



**Commercial Real Estate Company K.P.S.C.  
and its subsidiaries  
State of Kuwait**

**Interim Condensed Consolidated Financial Information (Unaudited)  
And the review report for the three months ended 31 March 2025**



**Commercial Real Estate Company K.P.S.C.**  
and its subsidiaries  
State of Kuwait

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**Commercial Real Estate Company K.S.C.P**  
State of Kuwait

**Auditor's report on review of interim condensed consolidated financial information to the board of directors**

*Introduction*

We have reviewed the accompanying interim condensed consolidated statement of financial position of Commercial Real Estate Company K.S.C.P. (the "Parent Company") and its subsidiaries (together referred to as "the Group") as at 31 March 2025, and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the three months period then ended. The Parent Company's management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard No. (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.

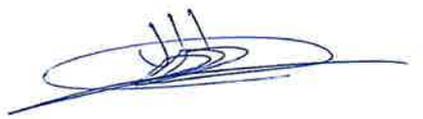
*Conclusion*

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 No. (34) "Interim Financial Reporting".

**Report on 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, we have not become aware of any violations of the Companies Law No. 1 of 2016, the executive regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, during the three months period ended 31 March 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 organization of security activity and its executive regulations, as amended, during the three months period ended 31 March 2025 that might have a material effect on the business of the Parent Company or on its financial position.



**Talal Y. Al-Muzaini**  
Licence No. 209 A  
Deloitte & Touche –Al-Wazzan & Co.

Kuwait, 12 May 2025

**Interim Condensed Consolidated Statement of Financial Position as at 31 March 2025  
(Unaudited)**

(All amounts are in Kuwaiti Dinar)

	Notes	31 March 2025 (unaudited)	31 December 2024 (audited)	31 March 2024 (unaudited)
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment		20,480,929	20,694,306	21,222,371
Investment property	5	369,410,787	369,222,820	369,143,747
Intangible assets		2,480,747	2,336,822	-
Investments in associates	6	49,418,116	47,324,814	44,738,970
Investment at FVOCI		56,946,446	57,573,786	57,094,286
		<u>498,737,025</u>	<u>497,152,548</u>	<u>492,199,374</u>
<b>Current assets</b>				
Land and properties held for trading		16,501,712	16,496,272	16,735,457
Investments at fair value through profit or loss		49,871,028	50,246,587	42,012,108
Receivables and other debit balances	7	7,980,037	7,217,520	10,119,130
Cash and cash equivalents	8	3,415,251	3,075,952	7,142,896
		<u>77,768,028</u>	<u>77,036,331</u>	<u>76,009,591</u>
<b>Total assets</b>		<u>576,505,053</u>	<u>574,188,879</u>	<u>568,208,965</u>
<b>Equity and liabilities</b>				
<b>Equity attributable to the shareholders of the Parent Company</b>				
Share capital		184,069,975	184,069,975	184,069,975
Share premium		1,308,384	1,308,384	1,308,384
Treasury shares	9	(9,197,515)	(7,956,969)	(8,380,941)
Statutory reserve		44,315,967	44,315,967	42,685,964
Voluntary reserve		29,296,785	29,296,785	29,296,785
Other reserve	10	1,552,628	1,279,425	740,786
Retained earnings		47,253,526	44,027,197	45,080,140
<b>Total equity attributable to the shareholders of the Parent Company</b>		<u>298,599,750</u>	<u>296,340,763</u>	<u>294,801,093</u>
Non-controlling interests		24,591,356	24,051,891	24,602,721
<b>Total equity</b>		<u>323,191,106</u>	<u>320,392,654</u>	<u>319,403,814</u>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Employees' end of service indemnity		1,305,835	1,256,231	1,295,114
Lease liabilities	5	2,224,499	2,253,331	2,188,491
Financing from financial institutions	11	200,098,683	199,692,648	212,621,561
		<u>203,629,017</u>	<u>203,202,210</u>	<u>216,105,166</u>
<b>Current liabilities</b>				
Payables and other credit balances	12	13,405,770	13,722,742	12,895,591
Financing from financial institutions	11	36,279,160	36,871,273	19,804,394
		<u>49,684,930</u>	<u>50,594,015</u>	<u>32,699,985</u>
<b>Total liabilities</b>		<u>253,313,947</u>	<u>253,796,225</u>	<u>248,805,151</u>
<b>Total equity and liabilities</b>		<u>576,505,053</u>	<u>574,188,879</u>	<u>568,208,965</u>

The accompanying notes form an integral part of this interim condensed consolidated financial information.



**Abdul Fatáh M.R. Marafie**  
Chairman



**Adwan M. Al-Adwani**  
Vice Chairman

**Interim Condensed Consolidated Statement of Income for the three months period ended 31 March 2025  
(Unaudited)**

*(All amounts are in Kuwaiti Dinar)*

	Notes	For the three months period ended 31 March	
		2025	2024
<b>Revenue</b>			
Rental income from investment properties and hotel's revenue		7,775,659	7,655,412
Gain on sale of lands		-	92,994
Operating expenses		(2,382,802)	(2,177,243)
Net income from operating activities	13	5,392,857	5,571,163
Share of profit from investment in associate companies	6	2,025,961	2,329,208
Net gain on investments	14	102,857	745,180
Other income		25,574	38,446
Net gross income		7,547,249	8,683,997
<b>Expenses and other charges</b>			
Administrative expenses and other charges		867,452	952,526
Provision for ECL		100,122	327,844
Finance cost		2,820,643	2,961,166
Total expenses		3,788,217	4,241,536
<b>Net profit for the period before deductions</b>		3,759,032	4,442,461
Kuwait Foundation for the Advancement of Sciences (KFAS)		(10,556)	(26,020)
National Labour Support Tax (NLST)		(93,304)	(116,899)
Zakat Expense		(14,389)	(32,527)
<b>Net profit for the period</b>		3,640,783	4,267,015
<b>Distributed as follows:</b>			
Shareholders of the Parent Company		3,092,675	3,731,394
Non-controlling interests		548,108	535,621
		3,640,783	4,267,015
<b>Basic earnings per share for Parent Company's shareholders (fils)</b>	15	1.70	2.02

The accompanying notes form an integral part of this interim condensed consolidated financial information.

**Interim Condensed Consolidated Statement of Comprehensive Income for the three months period ended 31 March 2025  
(Unaudited)**

*(All amounts are in Kuwaiti Dinar)*

	<b>For the three months period ended 31 March</b>	
	<b>2025</b>	<b>2024</b>
Net profit for the period	3,640,783	4,267,015
<b>Other comprehensive income / (loss) items:</b>		
<i>Items that will not be reclassified subsequently to the consolidated statement of income:</i>		
Group's share in associates' reserves	408,547	(251,712)
Change in fair value reserve	(543,854)	(349,920)
	<u>(135,307)</u>	<u>(601,632)</u>
<i>Items that may be reclassified subsequently to the consolidated statement of income:</i>		
Foreign currency translation reserve	121,978	(31,222)
<b>Total other comprehensive loss items</b>	<u>(13,329)</u>	<u>(632,854)</u>
<b>Total comprehensive income for the period</b>	<u>3,627,454</u>	<u>3,634,161</u>
<b>Distributed as follows:</b>		
Shareholders of the Parent Company	3,081,260	3,063,622
Non-controlling interests	546,194	570,539
<b>Total comprehensive income for the period</b>	<u>3,627,454</u>	<u>3,634,161</u>

The accompanying notes form an integral part of this interim condensed consolidated financial information.

**Interim Condensed Consolidated Statement of Changes in Equity for the three months period ended 31 March 2025  
(Unaudited)**

(All amounts are in Kuwaiti Dinar)

	Equity attributable to the shareholders of the Parent Company							Total equity attributable to shareholders of the Parent Company	Non-controlling interests	Total equity
	Share capital	Share premium	Treasury shares	Statutory reserve	Voluntary reserve	Other reserves (note 10)	Retained earnings			
Balance as at 1 January 2024	184,069,975	1,308,384	(8,539,935)	42,685,964	29,296,785	1,259,759	41,276,940	291,357,872	24,159,803	315,517,675
Net profit for the period	-	-	-	-	-	-	3,731,394	3,731,394	535,621	4,267,015
Total comprehensive income for the period	-	-	-	-	-	(667,772)	-	(667,772)	34,918	(632,854)
Acquisition of additional shares in a subsidiary	-	-	-	-	-	-	71,806	71,806	(127,621)	(55,815)
Purchase of treasury shares	-	-	(620,256)	-	-	-	-	(620,256)	-	(620,256)
Sale of treasury shares	-	-	779,250	-	-	148,799	-	928,049	-	928,049
Balance as at 31 March 2024	184,069,975	1,308,384	(8,380,941)	42,685,964	29,296,785	740,786	45,080,140	294,801,093	24,602,721	319,403,814
Balance as at 1 January 2025	184,069,975	1,308,384	(7,956,969)	44,315,967	29,296,785	1,279,425	44,027,196	296,340,763	24,051,891	320,392,654
Net profit for the period	-	-	-	-	-	-	3,092,675	3,092,675	548,108	3,640,783
Total comprehensive income for the period	-	-	-	-	-	(11,415)	-	(11,415)	(1,914)	(13,329)
Acquisition of additional shares in a subsidiary	-	-	-	-	-	-	4,938	4,938	(8,228)	(3,290)
Sale of investment fair value through other comprehensive income	-	-	-	-	-	(69,865)	128,717	58,852	1,499	60,351
Purchase of treasury shares	-	-	(2,136,220)	-	-	-	-	(2,136,220)	-	(2,136,220)
Sale of treasury shares	-	-	895,674	-	-	354,483	-	1,250,157	-	1,250,157
Balance as at 31 March 2025	184,069,975	1,308,384	(9,197,515)	44,315,967	29,296,785	1,552,628	47,253,526	298,599,750	24,591,356	323,191,106

The accompanying notes form an integral part of this interim condensed consolidated financial information.

**Interim Condensed Consolidated Statement of Cash Flows for the three months period ended 31 March 2025  
(Unaudited)**

(All amounts are in Kuwaiti Dinar)

	Notes	For the three months period ended 31 March	
		2025	2024
<b>Operating activities:</b>			
Net profit for the period		3,640,783	4,267,015
<i>Adjustments for:</i>			
Gain on sale of lands		-	(92,994)
Depreciation of intangible asset		1,487	-
Depreciation of property, plant and equipment		278,381	299,186
Share of profit from investment in associate companies		(2,025,961)	(2,329,208)
Net gain on investments	14	(102,857)	(745,180)
Finance cost		2,820,643	2,961,166
Provision for ECL		100,122	327,844
Employees' end of service indemnity provided during the period		65,533	50,244
<i>Operating cash flow before changes in the working capital</i>		<u>4,778,131</u>	<u>4,738,073</u>
Payment for purchase of land and properties held for trading		(5,440)	(13,614)
Proceeds from sale of Land and properties held for trading		-	280,671
Receivables and other debit balances		(390,021)	(505,050)
Payables and other credit balances		(92,975)	(122,195)
Employees' end of service indemnity paid during the period		(15,929)	(22,241)
<b>Net cash generated from operating activities</b>		<u>4,273,766</u>	<u>4,355,644</u>
<b>Investing activities:</b>			
Payment for purchase of property, plant and equipment		(65,004)	(125,076)
Payments for intangible assets		(145,412)	-
Payment for additions to investment property		(187,967)	(51,658)
Payment to acquire shares in associate	6	(321,982)	(1,199,139)
Dividends received from associates'		785,270	-
Net proceeds on sale of Investment at FVTOCI		143,840	288,398
Payment to acquire investment at fair value through profit or loss		(449,134)	(227,557)
Payment to acquire shares in subsidiary		(3,290)	(55,815)
Advance payment for purchase investment of FVTOCI		(434,455)	-
Dividend received from investment		889,280	645,883
Long term time deposit	8	-	(1,544,700)
<b>Net cash generated from / (used in) investing activities</b>		<u>211,146</u>	<u>(2,269,664)</u>
<b>FINANCING ACTIVITIES:</b>			
Proceeds from financing from financial institutions		1,650,000	4,800,000
Repayment of financing from financial institutions		(1,836,078)	(1,640,613)
Finance charges paid		(3,039,808)	(3,158,437)
Dividend paid		(4,768)	(17,667)
Payment for buy-back of treasury shares		(2,136,220)	(620,256)
Paid for the right to use leased property		(28,896)	(28,896)
Proceeds from sale of treasury shares		1,250,157	928,049
<b>Net cash (used in) / generated from financing activities</b>		<u>(4,145,613)</u>	<u>262,180</u>
<b>Net change in cash and cash equivalents</b>		<u>339,299</u>	<u>2,348,160</u>
<b>Cash and cash equivalents at the beginning of the period</b>		<u>3,075,952</u>	<u>3,250,036</u>
<b>Cash and cash equivalents at the end of the period</b>	8	<u>3,415,251</u>	<u>5,598,196</u>

The accompanying notes form an integral part of this interim condensed consolidated financial information.

**Notes to the Interim Condensed Consolidated Financial Information for the three months period ended 31 March 2025 (Unaudited)**

*(All amounts are in Kuwaiti Dinar unless otherwise stated)*

**1. Overview of the Group**

The Commercial Real Estate Company (K.P.S.C) ("the Parent Company") was incorporated as a Kuwaiti Shareholding Closed Company under Articles of Association No. 104/ M/ Vol.1 on 4 February 1968 under Commercial register No. 11329 and re-enrolled on 21 December 1981 under No. 239 in accordance with provision of the Commercial Companies Law. The main objectives of the Company are performing various real estate, agricultural, industrial and commercial activities, carrying out contracting, road and building constructions including sale, purchase and lease of land and real estate properties and construction of buildings, utilize the company's surpluses through investment portfolios managed by specialized companies and financial institutions. The Company may have interests or participate in any suitable way with entities that engage in similar business activities or that may help the Company achieve its objectives inside Kuwait and abroad. The Company may also purchase such entities or affiliate them, or as stated in Company's Articles of Association, article No. 5 and Memorandum of Association, article No. 4. The Company's management shall carry out all its objectives for which it has been established in accordance with the Noble Islamic Sharia principles.

The head office of the Company is located at Jaber Al-Mubarak Street, Commercial Real Estate Company's Building, Sharq, P.O. Box. 4119 Safat, 13042 Kuwait.

The Company has been registered in the Kuwait Stock Exchange on 21 December 2004.

The consolidated interim financial information includes the interim financial information of the Parent Company, its subsidiaries and branches (together referred to as "the Group").

Name of subsidiaries	Activity	Country of incorporation	Shareholding percent		
			31 March 2025	31 December 2024 (audited)	31 March 2024
Al Mutajara Real Estate Company K.S.C.C.	Real estate	Kuwait	%79.16	%79.15	%78.10
Commercial Real Estate Development Company	Real estate	Bahrain	%100	%100	%100
Commercial Real Estate Development Company	Real estate	Morocco	%100	%100	%100
Al-Salmiya Group K.S.C. (Closed)	Real estate	Kuwait	%81.90	%81.90	%81.90

Subsequent to the financial information date, the general assembly meeting of the Parent Company shareholders was held on 21 April 2025 and approved the consolidated financial statements for the year ended 31 December 2024.

This interim condensed consolidated financial information was authorized for issue by Parent Company's Board of Director's on 12 May 2025.

**2. Basis of preparation**

This interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard (IAS) 34: Interim Financial Reporting. The interim condensed consolidated financial information does not contain all information and disclosures required for complete financial statements prepared in accordance with the International Financial Reporting Standards and should be read in conjunction with the annual financial statements for the year ended 31 December 2024. In the opinion of 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 year ending 31 December 2025.

**Notes to the Interim Condensed Consolidated Financial Information for the three months period ended 31 March 2025 (Unaudited)**

*(All amounts are in Kuwaiti Dinar unless otherwise stated)*

**2.1 Significant accounting policies**

The accounting policies used in preparing the interim condensed consolidated financial information are similar to those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2024 except for the effect of application of new and revised International Financial Reporting Standards (IFRS) as follows:

**2.1.1 Application of new and revised International Financial Reporting Standards (IFRS)**

The adoption of the amendments and annual improvements to IFRS, relevant to the Group which are effective for annual reporting period starting from 1 January 2025 did not result in any material impact on the accounting policies, financial position or performance of the Group.

**3. Fair value estimation**

The fair values of financial assets and financial liabilities are determined as follows:

- Level one: Quoted prices in active markets for identical assets or liabilities.
- Level two: Quoted prices in an active market for similar instruments. Quoted prices for identical assets or liabilities in market that is not active. Inputs other than quoted prices that are observable for assets and liabilities.
- Level three: valuation techniques that are not based on observable market data.

The table below gives information about how the fair values of the significant financial assets and liabilities are determined:

	Fair value as at			Fair value hierarchy	Valuation methods and key inputs	Significant unobservable inputs	Relation of unobservable inputs to fair value
	31 March 2025 (unaudited)	31 December 2024 (audited)	31 March 2024 (unaudited)				
<b>Financial assets</b>							
<b>Investments at fair value - other comprehensive income</b>							
Quoted shares	900,342	869,117	801,580	Level 1	Last bid price	N/A	N/A
Private equity	52,786,091	53,410,695	52,874,998	Level 3	Income approach/market multiple model	Cash flow, discount rate, growth rate	Higher estimated cash flows and lower discount rates, results in higher fair value
Investment funds	3,260,013	3,293,974	3,417,708	Level 3	Income approach/market multiple model	Adjusted NAV	Higher estimated cash flows and lower discount rates, results in higher fair value
<b>Investments at fair value – statement of income:</b>							
Quoted shares	1,167,486	1,081,006	1,124,181	Level 1	Last bid price	N/A	N/A
Private equity	48,703,542	49,165,581	40,887,927	Level 3	Income approach/market multiple model	Cash flow, discount rate, growth rate	Higher estimated cash flows and lower discount rates, results in higher fair value

The fair value of financial assets and financial liabilities in level 3 have been determined using the common valuation techniques such as a discount cash flow, growth rate and adjusted fair value.

**Notes to the Interim Condensed Consolidated Financial Information for the three months period ended 31 March 2025 (Unaudited)**

(All amounts are in Kuwaiti Dinar unless otherwise stated)

**4. Estimates**

The preparation of interim condensed consolidated financial information requires management to make judgments, 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 judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended.

**Investment properties**

	31 March 2025 (unaudited)	31 December 2024 (audited)	31 March 2024 (unaudited)
Balance at beginning of the period/ year	369,222,820	369,092,089	369,092,089
Additions	187,967	646,011	51,658
Change in fair value	-	(515,280)	-
Balance at end of the period/year	<u>369,410,787</u>	<u>369,222,820</u>	<u>369,143,747</u>

Investments properties include the fair value of right of use Boulevard project that expires in year 2036. The balance of lease liabilities distributed as follows:

	31 March 2025 (unaudited)	31 December 2024 (audited)	31 March 2024 (unaudited)
<b>Lease liabilities (non-current)</b>			
Amounts due after 12 months	<u>2,082,835</u>	<u>2,113,688</u>	<u>2,188,491</u>
<b>Lease liabilities (current)</b>			
Amounts due within 12 months	<u>119,409</u>	<u>116,754</u>	<u>124,431</u>
	<u>2,202,244</u>	<u>2,230,442</u>	<u>2,312,922</u>

Operating leases, in which the Group is the lessor, relate to investment property owned by the Group with lease terms of between one to five years. All operating lease contracts contain extension options for the lessees' event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

**5. Investments in associates**

	31 March 2025 (unaudited)	31 December 2024 (audited)	31 March 2024 (unaudited)
Balance as at the beginning of the period/year	47,324,814	41,493,557	41,493,557
Additions during the period/ year *	321,982	2,288,658	1,199,139
Group's share in a associates results	2,025,961	5,235,054	2,329,208
Group's share in a associates reserves	408,547	2,777,075	(251,712)
Translation of foreign currencies	122,082	(168,727)	(31,222)
Capital reduction of associate	-	(1,248,388)	-
Cash dividends	(785,270)	(3,052,415)	-
	<u>49,418,116</u>	<u>47,324,814</u>	<u>44,738,970</u>

\* Additions during the year represent the purchase of additional shares in the current associates' companies.

**6. Receivables and other debit balances**

	31 March 2025 (unaudited)	31 December 2024 (audited)	31 March 2024 (unaudited)
Trade receivables	4,624,859	4,477,996	5,327,103
Provision for impairment	(4,066,064)	(3,965,942)	(4,283,665)
	<u>558,795</u>	<u>512,054</u>	<u>1,043,438</u>
Advance payments for acquisition of investments	3,246,112	2,811,657	4,513,975
Advances to contractors and suppliers	538,623	408,074	322,471
Prepaid expenses	260,429	164,078	242,009
Refundable deposits	340,000	340,000	339,925
Other debit balances	<u>3,126,085</u>	<u>3,071,664</u>	<u>3,895,586</u>
	<u>7,511,249</u>	<u>6,795,473</u>	<u>9,313,966</u>
Provisions	<u>(90,007)</u>	<u>(90,007)</u>	<u>(238,274)</u>
	<u>7,421,242</u>	<u>6,705,466</u>	<u>9,075,692</u>
	<u>7,980,037</u>	<u>7,217,520</u>	<u>10,119,130</u>

**Notes to the Interim Condensed Consolidated Financial Information for the three months period ended 31 March 2025 (Unaudited)**

*(All amounts are in Kuwaiti Dinar unless otherwise stated)*

Movement in credit losses is as follows:

	<b>31 March 2025 (unaudited)</b>	<b>31 December 2024 (audited)</b>	<b>31 March 2024 (unaudited)</b>
Balance at beginning of the period/year	3,965,942	3,955,821	3,955,821
Provision created during the period/year	100,122	243,051	327,844
Reversal of provision for Expected credit losses	-	(232,930)	-
Balance at end of the period/year	<u>4,066,064</u>	<u>3,965,942</u>	<u>4,283,665</u>

**7. Cash and cash equivalents**

	<b>31 March 2025 (unaudited)</b>	<b>31 December 2024 (audited)</b>	<b>31 March 2024 (unaudited)</b>
Cash in hand	5,833	5,871	6,133
Cash at banks and financial institutions	1,709,418	2,111,581	3,442,063
Deposits with financial institution	1,700,000	958,500	3,694,700
	<u>3,415,251</u>	<u>3,075,952</u>	<u>7,142,896</u>
Less: deposits with financial institution more than 3 months	-	-	(1,544,700)
Cash and cash equivalent for cash flow	<u>3,415,251</u>	<u>3,075,952</u>	<u>5,598,196</u>

**8. Treasury shares**

	<b>31 March 2025 (unaudited)</b>	<b>31 December 2024 (audited)</b>	<b>31 March 2024 (unaudited)</b>
Number of shares (No's)	76,656,324	72,311,294	84,474,207
Percentage of issued shares (%)	4.16	3.93	4.59
Market value	12,878,262	10,485,138	10,474,802
Cost	9,197,515	7,956,969	8,380,941

The Parent Company is committed to retain reserves, share premium and retained earnings equivalent to the treasury shares throughout the period, in which they are held by the Company, pursuant to the relevant instructions of the regulatory authorities.

**9. Other reserves**

	<b>Change of fair value reserve</b>	<b>Group's share in associates' reserves</b>	<b>Translation of foreign currencies</b>	<b>Property, plant and equipment revaluation surplus</b>	<b>Treasury shares reserve/sale of treasury shares</b>	<b>Total</b>
<b>As at 1 January 2024</b>	(6,526,101)	1,446,157	558,471	5,547,886	233,346	1,259,759
Total comprehensive income for the period	(385,964)	(250,586)	(31,222)	-	148,799	(518,973)
<b>As at 31 March 2024</b>	<u>(6,912,065)</u>	<u>1,195,571</u>	<u>527,249</u>	<u>5,547,886</u>	<u>382,145</u>	<u>740,786</u>
<b>As at 1 January 2025</b>	(10,368,234)	4,145,153	389,743	5,547,886	1,564,877	1,279,425
Total comprehensive income for the period	(537,988)	404,595	121,978	-	-	(11,415)
Sale of investment through OCI	(69,865)	-	-	-	-	(69,865)
Sale of treasury shares	-	-	-	-	354,483	354,483
<b>As at 31 March 2025</b>	<u>(10,976,087)</u>	<u>4,549,748</u>	<u>511,721</u>	<u>5,547,886</u>	<u>1,919,360</u>	<u>1,552,628</u>

**Notes to the Interim Condensed Consolidated Financial Information for the three months period ended 31 March 2025 (Unaudited)**

*(All amounts are in Kuwaiti Dinar unless otherwise stated)*

**10. Financing from financial institutions**

	<b>31 March 2025 (unaudited)</b>	<b>31 December 2024 (audited)</b>	<b>31 March 2024 (unaudited)</b>
Finance from financial institutions – current portion	36,279,160	36,871,273	19,804,394
Finance from financial institutions – non current portion	200,098,683	199,692,648	212,621,561
	<u>236,337,843</u>	<u>236,563,921</u>	<u>232,425,955</u>
Cost rate (%)	4.90-5.00	4.90-5.25	5.25-5.40

Finance granted by financial institutions is secured against mortgage of the following assets:

	<b>31 March 2025 (unaudited)</b>	<b>31 December 2024 (audited)</b>	<b>31 March 2024 (unaudited)</b>
Property, plant and equipment	19,076,417	19,241,485	19,610,574
Investment property	283,090,327	282,917,980	287,684,760

**11. Payables and other credit balances**

	<b>31 March 2025 (unaudited)</b>	<b>31 December 2024 (audited)</b>	<b>31 March 2024 (unaudited)</b>
Trade payables	1,111,769	1,036,672	630,942
Due to related parties (Note 16)	72,091	78,849	90,552
Retentions	1,106,259	1,084,878	965,717
Accrued expense	2,962,705	3,150,537	2,626,011
Revenues received in advance	650,543	866,311	754,167
Security deposits from tenants	3,182,553	3,250,829	3,300,937
Kuwait Foundation for the Advancement of Science (KFAS)	10,556	75,699	26,020
National Labour Support Tax (NLST)	496,136	404,832	506,482
Zakat payable	113,781	99,392	113,192
Dividends payable to shareholders	254,678	259,446	289,361
Other credit balances*	3,444,699	3,417,297	3,592,210
	<u>13,405,770</u>	<u>13,722,742</u>	<u>12,895,591</u>

\* Other credit balances include lease liabilities of KD 119,409 due within 12 months.

**12. Net income from operating activities**

	<b>For the three months period ended 31 March</b>	
	<b>2025</b>	<b>2024</b>
Real estate rental income	6,696,814	6,670,745
Hotel's and hospitality revenues	1,078,845	984,667
Total revenues	<u>7,775,659</u>	<u>7,655,412</u>
Gain on sale of lands	-	92,994
	<u>7,775,659</u>	<u>7,748,406</u>
Operating expenses	(1,520,828)	(1,343,796)
Hotel and hospitality expenses	(861,974)	(833,447)
Total expenses	<u>(2,382,802)</u>	<u>(2,177,243)</u>
	<u>5,392,857</u>	<u>5,571,163</u>

Hotel and hospitality expenses include an amount of KD 208,407 (KD 206,708 - 2024) which represents the current period depreciation of the hotel building and related equipment.

**Notes to the Interim Condensed Consolidated Financial Information for the three months period ended 31 March 2025 (Unaudited)**

*(All amounts are in Kuwaiti Dinar unless otherwise stated)*

**13. Net gain on investments**

	For the three months period ended 31 March	
	2025	2024
<b>Investment at FVOCI</b>		
Cash dividends	555,402	636,985
	<u>555,402</u>	<u>636,985</u>
<b>Investments at fair value through profit or loss</b>		
Change in fair value	(824,693)	108,195
Cash dividends	372,148	-
	<u>(452,545)</u>	<u>108,195</u>
	<u>102,857</u>	<u>745,180</u>

**14. Basic earnings per share for the Parent Company's shareholders**

Basic earnings per share is computed by dividing the net profit attributable to the Parent Company's shareholders for the period by the weighted average number of outstanding ordinary shares less weighted average number of outstanding treasury shares during the period as follows:

	Three months ended 31 March	
	2025	2024
Net profit for the period (KD)	3,092,675	3,731,394
Weighted average number of outstanding shares (share)	<u>1,821,468,311</u>	<u>1,843,326,589</u>
<b>Basic EPS (fils)</b>	<u>1.70</u>	<u>2.02</u>

Earnings per share for the current period and comparative period has been amended taking into consideration the effect of bonus share approved by the Assembly General Meeting which will be distributed in the subsequent period (note 19).

**15. Related parties transactions**

Related parties comprise of the Group's shareholders who are members in the board of directors, key management personnel, and associates in which the company has representatives in their board. The transactions with related parties are subject to approval of the shareholders at the general assembly. Significant related party transactions and balances resulting therefrom were as follows:

Transaction	Three months ended 31 March	
	2025	2024
Key management benefits	199,501	201,865
Operating Revenue	14,981	19,807
Operating expenses and other charges	232,428	174,368
Property, plant and equipment	28,852	36,880
Advanced for acquisition of investments	434,455	-
Purchases of additional shares of associates	118,088	-

	31 March 2025 (unaudited)	31 December 2024 (audited)	31 March 2024 (unaudited)
<b>Balances</b>			
Payables and other credit balances	72,091	78,849	90,552
Balances due to key management	617,717	579,469	684,923

Balances due from / to related parties are interest free and due upon request. All transactions with related parties are subject to approval by the shareholders' general assembly.

**16. Capital commitments and contingent liabilities**

	31 March 2025 (unaudited)	31 December 2024 (audited)	31 March 2024 (unaudited)
<b>Capital commitments</b>			
Uncalled capital – investments	931,944	929,380	931,793
Contract for projects and investment properties under development	<u>3,204,959</u>	<u>3,401,733</u>	<u>3,387,466</u>
	<u>4,136,903</u>	<u>4,331,113</u>	<u>4,319,259</u>
<b>Contingent liabilities</b>			
Letters of guarantee	<u>4,291,067</u>	<u>4,291,067</u>	<u>4,241,152</u>

**Notes to the Interim Condensed Consolidated Financial Information for the three months period ended 31 March 2025 (Unaudited)**

(All amounts are in Kuwaiti Dinar unless otherwise stated)

**17. Segment information**

The Group is organized into two major business segments; real estate including Hotel and investment. Both segments results are reported to senior executive management. Further, Group's operating results, assets and liabilities are reported according to geographical areas in which it operates. Revenue, profits, assets and liabilities are measured according to the same accounting bases followed in preparation of interim condensed consolidated financial statements. Business segment analysis is in line with internal reports submitted to management is as follows:

**Segment distribution:**

	For the three months period ended 31 March 2025			For the three months period ended 31 March 2024				
	Real estate sector	Hotel	Investment sector	Total	Real estate sector	Hotel	Investment sector	Total
Revenue	6,696,814	1,078,845	2,128,818	9,904,477	6,763,739	984,667	3,074,388	10,822,794
Direct cost	(1,902,633)	(861,974)	(98,372)	(2,862,979)	(1,879,874)	(833,447)	(268,660)	(2,981,981)
Gross profit / (loss)	4,794,181	216,871	2,030,446	7,041,498	4,883,865	151,220	2,805,728	7,840,813
Unallocated costs				(3,400,715)				(3,573,798)
Net profit for the period				3,640,783				4,267,015

**Geographic distribution:**

**A- Assets and liabilities**

	Assets			Liabilities		
	31 March 2025	31 December 2024	31 March 2024	31 March 2025	31 December 2024	31 March 2024
State of Kuwait	424,445,925	421,372,706	420,828,193	250,314,650	250,809,917	245,590,776
Gulf countries	71,912,476	72,065,478	67,823,039	2,999,297	2,986,308	3,214,375
Other	80,146,652	80,750,695	79,557,733	-	-	-
	576,505,053	574,188,879	568,208,965	253,313,947	253,796,225	248,805,151

**B- Statement of income**

	For the three months period ended 31 March 2025			For the three months period ended 31 March 2024				
	State of Kuwait	Gulf countries	Other	Total	State of Kuwait	Gulf countries	Other	Total
Total income	7,579,547	(132,642)	100,344	7,547,249	6,469,651	1,577,686	636,660	8,683,997
Total expenses	(3,759,245)	(146,623)	(598)	(3,906,466)	(4,224,260)	(192,722)	-	(4,416,982)
Net profit	3,820,302	(279,265)	99,746	3,640,783	2,245,391	1,384,964	636,660	4,267,015

**Notes to the Interim Condensed Consolidated Financial Information for the three months period ended 31 March 2025  
(Unaudited)**

*(All amounts are in Kuwaiti Dinar unless otherwise stated)*

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**18. Dividends**

On 21 April 2025 the annual general assembly meeting was held and approved distribution of cash dividends to the shareholders on record as of the due date at 3% after deduction of treasury shares and 3% bonus share (3 shares per every 100 shares), for the year ended 31 December 2024. (cash dividends 4% after deduction of treasury shares and 2% bonus share from treasury shares (2 treasury shares per every 100 shares)) for 31 December 2023.

On 21 April 2025, the extraordinary general assembly meeting convened and approved a 3% increase in the authorised, issued, and paid-up share capital of the Parent Company. This adjustment raised the capital to KD 189,592,074, comprising 1,895,920,743 shares valued at 100 fils each. The increase was achieved through the issuance of 55,220,992 bonus shares, amounting to KD 5,522,099. The formal registration of this capital increase in the commercial register is anticipated to occur in the subsequent period.