

Interim condensed consolidated financial information and review report
Arzan Financial Group for Financing and Investment – KPSC
and its Subsidiaries
Kuwait
31 March 2025 (Unaudited)

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Report on review of interim condensed consolidated financial information

To the board of directors of
Arzan Financial Group for Financing and Investment - KPSC
Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Arzan Financial Group for Financing and Investment - KPSC (“the Parent Company”) and its subsidiaries (“the Group”) as at 31 March 2025 and the related interim condensed consolidated statements of profit or loss and 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 the basis of presentation set out in Note 2. 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 the basis of preparation set out in Note 2.

Emphasis of Matter

We draw attention to Note 5.1 to the interim condensed consolidated financial information, which describes the possible material effects of uncertainty with respect to the Group’s exposure in Lebanon. Our conclusion is not modified in respect of this matter.

Report on review of other legal and regulatory requirements

Based on our review, the interim condensed consolidated financial information is in agreement with the books of the Parent Company. We further report that, to the best of our knowledge and belief, no violations of the Companies Law No.1 of 2016 and its Executive Regulations, or of the Parent Company’s Memorandum of Incorporation and Articles of Association, as amended, have occurred during the three-month period ended 31 March 2025 that might have had a material effect on the business or financial position of the Parent Company.

Report on Review of Interim Condensed Consolidated Financial Information of Arzan Financial Group for Financing and Investment - KPSC (continued)

Report on review of other legal and regulatory requirements (continued)

We further report that, during the course of our review, we have not become aware of any material violations of the provisions of Law No. 32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the organisation of banking business, and its related regulations, or 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.



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

Kuwait
13 May 2025

Interim condensed consolidated statement of profit or loss

	Notes	Three months ended 31 March 2025 (Unaudited) KD	Three months ended 31 March 2024 (Unaudited) KD
Income			
Income from instalment credit debtors		55,710	80,360
Revenue from contracts with customers		521,626	591,982
Realised profit from instalment sales		584,268	345,293
Rental income		56,934	58,294
Interest income		162,475	125,191
Gain on sale of financial assets at fair value through profit or loss		511,615	188,694
Change in fair value of financial assets at fair value through profit or loss		934,200	1,775,350
Share of results of associates	11	5,873,691	853,698
Dividends income		448,035	391,765
(Loss)/profit on foreign currency exchange	5.1	(14,699)	1,144,620
Other income		57,462	88,992
Reversal of provision for instalment credit debtors - net	8.3	-	28,774
Provision for/(reversal of provision for) credit losses of restricted cash and cash equivalents	7.2	(1,631)	317,375
		9,189,686	5,990,388
Expenses and other charges			
Staff costs		(1,021,962)	(725,362)
General and administrative expenses		(633,666)	(443,311)
Finance costs		(677,592)	(457,139)
Depreciation		(46,680)	(53,152)
Provision for instalment credit debtors - net	8.3	(22,115)	-
Provision for doubtful debts - net		(297,912)	(283,046)
		(2,699,927)	(1,962,010)
Profit for the period before provisions for contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labour Support Tax (NLST) and Zakat			
		6,489,759	4,028,378
Provision for KFAS		(5,616)	(26,985)
Provision for NLST		(95,120)	(60,959)
Provision for Zakat		(7,629)	(16,719)
Profit for the period		6,381,394	3,923,715
Attributable to:			
Owners of the Parent Company		6,908,135	3,781,260
Non-controlling interests		(526,741)	142,455
Profit for the period		6,381,394	3,923,715
Basic earnings per share attributable to the owners of the Parent Company (Fils)			
	6	7.622	4.245
Diluted earnings per share attributable to the owners of the Parent Company (Fils)			
	6	7.610	4.237

The notes set out on pages 9 to 25 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	6,381,394	3,923,715
Other comprehensive income:		
<i>Items that will not be reclassified subsequently to consolidated statements of profit or loss:</i>		
Financial assets at fair value through other comprehensive income:		
- Net change in fair value arising during the period	17,049,283	26,710,364
Share of other comprehensive income of associates (Note 11)	726,496	265,272
<i>Items that may be reclassified subsequently to consolidated statements of profit or loss:</i>		
Financial assets at fair value through other comprehensive income:		
- Net change in fair value arising during the period	88,201	(20,713)
Exchange differences arising on translation of foreign operations (Note 5.1)	50,193	(1,613,001)
Total other comprehensive income for the period	17,914,173	25,341,922
Total comprehensive income for the period	24,295,567	29,265,637
Attributable to:		
Owners of the Parent Company	17,347,203	21,125,860
Non-controlling interests	6,948,364	8,139,777
Total comprehensive income for the period	24,295,567	29,265,637

The notes set out on pages 9 to 25 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of financial position

	Notes	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Assets				
Cash and cash equivalents	7.1	3,735,649	3,810,901	4,619,460
Term deposits	7.1	391,481	434,311	563,639
Instalment credit debtors	8	752,890	757,781	936,471
Financial assets at FVTPL	9	26,039,295	41,032,693	23,570,490
Accounts receivable and other assets		10,844,508	9,441,029	8,254,799
Assets held for sale	12	8,801,185	6,594,129	-
Properties held for trading		1,905,751	1,911,617	1,416,362
Financial assets at FVTOCI	10	158,010,266	159,190,513	161,562,049
Investment in associates	11	96,796,777	55,213,376	32,348,724
Properties under development		1,613,513	1,589,939	1,777,282
Investment properties		1,288,080	1,302,765	1,346,819
Property and equipment		1,890,178	1,919,698	1,962,967
Total assets		312,069,573	283,198,752	238,359,062
Liabilities and equity				
Liabilities				
Accounts payable and other liabilities	13	10,315,764	10,417,934	9,814,421
Term loans	14	2,996,000	2,196,000	11,372,834
Murabaha payable	15	45,343,726	41,482,130	14,332,400
Provision for employees' end of service benefits		1,976,685	1,892,415	1,822,237
Total liabilities		60,632,175	55,988,479	37,341,892
Equity				
Share capital	16	86,422,279	86,422,279	83,098,345
Share premium		9,355,213	9,355,213	9,355,213
Treasury shares	17	(243,811)	(243,811)	(1,644,482)
Treasury shares reserve		2,341,230	2,341,230	282,455
Statutory reserve		4,144,801	4,144,801	2,698,457
Voluntary reserve		2,987,967	2,987,967	1,541,623
Share based payments reserve		169,295	169,295	133,296
Foreign currency translation reserve	5.1	(6,274,243)	(6,311,708)	(6,304,276)
Fair value reserve		47,360,681	53,749,818	52,892,042
Retained earnings		43,370,322	19,671,447	10,723,461
Total equity attributable to the owners of the Parent Company		189,633,734	172,286,531	152,776,134
Non-controlling interests		61,803,664	54,923,742	48,241,036
Total equity		251,437,398	227,210,273	201,017,170
Total liabilities and equity		312,069,573	283,198,752	238,359,062



Jassem Hasan Zainal
Vice chairman and CEO

The notes set out on pages 9 to 25 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity

	Equity attributable to the owners of the Parent Company											Non-controlling interests	Total
	Share capital KD	Share premium KD	Treasury shares KD	Treasury shares reserve KD	Statutory reserve KD	Voluntary reserve KD	Share - based payment reserve KD	Foreign currency translation reserve KD	Fair value reserve KD	Retained earnings KD	Sub-Total KD	KD	KD
Balance at 31 December 2024 (Audited)	86,422,279	9,355,213	(243,811)	2,341,230	4,144,801	2,987,967	169,295	(6,311,708)	53,749,818	19,671,447	172,286,531	54,923,742	227,210,273
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(37,610)	(37,610)
Net movement to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(30,832)	(30,832)
Transactions with owners	-	-	-	-	-	-	-	-	-	-	-	(68,442)	(68,442)
Profit for the period	-	-	-	-	-	-	-	-	-	6,908,135	6,908,135	(526,741)	6,381,394
Other comprehensive income for the period	-	-	-	-	-	-	-	37,465	10,401,603	-	10,439,068	7,475,105	17,914,173
Total comprehensive income for the period	-	-	-	-	-	-	-	37,465	10,401,603	6,908,135	17,347,203	6,948,364	24,295,567
Gain/(loss) on reclassification/disposal of financial assets at FVTOCI													
Gain on reclassification (Note 11.a)	-	-	-	-	-	-	-	-	(16,786,492)	16,786,492	-	-	-
Gain on disposal	-	-	-	-	-	-	-	-	(2,884)	2,884	-	-	-
Impact of disposal from associate	-	-	-	-	-	-	-	-	(1,364)	1,364	-	-	-
	-	-	-	-	-	-	-	-	(16,790,740)	16,790,740	-	-	-
Balance as at 31 March 2025 (Unaudited)	86,422,279	9,355,213	(243,811)	2,341,230	4,144,801	2,987,967	169,295	(6,274,243)	47,360,681	43,370,322	189,633,734	61,803,664	251,437,398

The notes set out on pages 9 to 25 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity (continued)

	Equity attributable to the owners of the Parent Company												Total KD
	Share capital KD	Share premium KD	Treasury shares KD	Treasury shares reserve KD	Statutory reserve KD	Voluntary reserve KD	Share - based payment reserve KD	Foreign currency translation reserve KD	Fair value reserve KD	Retained earnings KD	Sub-Total KD	Non- controlling interests KD	
Balance at 31 December 2023 (Audited)	83,098,345	9,355,213	(1,509,861)	282,455	2,698,457	1,541,623	133,296	(4,730,933)	33,955,998	6,960,302	131,784,895	40,138,098	171,922,993
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(37,618)	(37,618)
Purchase of treasury shares	-	-	(134,621)	-	-	-	-	-	-	-	(134,621)	-	(134,621)
Net movement to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	779	779
Transactions with owners	-	-	(134,621)	-	-	-	-	-	-	-	(134,621)	(36,839)	(171,460)
Profit for the period	-	-	-	-	-	-	-	-	-	3,781,260	3,781,260	142,455	3,923,715
Other comprehensive (loss)/income for the period	-	-	-	-	-	-	-	(1,573,343)	18,917,943	-	17,344,600	7,997,322	25,341,922
Total comprehensive (loss)/income for the period	-	-	-	-	-	-	-	(1,573,343)	18,917,943	3,781,260	21,125,860	8,139,777	29,265,637
Loss on sale of financial assets at FVTOCI	-	-	-	-	-	-	-	-	18,101	(18,101)	-	-	-
Balance at 31 March 2024 (Unaudited)	83,098,345	9,355,213	(1,644,482)	282,455	2,698,457	1,541,623	133,296	(6,304,276)	52,892,042	10,723,461	152,776,134	48,241,036	201,017,170

The notes set out on pages 9 to 25 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

	Notes	Three months ended 31 March 2025 (Unaudited) KD	Three months ended 31 March 2024 (Unaudited) KD
Operating activities			
Profit for the period		6,381,394	3,923,715
Adjustments:			
Interest income		(162,475)	(125,191)
Dividends income		(448,035)	(391,765)
Share of results of associates	11	(5,873,691)	(853,698)
Loss on disposal of properties held for trading		77	-
Provision for/(reversal of provision for) instalment credit debtors - net	8.3	22,115	(28,774)
Depreciation		46,680	53,152
Finance costs		677,592	457,139
Provision for doubtful debts – net		297,912	283,046
Provision for employees' end of service benefits		105,885	62,855
Provision for/(reversal of provision for) credit losses for restricted cash and cash equivalents	7.2	1,631	(317,375)
		1,049,085	3,063,104
Changes in operating assets and liabilities:			
Instalment credit debtors		(17,223)	(43,577)
Financial assets at fair value through profit or loss		(1,496,573)	(1,712,309)
Accounts receivable and other assets		(1,649,006)	(688,012)
Accounts payable and other liabilities		(105,151)	(1,212,048)
Net cash used in operating activities		(2,218,868)	(592,842)
Investing activities			
Purchase of property and equipment		(1,679)	(17,316)
Proceeds from disposal of properties held for trading		6,102	-
Purchase of financial assets at FVTOCI		(1,129,722)	(1,960,343)
Proceeds from sale of financial assets at FVTOCI		896,748	830,584
Additions to properties under development		(20,697)	(19,321)
Addition to assets held for sale		(4,635,252)	-
Proceed from sale of assets held for sale		2,536,068	-
Term deposits		42,830	-
Restricted cash and cash equivalents	7.2	(1,631)	317,375
Dividend income received		448,035	391,765
Dividend income received from associates	11	86,676	-
Interest income received		110,091	80,779
Net cash used in investing activities		(1,662,431)	(376,477)
Financing activities			
Term loans obtained		800,000	780,000
Net increase in murabaha payable		3,861,596	-
Finance costs paid		(674,613)	(442,602)
Dividends paid to non- controlling interests		(37,610)	(37,618)
Dividends paid to shareholders		(8,297)	(4,608)
Net movement in non-controlling interests		(30,832)	779
Net movement in treasury shares		-	(134,621)
Net cash from financing activities		3,910,244	161,330
Net increase/(decrease) in cash and cash equivalents		28,945	(807,989)
Foreign currency translation adjustments		(104,197)	(1,336,988)
Cash and cash equivalents at beginning of the period	7.1	3,810,901	6,764,437
Cash and cash equivalents at end of the period	7.1	3,735,649	4,619,460

The notes set out on pages 9 to 25 form an integral part of this interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information

1 Incorporation and activities

Arzan Financial Group for Financing and Investment – KPSC (“the Parent Company”) was incorporated in Kuwait on 15 April 1980 in accordance with the Companies Law under the name of International Transport Equipment Company – KSC (Closed). On 14 December 1996 an extraordinary general assembly resolved to change the name of the Parent Company to International Murabaha Company – KSC (Closed). Later, on 24 April 2002 an extraordinary general assembly resolved to change the name of the Parent Company to International Finance Company – KPSC and to expand its permitted activities.

The extraordinary general assembly held on 24 July 2013 approved to change the name of the Parent Company from International Finance Company – KPSC to Arzan Financial Group for Financing and Investment – KPSC which has been registered in the commercial register under No. 29629 on 11 November 2013.

The Parent Company is listed on Boursa Kuwait and is governed under the directives of Central Bank of Kuwait and Capital Markets Authority.

The Group comprises the Parent Company and its subsidiaries (together referred to as “the Group”).

The Parent Company’s objectives to be as follows:

- Retail of light and heavy equipment and their accessories.
- Wholesale and retail of new private cars.
- Wholesale and retail of second-hand private cars.
- Wholesale and retail of new heavy transport vehicles.
- Wholesale and retail of second-hand heavy transport vehicles.
- Finance services.
- Renting and leasing scientific, commercial and industrial machinery and equipment.
- Renting construction equipment.
- Purchase and sale of land and real estate.
- Operating and renting owned or leased properties.
- Management and development of land and real estate.
- Manager of investment portfolio.
- Collective investment scheme manager.
- Unregistered securities broker in the stock exchange.
- Investing its funds by trading in stocks, bonds and other securities.
- Currency exchange.
- Wholesale of precious stones.
- Wholesale of gold and precious metals.
- Consulting for commercial projects.
- Managing its subsidiaries or participating in managing other companies where it has a shareholding therein, and providing the required support for them.
- Project Management.

Notes to the interim condensed consolidated financial information (continued)

1 Incorporation and activities (continued)

- Owning intellectual property rights such as patents, trademarks, industrial models, royalties and other moral rights, utilizing and renting them to the holding companies affiliated to them and to other companies.
- Owning movables and properties required to carry out its activities pursuant to the limits prescribed by law.
- Investment consultant.
- Placement agent.
- Financing or lending companies in which the Company holds shares or stakes and guaranteeing them against others. In this case, the contribution ratio of the holding company in the share capital of the borrowing company shall not be less than twenty percent.

The Parent Company may have an interest or participate in any way with companies that engage in similar business to it in achieving its objectives in the State of Kuwait or abroad, and it may establish, purchase, or attach themselves to such companies.

The address of the Parent Company's registered office is PO Box 26442, Safat 13125, State of Kuwait.

This interim condensed consolidated financial information for the three-month period ended 31 March 2025 was authorized for issue by the Parent Company's board of directors on 13 May 2025.

2 Basis of preparation

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"), modified for use by the Government of Kuwait for financial services institutions regulated by the Central Bank of Kuwait ("CBK"). The modification requires adoption of all IFRS Accounting Standards for such institutions except for the IFRS 9 requirement for estimated credit losses ("ECL") for loans and receivables, which has been replaced by the CBK requirement for the ECL to be measured at the higher of the ECL on credit facilities computed under IFRS 9 under CBK guidelines and the provision required under CBK instructions, and the consequent impact on the related disclosures.

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

The interim condensed consolidated financial information does not include all the 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 their disclosures for the year ended 31 December 2024.

Notes to the interim condensed consolidated financial information (continued)

3 Changes in accounting policies

The accounting policies used in the preparation of these interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the 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.

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.

Notes to the interim condensed consolidated financial information (continued)

5 Subsidiaries

5.1 The Group’s subsidiary, International Finance Company - SAL (“IFC”), is located in Lebanon which is currently witnessing significant economic and political turmoil. These events include significant controls on the Lebanese banking system including placing limits on cash withdrawals of foreign currency bank balances, limits on international bank transfers and reduction of contracted interest rates on foreign currency term deposits. These measures have significantly curtailed the ability of the Group to access the cash and other assets of IFC. Moreover, the Government of Lebanon defaulted on its sovereign debt obligation. The rating agencies have downgraded the sovereign rating of Lebanon as well as some of Lebanese banks including the bank where the subsidiary’s cash is primarily deposited. Furthermore, the economy of Lebanon is now considered a hyperinflationary economy.

Further, due to the current economic conditions, the subsidiary has ceased its new lending operations and in the process of monitoring the business activities closely.

Management has assessed the potential effects of these events on its ability to continue to exercise control over IFC Lebanon and concluded that it still has the power and ability to use that power to affect returns and that it is still exposed to variable returns of the subsidiary. Accordingly, it continues to consolidate the subsidiary.

Certain assets in that same subsidiary decreased in value when converted to Kuwaiti Dinars (mainly: restricted cash and cash equivalents in Lebanese Pounds), which were previously fully provided for (total provision of KD 6,420,471 was recognized at that time and accumulated at the consolidation level). This increase in value, resulted in increase in the provision balance against these assets. Provision amounting to KD1,631 was recognized as “provision for credit losses of restricted cash and cash equivalents” (31 December 2024: reversal of a provision of KD318,238 and 31 March 2024: reversal of provision of KD317,375) (refer Note 7.2.1).

Furthermore, and because the subsidiary in Lebanon holds monetary assets (mainly: bank balances and other assets) in foreign currencies significantly higher than its liabilities in foreign currencies, and due to the official devaluation of the LP, this resulted in a foreign currency exchange loss of KD23,606(31 December 2024: gain of KD1,101,577 and 31 March 2024: gain of KD1,228,853) recognized in the interim condensed consolidated statement of profit or loss for the period.

The Group’s management believes that the carrying value of the Group’s investment in Lebanon is recoverable and there are currently no indications that any further material additional impairment loss is required to be recognised.

Summarised financial information of IFC Lebanon as at and for the period ended 31 March 2025 is set out below:

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Properties held for trading	456,705	456,705	456,705
Financial assets at FVOCI	-	-	304,470
Other assets	60,608	41,111	43,916
Total assets	517,313	497,816	805,091
Accounts payable and other liabilities	247,911	256,958	238,075
Total liabilities	247,911	256,958	238,075

Notes to the interim condensed consolidated financial information (continued)

5 Subsidiaries (continued)

	Three months ended 31 March 2025 (Unaudited) KD	Three months ended 31 March 2024 (Unaudited) KD
Income from instalment credit	10,878	1,395
(Loss)/profit for the period	(1,894)	1,550,929

6 Basic and diluted earnings per share attributable to the owners of the Parent Company

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

	Three months ended 31 March 2025 (Unaudited)	Three months ended 31 March 2024 (Unaudited)
Profit for the period attributable to the owners of the Parent Company (KD)	6,908,135	3,781,260
Weighted average number of shares outstanding during the period to be used to account for basic earnings per share (excluding treasury shares)	906,339,499	890,801,369
Shares to be issued for no consideration under share-based payments	1,373,837	1,671,794
Weighted average number of shares outstanding during the period to be used to account for diluted earnings per share (excluding treasury shares)	907,713,336	892,473,163
Basic earnings per share attributable to the owners of the Parent Company (Fils)	7.622	4.245
Diluted earnings per share attributable to the owners of the Parent Company (Fils)	7.610	4.237

The current weighted average number of shares for calculating the basic and diluted earnings per share has been adjusted to reflect the bonus shares at 5% of the issued share capital for the year ended 31 December 2024 (Note 23). The comparative weighted average number of shares for calculating the basic and diluted earnings per share has been adjusted to reflect the bonus shares at 5% for the current year and the previous year's bonus share of 4% of the issued share capital (Note 23).

The basic and diluted earnings per share reported during the comparative period were 4.643 Fils and 4.634 Fils respectively, before retroactive adjustments relating to bonus shares issued.

Notes to the interim condensed consolidated financial information (continued)

7 Cash and cash equivalents

7.1 Cash and cash equivalents

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Cash and bank balances	3,508,169	3,579,706	4,467,714
Cash in managed portfolios	205,730	209,479	65,032
Total cash and bank balances	3,713,899	3,789,185	4,532,746
Term deposits with contractual maturity not exceeding three months	21,750	21,716	86,714
Term deposits with contractual maturity exceeding three months	391,481	434,311	563,639
Total term deposits	413,231	456,027	650,353
	4,127,130	4,245,212	5,183,099
Less: Term deposits with contractual maturity exceeding three months	(391,481)	(434,311)	(563,639)
Cash and cash equivalent as per the consolidated statement of cash flows	3,735,649	3,810,901	4,619,460

Cash in managed portfolios includes an amount of KD 30,122 (31 December 2024: KD 31,645 and 31 March 2024: KD24,144) pledged against term loans (Note 14) and Murabaha payable (Note 15).

7.2 Restricted cash and cash equivalents

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Cash and bank balances	16,457	154,388	155,474
Term deposits with contractual maturity not exceeding three months	3,091,119	2,951,557	2,951,334
	3,107,576	3,105,945	3,106,808
Provision for credit losses (7.2.1 below)	(3,107,576)	(3,105,945)	(3,106,808)
Restricted cash and cash equivalents	-	-	-

7.2.1 Restricted cash and cash equivalents include balances deposited in a bank located in Lebanon. Due to the current political and economic events, the central bank of Lebanon imposed a series of measures including restrictions on withdrawals and limitation of transfers of money abroad. Consequently, the Group lacks access to these bank balances on time and in full. The balance of cash and cash equivalents restricted in Lebanon was increased and the Group recognised a provision for credit losses of KD1,631 (31 December 2024: reversal of a provision of KD318,238 and 31 March 2024: reversal of a provision of KD317,375) against these restricted cash and cash equivalents of its subsidiary “IFC Lebanon” (Note 5.1).

7.3 The term deposits carry an effective interest rate ranging from 3.25% to 6.6% (31 December 2024: 3.25% to 6.6% and 31 March 2024: 6.25% to 6.6%) per annum.

Notes to the interim condensed consolidated financial information (continued)

8 Instalment credit debtors

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Gross instalment credit debtors	3,239,227	3,224,827	3,675,436
Deferred income	(245,799)	(248,623)	(261,302)
	2,993,428	2,976,204	3,414,134
Specific provision for credit losses	(2,205,450)	(2,196,264)	(2,450,984)
General provision for credit losses	(35,088)	(22,159)	(26,679)
	752,890	757,781	936,471

8.1 Gross instalment credit debtors are due as follows:

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Within one year	2,630,567	2,696,426	3,118,673
More than a year	608,660	528,401	556,763
	3,239,227	3,224,827	3,675,436

8.2 The effective interest rate earned on instalment credit debtors ranged from 5.0% to 10.0% (31 December 2024: 5.0% to 10.0% and 31 March 2024: 5.0% to 10.0%) per annum.

8.3 The provision for credit losses is calculated, in all material respect, in accordance with the requirements of the Central Bank of Kuwait. During the period, the Group recorded a provision for net amount of KD22,115 (31 March 2024: reversal of a provision for net amount of KD28,774).

9 Financial assets at fair value through profit or loss

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Local quoted shares (Note 9.3)	1,186,243	14,409,542	273,178
Foreign quoted shares	719,269	647,199	636,927
Foreign unquoted shares	7,538,876	7,531,543	7,737,689
Investment in managed portfolios (Note 9.3)	13,649,957	15,148,051	13,238,515
Investments in managed funds	2,944,950	3,296,358	1,684,181
	26,039,295	41,032,693	23,570,490

9.1 Investments in managed portfolio with fair value of KD13,279,674 (31 December 2024: KD13,933,807 and 31 March 2024: KD13,193,462), which include cash balances, are pledged against the term loans and Murabaha payable (Notes 14 & 15).

9.2 The hierarchy for determining and disclosing the fair values of financial assets at fair value through profit or loss is presented in Note 21.3.

9.3 During the current period, the Parent Company classified an investment with a fair value of KD16,489,971 from financial assets at fair value through profit or loss to investments in associate upon gaining the significant influence of the investee (Note 11.a).

Notes to the interim condensed consolidated financial information (continued)

10 Financial assets at fair value through other comprehensive income

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Local quoted shares (see 10.1 below)	61,961,227	56,631,636	69,353,085
Local unquoted shares	8,740,091	7,974,201	6,761,503
Foreign unquoted shares	50,756,642	51,175,521	47,777,695
Investments in managed portfolios	31,915,197	38,701,053	35,606,305
Debt instruments	4,627,706	4,698,634	1,746,368
Investment funds	9,403	9,468	317,093
	158,010,266	159,190,513	161,562,049

- 10.1 Local quoted shares and investments in managed portfolios with an aggregate carrying value of KD37,214,329 (31 December 2024: KD43,329,813 and 31 March 2024: KD41,522,023) are pledged against term loans (Note 14) and Murabaha payable (Note 15).
- 10.2 The hierarchy for determining and disclosing the fair values of financial assets at FVTOCI is presented in Note 21.3.
- 10.3 During the current period, the Parent Company re-classified an investment with a fair value of KD18,579,318 from financial assets at fair value through other comprehensive income to investments in associate upon gaining significant influence over the investee (Note 11.a). The reclassification led to the fair value adjustment previously recorded in other comprehensive income amounting to KD16,489,971, with regard to this investment being transferred to retained earnings, within equity, during current period.

11 Investment in associates

Movement in the carrying amount of the investment in associates during the period/year is as follows:

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Balance at the beginning of the period/year	55,213,376	31,229,754	31,229,754
Transfer from financial assets at FVTOCI (below - a)	35,069,289	19,207,709	-
Additions	-	1,063,000	-
Share of results	5,873,691	3,987,576	853,698
Dividends received	(86,676)	(1,342,795)	-
Foreign currency translation	601	6,699	-
Share of other comprehensive income	726,496	1,061,433	265,272
Balance at the end of the period/ year	96,796,777	55,213,376	32,348,724

- a) The Group owns 18.68% of International Financial Advisors Holding – KPSC (“IFA”), which was originally classified as financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income (Note 9.3 & 10.3). During the current period, following the appointment of the Parent Company’s representations in the board of directors of IFA, the Parent Company has gained significant influence over IFA, as defined under IAS 28. Consequently, the Parent Company has reclassified its investment in IFA from financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income to investment in associate at its fair value of KD35,069,289 on the reclassification date.

Notes to the interim condensed consolidated financial information (continued)

11 Investment in associates (continued)

The associate is accounted using the equity method in these consolidated financial statements based on the consolidated financial statements as of 31 March 2025 (after incorporating the impact of the purchase price allocation).

The summarised financial information of IFA below, represents the amounts presented in the consolidated financial statements of the associate (and not the Group's share of those amounts) as of the date of reclassification.

	IFA KD
Total assets	140,683,959
Total liabilities	18,967,640
Equity	121,716,319
Non-controlling interests	(4,990,068)
Equity attributable to the owners of the associate	(116,726,251)
Fair value of investment at the reclassification date	35,069,289
Share of net assets	(21,805,710)
Goodwill included in the carrying value of the associate	13,263,579

The initial accounting for the business combination is provisional due to its complexity and will be adjusted retrospectively (if required) when the final purchase price allocation is completed during the one-year measurement period from the reclassification date.

b) Investments in associates with a carrying value of KD29,446,058 (31 December 2024: KD12,019,983 and 31 March 2024: KD17,147,693) is pledged against term loans (Note 14) and Murabaha payable (Note 15).

12 Assets held for sale

The breakdown of classified as assets held for sale are as follows:

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Bantry SP	2,316,878	2,249,268	-
Workforce Housing Limited	4,218,912	927,000	-
Hill Top US 12 Ltd	1,341,540	-	-
Hill Top UK 7 Ltd	923,855	3,417,861	-
	8,801,185	6,594,129	-

Notes to the interim condensed consolidated financial information (continued)

13 Accounts payable and other liabilities

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Accounts payable	122,001	145,370	141,807
Due to related parties (Note 20)	2,930,830	2,856,747	2,823,919
Other payables	2,670,336	2,938,860	2,778,332
Lease liabilities	50,187	63,817	74,842
Accrued interests	235,623	232,644	180,000
Provision for staff leaves	366,586	340,364	333,330
KFAS payable	296,115	290,499	253,787
NLST and Zakat payable	3,186,016	3,083,266	2,724,744
Due to shareholders (Note 20)	458,070	466,367	503,660
	10,315,764	10,417,934	9,814,421

14 Term loans

Term loans are due for repayment as follows:

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
KD facilities	2,996,000	2,196,000	11,372,834
	2,996,000	2,196,000	11,372,834
Due within one year	2,996,000	2,196,000	1,548,750
Due after more than one year	-	-	9,824,084

The details of the outstanding term loans are as follows:

During previous years, the Parent Company has signed two agreements with a Kuwaiti bank to obtain Kuwaiti Dinar facilities in the form of revolving loans, whereby the maximum loan limits totaled KD3,000,000. The Parent Company withdrew an amount of KD2,996,000 from these facilities as of 31 March 2025 (31 December 2024: KD2,196,000 and 31 March 2024: KD11,372,834).

Kuwaiti Dinar facilities are payable on 30 June 2025.

Kuwaiti Dinar facilities are secured against mortgage of cash in managed portfolios (Note 7), financial assets at FVTPL (Note 9), financial assets at FVTOCI (Note 10) and investment in associates (Note 11).

Notes to the interim condensed consolidated financial information (continued)

15 Murabaha payable

The Murabaha payable outstanding balance represents Islamic finance obtained in Kuwaiti Dinar from local banks carrying effective profit rates of 5.2 % - 5.50% (31 December 2024: 5.2% - 5.50% and 31 March 2024: 5% - 5.75%) per annum. This finance is secured against pledge of cash in managed portfolios (Note 7), financial assets at FVTPL (Note 9), financial assets at FVTOCI (Note 10), investment in associates (Note 11), investment properties and property and equipment and is repayable in various instalments ending in July 2029.

Murabaha payable are as follows:

	31 March 2025 (Unaudited) KD	31 Dec. 2024 (Audited) KD	31 March 2024 (Unaudited) KD
Within one year	25,593,426	21,504,330	2,291,300
After one year	19,750,300	19,977,800	12,041,100
	45,343,726	41,482,130	14,332,400

16 Share Capital

	Authorized, issued and fully paid		
	31 March 2025 (Unaudited)	31 Dec. 2024 (Audited)	31 March 2024 (Unaudited)
Authorized, issued and fully paid-up shares of 100 fils each - in cash	864,222,782	864,222,782	830,983,445

During 2024, the annual general assembly of the Parent Company's shareholders approved to increase the share capital through issuance of 4% bonus shares (Note 23). It was registered in the commercial register on 21 May 2024.

17 Treasury shares

	31 March 2025 (Unaudited)	31 Dec. 2024 (Audited)	31 March 2024 (Unaudited)
Number of treasury shares	1,094,422	1,094,422	17,096,389
Percentage of ownership	0.127%	0.127%	2.057%
Market value (KD)	317,382	287,833	3,265,410
Cost (KD)	243,811	243,811	1,644,482

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

Notes to the interim condensed consolidated financial information (continued)

18 Fiduciary Assets

Investment portfolios managed by the Group and assets held in trust or in a fiduciary capacity and related liabilities are not treated as the Group's assets or liabilities and, accordingly, are not included in the interim condensed consolidated statement of financial position. Total fiduciary assets as at the financial position date were KD95,603,734 (31 December 2024: KD84,609,051 and 31 March 2024: KD57,453,228) out of which, assets amounting to KD65,834,988 are managed on behalf of Group's related parties (31 December 2024: KD58,826,263 and 31 March 2024: KD36,966,194).

19 Segmental information

Operating segments are identified by the Group based on internal management reporting information that is regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance and is reconciled to the Group's profit or loss.

The Group's principal activities, significant assets and liabilities are carried out and located in Kuwait, GCC, Middle East, USA and Europe. The Group operates in four business segments: instalment credit, investments, financial brokerage and real estate. The segmental analysis of total revenues, profit for the period, total assets and total liabilities for the business segments are as follows:

	Instalment credit KD	Investments KD	Financial brokerage KD	Real estate KD	Total KD
Three months ended 31 March 2025					
Total revenues	675,113	8,404,938	47,737	61,898	9,189,686
Profit/(loss) for the period	476,031	5,965,706	(51,900)	(8,443)	6,381,394
As at 31 March 2025					
Total assets	1,143,588	294,292,743	11,241,778	5,391,464	312,069,573
Total liabilities	(485,913)	(59,065,957)	(630,984)	(449,321)	(60,632,175)
Net assets	657,675	235,226,786	10,610,794	4,942,143	251,437,398
Three months ended 31 March 2024					
Total revenues	820,517	4,894,626	192,804	82,441	5,990,388
Profit for the period	669,045	3,116,621	93,122	44,927	3,923,715
As at 31 March 2024					
Total assets	1,255,846	220,897,360	11,297,716	4,908,140	238,359,062
Total liabilities	(438,634)	(35,651,282)	(550,849)	(701,127)	(37,341,892)
Net assets	817,212	185,246,078	10,746,867	4,207,013	201,017,170

Notes to the interim condensed consolidated financial information (continued)

20 Related party balances and transactions

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

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

	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			
Margin finance receivable (included in accounts receivable and other assets)	1,640,374	838,472	653,672
Due from related parties (included in accounts receivable and other assets)	2,016,567	1,266,811	1,625,822
Due to shareholders (Note 13)	458,070	466,367	503,660
Due to related parties (Note 13) – see below*	2,930,830	2,856,747	2,823,919
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Fiduciary assets of related parties managed by the Group (Note 18)	65,834,988	58,826,263	36,966,194
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		Three months ended 31 March 2025 (Unaudited) KD	Three months ended 31 March 2024 (Unaudited) KD
Transactions included in the interim condensed consolidated statement of profit or loss			
Revenue from contracts with customers		47,332	52,757
Rental Income		29,999	29,999
Interest income		37,386	54,866
General and administrative expenses		112,451	101,138
Finance costs		58,596	58,406
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Key management compensation:			
Salaries and other short-term benefits		188,905	269,144
End of service benefits		16,634	15,794
		205,539	284,938
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* During the previous years, one of the subsidiaries received USD8,000,000 (equivalent to KD2,438,102) under two sale and repurchase agreements for certain unquoted foreign shares with related parties at an interest rate at 9.5% per annum and repayable within 360 days. The amount is included under due to related parties stated above.

Notes to the interim condensed consolidated financial information (continued)

21 Fair value measurement

21.1 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 are 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 equivalent	3,735,649	3,810,901	4,619,460
Term deposits	391,481	434,311	563,639
Instalments credit debtors	752,890	757,781	936,471
Accounts receivable and other assets	10,844,508	9,441,029	8,254,799
At fair value:			
Financial assets at fair value through profit or loss	26,039,295	41,032,693	23,570,490
Financial assets at fair value through other comprehensive income	158,010,266	159,190,513	161,562,049
	199,774,089	214,667,228	199,506,908
Financial liabilities:			
At amortised cost:			
Accounts payable and other liabilities	10,315,764	10,417,934	9,814,421
Term loans	2,996,000	2,196,000	11,372,834
Murabaha payable	45,343,726	41,482,130	14,332,400
Provision for employees' end of service benefits	1,976,685	1,892,415	1,822,237
	60,632,175	55,988,479	37,341,892

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

21.2 Fair value measurement

Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Group measures financial instruments at fair value and measurement details are disclosed below. In the opinion of the Group's management, the carrying amounts of all other financial assets and liabilities which are carried at amortised costs are considered a reasonable approximation of their fair values.

21.3 Fair value hierarchy

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).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

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:

Notes to the interim condensed consolidated financial information (continued)

21 Fair value measurement (continued)

21.3 Fair value hierarchy (continued)

	Level 1	Level 2	Level 3	Total
	KD	KD	KD	KD
31 March 2025 (Unaudited)				
Financial assets at FVTPL:				
Local quoted shares	1,186,243	-	-	1,186,243
Foreign quoted shares	719,269	-	-	719,269
Foreign unquoted shares	-	-	7,538,876	7,538,876
Investment in managed portfolios	13,649,957	-	-	13,649,957
Investment in managed funds	-	2,944,950	-	2,944,950
Financial assets at FVTOCI:				
Local quoted shares	61,961,227	-	-	61,961,227
Local unquoted shares	-	-	8,740,091	8,740,091
Foreign unquoted shares	-	-	50,756,642	50,756,642
Investment in managed portfolios	31,915,197	-	-	31,915,197
Debt instruments	-	-	4,627,706	4,627,706
Investment funds	-	9,403	-	9,403
	109,431,893	2,954,353	71,663,315	184,049,561
31 December 2024 (Audited)				
Financial assets at FVTPL:				
Local quoted shares	14,409,542	-	-	14,409,542
Foreign quoted shares	647,199	-	-	647,199
Foreign unquoted shares	-	-	7,531,543	7,531,543
Investment in managed portfolios	15,148,051	-	-	15,148,051
Investments in managed funds	-	3,296,358	-	3,296,358
Financial assets at FVTOCI:				
Local quoted shares	56,631,636	-	-	56,631,636
Local unquoted shares	-	-	7,974,201	7,974,201
Foreign unquoted shares	-	-	51,175,521	51,175,521
Investment in managed portfolios	38,701,053	-	-	38,701,053
Debit instruments	-	-	4,698,634	4,698,634
Investment funds	-	9,468	-	9,468
	125,537,481	3,305,826	71,379,899	200,223,206
31 March 2024 (Unaudited)				
Financial assets at FVTPL:				
Local quoted shares	273,178	-	-	273,178
Foreign quoted shares	636,927	-	-	636,927
Foreign unquoted shares	-	-	7,737,689	7,737,689
Investment in managed portfolios	13,238,515	-	-	13,238,515
Investments in managed funds	-	1,684,181	-	1,684,181
Financial assets at FVTOCI:				
Local quoted shares	69,353,085	-	-	69,353,085
Local unquoted shares	-	-	6,761,503	6,761,503
Foreign unquoted shares	-	-	47,777,695	47,777,695
Investment in managed portfolios	35,606,305	-	-	35,606,305
Debt instruments	-	-	1,746,368	1,746,368
Investment funds	-	317,093	-	317,093
	119,108,010	2,001,274	64,023,255	185,132,539

Notes to the interim condensed consolidated financial information (continued)

21 Fair value measurement (continued)

21.3 Fair value hierarchy (continued)

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

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 shares

All the listed equity shares are publicly traded on a recognized stock exchange. Fair value has been determined by referring to their quoted bid prices at the reporting date.

b) Managed funds

The underlying investments of managed funds primarily comprise of quoted and unquoted securities. The fair value of the quoted underlying securities has been determined by reference to their quoted bid prices at the reporting date. The fair value of the unquoted underlying securities has been determined using valuation techniques that are normally used by fund managers. All significant inputs into the model are based on observable market prices

c) Unquoted shares

Unquoted shares are measured at fair value estimated using various models like discounted cash flow model, and market multiples which include some assumptions that are not supportable by observable market prices or rates or the latest financial statements or information available on these investments the future financial flows of which are unpredictable.

Level 3 fair value measurement

The Group's financial assets 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
Opening balance	71,379,899	63,757,182	63,757,182
Purchases	5,279,895	1,509,973	1,839,723
Sales	(866,607)	(3,167,658)	(830,584)
Change in fair value	(4,129,872)	9,280,402	(743,066)
Closing balance	71,663,315	71,379,899	64,023,255

Changing inputs to the level 3 valuations to reasonably possible alternative assumptions would not change significantly amounts recognized in the interim condensed consolidated statement of profit or loss and other comprehensive income, total assets, total liabilities or total equity.

The impact on interim condensed consolidated statement of profit or loss and interim condensed consolidated statement of profit or loss and other comprehensive income would be immaterial if the relevant risk variable used to fair value the level 3 investments were changed by 5%.

Notes to the interim condensed consolidated financial information (continued)

22 Capital commitments

At the date of the interim condensed consolidated statement of financial position, the Group had capital commitments of KD Nil (31 December 2024: KD Nil and 31 March 2024: KD340,473) for a property under development and capital commitments of KD29,776 (31 December 2024: KD29,785 and 31 March 2024: KD71,710) for the investments in managed funds.

23 Annual ordinary general assembly and extraordinary general assembly

The annual ordinary general assembly of the shareholders of Parent Company held on 11 May 2025 approved the consolidated financial statements for the year ended 31 December 2024. It also approved the board of directors' proposal to distribute a cash dividend of 3 Fils per share (2023: 2 Fils per share). It approved 5% bonus shares through increase of the share capital for the financial year ended 31 December 2024 (2023: bonus share at 4%). Further, the annual general assembly approved the board of directors' and committees' remuneration of KD77,850 for the year ended 31 December 2024 (2023: KD 68,050), which will be recorded under expenses in the next interim condensed consolidated statement of profit or loss.

Also, the Extra-ordinary general assembly of the shareholders held on 12 May 2024 approved to increase the authorized share capital of the Parent Company from KD83,098,345 to KD86,422,279 through issuance of 33,239,337 bonus shares at 4% of 100 Fils each to be distributed to the shareholders of the Parent Company.

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