

Date : May 15th, 2024

التاريخ: 15 مايو 2024

To: Bursa Kuwait Company KPSC

المحترمين،،،

السادة/ شركة بورصة الكويت

تحية طيبة وبعد،،،

Sub: Results of Board of Directors Meeting of National Real Estate Company KPSC "NREC"

الموضوع: نتائج إجتماع مجلس إدارة الشركة الوطنية العقارية ش.م.ك.ع

We would like to inform you that the Board Meeting of National Real Estate Company KPSC has been convened on Wednesday, May 15th, 2024 at 1:00 pm and they discussed and approved the financial statement of the first quarter for the ended period on March 31th, 2024.

يرجى العلم بأن مجلس إدارة الشركة الوطنية العقارية ش.م.ك.ع قد إجتمع يوم الأربعاء الموافق 15 مايو 2024، وذلك في تمام الساعة الواحدة ظهراً وتمت مناقشة وإعتماد البيانات المالية للربع الأول للفترة المالية المنتهية في 31 مارس 2024.

Attached the financial Statement Form.

مرفق لكم النموذج الخاص بنتائج البيانات المالية.

وتفضلوا بقبول فائق الاحترام،،،



فaisal Jamil Sultan Al Essa – فيصل جميل سلطان العيسى

Vice Chairman & CEO – نائب رئيس مجلس الإدارة والرئيس التنفيذي

Company Name	اسم الشركة
National Real Estate Company K.P.S.C	الشركة الوطنية العقارية ش.م.ك.ع

Financial Year Ended on	2024-03-31	نتائج الربع الاول المنتهي في
-------------------------	------------	------------------------------

Board of Directors Meeting Date	2024-05-15	تاريخ اجتماع مجلس الإدارة
---------------------------------	------------	---------------------------

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 وإرفاق هذه المستندات

التغيير (%)	فترة الثلاث اشهر المقارنة	فترة الثلاث اشهر الحالية	البيان
Change (%)	Three Month Comparative Period	Three Month Current Period	Statement
	2023-03-31	2024-03-31	
228%	(2,260,296)	2,904,305	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
228%	(1.27)	1.62	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
-36%	49,269,952	31,676,338	الموجودات المتداولة Current Assets
-12%	588,715,412	519,271,268	إجمالي الموجودات Total Assets
60%	20,313,853	32,451,308	المطلوبات المتداولة Current Liabilities
-3%	184,021,329	179,182,394	إجمالي المطلوبات Total Liabilities
-16%	400,279,103	336,610,782	إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم Total Equity attributable to the owners of the Parent Company
-64%	4,040,476	1,462,298	إجمالي الإيرادات التشغيلية Total Operating Revenue
-67%	2,688,700	874,260	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 الاول المقارن	الربع الاول الحالي	البيان Statement
Change (%)	First Quarter Comparative Period	First Quarter Current Period	
	2023-03-31	2024-03-31	
N/A	N/A	N/A	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
N/A	N/A	N/A	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
N/A	N/A	N/A	إجمالي الإيرادات التشغيلية Total Operating Revenue
N/A	N/A	N/A	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)
The reason for increase in net profit is mainly due to the increase in share of result from a Joint Venture and the Associate	يعود سبب الارتفاع في صافي الربح بشكل اساسي الي ارتفاع الحصة من نتائج أعمال الشركة المحاصة والشركة الزميلة.

Total Revenue realized from dealing with related parties (value, KWD)	383,242	بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
---	---------	--

Total Expenditures incurred from dealing with related parties (value, KWD)	(38,563)	بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
--	----------	--

Auditor Opinion		رأي مراقب الحسابات	
1.	Unqualified Opinion	<input type="checkbox"/>	1. رأي غير متحفظ
2.	Qualified Opinion	<input checked="" 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

<p>استناداً إلى مراجعتنا، باستثناء الآثار المحتملة للأمر الموضح في فقرة أساس النتيجة المتحفظة، لم يرد إلى علمنا ما يجعلنا نعتقد بأن المعلومات المالية المرحلية المكثفة المراجعة المرفقة لم تعد، من جميع النواحي المادية، وفقاً لمعيار المحاسبة الدولي رقم 34.</p> <p>Based on our review, except for the possible effect of the matter described in the Basis for Qualified Conclusion paragraph, 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'.</p>	<p>نص رأي مراقب الحسابات كما ورد في التقرير</p>
<p>- كما هو مبين في إيضاح رقم (4 - أ/1) حول المعلومات المالية المرحلية المكثفة المراجعة، يوجد لدى الشركة الزميلة عقارات استثمارية بمبلغ 281,367 ألف دينار كويتي كما في 31 مارس 2024 (31 ديسمبر 2023: 281,360 ألف دينار كويتي 31 مارس 2023: 279,293 ألف دينار كويتي) وهي مستأجرة من الهيئة العامة للصناعة بالكويت، ومنها عقود تأجير عقارات بمبلغ 190,980 ألف دينار كويتي (31 ديسمبر 2023: 191,172 ألف دينار كويتي 31 مارس 2023: 190,704 ألف دينار كويتي) قد انتهى سريانها كما في تاريخ بيان المركز المالي المرحلي المكثف المجمع وهي الآن قيد النزاع القانوني. حيث، أصدرت الهيئة العامة للصناعة إخطاراً للشركة الزميلة في 18 يناير 2023 بشأن عدم رغبتها في تجديد أو تمديد عقود الإيجار هذه، وقيام الشركة الزميلة بإخلاء هذه المباني في غضون أسبوع من إصدار الإخطار. كجزء من الإجراءات القانونية، طلبت الشركة الزميلة من المحاكم الكويتية منع الهيئة العامة للصناعة من مقاطعة استخدام الشركة الزميلة لهذه العقارات. لم تتمكن الشركة الزميلة أيضاً من الحصول على تقدير موثوق به للقيمة العادلة للعقارات الاستثمارية المستأجرة من الهيئة العامة للصناعة، بسبب عدم اليقين المرتبط بهذه العقارات، نتيجة للتقاضي المستمر مع الهيئة العامة للصناعة. لذلك لم تتمكن من الحصول على أدلة تدقيق كافية ومناسبة حول وجود هذه العقارات الاستثمارية وتقييمها بسبب انتهاء سريان عقود التأجير الأساسية كما هو مبين بالتفصيل في الإيضاح 4 (أ)، وعدم قدرة الإدارة على تحديد القيمة العادلة لجميع العقارات المستأجرة من الهيئة العامة للصناعة كما في 31 مارس 2024. علاوة على ذلك، هناك قدر كبير من عدم اليقين حول تجديد جميع عقود التأجير المبرمة مع الهيئة العامة للصناعة والحقوق أو الالتزامات التي قد تنشأ، بالإضافة إلى الإيرادات التشغيلية والربحية والتدفقات النقدية ذات الصلة التي قد تكون متأثرة نتيجة الإجراءات القانونية الجارية. وبالتالي، لم تتمكن من تحديد ما إذا كان من الضروري إجراء أي تعديلات على القيمة الدفترية لهذه العقارات. ولقد أصدرنا رأياً متحفظاً ونتيجة متحفظة حول البيانات المالية المراجعة للمجموعة فيما يتعلق بالأمر نفسه منذ السنة المالية المنتهية في 31 ديسمبر 2022.</p>	<p>شرح تفصيلي بالحالة التي استدعت مراقب الحسابات لإبداء الرأي</p>
<p>- كما هو مبين في إيضاح رقم (4 - أ/4) حول المعلومات المالية المرحلية المكثفة المراجعة وفقاً للحكم الصادر عن التمييز ضد الإدارة العامة للجمارك في دولة الكويت، لم تسجل الشركة الزميلة أي تعديلات ذات صلة بالنتيجة النهائية في 31 مارس 2024 في المعلومات المالية المرحلية المكثفة المراجعة للشركة الزميلة، حيث تستكشف إدارة الشرك الزميلة إمكانيات الدخول في مفاوضات مع الإدارة العامة للجمارك لتسوية التعويض الممنوح، والذي كان ينبغي، في تسجيله كإيرادات ومدنيين. نتيجة لذلك، تم تخفيض الاستثمار في الشركة الزميلة واجمالي حقوق الملكية كما في 31 مارس 2024 بمبلغ 7,728 ألف دينار كويتي والمتعلق بحصة الاستثمار في الشركة الزميلة. بالإضافة إلى ذلك، استحققت قانونية لصالح الشركة الزميلة بواقع 7% على مبلغ التعويض، لم يتم احتساب الأثر المالي لتلك الفوائد في المعلومات المالية المرحلية المكثفة المراجعة للشركة الزميلة. ولقد أصدرنا رأياً متحفظاً ونتيجة متحفظة حول البيانات المالية المراجعة للمجموعة فيما يتعلق بالأمر نفسه منذ الفترة المنتهية في 30 يونيو 2022.</p>	
<p>- وفقاً لما ورد في الإيضاح رقم (4 - ب) حول المعلومات المالية المرحلية المكثفة المراجعة، قامت الشركة الزميلة برفع دعوى تحكيم تتعلق بأحد استثماراتها. نظراً لطبيعة الاستثمار وعدم التأكد المادي المحيط بالاستثمار ونتائج التحكيم، لم يتمكن مراقبي حسابات الشركة الزميلة من الحصول على أدلة تدقيق كافية ومناسبة حول رصيد الاستثمار وإمكانية استرداد القرض الممنوح من قبل الشركة الزميلة إلى الشركة المستثمر فيها ذات الصلة كما في 31 مارس 2024. وبناءً عليه، فإننا لم نتمكن من تحديد مدى الحاجة إلى إجراء أي تعديلات على القيمة الدفترية</p>	

للاستثمار في الشركة الزميلة. ولقد أصدرنا رأياً متحفظاً ونتيجة متحفظة حول البيانات المالية المجمعة للمجموعة فيما يتعلق بالأمر نفسه منذ السنة المنتهية في 31 ديسمبر 2015.

- As stated in Note (4-a/i) on the interim condensed consolidated financial information, the associate company has investment properties amounting to KD 281,367 thousand as at March 31, 2024 (December 31, 2023: KD 281,360 thousand and March 31, 2023: KD 279,293 thousand), which are leased from the Public Authority for Industry in Kuwait, including real estate lease contracts amounting to KD 190,980 thousand (December 31, 2023: KD 191,172 thousand and March 31, 2023: KD 190,704 thousand). It has expired as of the date of the interim condensed consolidated statement of financial position and is currently under legal dispute. Furthermore, the Public Authority for Industry issued a notice to the associate on 18 January 2023 regarding its unwillingness to renew or extend these leases, and for the associate to vacate these premises within a week of issuance of the notice. As part of the legal proceedings, the associate has requested the Kuwaiti courts to prevent the Public Authority for Industry from boycotting the associate's use of such real estate. The associate was also unable to obtain a reliable estimate of the fair value of the investment properties leased from the Public Authority for Industry, due to the uncertainty associated with these properties, as a result of the ongoing litigation with the Public Authority for Industry. Therefore, we were unable to obtain sufficient and appropriate audit evidence about the existence and valuation of these investment properties due to the expiration of some of the basic lease contracts as detailed in Note 4 (a), and the inability of the management to determine the fair value of all the real estate leased from the Public Authority for Industry as of March 31, 2024. Furthermore, there is significant uncertainty around the renewal of all lease contracts concluded with the Public Authority for Industry and the rights or obligations that may arise, in addition to operating revenues, profitability and related cash flows that may be affected as a result of the ongoing legal procedures. Consequently, we were unable to determine whether any adjustments were necessary to the carrying value of these properties. We have issued a qualified opinion and a qualified conclusion on the Group's consolidated financial statements in respect of the same matter since the year ended December 31, 2022.
- As stated in Note (4 – a/iv) to the interim condensed consolidated financial information and according to the judgment by the Court of Cassation against the General Administration of Customs for Kuwait ("GAC"), the associate has not recorded any adjustments related to the final outcome as at March 31, 2024 in the associate's interim condensed consolidated financial information, as the management of the associate is exploring the possibilities of entering into negotiations with GAC for settlement of awarded compensation, which in our view should have been recorded as an income and receivable. As a result, Investment in associate and retained earnings as at March 31, 2024 are understated by KD 7,728 thousand related to the share of investment in associate. Further, the Associate is also eligible for 7% interest per annum on awarded compensation, the financial impact of interest has not been determined in the Associate interim condensed consolidated financial information. We have issued a qualified opinion and a qualified conclusion on the Group's consolidated financial statements in respect of the same matter since the period ended June 30, 2022.
- As stated in Note (4 - b) to the interim condensed consolidated financial information, an associate has filed an arbitration related to one of its investments. Due to the nature and significant uncertainty around the investment and outcome of the arbitration, the auditors of the associate were unable to obtain sufficient appropriate audit evidence about the investment and the recoverability of the loan granted by the associate to the related investee as of March 31, 2024. Consequently, we were unable to determine whether any adjustments to the carrying value of the investment in associate was necessary. We have issued a qualified opinion and a qualified conclusion on the Group's consolidated financial statements in respect of the same matter since the year ended December 31, 2015.

<p>تعديل الرأي المتحفظ في القوائم المالية المجمعة مرتبط بقرار تعديل الرأي في البيانات المالية المجمعة الخاصة بالشركة الزميلة.</p> <p>Removal of the qualification is subject to a resolution towards the removal of the qualification from the Associate's consolidated financial statements.</p>	<p>الخطوات التي ستقوم بها الشركة لمعالجة ما ورد في رأي مراقب الحسابات</p>
<p>تعديل الرأي المتحفظ في القوائم المالية المجمعة مرتبط بقرار تعديل الرأي في البيانات المالية المجمعة الخاصة بالشركة الزميلة.</p> <p>Removal of the qualification is subject to a resolution towards the removal of the qualification from the Associate's consolidated financial statements.</p>	<p>الجدول الزمني لتنفيذ الخطوات لمعالجة ما ورد في رأي مراقب الحسابات</p>

Corporate Actions		استحقاقات الاسهم (الاجراءات المؤسسية)	
النسبة	القيمة		
لا يوجد Not applicable	لا يوجد Not applicable	لا يوجد	توزيعات نقدية Cash Dividends
لا يوجد Not applicable	لا يوجد Not applicable	لا يوجد	توزيعات أسهم منحة Bonus Share
لا يوجد Not applicable	لا يوجد Not applicable	لا يوجد	توزيعات أخرى Other Dividend
			عدم توزيع أرباح No Dividends
لا يوجد Not applicable	لا يوجد Not applicable	علاوة الإصدار Issue Premium	لا يوجد Not applicable
			زيادة رأس المال Capital Increase
لا يوجد Not applicable	لا يوجد Not applicable		لا يوجد Not applicable
			تخفيض رأس المال Capital Decrease

ختم الشركة Company Seal	التوقيع Signature	المسمى الوظيفي Title	الاسم Name
 <p>القرحة الوطنية العقارية ن.م.ك.</p>		<p>نائب رئيس مجلس الإدارة والرئيس التنفيذي Vice Chairman & CEO</p>	<p>فيصل جميل سلطان العيسى Faisal Jamil Sultan Al Essa</p>



RSM Albazie & Co.

Arraya Tower 2, Floors 41 & 42
Abdulaziz Hamad Alsaqar St., Sharq
P.O. Box 2115, Safat 13022, State of Kuwait

T +965 22961000
F +965 22412761

www.rsm.global/kuwait

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL

The Board of Directors
National Real Estate Company K.P.S.C and its Subsidiaries
State of Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of National Real Estate Company K.P.S.C. (the “Parent Company”) and its Subsidiaries (collectively, the “Group”) as at March 31, 2024, and the related interim condensed consolidated statements of profit or loss, comprehensive income, statement of changes in equity and cash flows for the three months period then ended. 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’. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

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

Basis for Qualified Conclusion

1- As stated in Note (4-a/i) on the interim condensed consolidated financial information, the associate company has investment properties amounting to KD 281,367 thousand as at March 31, 2024 (December 31, 2023: KD 281,360 thousand and March 31, 2023: KD 279,293 thousand), which are leased from the Public Authority for Industry in Kuwait, including real estate lease contracts amounting to KD 190,980 thousand (December 31, 2023: KD 191,172 thousand and March 31, 2023: KD 190,704 thousand). It has expired as of the date of the interim condensed consolidated statement of financial position and is currently under legal dispute. Furthermore, the Public Authority for Industry issued a notice to the associate on 18 January 2023 regarding its unwillingness to renew or extend these leases, and for the associate to vacate these premises within a week of issuance of the notice. As part of the legal proceedings, the associate has requested the Kuwaiti courts to prevent the Public Authority for Industry from boycotting the associate's use of such real estate. The associate was also unable to obtain a reliable estimate of the fair value of the investment properties leased from the Public Authority for Industry, due to the uncertainty associated with these properties, as a result of the ongoing litigation with the Public Authority for Industry. Therefore, we were unable to obtain sufficient and appropriate audit evidence about the existence and valuation of these investment properties due to the expiration of some of the basic lease contracts as detailed in Note 4 (a), and the inability of the management to determine the fair value of all the real estate leased from the Public Authority for Industry as of March 31, 2024. Furthermore, there is significant uncertainty around the renewal of all lease contracts concluded with the Public Authority for Industry and the rights or obligations that may arise, in addition to operating revenues, profitability and related cash flows that may be affected as a result of the ongoing legal procedures. Consequently, we were unable to determine whether any adjustments were necessary to the carrying value of these properties. We have issued a qualified opinion and a qualified conclusion on the Group's consolidated financial statements in respect of the same matter since the year ended December 31, 2022.

- 2- As stated in Note (4 – a/iv) to the interim condensed consolidated financial information and according to the judgment by the Court of Cassation against the General Administration of Customs for Kuwait (“GAC”), the associate has not recorded any adjustments related to the final outcome as at March 31, 2024 in the associate’s interim condensed consolidated financial information, as the management of the associate is exploring the possibilities of entering into negotiations with GAC for settlement of awarded compensation, which in our view should have been recorded as an income and receivable. As a result, Investment in associate and retained earnings as at March 31, 2024 are understated by KD 7,728 thousand related to the share of investment in associate. Further, the Associate is also eligible for 7% interest per annum on awarded compensation, the financial impact of interest has not been determined in the Associate interim condensed consolidated financial information. We have issued a qualified opinion and a qualified conclusion on the Group’s consolidated financial statements in respect of the same matter since the period ended June 30, 2022.
- 3- As stated in Note (4 - b) to the interim condensed consolidated financial information, an associate has filed an arbitration related to one of its investments. Due to the nature and significant uncertainty around the investment and outcome of the arbitration, the auditors of the associate were unable to obtain sufficient appropriate audit evidence about the investment and the recoverability of the loan granted by the associate to the related investee as of March 31, 2024. Consequently, we were unable to determine whether any adjustments to the carrying value of the investment in associate was necessary. We have issued a qualified opinion and a qualified conclusion on the Group’s consolidated financial statements in respect of the same matter since the year ended December 31, 2015.

Qualified Conclusion

Based on our review, except for the possible effect of the matter described in the Basis for Qualified Conclusion paragraph, 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’.

Emphasis of Matter

We draw attention to Note 4 (a) to the interim condensed consolidated financial information, which describes that the associate is involved in certain lawsuits. The ultimate outcome of these matters cannot presently be determined, and accordingly, no provision for any effects that may result has been made in the interim condensed consolidated financial information of the associate. Our conclusion is not qualified in respect of this matter.

Report on other Legal and Regulatory Requirements

Furthermore, based on our review, except for the effect of matters described in the “Basis for Qualified Conclusion” and “Emphasis of Matter” paragraph above, 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 and its Executive Regulations, as amended or of the Parent Company’s Memorandum of Incorporation and Articles of Association, as amended, during the three month period ended March 31, 2024, that might have had a material effect on the Group’s financial position or results of its operations.

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. 7 of 2010, as amended, relating to the Capital Markets Authority and its related regulations during the three months period ended March 31, 2024 that might have had a material effect on the Parent Company’s financial position or result of its operations.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS OF MARCH 31, 2024**

(All amounts are in Kuwaiti Dinars)

	Notes	March 31, 2024	December 31, 2023 (Audited)	March 31, 2023
<u>ASSETS</u>				
Cash and cash equivalents	3	7,028,577	9,804,269	18,369,166
Accounts receivable and other debit balances		8,790,297	12,918,075	10,915,207
Financial assets at fair value through profit or loss ("FVPL")	9	18,982,194	18,696,132	17,192,456
Inventory properties		3,792,437	3,982,499	3,999,657
Financial assets at fair value through other comprehensive income ("FVOCI")	9	5,487,770	4,844,167	1,015,323
Investment in joint ventures		31,033,730	31,255,578	70,491,342
Investment in an associate	4	401,583,263	406,365,226	416,523,300
Properties under development		31,908,516	35,271,784	37,697,857
Property and equipment		731,792	752,076	743,985
Right-of-use assets		2,816,422	2,192,338	2,361,625
Investment properties		7,116,270	7,089,933	7,084,898
Total assets		519,271,268	533,172,077	586,394,816
<u>LIABILITIES AND EQUITY</u>				
Liabilities:				
Bank borrowings		131,217,406	132,432,140	132,597,551
Lease liabilities		925,393	351,967	333,384
Accounts payable and other credit balances		46,137,727	49,035,566	47,606,478
Provision for end of service benefits		901,868	874,372	1,163,320
Total liabilities		179,182,394	182,694,045	181,700,733
Equity:				
Share capital	5	198,128,195	198,128,195	198,128,195
Share premium		5,266,764	5,266,764	5,266,764
Treasury shares	6	(13,365,803)	(14,033,902)	(15,315,382)
Statutory reserve		71,238,759	71,238,759	71,238,759
Other reserves		(130,518,821)	(117,281,520)	(94,919,992)
Retained earnings		205,861,688	202,957,383	235,880,759
Equity attributable to shareholders of the Parent Company		336,610,782	346,275,679	400,279,103
Non-controlling interests		3,478,092	4,202,353	4,414,980
Total equity		340,088,874	350,478,032	404,694,083
Total liabilities and equity		519,271,268	533,172,077	586,394,816

The accompanying notes (1) to (14) form an integral part of the interim condensed consolidated financial information.

Faisal Jamil Sultan Al-Essa
Vice Chairman and Chief Executive Officer

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024
(All amounts are in Kuwaiti Dinars)

	Notes	Three months ended March 31	
		2024	2023
Sale of inventory properties		1,197,109	2,418,124
Rental income		265,189	1,622,352
		1,462,298	4,040,476
Cost of inventory properties sold		(588,038)	(1,351,776)
Gross profit		874,260	2,688,700
General and administrative expenses		(1,075,203)	(2,139,384)
Depreciation and amortization		(83,135)	(85,066)
Allowance for expected credit losses		-	(2,714,673)
Unrealized loss from financial assets at fair value through profit or loss (FVPL)	9	(378,442)	-
Share of results from joint ventures		520,203	(1,904,753)
Share of results from an associate	4	4,896,189	3,788,031
Interest income		42,011	26,739
Finance charges		(2,172,266)	(2,145,592)
Other income		245,670	390,798
Profit (loss) for the period before taxation		2,869,287	(2,095,200)
Taxation recovered (charged) on foreign subsidiaries		28,379	(111,245)
Profit (loss) for the period		2,897,666	(2,206,445)
Attributable to:			
Shareholders of the Parent Company		2,904,305	(2,260,296)
Non-controlling interests		(6,639)	53,851
Profit (loss) for the period		2,897,666	(2,206,445)
Basic and diluted earning (loss) per share attributable to the shareholders of the Parent Company (Fils)	8	1.62	(1.27)

The accompanying notes (1) to (14) form an integral part of the interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024
 (All amounts are in Kuwaiti Dinars)

	Notes	Three months ended	
		March 31,	
		2024	2023
Profit (loss) for the period		2,897,666	(2,206,445)
Other comprehensive (loss) / income:			
Items that may be reclassified subsequently to profit or loss:			
Group's share of other comprehensive income from joint ventures		-	1,304,996
Group's share of other comprehensive income of an associate	4	4,281,291	2,833,847
Exchange difference on translation of foreign operations		(4,845,965)	(2,600,727)
Item that will not be reclassified subsequently to profit or loss:			
Group's share of other comprehensive (loss) / income of an associate	4	(18,708,724)	44,682,915
Change in fair value of financial assets at fair value through other comprehensive income		766,663	(193,938)
Group's share of other reserves of an associate	4	4,749,281	(277,155)
Other comprehensive (loss) / income for the period		(13,757,454)	45,749,938
Total comprehensive (loss) / income for the period		(10,859,788)	43,543,493
Attributable to:			
Shareholders of the Parent Company		(10,135,527)	44,128,867
Non-controlling interests		(724,261)	(585,374)
		(10,859,788)	43,543,493

The accompanying notes from (1) to (14) form an integral part of the interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024
(All amounts are in Kuwaiti Dinars)

	Equity attributable to shareholders of the Parent Company										
	Share capital	Share premium	Treasury shares	Statutory reserve	Reserves				Sub-total	Non-controlling interests	Total equity
Effect of changes in other comprehensive income of an associate					Group's share of other reserves of an associate	Other reserves (Note 7)	Retained earnings				
Balance at January 1, 2023	198,128,195	5,266,764	(17,336,089)	71,238,759	(131,173,164)	5,616,436	(15,152,637)	238,141,055	354,729,319	5,000,354	359,729,673
Total comprehensive income / (loss) for the period	-	-	-	-	47,516,762	(277,155)	(850,444)	(2,260,296)	44,128,867	(585,374)	43,543,493
Purchase of treasury shares	-	-	(138,591)	-	-	-	-	-	(138,591)	-	(138,591)
Sale of treasury shares	-	-	2,159,298	-	-	-	(599,790)	-	1,559,508	-	1,559,508
Balance as at March 31, 2023	198,128,195	5,266,764	(15,315,382)	71,238,759	(83,656,402)	5,339,281	(16,602,871)	235,880,759	400,279,103	4,414,980	404,694,083
Balance at January 1, 2024	198,128,195	5,266,764	(14,033,902)	71,238,759	(115,924,212)	10,845,405	(12,202,713)	202,957,383	346,275,679	4,202,353	350,478,032
Total comprehensive (loss) / income for the period	-	-	-	-	(14,427,433)	4,749,281	(3,361,680)	2,904,305	(10,135,527)	(724,261)	(10,859,788)
Sale of treasury shares	-	-	668,099	-	-	-	(197,469)	-	470,630	-	470,630
Balance as at March 31, 2024	198,128,195	5,266,764	(13,365,803)	71,238,759	(130,351,645)	15,594,686	(15,761,862)	205,861,688	336,610,782	3,478,092	340,088,874

The accompanying notes (1) to (14) form an integral part of the interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024
(All amounts are in Kuwaiti Dinars)

	Notes	Three months ended	
		March 31,	
		2024	2023
Cash flows from operating activities:			
Profit (loss) for the period before taxation		2,869,287	(2,095,200)
Adjustments:			
Interest income		(42,011)	(26,739)
Depreciation and amortization		83,135	85,066
Allowance for expected credit losses		-	2,714,673
Unrealized loss from financial assets at fair value through profit or loss (FVPL)		378,442	-
Share of results from joint ventures		(520,203)	1,904,753
Share of results from an associate	4	(4,896,189)	(3,788,031)
Provision for end of service benefits		27,496	31,050
Finance charges		2,172,266	2,145,592
		72,223	971,164
Changes in operating assets and liabilities:			
Accounts receivable and other debit balances		4,127,778	1,063,415
Inventory properties		525,572	1,216,293
Properties under development		(98,219)	(393,902)
Accounts payable and other credit balances		(4,145,332)	48,892
Net cash flows generated from operating activities		482,022	2,905,862
Cash flows from investing activities:			
Payment for addition of property and equipment		(92,600)	(9,477)
Payment for investment properties		(4,579)	-
Sale of financial assets at fair value through other comprehensive income ("FVOCI)		123,060	-
Interest income received		42,011	-
Net cash flows generated from (used in) investing activities		67,892	(9,477)
Cash flows from financing activities:			
Net movement in bank borrowings		(1,214,734)	5,051,447
Payment of lease liabilities		(109,648)	(59,499)
Purchase of treasury shares		-	(138,591)
Proceeds from sale of treasury shares		470,630	1,559,508
Net movement of restricted cash		467,341	963,999
Finance charges paid		(1,531,854)	(2,493,667)
Net cash flows (used in) generated from financing activities		(1,918,265)	4,883,197
Net (decrease) increase in cash and cash equivalents		(1,368,351)	7,779,582
Effect of exchange rate changes on cash and cash equivalents in foreign currencies		(940,000)	(95,682)
Cash and cash equivalents at beginning of the period	3	9,221,939	9,141,650
Cash and cash equivalents at end of the period	3	6,913,588	16,825,550

The accompanying notes (1) to (14) form an integral part of the interim condensed consolidated financial information.