

**Munshaat Real Estate Projects  
Company K.S.C.P. and its Subsidiaries**

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL INFORMATION (UNAUDITED)**

**30 SEPTEMBER 2025**



**Shape the future  
with confidence**

## **REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF MUNSHAAT REAL ESTATE PROJECTS COMPANY K.S.C.P.**

### ***Introduction***

We have reviewed the accompanying interim condensed consolidated statement of financial position of Munshaat Real Estate Projects Company K.S.C.P. (the “Parent Company”) and its subsidiaries (collectively, the “Group”) as at 30 September 2025, and the related interim condensed consolidated statement of profit or loss, interim condensed consolidated statement of comprehensive income for the three-month and nine-month periods then ended, and interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the nine-month period then ended. The management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on this interim condensed 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.

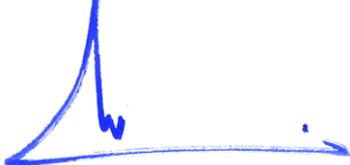
### ***Conclusion***

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 IAS 34.

### ***Report on Other Legal and Regulatory Requirements***

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended, and its executive regulations, as amended, or of the Parent Company’s Memorandum of Incorporation and Articles of Association, as amended, have occurred during the nine-month period ended 30 September 2025 that might have had a material effect on the business of the Parent Company or on its financial position.

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any violations of the provisions of Law No. 7 of 2010 concerning establishment of Capital Markets Authority (“CMA”) and organisation of security activity and its executive regulations, as amended, during the nine-month period ended 30 September 2025 that might have had a material effect on the business of the Parent Company or on its financial position.



BADER A. AL-ABDULJADER

LICENCE NO. 207 A

EY

AL-AIBAN, AL-OSAIMI & PARTNERS

6 November 2025

Kuwait

Munshaat Real Estate Projects Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
(UNAUDITED)

For the period ended 30 September 2025

	Notes	Three months ended		Nine months ended	
		30 September		30 September	
		2025	2024	2025	2024
		KD	KD	KD	KD
Operating revenue	4	2,893,702	2,959,233	14,856,829	14,379,019
Operating costs	4	(1,633,072)	(2,517,806)	(8,298,149)	(8,968,108)
<b>Net results from hotel operations</b>	4	<b>1,260,630</b>	441,427	<b>6,558,680</b>	5,410,911
Net income from Sukuk		337,161	176,735	1,061,782	819,301
Net income from investment properties	6.b	301,260	320,664	913,919	876,757
Income from wakala receivables		13,125	15,203	50,241	31,757
Unrealised gain (loss) from financial assets at fair value through profit or loss		86,939	36,395	133,945	(236,323)
Share of results of associates	7	151,264	181,502	2,502,863	1,640,430
Dividend income		-	-	-	23,045
Other income		94,959	102,841	364,377	130,701
General and administrative expenses		(252,548)	(283,350)	(851,906)	(817,730)
Depreciation of furniture and equipment		(13,494)	(14,479)	(39,901)	(43,601)
Management fees	8	90,501	105,131	464,961	452,354
Provisions no longer required		-	404,929	-	404,929
Finance costs on Islamic finance payables	8	(450,827)	(538,044)	(1,347,883)	(1,620,656)
Finance costs on lease obligations		(207,016)	(213,279)	(622,175)	(642,552)
Finance costs arising on the unwinding of discount on long-term provisions and liabilities		(29,589)	(75,042)	(119,819)	(254,811)
Net foreign exchange differences		(47,257)	(241,187)	(418,025)	(287,442)
Reversal of (allowance for) expected credit losses - net		1,937	(11,670)	14,344	(51,499)
<b>PROFIT BEFORE TAX</b>		<b>1,337,045</b>	407,776	<b>8,665,403</b>	5,835,571
Overseas taxation		(120)	(6,100)	(45,188)	(18,360)
Contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS")		(8,993)	-	(56,948)	-
National Labour Support Tax ("NLST")		(30,115)	(16,721)	(191,403)	(104,560)
Zakat		(12,046)	(21,515)	(76,561)	(56,651)
<b>PROFIT FOR THE PERIOD</b>		<b>1,285,771</b>	363,440	<b>8,295,303</b>	5,656,000
<b>Attributable to:</b>					
Equity holders of the Parent Company		1,167,813	609,956	7,563,261	5,297,591
Non-controlling interests		117,958	(246,516)	732,042	358,409
<b>PROFIT FOR THE PERIOD</b>		<b>1,285,771</b>	363,440	<b>8,295,303</b>	5,656,000
<b>BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT COMPANY</b>	5	<b>3.63 Fils</b>	1.89 Fils	<b>23.49 Fils</b>	16.45 Fils

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

Munshaat Real Estate Projects Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 September 2025

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
<b>PROFIT FOR THE PERIOD</b>	<b>1,285,771</b>	363,440	<b>8,295,303</b>	5,656,000
<b>Other comprehensive income (loss)</b>				
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of foreign operations	<b>26,507</b>	152,188	<b>247,633</b>	119,430
<b>Other comprehensive income that may be reclassified to profit or loss in subsequent periods</b>	<b>26,507</b>	152,188	<b>247,633</b>	119,430
<i>Other comprehensive income (loss) that will not be reclassified to profit or loss in subsequent periods:</i>				
Net gain (loss) on equity instruments at FVOCI	<b>134,756</b>	(16,309)	<b>261,543</b>	1,918
<b>Other comprehensive income (loss) that will not be reclassified to profit or loss in subsequent periods</b>	<b>134,756</b>	(16,309)	<b>261,543</b>	1,918
<b>Other comprehensive income for the period</b>	<b>161,263</b>	135,879	<b>509,176</b>	121,348
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>1,447,034</b>	499,319	<b>8,804,479</b>	5,777,348
<b>Attributable to:</b>				
Equity holders of the Parent Company	<b>1,319,989</b>	679,834	<b>7,973,959</b>	5,350,119
Non-controlling interests	<b>127,045</b>	(180,515)	<b>830,520</b>	427,229
	<b>1,447,034</b>	499,319	<b>8,804,479</b>	5,777,348

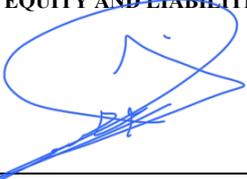
The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

# Munshaat Real Estate Projects Company K.S.C.P. and Subsidiaries

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 September 2025

		30 September 2025	(Audited) 31 December 2024	30 September 2024
	Notes	KD	KD	KD
<b>ASSETS</b>				
<b>Non-current assets</b>				
Furniture and equipment		156,160	193,437	200,312
Right-of-use asset	6.a	40,008,425	42,163,382	42,668,335
Investment properties	6.b	11,811,215	11,995,360	11,983,980
Investment in associates	7	16,526,996	14,169,991	17,889,895
Investment securities	11	834,779	491,996	494,052
		<u>69,337,575</u>	<u>69,014,166</u>	<u>73,236,574</u>
<b>Current assets</b>				
Accounts receivable and prepayments		14,254,917	7,929,583	10,200,138
Trading properties		376,454	376,454	547,729
Wakala receivable		650,000	600,000	600,000
Bank balances and cash		5,874,007	7,091,211	5,412,447
		<u>21,155,378</u>	<u>15,997,248</u>	<u>16,760,314</u>
<b>TOTAL ASSETS</b>		<u><b>90,492,953</b></u>	<u><b>85,011,414</b></u>	<u><b>89,996,888</b></u>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	9	32,200,000	32,200,000	32,200,000
Other reserve		(309,291)	(309,291)	(309,291)
Fair value reserve		(1,713,923)	(1,975,466)	(1,938,919)
Foreign currency translation reserve		(372,939)	(522,094)	(345,210)
Retained earnings/ (accumulated losses)		7,396,495	(166,766)	(771,909)
<b>Equity attributable to equity holders of the Parent Company</b>		<u><b>37,200,342</b></u>	<u>29,226,383</u>	<u>28,834,671</u>
Non-controlling interests		(9,347,831)	(10,178,351)	(10,396,614)
<b>Total equity</b>		<u><b>27,852,511</b></u>	<u>19,048,032</u>	<u>18,438,057</u>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Employees' end of service benefits		829,051	764,698	756,914
Islamic finance payables	10	27,985,100	27,985,100	32,721,040
Obligations under finance lease		11,919,379	12,756,762	12,422,225
Accounts payable and accruals		4,615,055	4,662,153	6,405,470
		<u>45,348,585</u>	<u>46,168,713</u>	<u>52,305,649</u>
<b>Current liabilities</b>				
Islamic finance payables	10	4,735,940	4,735,940	4,735,940
Obligations under finance lease		1,337,280	1,350,560	1,336,320
Accounts payable and accruals		11,218,637	13,708,169	13,180,922
		<u>17,291,857</u>	<u>19,794,669</u>	<u>19,253,182</u>
<b>Total liabilities</b>		<u><b>62,640,442</b></u>	<u>65,963,382</u>	<u>71,558,831</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>90,492,953</b></u>	<u><b>85,011,414</b></u>	<u><b>89,996,888</b></u>

  
Nawaf Musaid Abdulaziz Al-Osaimi  
Chairman

  
Eisa Najib Abdulmohsen Al Eisa  
Chief Executive Officer

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

# Munshaat Real Estate Projects Company K.S.C.P. and Subsidiaries

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 September 2025

	<i>Equity attributable to equity holders of the Parent Company</i>							<i>Total equity KD</i>
	<i>Share capital KD</i>	<i>Other reserve KD</i>	<i>Fair value reserve KD</i>	<i>Foreign currency translation reserve KD</i>	<i>Retained earnings/ (accumulated losses) KD</i>	<i>Sub-total KD</i>	<i>Non-controlling interests KD</i>	
As at 1 January 2025	32,200,000	(309,291)	(1,975,466)	(522,094)	(166,766)	29,226,383	(10,178,351)	19,048,032
Profit for the period	-	-	-	-	7,563,261	7,563,261	732,042	8,295,303
Other comprehensive income for the period	-	-	261,543	149,155	-	410,698	98,478	509,176
Total comprehensive income for the period	-	-	261,543	149,155	7,563,261	7,973,959	830,520	8,804,479
<b>At 30 September 2025</b>	<b>32,200,000</b>	<b>(309,291)</b>	<b>(1,713,923)</b>	<b>(372,939)</b>	<b>7,396,495</b>	<b>37,200,342</b>	<b>(9,347,831)</b>	<b>27,852,511</b>
As at 1 January 2024	32,200,000	(309,291)	(1,940,837)	(395,820)	(6,069,500)	23,484,552	(10,187,301)	13,297,251
Profit for the period	-	-	-	-	5,297,591	5,297,591	358,409	5,656,000
Other comprehensive income for the period	-	-	1,918	50,610	-	52,528	68,820	121,348
Total comprehensive income for the period	-	-	1,918	50,610	5,297,591	5,350,119	427,229	5,777,348
Changes in NCI arising from capital redemption in a subsidiary*	-	-	-	-	-	-	(636,542)	(636,542)
At 30 September 2024	32,200,000	(309,291)	(1,938,919)	(345,210)	(771,909)	28,834,671	(10,396,614)	18,438,057

\* During the prior period, the Parent Company approved, in its meeting held on 7 March 2024, the redemption of capital previously contributed by the venturers of Al Safwa Joint Venture ("Safwa JV") amounting to KD 1,060,903. As a result, a reduction in non-controlling interests of KD 636,542 was recognised in equity, in accordance with IFRS 10, reflecting the change in ownership interest without loss of control.

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

# Munshaat Real Estate Projects Company K.S.C.P. and Subsidiaries

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the period ended 30 September 2025

	Notes	Nine months ended 30 September	
		2025 KD	2024 KD
<b>OPERATING ACTIVITIES</b>			
Profit before tax		8,665,403	5,835,571
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Depreciation of right-of-use asset	6.a	2,290,364	2,245,115
Valuation loss on investment properties	6.b	184,145	122,420
Unrealised (gain) loss from financial assets at fair value through profit or loss		(133,945)	236,323
(Reversal of) allowance for expected credit losses - net		(18,691)	51,499
Income from wakala receivables		(50,241)	(31,757)
Share of results of associates	7	(2,502,863)	(1,640,430)
Depreciation of furniture and equipment		39,901	43,601
Dividend income		-	(23,045)
Finance costs on Islamic finance payables	8	1,347,883	1,620,656
Finance costs on lease obligations		622,175	642,552
Finance costs arising on the unwinding of discount on long-term provisions and liabilities		119,819	254,811
Reversal of provisions no longer required		-	(404,929)
Net foreign exchange differences		418,025	287,442
Provision for employees' end of service benefits		65,273	51,701
		<b>11,047,248</b>	<b>9,291,530</b>
<i>Working capital changes:</i>			
Accounts receivable and prepayments		(5,965,373)	(5,042,572)
Accounts payable and accruals		(4,309,307)	(2,393,039)
<b>Cash flows from operations</b>		<b>772,568</b>	<b>1,855,919</b>
Employees' end of service benefits paid		(892)	(17,423)
Taxes paid		(483,150)	(83,082)
<b>Net cash flows from operating activities</b>		<b>288,526</b>	<b>1,755,414</b>
<b>INVESTING ACTIVITIES</b>			
Purchase of furniture and equipment		(3,081)	(3,951)
Additions to right-of-use asset	6.a	(363,946)	(609,338)
Income received from wakala receivables		58,216	12,957
Dividend income received		-	23,045
Net movement in wakala receivables		(50,000)	(600,000)
Proceeds from capital redemption from financial assets at FVTPL		-	320,122
Proceeds from capital redemption of financial assets at FVOCI		52,705	97,971
Proceeds from capital redemption of an associate		137,048	-
<b>Net cash flows used in investing activities</b>		<b>(169,058)</b>	<b>(759,194)</b>
<b>FINANCING ACTIVITIES</b>			
Net repayment of obligations under finance lease		(1,328,280)	(1,339,028)
Non-controlling interest share of capital redemption of a subsidiary		-	(636,542)
Payment of prior year dividends		(1,634)	(250)
<b>Net cash flows used in financing activities</b>		<b>(1,329,914)</b>	<b>(1,975,820)</b>
<b>NET DECREASE IN BANK BALANCES AND CASH</b>		<b>(1,210,446)</b>	<b>(979,600)</b>
Net foreign exchange difference		(6,758)	(4,994)
Bank balances and cash 1 January		7,091,211	6,397,041
<b>BANK BALANCES AND CASH AT 30 SEPTEMBER</b>		<b>5,874,007</b>	<b>5,412,447</b>
<b>Non-cash items excluded from the interim condensed consolidated statement of cash flows:</b>			
Additions to right-of-use assets (included under furniture and equipment)		-	(155,953)
Additions to lease liabilities		-	155,953

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

# Munshaat Real Estate Projects Company K.S.C.P. and Subsidiaries

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## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2025

### 1 CORPORATE INFORMATION

The interim condensed consolidated financial information of Munshaat Real Estate Projects Company K.S.C.P. (the “Parent Company”) and its subsidiaries (collectively, the “Group”) for the nine months ended 30 September 2025 was authorised for issue in accordance with a resolution of the board of directors of the Parent Company on 6 November 2025.

The consolidated financial statements of the Group for the year ended 31 December 2024 were approved by the shareholders at the annual general assembly meeting (“AGM”) held on 20 April 2025. No dividends have been declared by the Parent Company.

The Parent Company is a public shareholding company incorporated and domiciled in Kuwait and whose shares are publicly traded on Boursa Kuwait. The Parent Company’s head office is located at ITS Tower, Mezzanine floor, Mubarak Al Kabeer Street, Sharq and its registered postal address is P.O. Box 1393, Dasman 15464, Kuwait.

The Parent Company of Munshaat Real Estate Projects Company K.S.C.P. is Aref Investment Group S.A.K. (the “Ultimate Parent Company”), a closed shareholding company incorporated and domiciled in Kuwait.

The Parent Company is principally engaged in the provision of investment and financial services in accordance with Islamic Shari’a principles as approved by the Group’s Fatwa and Shari’a Supervisory Board. The Group is principally engaged real estate activities and operations.

### 2 BASIS OF PREPARATION

The interim condensed consolidated financial information for the nine months ended 30 September 2025 have been prepared in accordance with IAS 34 *Interim Financial Reporting*. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2024.

### 3 CHANGES TO THE GROUP’S ACCOUNTING POLICIES

#### **New standards, interpretations and amendments adopted by the Group**

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

One amendment applies for the first time in 2025, but did not have an impact on the interim condensed consolidated financial information of the Group.

#### **Lack of exchangeability - Amendments to IAS 21**

The amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity’s financial performance, financial position and cash flows.

The amendment did not have an impact on the interim condensed consolidated financial information of the Group.

# Munshaat Real Estate Projects Company K.S.C.P. and Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2025

### 4 OPERATING REVENUE AND COSTS

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>KD</b>	<b>KD</b>	<b>KD</b>	<b>KD</b>
<b>Operating revenue</b>				
Hotel revenue	<b>2,893,702</b>	2,959,233	<b>14,856,829</b>	14,379,019
<b>Operating costs</b>				
Hotel operating costs	<b>(864,851)</b>	(1,765,325)	<b>(6,007,785)</b>	(6,722,993)
Depreciation of right-of-use asset (Note 6.a)	<b>(768,221)</b>	(752,481)	<b>(2,290,364)</b>	(2,245,115)
	<b>(1,633,072)</b>	(2,517,806)	<b>(8,298,149)</b>	(8,968,108)
<b>Net results from hotel operations</b>	<b>1,260,630</b>	441,427	<b>6,558,680</b>	5,410,911

### 5 EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit for the period attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is calculated by dividing the profit for the period attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical.

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Earnings for the period attributable to the equity holders of the Parent Company (KD)	<b>1,167,813</b>	609,956	<b>7,563,261</b>	5,297,591
Weighted average number of ordinary shares outstanding during the period (shares)	<b>322,000,000</b>	322,000,000	<b>322,000,000</b>	322,000,000
<b>Basic and diluted EPS (Fils)</b>	<b>3.63</b>	1.89	<b>23.49</b>	16.45

There have been no transactions involving ordinary shares between the reporting date and the date of authorisation of this interim condensed consolidated financial information which would require the restatement of EPS.

### 6 RIGHT-OF-USE ASSET AND INVESTMENT PROPERTIES

#### a. Right-of-use asset

Set out below are the carrying amounts of right-of-use asset recognised and the movements during the period:

	<i>30 September</i>	<i>(Audited)</i>	<i>30 September</i>
	<b>2025</b>	<i>31 December</i>	<i>2024</i>
	<b>KD</b>	<b>2024</b>	<b>KD</b>
<b>At the beginning of the period/year</b>	<b>42,163,382</b>	44,071,154	44,071,154
Depreciation of right-of-use asset (Note 4)	<b>(2,290,364)</b>	(3,010,777)	(2,245,115)
Transferred from inventories*	-	388,069	388,069
Additions	<b>363,946</b>	610,123	609,338
Exchange differences	<b>(228,539)</b>	104,813	(155,111)
<b>At the end of the period/year</b>	<b>40,008,425</b>	42,163,382	42,668,335

# Munshaat Real Estate Projects Company K.S.C.P. and Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2025

### 6 RIGHT-OF-USE ASSET AND INVESTMENT PROPERTIES (continued)

\* In the previous year, sukuks (originally held as inventory) were reclassified to right-of-use asset due to change in their intended use. This reclassification did not result in the recognition of any gain or loss.

#### b. Investment properties

	<i>30 September</i> <b>2025</b> <i>KD</i>	<i>(Audited)</i> <i>31 December</i> <i>2024</i> <i>KD</i>	<i>30 September</i> <i>2024</i> <i>KD</i>
<b>At the beginning of the period/year</b>	<b>11,995,360</b>	12,106,400	12,106,400
Net loss from fair value remeasurement	<b>(184,145)</b>	(111,040)	(122,420)
<b>At the end of the period/year</b>	<b>11,811,215</b>	11,995,360	11,983,980

The fair value of investment properties was independently determined as at 31 December 2024 by accredited independent valuers who are specialised in valuing such type of properties. There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the interim period. For properties located in KSA, management updated certain assumptions to reflect the latest information and developments mainly based on renewed lease agreement for the investment property and the market conditions existing at the end of the interim reporting period resulting in a remeasurement loss of KD 184,145 (30 September 2024: KD 122,420) for the period then ended.

	<i>Three months ended</i> <i>30 September</i>		<i>Nine months ended</i> <i>30 September</i>	
	<b>2025</b> <i>KD</i>	<i>2024</i> <i>KD</i>	<b>2025</b> <i>KD</i>	<i>2024</i> <i>KD</i>
Net loss from fair value remeasurement	<b>(61,162)</b>	(40,635)	<b>(184,145)</b>	(122,420)
Rental income derived from investment properties	<b>362,422</b>	361,299	<b>1,098,064</b>	999,177
<b>Net income from investment properties</b>	<b>301,260</b>	320,664	<b>913,919</b>	876,757

### 7 INVESTMENT IN ASSOCIATES

The Group holds interests in associates that are operating in KSA and accounted for using the equity method.

The movement in the carrying amount of investment in associates during the period/ year is, as follows:

	<i>30 September</i> <b>2025</b> <i>KD</i>	<i>(Audited)</i> <i>31 December</i> <i>2024</i> <i>KD</i>	<i>30 September</i> <i>2024</i> <i>KD</i>
<b>At the beginning of the period/year</b>	<b>14,169,991</b>	16,308,906	16,308,906
Share of results	<b>2,502,863</b>	1,582,008	1,640,430
Capital redemption*	<b>(137,048)</b>	(3,668,834)	-
Exchange differences	<b>(8,810)</b>	(52,089)	(59,441)
<b>At the end of the period/year</b>	<b>16,526,996</b>	14,169,991	17,889,895

\*During the period, pursuant to the resolution of the partner's meeting of Athman Al Khalijya Company W.L.L. on 25 May 2025, the partners agreed to reduce the capital by KD 420,439, out of which the Parent Company's share has been recognised as KD 137,048.

# Munshaat Real Estate Projects Company K.S.C.P. and Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2025

### 7 INVESTMENT IN ASSOCIATES (continued)

The Group performed an impairment test for its investment in associates during the fourth quarter of the preceding annual reporting period, which concluded that no impairment losses were required. As the assessment was performed at the end of the last annual reporting period, and in the absence of any new indicators of impairment during the current interim reporting period, management believes that there are no triggering events that would necessitate an update to the impairment test in accordance with IAS 36 'Impairment of Assets'.

### 8 RELATED PARTY DISCLOSURES

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

The following tables provide the total amount of transactions that have been entered into with related parties during the nine months ended 30 September 2025 and 2024, as well as balances with related parties as at 30 September 2025, 31 December 2024 and 30 September 2024:

	<i>Major shareholder of the Ultimate Parent Company</i> <i>KD</i>	<i>Associates</i> <i>KD</i>	<i>Other related parties</i> <i>KD</i>	<i>Nine months ended 30 September</i>	
				<i>2025</i> <i>KD</i>	<i>2024</i> <i>KD</i>
<b>Interim condensed consolidated statement of profit or loss:</b>					
Other Operating Revenue	-	-	344,196	344,196	-
Management fees income	-	296,229	168,732	464,961	452,354
Income from wakala receivables	2,403	-	-	2,403	652
Finance costs	(1,347,883)	-	-	(1,347,883)	(1,620,656)
Management fees expense	-	-	(419,666)	(419,666)	(1,091,027)

# Munshaat Real Estate Projects Company K.S.C.P. and Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2025

### 8 RELATED PARTY DISCLOSURES (continued)

	<i>Major shareholder of the Ultimate Parent Company KD</i>	<i>Parent Company KD</i>	<i>Major shareholders KD</i>	<i>Associates KD</i>	<i>Other related parties KD</i>	<i>30 September 2025 KD</i>	<i>(Audited) 31 December 2024 KD</i>	<i>30 September 2024 KD</i>
<b>Interim condensed consolidated statement of financial position:</b>								
Financial asset at FVPL	-	-	-	-	219,981	<b>219,981</b>	86,036	51,545
Financial asset at FVOCI	-	-	454,041	-	127,422	<b>581,463</b>	372,625	409,172
Bank balances and cash	2,744,125	-	-	-	-	<b>2,744,125</b>	2,625,307	2,607,565
Accounts receivable and prepayments - net of provisions	-	1,972	13,813	-	13,943,452	<b>13,959,237</b>	7,294,727	9,821,894
Accounts payable and accruals	-	-	180,323	729,382	13,381	<b>923,086</b>	1,034,597	552,226
Islamic finance payables	32,721,040	-	-	-	-	<b>32,721,040</b>	32,721,040	37,456,980

### Compensation of key management personnel

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

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

	<i>Balances outstanding as at (Audited)</i>			<i>Transaction values for period ended</i>	
	<i>30 September 2025 KD</i>	<i>31 December 2024 KD</i>	<i>30 September 2024 KD</i>	<i>30 September 2025 KD</i>	<i>30 September 2024 KD</i>
Salaries and short-term benefits	<b>83,090</b>	70,587	68,266	<b>244,393</b>	201,448
Post-employment benefits	<b>351,300</b>	323,865	312,638	<b>25,130</b>	23,351
	<b>434,390</b>	394,452	380,904	<b>269,523</b>	224,799

The Board of Directors of the Parent Company in their meeting held on 20 February 2025 proposed a remuneration to the independent board member of KD 10,000 for the year ended 31 December 2024 (2023: KD 10,000). This proposal was subsequently approved by the shareholders at the annual general assembly meeting ("AGM") held on 20 April 2025.

# Munshaat Real Estate Projects Company K.S.C.P. and Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2025

### 9 SHARE CAPITAL

	<b>30 September 2025</b>	<i>(Audited)</i> 31 December 2024	30 September 2024
	<b>KD</b>	<b>KD</b>	<b>KD</b>
Authorised, issued and paid-up share capital consists of 322,000,000 (31 December 2024: 322,000,000 and 30 September 2024: 322,000,000) shares of 100 fils each, paid in cash.	<b>32,200,000</b>	32,200,000	32,200,000

### 10 ISLAMIC FINANCE PAYABLES

	<b>30 September 2025</b>	<i>(Audited)</i> 31 December 2024	30 September 2024
	<b>KD</b>	<b>KD</b>	<b>KD</b>
<b>Current</b>			
Tawarruq payable	<b>4,735,940</b>	4,735,940	4,735,940
<b>Non-current</b>			
Tawarruq payable	<b>27,985,100</b>	27,985,100	32,721,040
	<b>32,721,040</b>	32,721,040	37,456,980

Islamic finance payables bear a finance cost of 5.50% (31 December 2024: 5.76%; 30 September 2024: 5.78%) per annum and are repayable over a period of 10 years in annual instalments starting from 1 December 2022 and maturing on 1 December 2031, in accordance with the terms of the underlying Islamic financing arrangement.

The tawarruq facility is secured over certain of the Group's investment in subsidiaries.

Banking covenants vary according to each loan agreement. A breach of covenant may require the Group to repay the Islamic finance payable on demand. During the current interim period, the Group did not breach any of its loan covenants, nor did it default on any other of its obligations under its loan agreements.

### 11 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

#### *Fair value hierarchy*

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

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

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

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

# Munshaat Real Estate Projects Company K.S.C.P. and Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2025

### 11 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

#### *Fair value hierarchy (continued)*

Set out below that are a summary of financial instruments and non-financial assets measured at fair value on a recurring basis, other than those with carrying amounts that are reasonable approximations of fair values:

	<i>Fair value measurement using</i>			<i>Total KD</i>
	<i>Quoted prices in active markets (Level 1) KD</i>	<i>Significant observable inputs (Level 2) KD</i>	<i>Significant unobservable inputs (Level 3) KD</i>	
<i>As at 30 September 2025</i>				
Financial assets at FVOCI	454,041	-	127,422	581,463
Financial assets at FVPL	-	-	253,316	253,316
	<u>454,041</u>	<u>-</u>	<u>380,738</u>	<u>834,779</u>
<i>As at 31 December 2024 (Audited)</i>				
Financial assets at FVOCI	267,114	-	105,511	372,625
Financial assets at FVPL	-	-	119,371	119,371
	<u>267,114</u>	<u>-</u>	<u>224,882</u>	<u>491,996</u>
<i>As at 30 September 2024</i>				
Financial assets at FVOCI	250,652	-	158,520	409,172
Financial assets at FVPL	-	-	84,880	84,880
	<u>250,652</u>	<u>-</u>	<u>243,400</u>	<u>494,052</u>

During the period, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements.

#### **Reconciliation of Level 3 fair values**

The following table shows a reconciliation of all movements in the fair value of items categorised within Level 3 between the beginning and the end of the reporting period:

	<i>Unquoted equity securities</i>		<i>Total KD</i>
	<i>Financial assets at FVOCI KD</i>	<i>Financial assets at FVPL KD</i>	
<i>30 September 2025</i>			
<b>As at 1 January 2025</b>	105,511	119,371	224,882
Remeasurement recognised in OCI	74,616	-	74,616
Remeasurement recognised in profit or loss	-	133,945	133,945
Redemptions	(52,705)	-	(52,705)
<b>As at 30 September 2025</b>	<u>127,422</u>	<u>253,316</u>	<u>380,738</u>

# Munshaat Real Estate Projects Company K.S.C.P. and Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2025

### 11 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

#### Reconciliation of Level 3 fair values (continued)

<i>31 December 2024 (Audited)</i>	<i>Unquoted equity securities</i>		
	<i>Financial assets at FVOCI KD</i>	<i>Financial assets at FVPL KD</i>	<i>Total KD</i>
As at 1 January 2024	234,924	641,325	876,249
Remeasurement recognised in OCI	(31,442)	-	(31,442)
Remeasurement recognised in profit or loss	-	(201,831)	(201,831)
Redemptions	(97,971)	(320,123)	(418,094)
As at 31 December 2024	<u>105,511</u>	<u>119,371</u>	<u>224,882</u>

<i>30 September 2024</i>	<i>Unquoted equity securities</i>		
	<i>Financial assets at FVOCI KD</i>	<i>Financial assets at FVPL KD</i>	<i>Total KD</i>
As at 1 January 2024	234,924	641,325	876,249
Remeasurement recognised in OCI	21,567	-	21,567
Remeasurement recognised in profit or loss	-	(236,323)	(236,323)
Redemptions	(97,971)	(320,122)	(418,093)
As at 30 September 2024	<u>158,520</u>	<u>84,880</u>	<u>243,400</u>

The valuation techniques and inputs used in this interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024.

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

For other financial assets and financial liabilities carried at amortised cost, the carrying value is not significantly different from their fair value as most of these assets and liabilities are of short-term maturity or are re-priced immediately based on market movement in profit rates.

# Munshaat Real Estate Projects Company K.S.C.P. and Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2025

### 12 SEGMENT INFORMATION

For management purposes, the Group organises its operations by geographic regions, primarily Kuwait and KSA.

The Group, including associates are primarily engaged in real estate activities and accordingly no separate business segment is presented.

The following table presents the geographical analysis of the Group's revenue and results for the periods ended 30 September 2025 and 2024 and assets and liabilities as at 30 September 2025, 31 December 2024 and 30 September 2024.

	<i>30 September 2025 (Unaudited)</i>			
	<i>Kuwait KD</i>	<i>KSA KD</i>	<i>Other KD</i>	<i>Total KD</i>
<b><i>Interim condensed consolidated statement of profit or loss</i></b>				
Revenues	499,377	17,017,286	15,214	17,531,877
Segment results	(513,911)	8,832,754	(23,540)	8,295,303
<b><i>Other disclosures</i></b>				
Depreciation and amortisation	(39,207)	(2,290,364)	(694)	(2,330,265)
Reversal of expected credit losses	-	14,344	-	14,344
	<i>30 September 2024 (Unaudited)</i>			
	<i>Kuwait KD</i>	<i>KSA KD</i>	<i>Other KD</i>	<i>Total KD</i>
<b><i>Interim condensed consolidated statement of profit or loss</i></b>				
Revenues	576,002	16,092,806	12,800	16,681,608
Segment results	(627,765)	6,372,119	(88,354)	5,656,000
<b><i>Other disclosures</i></b>				
Depreciation and amortisation	(37,200)	(2,249,985)	(1,531)	(2,288,716)
Reversal of (allowance for) expected credit losses	5,679	(57,178)	-	(51,499)
	<i>30 September 2025 (Unaudited)</i>			
	<i>Kuwait KD</i>	<i>KSA KD</i>	<i>Other KD</i>	<i>Total KD</i>
<b><i>Interim condensed consolidated statement of financial position</i></b>				
Total assets	8,589,730	81,842,459	60,764	90,492,953
Total liabilities	7,100,618	55,539,824	-	62,640,442
	<i>31 December 2024 (Audited)</i>			
	<i>Kuwait KD</i>	<i>KSA KD</i>	<i>Other KD</i>	<i>Total KD</i>
<b><i>Consolidated statement of financial position</i></b>				
Total assets	6,917,264	77,414,632	679,518	85,011,414
Total liabilities	8,199,298	58,133,952	(369,868)	65,963,382

# Munshaat Real Estate Projects Company K.S.C.P. and Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2025

### 12 SEGMENT INFORMATION (continued)

	<i>30 September 2024 (Unaudited)</i>			
	<i>Kuwait KD</i>	<i>KSA KD</i>	<i>Other KD</i>	<i>Total KD</i>
<i>Interim condensed consolidated statement of financial position</i>				
Total assets	6,171,321	82,947,321	878,246	89,996,888
Total liabilities	7,076,833	64,447,152	34,846	71,558,831

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