Grant Thornton
Al-Qatami, Al-Aiban & Partners

Interim condensed consolidated financial information and review report

International Financial Advisors Holding – KPSC and Subsidiaries

Kuwait

31 March 2025 (Unaudited)

Contents

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Report on review of interim condensed consolidated financial information

To the board of directors of
International Financial Advisors Holding – KPSC
Kuwait

Introduction
We have reviewed the accompanying interim condensed consolidated statement of financial position of International Financial Advisors Holding – KPSC ("the Parent Company") and its subsidiaries ("the Group") as of 31 March 2025 and the related interim condensed consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended. Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review
We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information 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, no violations of the Companies Law No. 1 of 2016 and its Executive Regulations, or of the Memorandum of Incorporation and Articles of Association of the Parent Company, as amended, have occurred during the three-month period ended 31 March 2025 that might have had a material effect on the business or financial position of the Parent Company.

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

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

Kuwait
12 May 2025

Interim condensed consolidated statement of profit or loss

	Note	Three months ended 31 March 2025 (Unaudited) KD	Three months ended 31 March 2024 (Unaudited) KD
Income			
Change in fair value of investments at FVTPL		**27,114**	20,371
Share of results of associates and joint venture	8	**5,911,316**	2,731,353
Gain on settlement of a loan from a related party	11	**3,000,000**	-
Loss on disposal of investment properties		**(117,174)**	-
Other income		**74,904**	29,924
		8,896,160	2,781,648
Expenses and other charges			
Staff costs		**(80,902)**	(75,366)
Other operating expenses and charges		**(296,064)**	(157,046)
Impairment in value of investment in an associate	8	**(125,150)**	-
Finance costs		**(106,072)**	(186,659)
		(608,188)	(419,071)
Profit before taxation		**8,287,972**	2,362,577
Taxation		**(118,146)**	(14,054)
Profit for the period		**8,169,826**	2,348,523
Attributable to:			
- Shareholders of the Parent Company		**8,127,057**	2,361,724
- Non-controlling interests		**42,769**	(13,201)
		8,169,826	2,348,523
Basic and diluted earnings per share attributable to shareholders of the Parent Company (Fils)	5	**17.77**	6.86

The notes set out on pages 8 to 21 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of profit or loss and other comprehensive income

	Three months ended 31 March 2025 (Unaudited) KD	Three months ended 31 March 2024 (Unaudited) KD
Profit for the period	**8,169,826**	2,348,523
Other comprehensive income/(loss):		
Items that will not be reclassified subsequently to consolidated statement of profit or loss:		
Net change in fair value of investments at FVTOCI	**2,956,874**	(1,646,580)
	2,956,874	(1,646,580)
Items that may be reclassified subsequently to consolidated statement of profit or loss:		
Share of other comprehensive income of associates and joint venture	**174,311**	35,536
Exchange differences arising on translation of foreign operations	**4,507**	8,904
	178,818	44,440
Total other comprehensive income/(loss)	**3,135,692**	(1,602,140)
Total comprehensive income for the period	**11,305,518**	746,383
Attributable to:		
- Shareholders of the Parent Company	**11,261,874**	759,357
- Non-controlling interests	**43,644**	(12,974)
	11,305,518	746,383

The notes set out on pages 8 to 21 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of financial position

	Note	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Assets				
Cash and cash equivalents	6	**3,760,397**	7,949,224	2,507,005
Assets held for sale	9	**2,034,332**	175,686	175,686
Investments at fair value through profit or loss		**382,017**	354,903	276,330
Receivables and other assets		**4,296,539**	3,655,032	3,753,449
Due from related parties	17	**23,461,731**	23,256,925	23,671,703
Investments at fair value through other comprehensive income	7	**34,701,238**	31,728,363	23,021,131
Investment properties		**4,494,659**	5,104,675	5,046,702
Investment in associates and joint venture	8	**67,410,952**	63,308,327	56,053,932
Equipment		**16,943**	19,567	9,711
Total assets		**140,558,808**	135,552,702	114,515,649
Liabilities and equity				
Liabilities				
Payables and other liabilities	10	**9,088,664**	8,628,384	11,737,954
Due to related parties	17	**883,508**	892,778	6,587,964
Due to bank	6	**1,771,898**	-	-
Borrowings	11	**7,223,569**	15,745,774	27,075,389
Total liabilities		**18,967,639**	25,266,936	45,401,307
Equity				
Share capital	12	**48,011,859**	48,011,859	26,673,255
Share premium	12	**9,002,224**	9,002,224	-
Treasury shares	13	**(33,980,594)**	(33,980,594)	(32,757,404)
Statutory and voluntary reserves		**36,909,620**	36,909,620	35,295,508
Fair value reserve		**26,012,963**	23,056,180	14,323,579
Foreign currency translation reserve		**(1,059,280)**	(1,227,125)	(1,439,297)
Reserve for financial derivatives		**11,037,402**	11,027,213	10,254,686
Retained earnings		**20,666,907**	12,539,965	11,832,266
Total equity attributable to the shareholders of the Parent Company		**116,601,101**	105,339,342	64,182,593
Non-controlling interests		**4,990,068**	4,946,424	4,931,749
Total equity		**121,591,169**	110,285,766	69,114,342
Total liabilities and equity		**140,558,808**	135,552,702	114,515,649

Saleh Saleh Al-Selmi
Chairman

The notes set out on pages 8 to 21 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity

	Equity attributable to the shareholders of the Parent Company									Non-controlling interests	Total
	Share capital KD	Share premium KD	Treasury shares KD	Statutory and voluntary reserves KD	Fair value reserve KD	Foreign currency translation reserve KD	Reserve for financial derivatives KD	Retained earnings KD	Sub – total KD	KD	KD
Balance at 1 January 2025 (audited)	48,011,859	9,002,224	(33,980,594)	36,909,620	23,056,180	(1,227,125)	11,027,213	12,539,965	105,339,342	4,946,424	110,285,766
Other adjustments	-	-	-	-	-	-	-	(115)	(115)	-	(115)
Total transactions with owners	-	-	-	-	-	-	-	(115)	(115)	-	(115)
Profit for the period	-	-	-	-	-	-	-	8,127,057	8,127,057	42,769	8,169,826
Other comprehensive income for the period	-	-	-	-	2,956,783	167,845	10,189	-	3,134,817	875	3,135,692
Total comprehensive income for the period	-	-	-	-	2,956,783	167,845	10,189	8,127,057	11,261,874	43,644	11,305,518
Balance at 31 March 2025 (unaudited)	48,011,859	9,002,224	(33,980,594)	36,909,620	26,012,963	(1,059,280)	11,037,402	20,666,907	116,601,101	4,990,068	121,591,169

The notes set out on pages 8 to 21 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity (continued)

	Equity attributable to the shareholders of the Parent Company								Non-controlling interests	Total
	Share capital KD	Treasury shares KD	Statutory and voluntary reserves KD	Fair value reserve KD	Foreign currency translation reserve KD	Reserve for financial derivatives KD	Retained earnings KD	Sub – total KD	KD	KD
Balance at 1 January 2024 (audited)	26,673,255	(32,757,404)	35,295,508	15,970,101	(1,462,957)	10,234,191	9,470,542	63,423,236	4,944,723	68,367,959
Profit/(loss) for the period	-	-	-	-	-	-	2,361,724	2,361,724	(13,201)	2,348,523
Other comprehensive (loss)/income	-	-	-	(1,646,522)	23,660	20,495	-	(1,602,367)	227	(1,602,140)
Total comprehensive (loss)/income for the period	-	-	-	(1,646,522)	23,660	20,495	2,361,724	759,357	(12,974)	746,383
Balance at 31 March 2024 (unaudited)	26,673,255	(32,757,404)	35,295,508	14,323,579	(1,439,297)	10,254,686	11,832,266	64,182,593	4,931,749	69,114,342

The notes set out on pages 8 to 21 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

	Note	Three months ended 31 March 2025 (Unaudited) KD	Three months ended 31 March 2024 (Unaudited) KD
OPERATING ACTIVITIES			
Profit before taxation		8,287,972	2,362,577
Adjustments:			
Share of results of associates and joint venture		(5,911,316)	(2,731,353)
Gain on settlement of a loan from a related party		(3,000,000)	-
Loss on disposal of equipment		859	-
Impairment in value of investments in an associate		125,150	-
Loss on disposal of investment properties		117,174	-
Finance costs		106,072	186,659
Depreciation		1,165	1,246
		(272,924)	(180,871)
Changes in operating assets and liabilities:			
Investments at FVTPL		(27,114)	(20,371)
Receivables and other assets		(641,507)	(707,208)
Due from related parties		(204,806)	831,356
Payables and other liabilities		835,493	666,881
Due to related parties		(9,270)	56,987
Net cash (used in)/from operating activities		(320,128)	646,774
INVESTING ACTIVITIES			
Additions to equipment		-	(710)
Proceeds from disposal of equipment		600	-
Additions to investments at FVTOCI		(15,998)	-
Net cash used in investing activities		(15,398)	(710)
FINANCING ACTIVITIES			
Settlement of borrowings		(5,522,205)	(12,361)
Finance costs paid		(106,072)	(105,241)
Net cash used in financing activities		(5,628,277)	(117,602)
(Decrease)/increase in cash and cash equivalents		(5,963,803)	528,462
Foreign currency adjustment		3,078	6,916
Cash and cash equivalents at beginning of the period	6	5,560,224	1,187,627
Due to bank/cash and cash equivalents at end of the period	6	(400,501)	1,723,005
Non-cash transactions			
Tranfer to assets held for sale		1,858,646	-
Transfer from investment in associate		(1,858,646)	-

The notes set out on pages 8 to 21 form an integral part of this interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information

1 Incorporation and activities of the Parent Company

International Financial Advisors Holding – KPSC ("the Parent Company") is a Kuwaiti Public Shareholding Company incorporated on 31 January 1974 under the Commercial Companies Law No. 15 of 1960 and amendments thereto. The Parent Company is listed on Boursa Kuwait and Dubai Financial Market.

The Securities Activities Licence issued by the Capital Markets Authority ("CMA") expired on 29 March 2018 under which the Parent Company carried out certain investment activities. Management did not renew the licence. Accordingly, the CMA notified the Parent Company on 6 May 2018 that it is no longer considered a licenced entity under the CMA regulations. Consequently, the Parent Company is currently in the process of disposing the portfolios under management (Note 19).

The objectives of the Parent Company are as follows:

- Management of the Parent Company's subsidiaries or participation in management of other companies in which it holds ownership stakes and providing the necessary support thereto.

- Investing funds by way of trading in shares, bonds and other financial securities

- Acquisition of properties and movables necessary to carry out the business activities as allowable by the law.

- Financing and extending loans to investee companies and providing guarantees for third parties, provided that the share of the holding company in the investee company is not less than 20%.

- Acquisition of industrial rights and related intellectual properties or any other industrial trademarks or royalties and any other property related thereto, and renting such properties to the subsidiary companies and others whether inside Kuwait or abroad.

- Using cash surplus to invest in financial portfolios/funds managed by specialised parties.

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

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

The Group comprises the Parent Company and its subsidiaries.

The address of the Parent Company's registered office is PO Box 4694, Safat 13047, State of Kuwait.

This interim condensed consolidated financial information for the three-month period ended 31 March 2025 was authorised for issue by the Parent Company's board of directors on 12 May 2025.

Notes to the interim condensed consolidated financial information (continued)

2 Basis of preparation and presentation

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

The annual consolidated financial statements for the year ended 31 December 2024 were prepared in accordance with the IFRS Accounting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board ("IASB").

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

The interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements prepared in accordance with the IFRS Accounting Standards. In the opinion of the Parent Company's management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included.

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

3 Changes in accounting policies

The accounting polices used in the preparation of this interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the amendments to the IFRS Accounting Standards effective as of 1 January 2025 as described in Note 3.1. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

3.1 New and amended IFRS Accounting Standards adopted by the Group

The following amendments to IAS 21 were effective for the current period:

IAS 21 Amendments – Lack of exchangeability

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

- Specify when a currency is exchangeable into another currency and when it is not — a currency is exchangeable when an entity is able to exchange that currency for the other currency through markets or exchange mechanisms that create enforceable rights and obligations without undue delay at the measurement date and for a specified purpose; a currency is not exchangeable into the other currency if an entity can only obtain an insignificant amount of the other currency.
- Specify how an entity determines the exchange rate to apply when a currency is not exchangeable — when a currency is not exchangeable at the measurement date, an entity estimates the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing.
- Require the disclosure of additional information when a currency is not exchangeable — when a currency is not exchangeable an entity discloses information that would enable users of its financial statements to evaluate how a currency's lack of exchangeability affects, or is expected to affect, its financial performance, financial position and cash flows.

The adoption of the amendments did not have a significant impact on the Group's interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information (continued)

4 Judgement and estimates

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited consolidated financial statements as at and for the year ended 31 December 2024.

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

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

	Three months ended 31 March 2025 (Unaudited)	Three months ended 31 March 2024 (Unaudited)
Profit for the period attributable to the shareholders of the Parent Company (KD)	**8,127,057**	2,361,724
Weighted average number of shares outstanding during the period (shares)	**457,320,505**	344,354,071
Basic and diluted earnings per share attributable to the shareholders of the Parent Company (Fils)	**17.77**	6.86

The basic and diluted earnings per share reported during the previous period for the three-month ended 31 March 2024 were 9.47 Fils, before retroactive adjustments relating to bonus and rights issues reported in the previous year.

6 Cash and cash equivalents

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Cash and bank balances	**1,716,397**	5,905,224	2,068,005
Term deposits (a)	**2,044,000**	2,044,000	439,000
Cash and cash equivalents as per consolidated statement of financial position	**3,760,397**	7,949,224	2,507,005
Less: due to bank	**(1,771,898)**	-	-
Less: restricted balance	**(345,000)**	(345,000)	(345,000)
Less: deposits maturing after more than three months	**(2,044,000)**	(2,044,000)	(439,000)
Due to bank/cash and cash equivalents as per consolidated statement of cash flows	**(400,501)**	5,560,224	1,723,005

Notes to the interim condensed consolidated financial information (continued)

7 Investments at fair value through other comprehensive income

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Local quoted securities	**31,723,820**	28,760,244	20,112,375
Foreign quoted securities	**6,898**	3,606	3,590
Local unquoted securities	**6,002**	2	10,506
Foreign unquoted securities	**2,961,049**	2,961,049	2,891,244
Managed funds	**3,469**	3,462	3,416
	34,701,238	31,728,363	23,021,131

Investments at fair value through other comprehensive income aggregating to KD31,713,276 (31 December 2024: KD28,759,861 and 31 March 2024: KD20,111,920) are pledged against borrowing facilities of the Group (Note 11).

8 Investment in associates and joint venture

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Investment in associates (note 8.1)	**37,173,233**	33,813,391	29,452,967
Investment in joint venture (note 8.2)	**30,237,719**	29,494,936	26,600,965
	67,410,952	63,308,327	56,053,932

8.1 Investment in associates

The movement in associates during the period/year is as follows:

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Carrying value at the beginning of the period/year	**33,813,391**	27,512,845	27,512,845
Share of results	**5,178,722**	6,022,189	1,925,081
Share of other comprehensive income	**164,916**	278,357	15,041
Impairment	**(125,150)**	-	-
Transferred to assets held for sale (a)	**(1,858,646)**	-	-
	37,173,233	33,813,391	29,452,967

a) Investment in associates as of 31 December 2024 and upto end of March 2025, included an investment in Addax BSC (Closed), a foreign associate, with a carrying value of KD1,983,796 (31 December 2024 KD1,817,795 and 31 March 2024 KD1,754,454), which has been accounted for using management accounts for the three-month period ended 31 March 2025 and for the year ended 31 December 2024.

At the end of March 2025, the management of the Group has transferred, its entire equity interests in Addax BSC (Closed) with a carrying value of KD1,858,646 to assets held for sale category, upon meeting the criteria for recognition as non-current assets held for sale. Further, at 31 March 2025, the management has recognised an impairment loss of KD125,150 for this associate to the extent of its recoverability based on the sale price (refer note 9).

Notes to the interim condensed consolidated financial information (continued)

8 Investment in associates and joint venture (continued)

8.1 Investment in associates (continued)

b) Investment in associates amounting to KD35,854,018 (31 December 2024: KD30,731,767 and 31 March 2024: KD26,508,506) is pledged against Group's borrowings (Note 11).

8.2 Investment in joint venture

The movement of the investment in joint venture is as follows:

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Carrying value at the beginning of the period/year	**29,494,936**	25,774,198	25,774,198
Share of results	**732,594**	2,927,715	806,272
Share of other comprehensive income	**10,189**	793,023	20,495
	30,237,719	29,494,936	26,600,965

a) Investment in joint venture is pledged against the borrowing facilities obtained to finance the underlying project (note 14b).

9 Assets held for sale

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Balance at beginning of the period/year	**175,686**	175,686	175,686
Transferred from investments in associate (Note 8.1a)	**1,858,646**	-	-
	2,034,332	175,686	175,686

10 Payables and other liabilities

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Accounts payable and accruals	**838,781**	841,078	1,526,258
Dividend payable	**7,842**	7,842	48,442
Provisions for taxation	**4,014,031**	3,895,885	5,434,241
Provision for employees' end of service benefits and leave	**485,553**	450,608	522,263
Other liabilities	**380,371**	379,368	654,860
Policyholders' deficit reserve	**3,362,086**	3,053,603	3,116,955
Due to policyholders	**-**	-	434,935
	9,088,664	8,628,384	11,737,954

Notes to the interim condensed consolidated financial information (continued)

11 Borrowings

The Group's borrowings are denominated in the following currencies:

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Murabaha facility in Kuwaiti Dinar (note 11.1)	**7,223,569**	7,223,876	6,983,264
Borrowings obtained from a related party (note 11.2)			
- Denominated in Kuwaiti Dinar	**-**	8,521,898	-
- Denominated in US Dollar	**-**	-	20,092,125
	7,223,569	15,745,774	27,075,389

The details of loan balances and bank facilities of the Group are as follows:

11.1 During 2024, the Group restructured a Murabaha facility obtained from a local Islamic bank. The restructured facility has a limit of KD10,000,000 carrying a profit rate of 1.65% above the Central Bank of Kuwait's discount rate. The outstanding balance of the facility is scheduled to be repaid in 5 annual instalments, commencing on 1 July 2026.

11.2 The loan denominated in the US Dollar was obtained from Al-Nozha Al-Dawliya Real Estate Company WLL ("Al Nozha"), a related party, carrying annual interest rate of 1.5%. The loan was repayable in four annual equivalent instalments of USD3,275,000 (equivalent to KD999,203) beginning 31 March 2021 and ending on 31 March 2024, with final instalment of USD52,400,000 (equivalent to KD15,987,240) to be repaid on 31 March 2025.

On 3 September 2024, the Group restructured its loan with Al Nuzha, converting the original USD denominated loan to a KD denominated obligation. The net settlement arrangement of KD20,521,898 comprise of principal of KD19,984,050, accrued interest of KD991,348 net of amount due from Al Nozha amounting to KD453,500.

According to the settlement agreement, the Group paid an initial down payment of KD12,000,000 on 3 September 2024. The remaining balance was scheduled for payment within nine months from the agreement date without interest to be charged on the outstanding amount. However, as per the agreement, if the Group pays an amount of KD17,521,898 before 31 March 2025, it was qualified for a discount on the remaining balance. Accordingly, during the current period, the Group paid an amount of KD5,521,898 before 31 March 2025 and received the discount of KD3,000,000, which was recognised as gain on settlement of a loan from a related party in the interim condensed consolidated statements of profit or loss.

12 Share capital and share premium

The authorised, issued and paid up share capital of the Parent Company comprised of 480,118,588 shares of 100 Fils each, all fully paid (31 December 2024: 480,118,588 shares of 100 Fils each and 31 March 2024: 266,732,550 shares of 100 Fils each).

The share premium comprises of 180,044,470 share of 50 Fils each issued in 2nd quarter of 2024. Share premium is not available for distribution.

Notes to the interim condensed consolidated financial information (continued)

13 Treasury shares

	31 March 2025 (Unaudited)	31 Dec. 2024 (Audited)	31 March 2024 (Unaudited)
Number of treasury shares (shares)	**22,798,083**	22,798,083	17,452,667
Percentage of treasury shares to paid up capital (%)	**4.75**	4.75	6.54
Cost (KD)	**33,980,594**	33,980,594	32,757,404
Market Value (KD)	**10,464,320**	8,640,473	6,632,013

14 Capital commitments and contingent liabilities

(a) The Group has the following commitments:

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Group's share of associates' commitments:			
Finance guarantees	**2,753**	2,750	2,744
Group's share of joint venture's commitments:			
Group's share of engineering, procurement and construction agreement of a plant in an underlying project of a joint venture	**25,506,050**	25,506,050	35,439,997
Group's share of future land lease payments in an underlying project of a joint venture	**4,013,333**	4,013,333	4,013,333

(b) The Group has the following contingent liabilities:

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Contingent liabilities			
Corporate guarantee of borrowings by a joint venture (note 8.2a)	**9,804,594**	9,804,594	9,804,594
Group's share of guarantee provided by a joint venture	**18,403,884**	18,403,884	16,588,065

15 Segmental analysis

The Group's activities are concentrated in three main segments: treasury and investments, real estate and others. The segments' results are reported to the higher management in the Group. In addition, the segments revenue, assets are reported based on the geographic locations which the Group operates in. The following is the segments information, which conforms with the internal reporting presented to management.

Notes to the interim condensed consolidated financial information (continued)

15 Segmental analysis (continued)

	Treasury and Investments KD	Real Estate KD	Others KD	Total KD
31 March 2025 (Unaudited)				
Segment income/(loss)	**5,938,430**	**(117,174)**	**3,074,904**	**8,896,160**
Profit/(loss) before taxation	**5,707,208**	**(117,174)**	**2,697,938**	**8,287,972**
Finance costs				**106,072**
Taxation				**118,146**
Total segmental assets	**108,113,250**	**4,687,288**	**-**	**112,800,538**
Total segmental liabilities	**(7,223,569)**	**-**	**-**	**(7,223,569)**
Net segmental assets	**100,889,681**	**4,687,288**	**-**	**105,576,969**
Unallocated assets				**27,758,270**
Unallocated liabilities				**(11,744,070)**
Net assets				**121,591,169**
31 March 2024 (Unaudited)				
Segment income	2,751,724	-	29,924	2,781,648
Profit before taxation	2,565,065	-	(202,488)	2,362,577
Finance costs				186,659
Taxation				14,054
Total segmental assets	81,858,397	5,232,099	-	87,090,496
Total segmental liabilities	(27,075,389)	-	-	(27,075,389)
Net segmental assets	54,783,008	5,232,099	-	60,015,107
Unallocated assets				27,425,153
Unallocated liabilities				(18,325,918)
Net assets				69,114,342

16 General assembly of shareholders

The Annual General Assembly of the Parent Company for the year ended 31 December 2024 has not been held yet. Accordingly, the financial statements for the year ended 31 December 2024 have not been approved by the shareholders of the Parent Company. The interim condensed financial information for the three-month period ended 31 March 2025 does not include any adjustments, which might have been required, had the General Assembly not approved the consolidated financial statements for the year ended 31 December 2024.

Notes to the interim condensed consolidated financial information (continued)

16 General assembly of shareholders (continued)

The board of directors of the Parent Company proposed to issue 13% bonus shares for the year ended 31 December 2024. This proposal is subject to the approval of the Parent Company's shareholders at the forthcoming Annual General Meeting.

The Annual General Assembly of the shareholders held on 29 May 2024 approved the consolidated financial statements of the Group for the year ended 31 December 2023, the board of directors' proposal to issue 12.5% bonus shares and to increase in cash the Parent Company's capital from KD30,007,412 (after issuing bonus shares) to KD48,011,859.

17 Related party balances and transactions

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

Details of balances and transactions between the Group and other related parties are disclosed below.

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Balances included in the interim condensed consolidated statement of financial position:			
Due from related parties (a):			
- Due from associates	**21,992,312**	21,993,493	21,903,027
- Due from other related parties	**1,469,419**	1,263,432	1,768,676
	23,461,731	23,256,925	23,671,703
Due to related parties (b and c):			
- Due to other related parties	**883,508**	892,778	6,587,964
Receivables and other assets	**164,611**	164,611	164,611
Borrowings obtained from a related party	**-**	8,521,898	20,092,125

	Three months ended 31 March 2025 (Unaudited) KD	Three months ended 31 March 2024 (Unaudited KD
Transactions included in interim condensed consolidated statement of profit or loss:		
Gain on settlement of loan from a related party (note 11)	**3,000,000**	-
Finance costs	**(5,131)**	(81,475)
Other operating expenses and charges	**(19,250)**	(12,500)

Notes to the interim condensed consolidated financial information (continued)

17 Related party balances and transactions (continued)

	Three months ended 31 March 2025 (Unaudited) KD	Three months ended 31 March 2024 (Unaudited KD
Key management compensation of the Group		
Short-term and long-term employee benefits	**78,313**	141,724

a) Due from related parties are non-interest bearing and have no specific repayment terms.

b) Due to related parties include balance amounting to KD433,284 (31 December 2024: KD433,284 and 31 March 2024: KD433,284) which carries interest at 4.75% (31 December 2024: 4.75% and 31 March 2024: 4.75%) per annum and is payable on 31 March 2025. The remaining balances KD450,224 (31 December 2024: KD459,494 and 31 March 2024: KD6,154,680) are non-interest bearing and have no specific repayment terms.

c) The Group has pledged part of its equity interest in First Takaful Insurance Company – KPSC, a subsidiary, against certain due to related parties' balances.

18 Fair value measurement

18.1 Fair value hierarchy

Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the interim condensed consolidated financial information (continued)

18 Fair value measurement (continued)

18.2 Fair value measurement of financial instruments

The carrying amounts of the Group's financial assets and liabilities as stated in the interim condensed consolidated statement of financial position may also be categorized as follows:

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Financial assets:			
At amortised cost:			
- Cash and cash equivalents	**3,760,397**	7,949,224	2,507,005
- Receivables and other assets	**214,995**	212,549	237,374
- Due from related parties	**23,461,731**	23,256,925	23,671,703
At fair value:			
- Investments at fair value through profit or loss	**382,017**	354,903	276,330
- Investments at fair value through other comprehensive income	**34,701,238**	31,728,363	23,021,131
	62,520,378	63,501,964	49,713,543
Financial liabilities:			
At amortised costs:			
- Due to bank	**1,771,898**	-	-
- Payables and other liabilities	**5,726,578**	5,574,781	8,620,999
- Due to related parties	**883,508**	892,778	6,587,964
- Borrowings	**7,223,569**	15,745,774	27,075,389
	15,605,553	22,213,333	42,284,352

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

The level within which the 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)

18 Fair value measurement (continued)

18.2 Fair value measurement of financial instruments (continued)

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

	Note	Level 1 KD	Level 2 KD	Level 3 KD	Total KD
31 March 2025 (unaudited)					
Investments at FVTPL					
Investments held for trading:					
Local quoted securities	a	235,343	-	-	235,343
Local unquoted securities	b	-	-	146,674	146,674
Investments at FVTOCI					
Local quoted securities	a	31,723,820	-	-	31,723,820
Foreign quoted securities	a	6,898	-	-	6,898
Managed funds	c	-	3,469	-	3,469
Local unquoted securities	b	-	-	6,002	6,002
Foreign unquoted securities	b	-	-	2,961,049	2,961,049
		31,966,061	3,469	3,113,725	35,083,255
31 December 2024 (audited)					
Investments at FVTPL					
Investments held for trading:					
Local quoted securities	a	208,229	-	-	208,229
Local unquoted securities	b	-	-	146,674	146,674
Investments at FVTOCI					
Local quoted securities	a	28,760,244	-	-	28,760,244
Foreign quoted securities	a	3,606	-	-	3,606
Managed funds	c	-	3,462	-	3,462
Local unquoted securities	b	-	-	2	2
Foreign unquoted securities	b	-	-	2,961,049	2,961,049
		28,972,079	3,462	3,107,725	32,083,266
31 March 2024 (unaudited)					
Investments at FVTPL					
Investments held for trading:					
Local quoted securities	a	175,964	-	-	175,964
Local unquoted securities	b	-	-	100,366	100,366
Investments at FVTOCI					
Local quoted securities	a	20,112,375	-	-	20,112,375
Foreign quoted securities	a	3,590	-	-	3,590
Managed funds	c	-	-	10,506	10,506
Local unquoted securities	b	-	-	2,891,244	2,891,244
Foreign unquoted securities	b	-	3,416	-	3,416
		20,291,929	3,416	3,002,116	23,297,461

There have been no significant transfers between levels 1 and 2 during the reporting period.

Notes to the interim condensed consolidated financial information (continued)

18 Fair value measurement (continued)

18.2 Fair value measurement of financial instruments (continued)

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

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

b) Unquoted securities
The interim condensed consolidated financial information includes holdings in unlisted securities which are measured at fair value. Fair value is estimated using a discounted cash flow model or other valuation techniques which include some assumptions that are not supportable by observable market prices or rates.

c) Investment in managed funds
Investment funds managed by other mainly comprise of unquoted units and the fair value of these units has been determined based on net assets values reported by the fund manager as of the reporting date.

Level 3 fair value measurements
The Group's financial assets and liabilities classified in level 3 uses valuation techniques based on significant inputs that are not based on observable market data. The financial instruments within this level can be reconciled from beginning to ending balances as follows:

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Investments at FVTPL			
Opening balance	**146,674**	100,366	100,366
Gains recognised in:			
- Consolidated statement of profit or loss	**-**	46,308	-
Balance at end of the period/year	**146,674**	146,674	100,366
Investments at FVTOCI			
Opening balance	**2,961,051**	2,901,750	2,901,750
Additions	**6,000**	-	-
Gains recognised in:			
- Consolidated statement of profit or loss and other comprehensive income	**-**	59,301	-
Balance at end of the period/year	**2,967,051**	2,961,051	2,901,750

Notes to the interim condensed consolidated financial information (continued)

19 Fiduciary accounts

The Parent Company previously managed portfolios on behalf of others, mutual funds and maintains cash balances and securities in fiduciary accounts, which were not reflected in the interim condensed consolidated statement of financial position. However, as a result of the legal status of the Parent Company changed to a holding company, it is no longer allowed to manage portfolios. The existing portfolio balance is either currently being disposed of or transferred to other entities. Assets under management at 31 March 2025 amounted to KD6,904,502 (31 December 2024: KD6,482,166 and 31 March 2024: KD4,195,306).

20 Subsequent event

Subsequent to the reporting date, on 7 April 2025, the Parent Company has disposed of the full equity interest in Addax – BSC (Closed) (refer note 8 and 9) to a related party of the Group, for a total consideration of USD6,075,000 equivalent to KD1,858,646. The disposal impact of this transaction will be reflected during the 2nd quarter of 2025.

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