



AQARAT

عقارات

Date: 02/11/2023
KREC/FIN/2023/282

التاريخ : 2023/11/02
KREC/FIN/2023/282

To: Boursa Kuwait Company

السادة / شركة بورصة الكويت المحترمين

**Subject: Results of Board of Directors
meeting of Kuwait Real Estate
Company**

**الموضوع: نتائج إجتماع مجلس إدارة
شركة عقارات الكويت**

Reference to the above mentioned subject, we are pleased to inform you that the Board of Directors held its meeting on Thursday 02/11/2023 at 01:00 PM where the Interim Condensed Consolidated Financial Information for the Nine month period ending on 30/09/2023 have been discussed and approved.

بالإشارة إلى الموضوع أعلاه، يرجى العلم بأن مجلس الإدارة قد عقد إجتماعه في يوم الخميس الموافق 02/11/2023 في تمام الساعة 01:00 ظهرا وقد تم مناقشة وإعتماد المعلومات المالية المرحلية المكثفة المجمعة لفترة التسعة اشهر لمنتبهة في 2023/09/30.

Please find enclosed the Results form of financial for the period ending 30/09/2023.

نرفق لكم نموذج نتائج البيانات المالية للفترة المنتبهة في 2023/09/30.

Reference to "continuing Obligations in the Premier Market" of Boursa – Kuwait Rule Book issued as per decision No. (1) for year 2018, and since Kuwait Real Estate Company has been classified in the Premier Market, We would like to announce that the quarterly Analyst / Investor Conference will be held at 01:30 PM (Kuwait Local Time) through (Live Webcast) on Thursday 09/11/2023, Analysts and Investors and who is interested can communicate with our company on the following email address.

وعملا بمتطلبات قواعد البورصة الصادرة بموجب قرار (1) لسنة 2018، وحيث أن شركة عقارات الكويت تم تصنيفها ضمن مجموعة السوق الأول، يسر شركة عقارات الكويت الإعلان عن موعد مؤتمر المحللين/المستثمرين الربع سنوي والذي تقرر عقده عن طريق بث مباشر على شبكة الإنترنت (Live Webcast) في تمام الساعة 01:30 ظهرا (توقيت الكويت المحلي) من يوم الخميس الموافق 09/11/2023. ويمكن للمستثمرين والمحللين والمهتمين التواصل مع شركتنا على البريد الإلكتروني التالي:

investor.relations@aqarat.com.kw

investor.relations@aqarat.com.kw

to provide them with the invitation and details of participation in the conference

ليتم تزويدهم بالدعوة وتفاصيل المشاركة في المؤتمر

Best Regards

وتفضلوا بقبول فائق الاحترام والتقدير،،،

طلال جاسم البحر
نائب رئيس مجلس الإدارة
والرئيس التنفيذي

* نسخة الين:
شركة عقارات الكويت ش.م.ك.ج.
P.S.C. هيئة أسواق المال - إدارة الإفصاح
السادة / شركة عقارات الكويت ش.م.ك.ج. ①

*CC:

CMA – Disclosure Dept.

Kuwait Real Estate Company K.P.S.C.

شركة عقارات الكويت ش.م.ك.ج.

تأسست عام 1972

صندوق بريد 1257، الصفاة 13013، الكويت، مبنى سوق الكويت، الدور الثامن

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P.O. Box 1257, Safat 13013, Kuwait, Souk Al Kuwait Building, 8th Floor T. +965 1 828 999 F. +965 2241 8154

أرأس المال المدفوع والمصدر Paid up Capital K.D. 94,736,505.900 بمقدار رأس المال المصرح به 94,736,505.900 K.D. Authorized Capital

www.aqarat.com.kw info@aqarat.com.kw

سجل تجاري 64 CR No.

Disclosure of Material Information Form

Date	02/11/2023
Name of the Listed Company	Kuwait Real Estate Company – KPSC
Material information	<p>Please note that the Board of Directors of Kuwait Real Estate Company held its meeting on Thursday 02/11/2023 at 01:00 PM where the Interim Condensed Consolidated Financial Information for the Nine month period ending on 30/09/2023 have been discussed and approved.</p> <p>Accordingly, we attach the Results form of financial for the period ending 30/09/2023.</p> <p>Also, we are pleased to announce that the quarterly Analyst / Investor Conference will be held at 01:30 PM (Kuwait Local Time) through (Live Webcast) on Thursday 09/11/2023, Analysts and Investors and who is interested can communicate with our company on the following email address.</p> <p>investor.relations@aqarat.com.kw, to provide them with the invitation and details of participation in the conference</p>
Significant Effect of the Material information on the financial position of the Company	No Impact on the company's Financial Position



Talal Jassim Al- Bahar
Vice Chairman
& CEO



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Company Name	اسم الشركة
Kuwait Real Estate Company – KPSC	شركة عقارات الكويت – ش م ك ع

Third quarter results Ended on	2023 - 09 - 30	نتائج الربع الثالث المنتهي في
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Board of Directors Meeting Date	2023 - 11 - 02	تاريخ اجتماع مجلس الإدارة
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Required Documents	المستندات الواجب إرفاقها بالنموذج
Approved financial statements. Approved auditor's report This form shall not be deemed to be complete unless the documents mentioned above are provided	نسخة من البيانات المالية المعتمدة نسخة من تقرير مراقب الحسابات المعتمد لا يعتبر هذا النموذج مكتملاً ما لم يتم إرفاق هذه المستندات

التغيير (%)	فترة التسعة اشهر المقارنة	فترة التسعة اشهر الحالية	البيان
Change (%)	Nine Month Comparative Period	Nine Month Current Period	Statement
	2022-09-30	2023-09-30	
75.7%	5,636,973	9,906,903	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
75.3%	6.16	10.80	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
62.9%	38,453,677	62,646,998	الموجودات المتداولة Current Assets
6.9%	354,461,855	379,195,823	إجمالي الموجودات Total Assets
55.2%	30,929,650	48,001,943	المطلوبات المتداولة Current Liabilities
4.7%	223,523,794	234,132,457	إجمالي المطلوبات Total Liabilities
9.6%	126,493,280	138,675,168	إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم Total Equity attributable to the owners of the Parent Company
5.4%	20,119,595	21,220,172	إجمالي الإيرادات التشغيلية Total Operating Revenue
3.3%	15,577,838	16,095,820	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)
-	لا يوجد خسائر متراكمة No accumulated losses	لا يوجد خسائر متراكمة No accumulated losses	الخسائر المتراكمة / رأس المال المدفوع Accumulated Loss / Paid-Up Share Capital

التغيير (%)	الربع الثالث المقارن	الربع الثالث الحالي	البيان
Change (%)	Third quarter Comparative Period	Third quarter Current Period	Statement
	2022-09-30	2023-09-30	
147.9%	923,297	2,289,099	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
148.0%	1.00	2.48	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
4.1%	6,210,728	6,466,833	إجمالي الإيرادات التشغيلية Total Operating Revenue
3.1%	4,753,663	4,902,682	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)

• Not Applicable for first Quarter

• لا ينطبق على الربع الأول

Increase/Decrease in Net Profit (Loss) is due to	سبب ارتفاع/انخفاض صافي الربح (الخسارة)
<p>The Increase in net profit mainly due to:</p> <ul style="list-style-type: none"> An increase in real estate rental income during the period Gain on sale of investment properties during the period An increase in finance cost during the period 	<p>سبب الارتفاع في صافي الربح يعود بشكل أساسي الى:</p> <ul style="list-style-type: none"> الزيادة في إيرادات تأجير العقارات خلال الفترة ربح من بيع عقارات استثمارية خلال الفترة الزيادة في تكاليف التمويل خلال الفترة

Total Revenue realized from dealing with related parties (value, KWD)	2,810,644	بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
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Total Expenditures incurred from dealing with related parties (value, KWD)	1,211,362	بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
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Auditor Opinion		رأي مراقب الحسابات
1. Unqualified Opinion	<input checked="" type="checkbox"/>	1. رأي غير متحفظ
2. Qualified Opinion	<input type="checkbox"/>	2. رأي متحفظ
3. Disclaimer of Opinion	<input type="checkbox"/>	3. عدم إبداء الرأي
4. Adverse Opinion	<input type="checkbox"/>	4. رأي معاكس

In the event of selecting item No. 2, 3 or 4, the following table must be filled out, and this form is not considered complete unless it is filled.

بحال اختيار بند رقم 2 أو 3 أو 4 يجب تعبئة الجدول التالي، ولا يعتبر هذا النموذج مكتملاً ما لم يتم تعبئته

لا ينطبق Not Applicable	نص رأي مراقب الحسابات كما ورد في التقرير
لا ينطبق Not Applicable	شرح تفصيلي بالحالة التي استدعت مراقب الحسابات لإبداء الرأي
لا ينطبق Not Applicable	الخطوات التي ستقوم بها الشركة لمعالجة ما ورد في رأي مراقب الحسابات
لا ينطبق Not Applicable	الجدول الزمني لتنفيذ الخطوات لمعالجة ما ورد في رأي مراقب الحسابات

Corporate Actions		استحقاقات الأسهم (الإجراءات المؤسسية)	
النسبة	القيمة		
-	لا يوجد		توزيعات نقدية Cash Dividends
-	لا يوجد		توزيعات أسهم منحة Bonus Share
-	لا يوجد		توزيعات أخرى Other Dividend
-	لا يوجد		عدم توزيع أرباح No Dividends
-	لا يوجد	علاوة الإصدار Issue Premium	زيادة رأس المال Capital Increase
-	لا يوجد		تخفيض رأس المال Capital Decrease

ختم الشركة Company Seal	التوقيع Signature	المسمى الوظيفي Title	الاسم Name
		<p>نائب رئيس مجلس الإدارة والرئيس التنفيذي</p>	<p>طلال جاسم البحر</p>

Report on review of interim condensed consolidated financial information

To the board of directors of
Kuwait Real Estate Company – KPSC
Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Kuwait Real Estate Company - KPSC (“the Parent Company”) and its subsidiaries (“the Group”) as of 30 September 2023 and the related interim condensed consolidated statements of profit or loss and profit or loss and other comprehensive income for the three-month and nine-month periods then ended, and interim condensed consolidated statements of changes in equity and cash flows for the nine-month period then ended. Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34, “Interim Financial Reporting”.

Report on review of other legal and regulatory requirements

Based on our review, the interim condensed consolidated financial information is in agreement with the books of the Parent Company. We further report that, to the best of our knowledge and belief, no violations of the Companies Law No. 1 of 2016 and its Executive Regulations, or of the Memorandum of Incorporation and Articles of Association of the Parent Company, as amended, have occurred during the nine-month period ended 30 September 2023 that might have had a material effect on the business or financial position of the Parent Company.

We further report, to the best of our knowledge and belief, no violations of provisions of the Law No. 7 of 2010 regarding Capital Markets Authority and its relevant regulations have occurred during the nine-month period ended 30 September 2023 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
2 November 2023

Interim condensed consolidated statement of profit or loss

	Notes	Three months ended		Nine months ended	
		30 Sept. 2023 (Unaudited) KD	30 Sept. 2022 (Unaudited) KD	30 Sept. 2023 (Unaudited) KD	30 Sept. 2022 (Unaudited) KD
Income					
Real estate rental income		6,466,833	6,210,728	21,220,172	20,119,595
Real estate operating expenses		(1,564,151)	(1,457,065)	(5,124,352)	(4,541,757)
Net rental income		4,902,682	4,753,663	16,095,820	15,577,838
Change in fair value of investment properties	10	(2,046,771)	(1,881,510)	(5,938,616)	(5,644,530)
Gain/(loss) on sale of investment properties		2,750,263	(44,474)	10,138,784	(118,612)
Change in fair value of financial assets at FVTPL		103,814	(26,920)	61,546	(59,542)
(Loss)/gain on sale of financial assets at FVTPL		(28,233)	-	(28,233)	9,813
Dividend income		85,038	108,741	362,354	381,639
Share of results of associates		121,682	61,192	246,549	2,309,721
Loss on disposal of associate	15	-	-	(120,000)	-
Other income		186,543	511,007	357,622	739,536
		6,075,018	3,481,699	21,175,826	13,195,863
Expenses and other charges					
General and administrative expenses		(379,904)	(502,375)	(2,195,240)	(1,739,756)
Finance costs		(2,789,821)	(1,913,664)	(7,972,553)	(5,232,489)
		(3,169,725)	(2,416,039)	(10,167,793)	(6,972,245)
Profit for the period before provisions for National Labour Support Tax (NLST) and Zakat					
		2,905,293	1,065,660	11,008,033	6,223,618
NLST		(59,304)	(23,920)	(256,656)	(146,036)
Zakat		(46,197)	(19,405)	(147,885)	(88,281)
Profit for the period		2,799,792	1,022,335	10,603,492	5,989,301
Attributable to:					
Owners of the Parent Company		2,289,099	923,297	9,906,903	5,636,973
Non-controlling interests		510,693	99,038	696,589	352,328
Profit for the period		2,799,792	1,022,335	10,603,492	5,989,301
Basic and diluted earnings per share (Fils)					
	6	2.48	1.00	10.80	6.16

The notes set out on pages 9 to 23 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		Nine months ended	
	30 Sept. 2023 (Unaudited) KD	30 Sept. 2022 (Unaudited) KD	30 Sept. 2023 (Unaudited) KD	30 Sept. 2022 (Unaudited) KD
Profit for the period	2,799,792	1,022,335	10,603,492	5,989,301
Other comprehensive income:				
<i>Items that will not be reclassified subsequently to consolidated statement of profit or loss</i>				
Change in fair value of financial assets at fair value through other comprehensive income	4,770,459	(1,201,274)	4,913,102	(3,109,145)
<i>Items that will be reclassified subsequently to the consolidated statement of profit or loss</i>				
Exchange differences arising on translation of foreign operations	147,649	(34,759)	138,708	317,260
Total other comprehensive income/(loss)	4,918,108	(1,236,033)	5,051,810	(2,791,885)
Total comprehensive income/(loss) for the period	7,717,900	(213,698)	15,655,302	3,197,416
Attributable to:				
Owners of the Parent Company	7,207,207	(312,736)	14,958,713	2,845,088
Non-controlling interests	510,693	99,038	696,589	352,328
Total comprehensive income/(loss) for the period	7,717,900	(213,698)	15,655,302	3,197,416

The notes set out on pages 9 to 23 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of financial position

	Notes	30 Sept. 2023 (Unaudited) KD	31 Dec. 2022 (Audited) KD	30 Sept. 2022 (Unaudited) KD
Assets				
Cash and cash equivalents	7	5,839,822	8,606,784	6,959,840
Financial assets at FVTPL		7,714,356	6,817,273	6,965,537
Accounts receivable and other assets	8	25,552,118	9,032,765	8,889,553
Due from related parties	15	15,312,376	12,709,129	6,911,096
Trading properties		8,228,326	8,151,197	8,727,651
Investment in associates		11,876,131	11,708,391	11,317,700
Financial assets at FVTOCI	9	46,640,300	35,628,130	36,093,892
Capital work in progress		2,397,900	131,015	6,199,824
Properties under development		7,322,658	4,879,134	3,567,992
Investment properties	10	246,383,107	262,055,667	258,556,885
Property and equipment		1,928,729	812,309	271,885
Total assets		379,195,823	360,531,794	354,461,855
Liabilities and Equity				
Liabilities				
Due to banks		4,292,354	3,093,100	2,961,042
Accounts payable and other liabilities		18,750,430	20,360,760	18,199,913
Lease liabilities	11	7,759,115	15,643,979	15,477,958
Borrowings	12	194,802,840	180,264,916	181,862,078
Due to related parties	15	7,374,327	7,937,827	3,858,244
Provision for employees' end of service benefits		1,153,391	1,192,624	1,164,559
Total liabilities		234,132,457	228,493,206	223,523,794
Equity				
Share capital		94,736,506	94,736,506	94,736,506
Share premium		3,425,191	3,425,191	3,425,191
Treasury shares	13	(2,336,039)	(3,214,552)	(2,995,760)
Statutory and voluntary reserves		24,485,387	24,485,387	22,964,407
Other components of equity	14	(6,752,533)	(19,147,172)	(19,013,520)
Retained earnings		25,116,656	27,389,043	27,376,456
Equity attributable to the owners of the Parent Company		138,675,168	127,674,403	126,493,280
Non-controlling interests		6,388,198	4,364,185	4,444,781
Total equity		145,063,366	132,038,588	130,938,061
Total liabilities and equity		379,195,823	360,531,794	354,461,855


 Talal Jassim Al-Bahar
 Vice Chairman and Chief Executive Officer

The notes set out on pages 9 to 23 form an integral part of this interim condensed consolidated financial information.