Ekttitab Holding Company
K.S.C. (Public)
And its subsidiaries
State of Kuwait
Interim Condensed Consolidated Financial Information
For the Three month ended March 31, 2023
With Review Report

AL- WAHA AUDITING OFFICE

MEMBER OF NEXIA INTERNATIONAL (ENGLAND)

Ekttitab Holding Company
K.S.C. (Public)
And its Subsidiaries
State of Kuwait
The Interim Condensed Consolidated Financial Information for the Three month ended March 31, 2023 (Unaudited)

Contents

Review Report of Interim Condensed Consolidated Financial Information

The Board of Directors
Ekttitab Holding Company - K.S.C. Public
And its Subsidiaries
State of Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Ekttitab Holding Company - K.S.C. (Public) – "The parent company" and its subsidiaries (together referred to as "the Group") as of March 31, 2023 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 months period then ended and notes to the interim condensed consolidated financial information. Management of the parent Company is responsible for the preparation and presentation of this interim 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 Condensed Consolidated 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 knowledge that causes us to believe that the accompanying Interim Condensed Consolidated Financial Information for the three months period ended March 31, 2023 is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

Emphasis of matter

We would like to draw attention to the Note No (2) on the consolidated financial information regarding the continuity of a subsidiary company (Petro integrated Business Holding Company - K.S.C closed)). This does not qualify our conclusion

Kuwait - Sharq
Ahmed Al-jabir Street
Samra Adan Mills Building - 2nd Floor
P.O.Box: 27387 Safat 13134 Kuwait

www.alwahauditing.com
Email : info@alwahauditing.com
Tel: 22423415 / 7 - 22424919
Mob : 99021289

الكويت - شرق - شارع احمد الجابر
عمارة مطاحن سمراء عدن - مقابل
الفتوى والتشريع - الدور الثاني
ص.ب : 27387 الصفاة 13134 الكويت

Report on other Legal and Regulatory Requirements

Furthermore, the Interim Condensed Consolidated Financial Information of Ekttitab Holding Company - K.S.C. (Public) – "The parent company" and its subsidiaries (the Group) is in agreement with the books of account of the Parent Company. We further report that, to the best of our knowledge and belief, we are not become aware of any violations of the Companies Law No. 1 of 2016, and its amendments and its executive regulation, the parent company's Articles of incorporation and Articles of Association during the period three months ended March 31, 2023 that might have a material effect on the Group's financial position or results of its operations.

In our opinion, we are not become aware of any material violations of Law No. 7 of 2010 regarding the Capital Markets Authority and the Securities Regulations during the three months ended 31 March 2023 in a manner that materially affects the Parent Company's financial position and the results of its operations.

DR. ALI Owaid Rukheyes
Public Accountant – 72 A
Member of NEXIA international
AL- Waha Auditing Office

Kuwait - May 10, 2023

Kuwait - Sharq
Ahmed Al-jabir Street
Samra Adan Mills Building - 2nd Floor
P.O.Box: 27387 Safat 13134 Kuwait

www.alwahauditing.com
Email : info@alwahauditing.com
Tel: 22423415 / 7 - 22424919
Mob : 99021289

الكويت - شرق - شارع احمد الجابر
عمارة مطاحن سمراء عدن - مقابل
الفتوى والتشريع - الدور الثاني
ص.ب : 27387 الصفاة 13134 الكويت

Interim Condensed Consolidated Statement of financial position as of March 31, 2023

	Note	31-Mar-23 K.D Unaudited	31-Dec-22 K.D Audited	31-Mar-22 K.D Unaudited
Assets				
Current assets				
Cash and cash equivalents	3	**2,164**	19,902	41,570
Trade receivables and other debit balances	4	**20,756**	32,960	72,169
Due from related parties	5	**1,152,601**	784,955	2,617,585
Financial assets at fair value through profit or loss	6	**96,373**	94,844	187,429
Financial assets at fair value through other comprehensive income	7	**5,001,232**	5,020,917	5,214,490
Investment in an associate	8	**3,742,707**	3,742,728	3,753,107
Musharaka	9	**-**	390,552	1,591,172
Property and equipment		**4**	4	4
Total current assets		**10,015,837**	10,086,862	13,477,526
Total assets		**10,015,837**	10,086,862	13,477,526
Liabilities and Equity :				
liabilities				
Payable and other credit balances	10	**404,167**	383,446	318,885
Due to related parties	5	**10,654**	32,850	3,190,281
Total liabilities		414,821	416,296	3,509,166
Equity				
Capital	11	**31,862,423**	31,862,423	31,862,423
Statutory reserve		**94,506**	94,506	94,506
Cumulative changes in fair value		**(417,802)**	(418,481)	(224,685)
Share in reserves of associate		**(1,096,178)**	(1,096,178)	(1,085,814)
Accumulated losses		**(20,807,942)**	(20,738,005)	(20,644,621)
Equity attributable to shareholders of the Parent Company		**9,635,007**	9,704,265	10,001,809
Non-controlling interests		**(33,991)**	(33,699)	(33,449)
Total equity		**9,601,016**	9,670,566	9,968,360
Total liabilities and Equity		**10,015,837**	10,086,862	13,477,526

Emad husain nemah
Chairman

The accompanying notes are an integral part of the interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of profit or loss and other comprehensive income for the Three months period ended March 31, 2023 (Unaudited)

	Note	The Three months ended March 31, 2023 K.D	2022 K.D
Investment income	12	**1,529**	3,631
Musharaka income		**15,622**	15,622
Share of results from the associates	8	**(21)**	823
Other income		**-**	(927)
Total income		**17,130**	19,149
Expenses and other charges			
General and administrative expenses		**(66,995)**	(33,904)
Total of expenses and other charges		**(66,995)**	(33,904)
Net loss for the period		**(49,865)**	(14,755)
Attributable to:			
Shareholders of the Parent Company		**(49,765)**	(14,759)
Non-controlling interests		**(100)**	4
Net loss for the year		**(49,865)**	(14,755)
Loss per share (fils)	13	**(0.16)**	(0.05)

The accompanying notes are an integral part of the interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of profit or loss and other comprehensive income for the Three months period ended March 31, 2023 (Unaudited)

	Note	The Three months ended March 31, 2023 K.D	2022 K.D
Net loss for the period		**(49,865)**	**(14,755)**
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Share of Group in the reserves of associate		-	(5,775)
		-	(5,775)
Items that will not be reclassified subsequently to profit or loss			
Change in fair value of debt instruments at FVOCI		**668**	(3,827)
Opposite result from the sale of investmetns at FVOCI		**(20,353)**	(1,745)
Total othercomprehensive loss for the period		**(19,685)**	(5,572)
Total comprehensive loss for the period		**(69,550)**	(26,102)
Attributable to:			
Shareholders of the Parent Company		**(69,258)**	(26,113)
Non-controlling interests		**(292)**	11
Net loss for the year		**(69,550)**	(26,102)

The accompanying notes are an integral part of the interim condensed consolidated financial information.

Interim condensed Consolidated statement of changes in equity
For the Three months period ended March 31, 2023 (unaudited)

	Equity attributable to shareholders of the Parent Company							
	Capital	Statutory reserve	Cumulative changes in fair value	Share in reserves of associate	Accumulated losses	Subtotal	Non controlling Interests	Total equity
	K.D	K.D	K.D	K.D	K.D	K.D	K.D	K.D
Balance at January 1, 2023	31,862,423	94,506	(418,481)	(1,096,178)	(20,738,005)	9,704,265	(33,699)	9,670,566
Net loss for the period	-	-	-	-	(49,765)	(49,765)	(100)	(49,865)
Total comprehensive loss for the period	-	-	679	-	(20,172)	(19,493)	(192)	(19,685)
Balance at March 31, 2023	**31,862,423**	**94,506**	**(417,802)**	**(1,096,178)**	**(20,807,942)**	**9,635,007**	**(33,991)**	**9,601,016**
Balance at January 1, 2022	31,862,423	94,506	(220,852)	(1,080,039)	(20,628,138)	10,027,900	(33,438)	9,994,462
Net loss for the period	-	-	-	-	(14,759)	(14,759)	4	(14,755)
Total comprehensive loss for the period	-	-	(3,833)	(5,775)	(1,724)	(11,332)	(15)	(11,347)
Balance at March 31, 2022	31,862,423	94,506	(224,685)	(1,085,814)	(20,644,621)	10,001,809	(33,449)	9,968,360

The accompanying notes are an integral part of the interim condensed consolidated financial information.

Interim Condensed consolidated statement of cash flows
For the Three months period ended March 31, 2023 (unaudited)

	The Three months ended March 31,	
	2023	2022
	K.D	K.D
Cash flows from operating activities	Unaudited	Unaudited
Net loss for the period	(49,865)	(14,755)
Adjustments		
Share of results from the associates	21	(823)
Investment income	(1,529)	(3,631)
	(51,373)	(19,209)
Changes in operating assets and liabilities:		
Trade receivables and other debit balances	12,204	(15,622)
Related parties	(389,842)	27,708
Payable and other credit balances	20,721	4,350
Net cash used in operating activities	(408,290)	(2,773)
Cash flows from investing activities		
Financial assets at fair value through profit or loss	-	(297)
Financial assets at fair value through other comprehensive income	-	5,495
Musharaka	390,552	
Net cash generated from investing activities	390,552	5,198
Cash flows from Financing activities		
Net movement in non-controlling interest	-	10
Net cash generated from financing activities	-	10
Net (decrease) increase in Cash and cash equivalents	(17,738)	2,435
Cash and cash equivalents at the beginning of the period	19,902	39,135
Cash and cash equivalents at the end of the period	2,164	41,570

The accompanying notes are an integral part of the interim condensed consolidated financial information.

1- General Information

- Ekttitab Holding Company - K.S.C.P. ("The parent Company") established in 1999. The company is registered in the commercial register under No 105414, and listed in Kuwait Stock Exchange on December 19, 2005.

- The purposes for which the parent company was established are as follows:

Owning shares of Kuwait and Foreign shareholding companies, as well as ownership of shares in Kuwaiti and Foreign limited liability companies or participation in the incorporation of this companies and its management.

Lending the companies in which it owns shares and acting as its sponsor in front of third parties and in such case, the participation of the holding company in the capital of the putative company shouldn't be less than 20% at least.

The ownership of the industrial property rights, patents, industrial relationships , industrial fees or any other relevant rights and lease the same to others to be utilized within or outside Kuwait.

Owns moveable properties or real estate which it need to carry out its activities in accordance with law.

Utilization of excess funds available with the company by investing them in financial portfolios managed by specialized companies.

The parent company operates its activities as per the sharia regulations.

- The company's registered head office f the parent company is Sharq - Complex , Muhammad Saleh Yousef El Behbahani - Floor 16 - Kuwait City.

- Issuance of the interim condensed financial information was approved by the Company's board of directors on 10 May ,2023.

2- Basis of the presentations

This interim condensed consolidated financial information has been prepared in accordance with IAS 34. The accounting policies used in the preparation of this interim financial information for the period are consistent with those applied in the preparation of the annual financial statements for the year ended 31 December 2022.

The interim condensed financial information does not include all the information and disclosures required for full financial statements in accordance with International Financial Reporting Standards. In the opinion of the management, all the amendments that are necessary for fair presentation have been included.

The results for the financial period ended 31 March 2023 are not necessarily indicative of the results of operations that can be expected for the financial year ended 31 December 2023. For Further information, refer to the financial statements and their related notes for the year ended 31 December 2022.

- **The subsidiary**

The interim condensed consolidated financial information includes the financial statements of "the parent company" and its subsidiary (together referred to as "The Group ") as stated below:

Company name	Activity	Country	31-Mar-23	31-Dec-22	31-Mar-22
Petro integrated Business Holding Company - K.S.C (Closed).*	Holding Company	State of Kuwait	**98.75%**	98.75%	98.75%
Ektettab International Group - W.L.L**	Holding Company	State of Kuwait	**100%**	100%	100%

The financial information of the subsidiaries as of March 31, 2023 was consolidated based on financial information prepared by the management.

* The financial statements of the subsidiary (Petro integrated Business Holding Company - K.S.C (Closed).) has been prepared on going concern basis whereas the accumulated loss of the company reached at KD 5,233,963 as of March 31, 2023, (December 31, 2022 KD 5,211,599 - March31,2022 KD 5,177,967) , which is more than the capital of the company. as per the article No 274 of company law, the board of directors of the company recommended to held the general assembly to consider on the continuity of the company and for the treatment of the accumulated loss.

** The parent company contributed to the establishment of the subsidiary company with 50% ownership as direct ownership and 50% ownership of indirect ownership registered in the name of related parties, and there is an undocumented written waiver in favor of the parent company, and accordingly the parent company has control over the financial and operational policies of this company. the financial statements of this company has been consolidated at 100%.

3- Cash and cash equivalents

	31-Mar-23 K.D (Unaudited)	31-Dec-22 K.D (Audited)	31-Mar-22 K.D (Unaudited)
Cash on hand	9	146	125
Cash at banks	410	6,476	2,291
Cash at investment portfolios	1,745	13,280	39,154
	2,164	19,902	41,570

4- Trade receivables and other debit balances

	31-Mar-23 K.D (Unaudited)	31-Dec-22 K.D (Audited)	31-Mar-22 K.D (Unaudited)
Accrued revenue	-	-	63,647
Refundable deposit	5,022	5,022	5,022
Others	15,734	27,938	3,500
	20,756	32,960	72,169

5- Related parties transactions

Related parties are the company's shareholders who have representation in the Board of Directors, members of the board of directors and major shareholders. In the normal course of business, subject to the management approval of the parent company, there were transactions with related parties , the existing major shareholder, its subsidiary during the period ended, the transactions was conducted based on the terms and conditions with others also with the approval of the Board of Directors, the significant transactions and outstanding balances with related parties, other than what disclosed in other notes, were as follows:

Balances included in the consolidated statement of financial position

	31-Mar-23 K.D (Unaudited)	31-Dec-22 K.D (Audited)	31-Mar-22 K.D (Unaudited)
Due from related parties*	3,823,650	3,456,004	5,397,234
Less: provision for expected credit loss	(2,671,049)	(2,671,049)	(2,779,649)
	1,152,601	784,955	2,617,585

- **Related parties transactions**			
Musharaka	-	390,552	1,591,172
Due to related parties	**10,654**	32,850	3,190,281
Transactions included in the consolidated statement of profit or loss:			
Revenue from Musharaka (Note 9).	**15,622**	63,647	15,622

* The balance due from parties related to the amount of 576,420 , 378,696 Kuwaiti dinars is represented by a valid entitlement to one of the parties (the United States Company - India Holding Company) as a result of the end of the participation contract concluded between the party and the company and the lack of intention of the two parties to renew it.

- The related party transactions are subject to the approval of share holders general assembly.

6- Financial assets at fair value through profit or loss

	31-Mar-23 K.D (Unaudited)	31-Dec-22 K.D (Audited)	31-Mar-22 K.D (Unaudited)
Investments in local shares - quoted	**75,573**	74,044	166,629
Investments in local funds - unquoted	**20,800**	20,800	20,800
	96,373	94,844	187,429

- The investments in unquoted local funds (Madina Funds) were evaluated based on the net asset value of the fund as of December 31, 2021, whereas that fund is under liquidation.

The investments at fair value through profit or loss were evaluated based on the evaluation method disclosed in Note No (16).

7- Financial assets at fair value through other comprehensive income

	31-Mar-23 K.D (Unaudited)	31-Dec-22 K.D (Audited)	31-Mar-22 K.D (Unaudited)
Investment in quoted shares	**13,066**	32,751	69,879
Investments in unquoted shares	**4,988,166**	4,988,166	5,144,611
	5,001,232	5,020,917	5,214,490

- The movement during the period / year is as follows:

	31-Mar-23 K.D (Unaudited)	31-Dec-22 K.D (Audited)	31-Mar-22 K.D (Unaudited)
Balance at the beginning of the period / year	**5,020,917**	5,225,527	5,225,527
Addition	-	7,589	7,589
Disposal	**(19,702)**	(11,600)	(11,600)
Changes in fair value	**17**	(200,599)	(7,026)
Balance at the end of the period / year	**5,001,232**	5,020,917	5,214,490

The financial assets at fair value through other comprehensive income has been evaluated as per the evaluation method disclosed in the Note No (16).

8- Investment in associates

The details of the associated companies are as follow:-

Company Name	Value			Percentage		
	31-Mar-23	31-Dec-22	31-Mar-22	**31-Mar-23**	31-Dec-22	31-Mar-22
Dar al salam Takaful Insurance Company- K.S.C (closed).*	**3,742,707**	3,742,728	3,753,107	**44.48%**	44.48%	44.48%

* The group's share in the associate company's business results has been proven based on the latest financial statements prepared by the management as of March 31, 2023.

9- Musharaka

it represent a musharak contract has been signed by the related party , the contract has expired and the parties do not intend to renew it. (31December 2022:KD 390,552 - 31 March 2022: 1,591,172 KD) with an annual profit return of 4%)

10- Payable and other credit balances

	31-Mar-23	31-Dec-22	31-Mar-22
	K.D	K.D	K.D
	(Unaudited)	(Audited)	(Unaudited)
Accrued expenses	**120,834**	96,114	33,813
Dividend payable	**23,583**	23,583	23,583
Taxable deductions	**246,029**	246,029	246,029
Other	**13,721**	17,720	15,460
	404,167	383,446	318,885

11- Share capital

The Authorized, issued and paid up capital is determined by an amount of KD 31,862,423 distributed into 318,624,230 shares of 100 fils each. All shares are in cash.

12- Investments income

	The Three months ended	
	31-Mar-23	31-Mar-22
	K.D	K.D
	(Unaudited)	(Unaudited)
Change in fair value	**1,529**	3,631
	1,529	3,631

13- Loss per share

The loss per share related to the parent company's shareholders is calculated by dividing the net loss for the period by the weighted average number of shares outstanding during the period as follows:-

	The Three months ended March 31,	
	2023	2022
	K.D	K.D
	(Unaudited)	(Unaudited)
Net loss for the period	(49,765)	(14,759)
	Shares	Shares
Weighted average number of shares outstanding	318,624,230	318,624,230
Loss per share (fills)	(0.16)	(0.05)

14- General Assembly

Until the date of issuance of this interim condensed consolidated financial information, the Annual General Assembly of shareholders of the "Parent Company" for the year ended December 31, 2022, has not yet been held, and accordingly, the audited consolidated financial statements for the year ended on December 31, 2022 have not yet been approved.

The interim condensed consolidated financial statements for the Three months period ended March 31,2023 does not include any amendments that may be required in the event that the annual general assembly of shareholders does not approve the consolidated financial statements for the year ended on December 31, 2022.

15- Financial instruments

The Groups' financial assets and liabilities are categorized in the interim condensed consolidated statements of financial position as follows:

	31-Mar-23	31-Dec-22	31-Mar-22
	K.D	K.D	K.D
Financial assets:-			
Cash and cash equivalents	2,164	19,902	41,570
Investments at fair value through profit or loss	96,373	94,844	187,429
Investments at fair value through other comprehensive income	5,001,232	5,020,917	5,214,490
Investment in associates	3,742,707	3,742,728	3,753,107
Musharaka	-	390,552	1,591,172
Receivables and other debit	20,756	32,960	72,169
Due from related parties	1,152,601	784,955	2,617,585
	10,015,833	10,086,858	13,477,522
Financial liabilities:-			
Payables and other credit	404,167	383,446	318,885
Due to related parties	10,654	32,850	3,190,281
	414,821	416,296	3,509,166

16- Fair value measurement

The Group measures financial assets such as investments at fair value through profit or loss and Financial assets at fair value through other comprehensive income and non–financial assets such as investment properties at fair value at each reporting date.

Fair value is 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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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.

The following table shows an analysis of captions recorded at fair value by level of the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
31-Mar-23				
Financial assets at fair value through profit or loss				
Quoted shares	75,373	-	-	75,373
Investment funds	-	20,800	-	20,800
	75,373	20,800	-	96,173
Financial assets at fair value through other comprehensive income				
Quoted shares	13,066	-	-	13,066
Unquoted shares	-	-	4,988,166	4,988,166
	13,066	-	4,988,166	5,001,232

31-Mar-22	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Quoted shares	166,629	-	-	166,629
Investment funds	-	20,800	-	20,800
	166,629	20,800	-	187,429
Financial assets at fair value through other comprehensive income				
Quoted shares	69,879	-	-	69,879
Unquoted shares	-	-	5,144,611	5,144,611
	69,879	-	5,144,611	5,214,490

At March 31, 2023, the fair values of financial instruments approximate their carrying amounts. The management of the Group has assessed that fair value of its financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

During the year, there were no transfers between Level 1, Level 2 and Level 3.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization based on the lowest level input that is significant to the fair value measurement as a whole at the end of each reporting period.

17- **legal claims**

The Group has some potential lawsuits represented in cases pending at various levels of courts with other parties and the results of which cannot be determined till the date of consolidated financial statements. The Group believes that there is no need to make provisions for this amounts before determining the outcome of this claims and issues.