292</u>
31 December 2023 (Audited)				
Financial assets at FVPL*:				
Quoted equity securities	1,733,400	1,733,400	-	-
Open-ended fund	4,209,637	-	4,209,637	-
Private equity funds	1,972,991	-	-	1,972,991
Unquoted equity securities	1,453,076	-	-	1,453,076
	<u>9,369,104</u>	<u>1,733,400</u>	<u>4,209,637</u>	<u>3,426,067</u>
Financial assets at FVOCI:				
Unquoted equity securities	66,428	-	-	66,428
Investment securities (at fair value)	<u>9,435,532</u>	<u>1,733,400</u>	<u>4,209,637</u>	<u>3,492,495</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
(UNAUDITED)

As at and for the period ended 30 September 2024

12 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)*Fair value hierarchy (continued)*

	Fair value measurement using			
	<i>Quoted prices in active markets (Level 1) KD</i>	<i>Significant observable inputs (Level 2) KD</i>	<i>Significant unobservable inputs (Level 3) KD</i>	
<i>30 September 2023</i>	<i>Total KD</i>			
Financial assets at FVPL*:				
Quoted equity securities	4,217,525	-	4,217,525	
Open-ended fund	3,264,157	-	-	
Private equity funds	1,257,205	1,257,205	-	
Unquoted equity securities	7,609	-	-	
	<u>8,746,496</u>	<u>1,257,205</u>	<u>4,217,525</u>	
			<u>3,271,766</u>	
Financial assets at FVOCI:				
Unquoted equity securities	66,204	-	-	
	<u>8,812,700</u>	<u>1,257,205</u>	<u>4,217,525</u>	
Investment securities (at fair value)			<u>3,337,970</u>	

* Financial assets at FVPL are presented in the interim condensed statement of financial position as follows:

	<i>30 September 2024 KD</i>	<i>(Audited) 31 December 2023 KD</i>	<i>30 September 2023 KD</i>
Non-current	7,810,566	7,635,704	7,489,291
Current	1,960,983	1,733,400	1,257,205
	<u>9,771,549</u>	<u>9,369,104</u>	<u>8,746,496</u>

Reconciliation of recurring fair value measurements categorised within Level 3 of the fair value hierarchy:

	<i>30 September 2024</i>		
	<i>Financial assets at FVTPL KD</i>	<i>Financial assets at FVOCI KD</i>	<i>Total KD</i>
As at 1 January 2024	3,426,067	66,428	3,492,495
Remeasurement recognised in profit or loss	(13,678)	-	(13,678)
Remeasurement recognised in OCI	-	30,948	30,948
Redemptions	(473)	-	(473)
As at 30 September 2024	<u>3,411,916</u>	<u>97,376</u>	<u>3,509,292</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
(UNAUDITED)

As at and for the period ended 30 September 2024

12 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)*Reconciliation of recurring fair value measurements categorised within Level 3 of the fair value hierarchy (continued):*

	<i>31 December 2023 (Audited)</i>		
	<i>Financial assets at FVTPL KD</i>	<i>Financial assets at FVOCI KD</i>	<i>Total KD</i>
As at 1 January 2023	3,405,769	98,547	3,504,316
Remeasurement recognised in profit or loss	(195,874)	-	(195,874)
Remeasurement recognised in OCI	-	(9,618)	(9,618)
Purchases / (sales), net	216,172	-	216,172
Redemptions	-	(22,501)	(22,501)
As at 31 December 2023 (Audited)	<u>3,426,067</u>	<u>66,428</u>	<u>3,492,495</u>
As at 1 January 2023	3,405,769	98,547	3,504,316
Remeasurement recognised in profit or loss	(31,484)	-	(31,484)
Remeasurement recognised in OCI	-	(9,843)	(9,843)
Purchases / (sales), net	(102,519)	-	(102,519)
Redemptions	-	(22,500)	(22,500)
As at 30 September 2023	<u>3,271,766</u>	<u>66,204</u>	<u>3,337,970</u>

The valuation techniques and inputs used in this interim condensed financial information are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2023.

The fair value of financial instruments classified as level 3 are, in certain circumstances, measured using valuation techniques that incorporate assumptions that are not evidenced by the prices from observable current market transactions in the same instrument and are not based on observable market data. The Company employs valuation techniques, depending on the instrument type and available market data. For example, in the absence of active market, an investment's fair value is estimated on the basis of an analysis of the investee's financial position and results, risk profile and other factors. Favourable and unfavourable changes in the value of financial instruments are determined on the basis of changes in the value of the instruments as a result of varying the levels of the unobservable parameters, quantification of which is judgmental. The management assessed that the impact on profit or loss or other comprehensive income would be immaterial if the relevant risk variables used to fair value the financial instruments classified as Level 3 were altered by 5 percent. For other financial assets and financial liabilities carried at amortised cost, the carrying value is not significantly different from their fair value as most of these assets and liabilities are of short-term maturity or are re-priced immediately based on market movement in interest rates.

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over.

We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit ey.com.

The MENA practice of EY has been operating in the region since 1923. For more than 90 years, we have grown to more than 6,000 people united across 20 offices and 15 countries, sharing the same values and an unwavering commitment to quality. As an organization, we continue to develop outstanding leaders who deliver exceptional services to our clients and who contribute to our communities. We are proud of our accomplishments over the years, reaffirming our position as the largest and most established professional services organization in the region.

© 2017 EYGM Limited.

All Rights Reserved.

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, or other professional advice. Please refer to your advisors for specific advice.

ey.com/mena