

Interim Condensed Consolidated Financial Information and Review Report

**Tamdeen Real Estate Company – KPSC**

**and its Subsidiaries**

**Kuwait**

30 September 2024 (Unaudited)

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## **Report on review of interim condensed consolidated financial information**

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

### *Introduction*

We have reviewed the accompanying interim condensed consolidated statement of financial position of Tamdeen Real Estate Company (Kuwaiti Public Shareholding Company) (the “Parent Company”) and its Subsidiaries (collectively the “Group”) as at 30 September 2024 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 ended 30 September 2024, 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 2024 that might have had a material effect on the business or financial position of the Parent Company.

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 concerning the Capital Markets Authority and its related regulations during the nine-month period ended 30 September 2024 that might have had a material effect on the business or financial position of the Parent Company.

Abdullatif M. Al-Aiban (CPA)  
(Licence No. 94-A)  
of Grant Thornton – Al-Qatami, Al-Aiban & Partners

Kuwait  
13 November 2024

## Interim condensed consolidated statement of profit or loss

	Notes	Three months ended		Nine months ended	
		30 Sept. 2024 (Unaudited) KD'000	30 Sept. 2023 (Unaudited) KD'000	30 Sept. 2024 (Unaudited) KD'000	30 Sept. 2023 (Unaudited) KD'000
<b>Revenue</b>					
Operating revenue		5,615	5,795	18,019	18,193
Cost of revenue		(1,432)	(1,563)	(4,912)	(4,808)
Net income		4,183	4,232	13,107	13,385
Management and consultancy fees		252	246	758	737
Profit on sale of subsidiaries	5	-	-	-	763
Net income from investments	6	2,968	2,568	5,676	6,819
Change in fair value of an investment property under development	7	-	-	-	2,555
Share of results of associates		2,716	2,888	9,724	9,197
Profit from sale of trading properties		107	227	287	509
Foreign currency exchange (loss)/gain		(64)	97	(74)	126
Other income		274	429	1,458	1,495
		10,436	10,687	30,936	35,586
<b>Expenses and other charges</b>					
Staff costs		(553)	(660)	(2,494)	(2,178)
General, administrative and other expenses		(1,875)	(1,181)	(4,251)	(4,809)
Finance costs		(1,877)	(2,141)	(5,801)	(6,166)
		(4,305)	(3,982)	(12,546)	(13,153)
<b>Profit for the period before provisions for contribution to KFAS, Zakat and NLST</b>		6,131	6,705	18,390	22,433
Provision for contribution to KFAS		(19)	(23)	(56)	(72)
Provision for Zakat		(49)	(46)	(148)	(168)
Provision for NLST		(143)	(144)	(445)	(539)
<b>Profit for the period</b>		5,920	6,492	17,741	21,654
<b>Attributable to:</b>					
Owners of the Parent Company		4,055	4,645	12,315	14,835
Non-controlling interests		1,865	1,847	5,426	6,819
		5,920	6,492	17,741	21,654
<b>Basic and diluted earnings per share attributable to the owners of the Parent Company</b>	8	10.1 Fils	11.6 Fils	30.7 Fils	37.0 Fils

The notes set out on pages 8 to 22 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. 2024 (Unaudited) KD'000	30 Sept. 2023 (Unaudited) KD'000	30 Sept. 2024 (Unaudited) KD'000	30 Sept. 2023 (Unaudited) KD'000
Profit for the period	5,920	6,492	17,741	21,654
<b>Other comprehensive (loss)/ income:</b>				
<b>Items to be reclassified to interim condensed consolidated statement of profit or loss in subsequent periods:</b>				
Share of other comprehensive (loss) / income of associates	(7)	51	(7)	54
	(7)	51	(7)	54
<b>Items will not be subsequently classified to interim condensed consolidated statement of profit or loss:</b>				
Net change in fair value of investments at FVOCI	2,939	(2,965)	13,171	(3,849)
Share of other comprehensive income /(loss) of associates	213	(72)	1,134	151
	3,152	(3,037)	14,305	(3,698)
Total other comprehensive income/ (loss) for the period	3,145	(2,986)	14,298	(3,644)
<b>Total comprehensive income for the period</b>	<b>9,065</b>	<b>3,506</b>	<b>32,039</b>	<b>18,010</b>
<b>Total comprehensive income/ (loss) attributable to:</b>				
Owners of the Parent Company	11,938	3,097	26,265	12,912
Non-controlling interests	(2,873)	409	5,774	5,098
	9,065	3,506	32,039	18,010


The notes set out on pages 8 to 22 form an integral part of this interim condensed consolidated financial information.



## Interim condensed consolidated statement of financial position

	Note	30 Sept. 2024 (Unaudited) KD'000	31 Dec. 2023 (Audited) KD'000	30 Sept. 2023 (Unaudited) KD'000
<b>Assets</b>				
Cash and bank balances	15	20,659	27,438	26,904
Accounts receivable and other debit balances	9	6,676	5,482	7,173
Investments at fair value through other comprehensive income	10	168,786	165,520	176,124
Investment property under development	7	-	-	23,800
Trading properties		6,711	10,713	12,028
Investment properties	11	186,641	186,641	163,010
Investments in associates	12	162,477	158,008	155,570
Intangible assets		2,106	2,826	3,066
Other assets		5,770	5,964	6,949
<b>Total assets</b>		<b>559,826</b>	<b>562,592</b>	<b>574,624</b>
<b>Liabilities and equity</b>				
<b>Liabilities</b>				
Due to banks		9,798	6,990	8,771
Term loans	13	128,591	146,459	155,146
Accounts payable and other credit balances	14	20,377	21,887	21,344
Refundable rental deposits		6,539	7,551	7,593
Provision for employees' end of service benefits		2,103	1,988	1,998
<b>Total liabilities</b>		<b>167,408</b>	<b>184,875</b>	<b>194,852</b>
<b>Equity</b>				
Share capital		43,193	43,193	43,193
Share premium		11,132	11,132	11,132
Treasury shares		(11,981)	(11,981)	(11,981)
Reserve on sale of treasury shares		756	756	756
Statutory reserve		17,931	17,931	16,329
Voluntary reserve		19,329	19,329	17,727
Foreign currency translation reserve		383	390	399
Cumulative changes in fair value		126,085	112,128	113,623
Retained earnings		42,229	37,141	39,472
<b>Equity attributable to the owners of the parent company</b>		<b>249,057</b>	<b>230,019</b>	<b>230,650</b>
<b>Non-controlling interests</b>		<b>143,361</b>	<b>147,698</b>	<b>149,122</b>
<b>Total equity</b>		<b>392,418</b>	<b>377,717</b>	<b>379,772</b>
<b>Total liabilities and equity</b>		<b>559,826</b>	<b>562,592</b>	<b>574,624</b>

  
Mohammad Abdulhamid  
Mohammad Al-Marzook  
Chairman

  
Abdulaziz Abdullah Ali Al-Ghanim  
Vice-Chairman

The notes set out on pages 8 to 22 form an integral part of this interim condensed consolidated financial information.

## Interim condensed consolidated statement of changes in equity

	Equity attributable to the owners of the Parent Company											
	Share capital KD'000	Share premium KD'000	Treasury shares KD'000	Reserve on sale of treasury shares KD'000	Foreign currency				Retained earnings KD'000	Sub-Total KD'000	Non-controlling interests KD'000	Total KD'000
Treasury shares KD'000					Statutory reserve KD'000	Voluntary reserve KD'000	translation reserve KD'000	Cumulative changes in fair value KD'000				
Balance as at 1 January 2024 (Audited)	43,193	11,132	(11,981)	756	17,931	19,329	390	112,128	37,141	230,019	147,698	377,717
Cash dividends (Note 17)	-	-	-	-	-	-	-	-	(7,227)	(7,227)	-	(7,227)
Cash dividends to non-controlling interests of a subsidiary	-	-	-	-	-	-	-	-	-	-	(4,422)	(4,422)
Reduction of share capital in cash of a subsidiary (Note 5)	-	-	-	-	-	-	-	-	-	-	(5,689)	(5,689)
Transactions with the owners	-	-	-	-	-	-	-	-	(7,227)	(7,227)	(10,111)	(17,338)
Profit for the period	-	-	-	-	-	-	-	-	12,315	12,315	5,426	17,741
Other comprehensive (loss)/ income for the period	-	-	-	-	-	-	(7)	13,957	-	13,950	348	14,298
Total comprehensive income for the period	-	-	-	-	-	-	(7)	13,957	12,315	26,265	5,774	32,039
Balance as at 30 September 2024 (Unaudited)	43,193	11,132	(11,981)	756	17,931	19,329	383	126,085	42,229	249,057	143,361	392,418

The notes set out on pages 8 to 22 form an integral part of this interim condensed consolidated financial information.

## Interim condensed consolidated statement of changes in equity (continued)

	Equity attributable to the owners of the Parent Company										Non- controlling interests KD'000	Total KD'000
	Share capital KD'000	Share premium KD'000	Treasury shares KD'000	Reserve on sale of treasury shares KD'000	Statutory reserve KD'000	Voluntary reserve KD'000	Foreign currency translation reserve KD'000	Cumulative changes in fair value KD'000	Retained earnings KD'000	Sub- Total KD'000		
<b>Balance as at 1 January 2023 (Audited)</b>	43,193	11,132	(11,981)	756	16,329	17,727	389	115,556	30,614	223,715	151,787	375,502
Impact on purchase of the remaining shares in a subsidiary (Note 5)	-	-	-	-	-	-	-	-	(1,159)	(1,159)	(914)	(2,073)
Non-controlling interests disposed as a result of acquisition of an additional share in a subsidiary	-	-	-	-	-	-	-	-	-	-	(5,069)	(5,069)
Cash dividends (Note 17)	-	-	-	-	-	-	-	-	(4,818)	(4,818)	-	(4,818)
Cash dividends to non-controlling interests of a subsidiary	-	-	-	-	-	-	-	-	-	-	(1,771)	(1,771)
Change in non-controlling interests on liquidation of a subsidiary	-	-	-	-	-	-	-	-	-	-	(9)	(9)
Transactions with the owners	-	-	-	-	-	-	-	-	(5,977)	(5,977)	(7,763)	(13,740)
Profit for the period	-	-	-	-	-	-	-	-	14,835	14,835	6,819	21,654
Other comprehensive income for the period	-	-	-	-	-	-	10	(1,933)	-	(1,923)	(1,721)	(3,644)
Total comprehensive income/ (loss) for the period	-	-	-	-	-	-	10	(1,933)	14,835	12,912	5,098	18,010
<b>Balance as at 30 September 2023 (Unaudited)</b>	43,193	11,132	(11,981)	756	16,329	17,727	399	113,623	39,472	230,650	149,122	379,772

The notes set out on pages 8 to 22 form an integral part of this interim condensed consolidated financial information.



## Interim condensed consolidated statement of cash flows

	Note	Nine months ended 30 Sept. 2024 (Unaudited) KD'000	Nine months ended 30 Sept. 2023 (Unaudited) KD'000
<b>Operating activities</b>			
<b>Profit for the period</b>		<b>17,741</b>	<b>21,654</b>
Adjustments:			
Depreciation and amortisation		1,314	1,352
Provision for employees' end of service benefits		207	352
Change in the fair value of an investment property under development		-	(2,555)
Loss on sale of other assets		-	85
Profit from sale of subsidiaries		-	(763)
Profit from sale of trading properties		(287)	(509)
Reversal of provision for doubtful debts		(25)	-
Share of results of associates		(9,724)	(9,197)
Dividends income		(4,925)	(6,088)
Interest income		(751)	(731)
Finance costs		5,801	6,166
		<b>9,351</b>	<b>9,766</b>
<b>Changes in operating assets and liabilities:</b>			
Accounts receivable and other debit balances		(1,283)	(1,974)
Accounts payable and other credit balances		84	(4,031)
Refundable rental deposits		(1,011)	(185)
Employees' end of service benefits paid		(92)	(139)
<b>Net cash from operating activities</b>		<b>7,049</b>	<b>3,437</b>
<b>Investing activities</b>			
Proceeds from sale of investments at FVTOCI		9,927	2,195
Change in equity on acquiring an additional share of a subsidiary		-	(7,142)
Change in non-controlling interests on reduction of share capital of a subsidiary in cash		(5,689)	-
Proceeds from sale of subsidiaries – net		-	36
Change in non-controlling interests on liquidation of a subsidiary		-	(9)
Paid to purchase financial assets at FVTOCI		(22)	(16)
Proceeds from sale of properties held for trading		4,370	7,395
Term deposits		(3,000)	-
Additions to an investment property under development		-	(245)
Additions to other assets and intangible assets		(400)	(787)
Dividends income received from associates		6,010	4,688
Dividends income received		4,925	6,088
Interest income received		785	731
<b>Net cash from investing activities</b>		<b>16,906</b>	<b>12,934</b>
<b>Financing activities</b>			
Cash dividends paid		(7,201)	(4,801)
Change in due to banks		2,808	3,414
Change in term loans		(17,868)	(16,099)
Cash dividends for non-controlling interests of a subsidiary		(4,422)	(1,771)
Finance costs paid		(7,051)	(6,142)
<b>Net cash used in financing activities</b>		<b>(33,734)</b>	<b>(25,399)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(9,779)</b>	<b>(9,028)</b>
Cash and cash equivalents at beginning of the period	15	27,363	35,857
<b>Cash and cash equivalents at end of the period</b>	15	<b>17,584</b>	<b>26,829</b>

The notes set out on pages 8 to 22 form an integral part of this interim condensed consolidated financial information.

# Notes to the interim condensed consolidated financial information

## 1 Incorporation and activities of the Parent Company

Tamdeen Real Estate Company – KPSC (the Parent Company) was incorporated in Kuwait on 16 December 1982 in accordance with the Companies Law. The Parent Company along with its subsidiaries are jointly referred to as “the Group”. The Parent Company’s shares are traded on the Kuwait Stock Exchange.

The principal activities of the Parent Company are represented in the real estate investments inside and outside the State of Kuwait, for the purposes of ownership, resale, leasing and renting. The Parent Company is also engaged in the development of real estate projects and construction contracts of buildings, managing the properties of others, establishing and managing real estate investment funds, real estate studies and consultancy, and investing in companies with activities similar to its own and exploiting the financial surpluses available at the Parent Company through its investment in financial portfolios managed by professional companies and authorities.

The address of the Parent Company: PO Box 21816 - Safat 13079 - State of Kuwait.

The interim condensed consolidated financial information for the nine-month period ended 30 September 2024 was authorised for issue by the Parent Company’s board of directors on 13 November 2024.

## 2 Basis of preparation and presentation

The interim condensed consolidated financial information of the Group for the nine-month period ended 30 September 2024 has been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

The annual consolidated financial statements for the year ended 31 December 2023 were prepared in accordance with the International Financial Reporting Standards (“IFRS”) promulgated by the International Accounting Standards Board (“IASB”).

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

The interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements prepared in accordance with the International Financial Reporting Standards. In the opinion of the Parent Company’s management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included.

Operating results for the nine-month period ended 30 September 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024. For further details, refer to the consolidated financial statements and its related disclosures for the year ended 31 December 2023.

# Notes to the interim condensed consolidated financial information

## 3 Changes in accounting policies

The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of the new and amended IFRS Accounting Standards effective as of 1 January 2024 as described in Note 3.1. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

### 3.1 New and amended IFRS Accounting Standards adopted by the Group

The following new IFRS Accounting Standards or amendments to existing IFRS Accounting Standards were effective for the current period.

<i>Description</i>	<i>Effective for annual periods beginning</i>
IAS 1 Amendments- Classification of liabilities with debt covenants	1 January 2024
IAS 1 Amendments- Classification of liabilities as current or non-current	1 January 2024
IAS 7 and IFRS 7 Supplier finance arrangement disclosures	1 January 2024
IFRS 16 Amendments- Lease liability in a sale and leaseback	1 January 2024

#### IAS 1 Amendments - Classification of liabilities with debt covenants

The amendments to IAS 1 clarify that classification of liabilities as either current or non-current depends only on the covenants that an entity is required to comply with on or before the reporting date. In addition, an entity has to disclose information in the notes that enables users of financial statements to understand the risk that non-current liabilities with covenants could become repayable within twelve months.

The adoption of the amendments did not have a significant impact on the Group's interim condensed consolidated financial information.

#### IAS 1 Amendments - Classification of current or non-current

The amendments to IAS 1 clarify the classification of a liability as either current or non-current is based on the entity's rights at the end of the reporting period. Stating management expectations around whether they will defer settlement or not does not impact the classification of the liability. It has added guidance about lending conditions and how these can impact classification and has included requirements for liabilities that can be settled using an entity's own instruments.

The adoption of the amendments did not have a significant impact on the Group's interim condensed consolidated financial information.

#### IAS 7 and IFRS 7 Amendments – Supplier finance arrangement disclosures

The amendments to IAS 7 and IFRS 7 added disclosure objectives to IAS 7 to enable the users of the financial statements to assess how the supplier finance arrangements effect an entity's liabilities and cash flows, and to understand the effect of these arrangements on an entity's exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available to it. While the amendments do not explicitly define supplier finance arrangements it instead describes characteristics of such arrangements.

## Notes to the interim condensed consolidated financial information (continued)

### 3 Changes in accounting policies (continued)

#### 3.1 New and amended IFRS Accounting Standards adopted by the Group (continued)

##### IAS 7 and IFRS 7 Amendments – Supplier finance arrangement disclosures (continued)

To meet the disclosure objectives, an entity is required to disclose in aggregate for its supplier finance arrangements:

- The terms and conditions of the arrangements
- The carrying amount, and associated line items presented in the entity's statement of financial position, of the liabilities that are part of the arrangements
- The carrying amount, and associated line items for which the suppliers have already received payment from the finance providers
- Ranges of payment due dates for both those financial liabilities that are part of a supplier finance arrangement and comparable trade payables that are not part of a supplier finance arrangement
- Liquidity risk information

The adoption of the amendments did not have a significant impact on the Group's interim condensed consolidated financial information.

##### IFRS 16 Amendments – Lease liability in a sale and leaseback

The amendments to IFRS 16 requires a seller-lessee to measure the right-of-use asset arising from a sale and leaseback transaction at the proportion of the previous carrying amount of the asset that relates to the right of use the seller-lessee retains. Accordingly, in a sale and leaseback transaction the seller-lessee recognises only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor. The initial measurement of the lease liability that arise from a sale and leaseback transaction is a consequence of how the seller-lessee measures the right-of-use asset and the gain or loss recognised at the date of the transaction. The new requirements do not prevent a seller-lessee from recognising in any gain or loss relating to the partial or full termination of a lease.

The adoption of the amendments did not have a significant impact on the Group's interim condensed consolidated financial information.

### 4 Judgement and estimates

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expense. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited consolidated financial statements as at and for the year ended 31 December 2023.



## Notes to the interim condensed consolidated financial information (continued)

### 5 Subsidiaries

The list of the consolidated subsidiaries of the Group is as follows:

Subsidiaries	Percentage of the Group ownership in subsidiaries			Country of incorporation	Principal activity	Date of incorporation	Date of control
	30 Sept. 2024 (Unaudited) %	31 Dec. 2023 (Audited) %	30 Sept. 2023 (Unaudited) %				
Tamdeen Investment Company – KPSC and its subsidiaries*	57.70	55.94	55.94	Kuwait	Investment	3 March 1997	11 January 2003
Manshar Real Estate Company - KSC (Closed)	77.97	77.97	77.97	Kuwait	Real estate	17 March 2007	17 March 2007

\* This investment is held by an investment portfolio managed by a specialized investment company.

On 22 July 2024, the extraordinary general assembly of the subsidiary's shareholders; Tamdeen Investment Company - K.P.S.C, approved a reduction in the Company's authorized, issued, and paid-up share capital from KD 34,506,371 divided into 345,063,708 shares to KD 20,000,000 divided into 200,000,000 shares, resulting in a decrease of KD 14,506,371 divided into 145,063,708 shares, equivalent to 42.04% of the Company's share capital, as follows:

- Non-cash reduction of KD 1,055,556 against the cancellation of 10,555,562 shares from treasury shares.
- Cash reduction and allocation of KD 13,450,815 to shareholders, each according to their respective shareholding percentage, against the cancellation of 134,508,146 shares from the share capital at a nominal value of 100 fils each. Accordingly, the authorized, issued, and paid-up share capital amounted to KD 20,000,000 as at 30 September 2024, divided into 200,000,000 shares, each of 100 fils and all shares are in cash (31 December 2023, and 30 September 2023: KD 34,506,371 divided into 345,063,708 shares).
- During the previous period, one of the subsidiaries of the Group (Tamdeen Investment Company - K.P.S.C) purchased the remaining shares in Tamdeen Real Estate Development Company K.S.C (Closed) (Group's subsidiary) from a related party (Note 18) and increased its direct ownership percentage in the share capital from 48% to 100%. Accordingly, the financial statements of Tamdeen Real Estate Development Company K.S.C (Closed) were fully and directly consolidated by Tamdeen Investment Company - K.P.S.C. This purchase transaction resulted in an increase in the difference between the purchase value and the net book value of the purchased shares. The net increase calculated amounted to KD2,073 thousand, which was included directly in the statement of changes in equity for the previous period.
- Furthermore, the subsidiary (Tamdeen Investment Company KPSC) sold, during the previous period, two subsidiaries resulting net profit on sale of KD763 thousand recognized in the statement of profit or loss for the previous period.



## Notes to the interim condensed consolidated financial information (continued)

### 6 Net income from investments

	Three months ended		Nine months ended	
	30 Sept. 2024 (Unaudited) KD'000	30 Sept. 2023 (Unaudited) KD'000	30 Sept. 2024 (Unaudited) KD'000	30 Sept. 2023 (Unaudited) KD'000
Dividend income	2,775	2,322	4,925	6,088
Interest income	193	246	751	731
	<b>2,968</b>	<b>2,568</b>	<b>5,676</b>	<b>6,819</b>

### 7 Investment property under development

	30 Sept. 2024 (Unaudited) KD '000	31 Dec. 2023 (Audited) KD '000	30 Sept. 2023 (Unaudited) KD '000
Balance at beginning of the year	-	21,000	21,000
Additions during the period/year	-	2,563	245
Change in fair value during the period/ year (see below)	-	2,555	2,555
Transferred to investment properties – Tamdeen Square Tower (Note 11)	-	(26,118)	-
<b>Balance at end of the period/year</b>	<b>-</b>	<b>-</b>	<b>23,800</b>

During the previous period the subsidiary (Tamdeen Investment Company - K.P.S.C) and as a result of its purchase of an additional 52% share in the subsidiary (Tamdeen Real Estate Development Company K.S.C (Closed)) (Note 5) revalued the investment property under development represented in Tamdeen Square - Tower A, for the purpose of calculating the difference between the cost of purchasing the new share, and the fair value of the purchased net assets. This revaluation resulted in a revaluation gain in the investment property amounting to KD 2,555 thousand included in the statement of profit or loss for the prior period.

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

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

	Three months ended		Nine months ended	
	30 Sept. 2024 (Unaudited)	30 Sept. 2023 (Unaudited)	30 Sept. 2024 (Unaudited)	30 Sept. 2023 (Unaudited)
Profit for the period attributable to the owners of the Parent Company (KD'000)	4,055	4,645	12,315	14,835
Weighted average number of the outstanding shares (excluding treasury shares) (in thousands)	401,498	401,512	401,498	401,512
<b>Basic and diluted earnings per share attributable to the owners of the Parent Company (Fils)</b>	<b>10.1</b>	<b>11.6</b>	<b>30.7</b>	<b>37.0</b>

## Notes to the interim condensed consolidated financial information (continued)

### 9 Accounts receivable and other debit balances

	30 Sept. 2024 (Unaudited) KD'000	31 Dec. 2023 (Audited) KD'000	30 Sept. 2023 (Unaudited) KD'000
Trade receivable	1,893	1,230	1,162
Due from related parties	235	186	112
Due from sale of trading properties (a)	639	721	953
Due from sale of real estate plots for trading (b)	949	1,699	1,699
Advance payments to contractors	1,893	1,313	1,524
Prepaid expenses	647	223	750
Accrued revenue	27	82	78
Other debit balances	1,182	842	1,493
	<b>7,465</b>	<b>6,296</b>	<b>7,771</b>
Provision for ECLs	<b>(789)</b>	<b>(814)</b>	<b>(598)</b>
	<b>6,676</b>	<b>5,482</b>	<b>7,173</b>

- a) The balance due from the sale of trading properties mainly represents the amounts due from the sale transactions made by the parent company for a number of residential investment towers in the Tamdeen Square project (Towers B and C).
- b) The balance due from the sale of real estate plots mainly represents the amounts due from the sale transaction made by a subsidiary in the past for a number of real estate plots invested for the purpose of trading. The Group's management considers that the credit risk of these amounts is low since the parties are reputable with no previous default, and confirms that these amounts owed are fully collectible from the concerned parties. These balances are guaranteed by a related party.

### 10 Investments at fair value through other comprehensive income

	30 Sept. 2024 (Unaudited) KD'000	31 Dec. 2023 (Audited) KD'000	30 Sept. 2023 (Unaudited) KD'000
Local managed portfolios	118	114	112
Participations in local companies shares	168,090	164,828	175,431
Participations in capital of companies located outside Kuwait	578	578	581
	<b>168,786</b>	<b>165,520</b>	<b>176,124</b>

- a) Investments with a total fair value of KD6,253 thousand (31 December 2023: KD28,555 thousand and 30 September 2023: KD36,340 thousand) are pledged against term loans (Note 13).
- b) During the previous years and the current period, total balance of accumulated profits (on disposal), included in the cumulative changes in fair value, amounted to KD118,510 thousand (31 December 2023: KD114,301 thousand and 30 September 2023: KD114,334 thousand).
- c) During the current period, a subsidiary sold a part of the investments classified as at fair value through other comprehensive income. The fair value of the shares sold as of the disposal date amounted to KD 9,927 thousand. The relevant accumulated profits amounted to KD 598 thousand, which are held under the Group's fair value reserve.

Refer to note 21.3 for further details relating to the carrying value and fair value of the above investments.

## Notes to the interim condensed consolidated financial information (continued)

### 11 Investment properties

	30 Sept. 2024 (Unaudited) KD'000	31 Dec. 2023 (Audited) KD'000	30 Sept. 2023 (Unaudited) KD'000
Balance at beginning of the period/ year	186,641	163,010	163,010
Transferred from investment property under development	-	26,118	-
Change in fair value during the period/ year	-	(2,487)	-
<b>Balance at end of the period/year</b>	<b>186,641</b>	<b>186,641</b>	<b>163,010</b>

Investment properties are represented by the carrying values of:

1. Al-Kout Mall and Hyatt Regency Hotel Al-Kout Mall (collectively referred to as "Al-Kout Complex") of KD162,600 thousand (31 December 2023: KD162,600 thousand and 30 September 2023: KD162,250 thousand).
  2. Souq Al-Kout of KD320 thousand as at 30 September 2024 (31 December 2023: KD320 thousand and 30 September 2023: KD760 thousand) which is subject to a (B.O.T) contract with the Government of Kuwait where the contract terms end in 2025.
  3. Tamdeen Square Tower A of KD23,721 thousand (31 December 2023: KD23,721 thousand and 30 September 2023: KD23,800 thousand which has been classified as an investment property under development)
- Investment properties with a carrying amount of KD162,600 thousand (31 December 2023: KD162,600 thousand and 30 September 2023: KD162,250 thousand and investment property (Tamdeen Square Tower A) of KD23,721 thousand (31 December 2023: KD23,721 thousand and 30 September 2023: KD23,800 thousand which has been classified as an investment property under development) are totally mortgaged against term loans (Note 13).

## 12 Investments in associates

This item comprises the investments of the Group in the following associates:

\* Indirect holding through the subsidiary [Tamdeen Investment Company – KPSC].

The Group's share of results of associates has been recorded based on the latest unaudited financial information prepared by the managements of these associates for the period ended 30 September 2024.

## Notes to the interim condensed consolidated financial information (continued)

### 13 Term loans

	30 Sept. 2024 (Unaudited) KD'000	31 Dec. 2023 (Audited) KD'000	30 Sept. 2023 (Unaudited) KD'000
Term loans (a)	128,591	146,459	155,146
Average interest rate – range (above CBK discount rate)	0.75%- %1%	0.75 % - 1%	0.75% - 1.25%

- a) Term loans of KD62,500 thousand (31 December 2023: KD67,500 thousand and 30 September 2023: KD67,500 thousand) are contractually due after more than one year. The remaining term loans of KD66,091 thousand (31 December 2023: KD78,959 thousand and 30 September 2023: KD87,646 thousand) are payable within one year and will be renewed periodically.
- b) Total loans obtained by the subsidiaries of KD66,750 thousand (31 December 2023: KD71,500 thousand and 30 September 2023: KD91,275 thousand) are secured by pledge of equity investments with a fair value of KD6,253 thousand (31 December 2023: KD28,555 thousand and 30 September 2023: KD36,340 thousand) (Note 10), pledge of investments in associates of KD13,189 thousand (31 December 2023: KD17,777 thousand and 30 September 2023: KD36,498 thousand) (Note 12), and pledge of investment properties of KD162,600 thousand (31 December 2023: KD162,600 thousand and 30 September 2023: KD162,250 thousand and a pledge of an investment property (Tamdeen Square Tower A) of KD23,721 thousand (31 December 2023: KD23,721 thousand and 30 September 2023: KD 23,800 thousand which has been classified as an investment property under development) (Note 11).

### 14 Accounts payable and other credit balances

	30 Sept. 2024 (Unaudited) KD'000	31 Dec. 2023 (Audited) KD'000	30 Sept. 2023 (Unaudited) KD'000
Retentions for executed works	4,297	4,354	4,319
Rental received in advance	950	600	575
Accrued interest, leave and other expenses	2,641	4,540	2,184
Lease liability	1,084	1,240	1,283
Due to related parties	391	35	82
Dividends payable to shareholders	327	322	328
Advance payments received from customers	549	239	611
Accrued construction costs	445	562	569
Creditors against acquisition of intangible assets	1,912	2,595	2,814
Provisions and other credit balances	7,781	7,400	8,579
	20,377	21,887	21,344



## Notes to the interim condensed consolidated financial information (continued)

### 15 Cash and cash equivalents

Cash and cash equivalents included in the interim condensed consolidated statement of cash flows comprise of the following balances of the interim condensed consolidated statement of financial position:

	30 Sept. 2024 (Unaudited) KD'000	31 Dec. 2023 (Audited) KD'000	30 Sept. 2023 (Unaudited) KD'000
Cash on hand, bank balances and portfolios	9,022	7,428	9,538
Term deposits	11,637	20,010	17,366
	20,659	27,438	26,904
Term deposits with contractual maturity for three months to a year	(3,075)	(75)	(75)
<b>Cash and cash equivalents as per the consolidated statement of cash flows</b>	<b>17,584</b>	<b>27,363</b>	<b>26,829</b>

Short deposits carry an average interest rate ranging from 3 % to 5.49% (31 December 2023: from 2.64% to 5.45% and 30 September 2023 from %5.3 to %5.4) per annum.

### 16 Segmental analysis

The Group activities are concentrated in two main segments: Real Estate and Investment. The segments' results are reported to the top management in the Group. The activities of the Group are principally carried out within the State of Kuwait; With the exception of participations in capital of companies located outside Kuwait (Note 10), all of the assets and liabilities are located inside Kuwait.

The following is the segments information, which conforms with the internal reporting presented to management:

	Real estate KD'000	Investment KD'000	Total KD'000
<b>Nine months ended 30 September 2024 (Unaudited)</b>			
Gross income	18,797	17,051	35,848
Profit for the period	3,055	14,686	17,741
<b>Three ended 30 September 2024 (Unaudited)</b>			
Gross income	5,873	5,995	11,868
Profit for the period	552	5,368	5,920
<b>As of 30 September 2024 (Unaudited)</b>			
Total assets	186,641	373,185	559,826
Total liabilities	(151,354)	(16,054)	(167,408)
<b>Total equity</b>	<b>35,287</b>	<b>357,131</b>	<b>392,418</b>

## Notes to the interim condensed consolidated financial information (continued)

### 16 Segmental analysis (continued)

	Real estate KD'000	Investment KD'000	Total KD'000
<b>Nine months ended 30 September 2023 (Unaudited)</b>			
Gross income	18,951	21,443	40,394
Profit for the period	3,476	18,178	21,654
<b>Three months ended 30 September 2023 (Unaudited)</b>			
Gross income	6,047	6,203	12,250
Profit for the period	970	5,522	6,492
<b>As of 30 September 2023 (Unaudited)</b>			
Total assets	188,876	385,748	574,624
Total liabilities	(165,630)	(29,222)	(194,852)
<b>Total equity</b>	<b>23,246</b>	<b>356,526</b>	<b>379,772</b>

### 17 Annual general assembly of shareholders and dividends

The general assembly of shareholders, held on 8 April 2024, approved the consolidated financial statements for the year ended 31 December 2023 and the board of directors' proposal to distribute cash dividends to shareholders at 18%, or equivalent to 18 fils per share and equivalent to KD 7,227 thousand, of the paid-up share capital for the year ended 31 December 2023 as well as the board of directors' remuneration of KD35 thousand (The general assembly of shareholders, held on 17 April 2023, approved the consolidated financial statements for the year ended 31 December 2022 and the board of directors' proposal to distribute cash dividends to shareholders at 12%, or the equivalent to 12 fils per share and equivalent to KD 4,818 thousand, of the paid-up share capital for the year ended 31 December 2022. Furthermore, it approved the board of directors' remuneration of KD 35 thousand).

### 18 Related party transactions

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

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

	30 Sept. 2024 (Unaudited) KD'000	31 Dec. 2023 (Audited) KD'000	30 Sept. 2023 (Unaudited) KD'000
<b>Interim condensed consolidated statement of financial position</b>			
Accounts receivable and other debit balances (Note 9)	235	186	112
Accounts payable and other credit balances (Note 14)	391	35	82

## Notes to the interim condensed consolidated financial information (continued)

### 18 Related party transactions (continued)

	Three months ended		Nine months ended	
	30 Sept. 2024 (Unaudited) KD '000	30 Sept. 2023 (Unaudited) KD '000	30 Sept. 2024 (Unaudited) KD '000	30 Sept. 2023 (Unaudited) KD '000
<b>Interim condensed consolidated statement of profit or loss</b>				
Operating income	159	224	461	601
Income from management and consultancy fees	263	246	790	737
Cost of revenue	313	612	1,493	1,567
General, administrative and other expenses	293	523	1,009	970
Reversal of provision (due from related parties)	-	-	200	-
Gain on sale of subsidiaries	-	-	-	763
<b>Benefits of key management personnel of the Group:</b>				
Short-term salaries, bonus, and benefits to the key management personnel	164	186	689	654
<b>Transactions</b>				
Purchase of additional share of a subsidiary (Note 5)	-	-	-	6,615
		30 Sept. 2024 (Unaudited) KD'000	31 Dec. 2023 (Audited) KD'000	30 Sept. 2023 (Unaudited) KD'000
<b>Contra accounts - off interim condensed consolidated statement of financial position items</b>				
Net book value of customers' portfolios (major shareholders) managed by Tamdeen Investment Company – KPSC (subsidiary) (Note 20)		207,534	148,741	167,281

### 19 Capital commitments and contingent liabilities

	30 Sept. 2024 (Unaudited) KD'000	31 Dec. 2023 (Audited) KD'000	30 Sept. 2023 (Unaudited) KD'000
Capital commitments	-	-	488
Contingent liabilities	2,245	2,638	2,638

### 20 Contra accounts off the interim condensed consolidated statement of financial position items

One of the subsidiaries [Tamdeen Investment Company - K.P.S.C.] manages investment portfolios to the third parties, whose net carrying amount as at 30 September 2024 amounted to KD 224,262 thousand (31 December 2023: KD188,861 thousand and 30 September 2023: KD207,451 thousand) out of which an amount of KD 207,534 thousand (31 December 2023: KD148,741 thousand and 30 September 2023: KD167,281 thousand) is attributable to portfolios of related parties (Note 18). Such balances have not been recognized under the interim condensed consolidated statement of financial position.

## Notes to the interim condensed consolidated financial information (continued)

### 21 Summary of financial assets and liabilities by category and fair value measurement

#### 21.1 Summary of financial assets and liabilities by Category

The carrying amounts of the Group's financial assets and liabilities as stated in the interim condensed consolidated statement of financial position can be categorized as follows:

	30 Sept. 2024 (Unaudited) KD'000	31 Dec. 2023 (Audited) KD'000	30 Sept. 2023 (Unaudited) KD'000
<b>Financial assets</b>			
<b>Financial assets at amortised cost:</b>			
- Accounts receivable and other debit balances (excluding advance payments to contractors and prepaid expenses)	4,136	3,946	4,899
- Cash and banks balances	20,659	27,438	26,904
<b>Financial assets at fair value:</b>			
- Investments at fair value through other comprehensive income	168,786	165,520	176,124
<b>Total financial assets</b>	<b>193,581</b>	<b>196,904</b>	<b>207,927</b>
<b>Financial liabilities</b>			
<b>Financial liabilities at amortised cost:</b>			
- Due to banks	9,798	6,990	8,771
- Term loans	128,591	146,459	155,146
- Accounts payable and other credit balances	20,377	21,887	21,344
- Refundable rental deposits	6,539	7,551	7,593
<b>Total financial liabilities</b>	<b>165,305</b>	<b>182,887</b>	<b>192,854</b>

#### 21.2 Fair value measurement

Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments at fair value through other comprehensive income are carried at fair value and measurement details are disclosed in note 21.3 to the interim condensed consolidated financial information. In the opinion of the Group's management, the carrying amounts of all other financial assets and liabilities which are at amortised costs are considered a reasonable approximation of their fair values.

#### 21.3 Fair value hierarchy for financial instruments measured at fair value

The following table presents the financial assets which are measured at fair value in the interim condensed consolidated statement of financial position in accordance with the fair value hierarchy.

This hierarchy groups financial assets into three levels based on the significance of inputs used in measuring the fair value of the financial assets. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the assets that are not based on observable market data (unobservable inputs).

The level within which the financial assets are classified is determined based on the lowest level of significant inputs which lead to the fair value measurement.



## Notes to the interim condensed consolidated financial information (continued)

### 21 Summary of financial assets and liabilities by category and fair value measurement (continued)

#### 21.3 Fair value hierarchy for financial instruments measured at fair value (continued)

The financial assets measured at fair value in the interim condensed consolidated statement of financial position according to the fair value hierarchy are as follows:

	Level 1 KD'000	Level 2 KD'000	Level 3 KD'000	Total KD'000
<b>30 September 2024 (Unaudited)</b>				
<b>Financial assets at fair value</b>				
<b>Investments at FVTOCI</b>				
- Local managed portfolios				
• Quoted shares	118	-	-	118
- Participations in local companies shares				
• Quoted shares	167,825	-	-	167,825
• Unquoted shares	-	-	265	265
- Participations in capital of companies located outside Kuwait				
• Unquoted shares	-	-	578	578
	<b>167,943</b>	<b>-</b>	<b>843</b>	<b>168,786</b>
<b>31 December 2023 (Audited)</b>				
<b>Financial assets at fair value</b>				
<b>Investments at FVTOCI</b>				
- Local managed portfolios				
• Quoted shares	114	-	-	114
- Participations in local companies shares				
• Quoted shares	164,585	-	-	164,585
• Unquoted shares	-	-	243	243
- Participations in capital of companies located outside Kuwait				
• Unquoted shares	-	-	578	578
	<b>164,699</b>	<b>-</b>	<b>821</b>	<b>165,520</b>
<b>30 September 2023 (Unaudited)</b>				
<b>Financial assets at fair value</b>				
<b>Investments at FVTOCI</b>				
- Local managed portfolios				
• Quoted shares	112	-	-	112
- Participations in local companies shares				
• Quoted shares	175,187	-	-	175,187
• Unquoted shares	-	-	244	244
- Participations in capital of companies located outside Kuwait				
• Unquoted shares	-	-	581	581
	<b>175,299</b>	<b>-</b>	<b>825</b>	<b>176,124</b>

There were no transfers between the levels during the current period.

The valuation methods and techniques used for the purpose of measuring fair value are unchanged compared to the previous year or period.



## Notes to the interim condensed consolidated financial information (continued)

### 21 Summary of financial assets and liabilities by category and fair value measurement (continued)

#### 21.3 Fair value hierarchy for financial instruments measured at fair value (continued)

##### Level 3 fair value measurements

Reconciliation of level 3 fair value measurements is as follows:

	30 Sept. 2024 (Unaudited) KD'000	31 Dec. 2023 (Audited) KD'000	30 Sept. 2023 (Unaudited) KD'000
Balance at the beginning of period/year	821	817	817
Change in fair value during the period/year	22	4	8
<b>Balance at the end of period/year</b>	<b>843</b>	<b>821</b>	<b>825</b>

### 22 Subsequent event

Subsequent to the reporting period, an international arbitration tribunal rendered a decision regarding the account settlement with Nasa Construction General Trading and Contracting Company - W.L.L (the Claimant), as the main contractor for the construction of Tamdeen Square towers project in Sabah Al Salem area. The ruling was in favor of the Claimant for an amount of KD 1,922 thousand, including arbitration fees, attorney fees, in addition to the retention amount of KD 3,811 thousand, given that the Parent Company recognised an amount of KD 740 thousand, within general and administrative expenses for the period in the statement of profit or loss being the difference between the total amount awarded to the claimant and the total accounts payable and provisions recorded in the Parent Company's books.