



الشركة الكويتية السورية للاحتفاظ  
Kuwait Syrian Holding

**Kuwait Syrian Holding Company – K.S.C.P.**  
**Holding Company**  
And its subsidiaries  
State of Kuwait

**Interim Condensed Consolidated Financial Information (Unaudited)**  
**For the three months ended 31 March 2022**  
**And review report**



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| <b>Index</b>  | <b>Page</b> |
|---|-------------|
| Review Report   |             |
| Interim Condensed Consolidated Statement of Financial Position (Unaudited)    | 1           |
| Interim Condensed Consolidated Statement of Income (Unaudited)                | 2           |
| Interim Condensed Consolidated Statement of Comprehensive Income (Unaudited)  | 3           |
| Interim Condensed Consolidated Statement of Changes in Equity (Unaudited)     | 4           |
| Interim Condensed Consolidated Statement of Cash Flows (Unaudited)            | 5           |
| Notes to the Interim Condensed Consolidated Financial Information (Unaudited) | 6–10        |

**Kuwait Syrian Holding Company - K.S.C.P.**

**Holding Company**

State of Kuwait

Kuwait, 15 May 2022

**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 Kuwait Syrian Holding Company - K.S.C.P. Holding Company "the Parent Company" and its subsidiaries (collectively referred to as "the Group") as at 31 March 2022 and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the three-month 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 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.

*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".

*Emphasis of Matter*

We draw attention to Note (11) to the interim condensed consolidated financial information which discloses that assets amounting to KD 16 Million as at 31 March 2022 which represent 78% approximately of the Group's assets is in Syria and that the Group has assessed that the current political and economic events is unlikely to have any material effect on carrying value of these assets.

Our conclusion is not qualified in respect of this matter.

Kuwait Syrian Holding Company - K.S.C.P.

Holding Company

State of Kuwait

**Report on Review of Interim Condensed Consolidated Financial Information to the Board of Directors (continued)**

**Report on Other Legal and Regulatory Requirements**

Further, based on our review, the interim condensed consolidated financial information is in agreement with the books of the Parent Company. To the best of our knowledge and belief, no violations of the Companies Law No. 1 of 2016, and its executive regulation, as amended, or of the Parent Company's Memorandum and Articles of Association, as amended, have occurred during the three-month period ended 31 March 2022, that might have had a material effect on the business of the Group or on its consolidated financial position.

We further report that, during the course of our review, we have not become aware of any material violations provisions of Law No. 7 of 2010, as amended, concerning the Capital Markets Authority and its related regulations during the three-month period ended 31 March 2022, that might had a material effect on the business of Group or on its consolidated financial position.



Abdullatif Abdullah Hoshan Al-Majid  
Certified Public Accountants (Licence No. 70 A)  
Parker Russell - Allied Accountants



عبد اللطيف عبدالله هوشان الماجيد  
مرخص تحت رقم ( ٧٠ ) فئة ١

Interim Condensed Consolidated Statement of Financial Position as of 31 March 2022  
(Unaudited)

(All amounts in Kuwaiti Dinars)

|  | Note | 31 March<br>2022  | 31 December<br>2021<br>(Audited) | 31 March<br>2021  |
|--|------|-------------------|----------------------------------|-------------------|
| <b>Assets</b>  |      |                   |                                  |                   |
| <b>Non-current assets</b>  |      |                   |                                  |                   |
| Property and equipment   |      | -                 | 139                              | 210,072           |
| Investment properties  | 4    | 12,631,473        | 12,568,838                       | 8,158,905         |
| Financial investments at FVTOCI  | 5    | 3,512,464         | 2,897,394                        | 3,890,063         |
|  |      | <u>16,143,937</u> | <u>15,466,371</u>                | <u>12,259,040</u> |
| <b>Current assets</b>  |      |                   |                                  |                   |
| Properties held for trading  |      | 3,950,750         | 3,950,750                        | 3,995,496         |
| Trade and other receivables  |      | 304,980           | 299,971                          | 41,183            |
| Cash and cash equivalents  | 6    | 254,725           | 247,184                          | 515,576           |
|  |      | <u>4,510,455</u>  | <u>4,497,905</u>                 | <u>4,552,255</u>  |
| <b>Total assets</b>  |      | <u>20,654,392</u> | <u>19,964,276</u>                | <u>16,811,295</u> |
| <b>Equity and Liabilities</b>  |      |                   |                                  |                   |
| <b>Equity</b>  |      |                   |                                  |                   |
| Share capital  |      | 17,627,690        | 17,627,690                       | 17,627,690        |
| Statutory reserve  |      | 139,253           | 139,253                          | 139,253           |
| Investments revaluation reserve  |      | 1,749,620         | 1,134,570                        | 2,123,586         |
| Foreign currency translation reserve                                       |      | (954,098)         | (1,001,516)                      | (6,305,405)       |
| Accumulated losses   |      | (1,526,555)       | (1,530,168)                      | (2,549,506)       |
| <b>Total equity attributable to the shareholders of the Parent Company</b> |      | <u>17,035,910</u> | <u>16,369,829</u>                | <u>11,035,618</u> |
| <b>Non-controlling interest</b>  |      | <u>3,196,144</u>  | <u>3,166,488</u>                 | <u>1,724,084</u>  |
| <b>Total equity</b>  |      | <u>20,232,054</u> | <u>19,536,317</u>                | <u>12,759,702</u> |
| <b>Non-current liabilities</b>   |      |                   |                                  |                   |
| Term loan  |      | -                 | -                                | 71,346            |
| End of service indemnity   |      | 14,102            | 13,713                           | 13,965            |
|  |      | <u>14,102</u>     | <u>13,713</u>                    | <u>85,311</u>     |
| <b>Current liabilities</b>   |      |                   |                                  |                   |
| Trade and other payables   | 7    | 408,236           | 414,246                          | 3,927,962         |
| Term loan  |      | -                 | -                                | 38,320            |
|  |      | <u>408,236</u>    | <u>414,246</u>                   | <u>3,966,282</u>  |
| <b>Total liabilities</b>   |      | <u>422,338</u>    | <u>427,959</u>                   | <u>4,051,593</u>  |
| <b>Total equity and liabilities</b>  |      | <u>20,654,392</u> | <u>19,964,276</u>                | <u>16,811,295</u> |

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

  
Ahmad Abdulrahman Al-Sharqawi  
Chairman

  
Fahad Abdulrahman Al-Mukhaizim  
Vice Chairman

**Interim Condensed Consolidated Statement of Income for the three months ended 31 March 2022**  
**(Unaudited)**

*(All amounts in Kuwaiti Dinars)*

|  | Note     | Three months ended<br>31 March |               |
|--|----------|--------------------------------|---------------|
|  |          | 2022                           | 2021          |
| <b>Revenue</b>                                     |          |                                |               |
| Net properties income                              |          | 51,558                         | 53,929        |
| Foreign currency differences gains                 |          | 583                            | 39,762        |
| Other income                                       |          | 129                            | 122           |
| <b>Total revenue</b>                               |          | <b>52,270</b>                  | <b>93,813</b> |
| <b>Expenses and other charges</b>                  |          |                                |               |
| Staff cost   |          | 11,144                         | 25,433        |
| Administration and general expenses                |          | 24,276                         | 51,746        |
| <b>Total expenses and other charges</b>            |          | <b>35,420</b>                  | <b>77,179</b> |
| <b>Net profit for the period before deductions</b> |          | <b>16,850</b>                  | <b>16,634</b> |
| NLST   |          | 103                            | -             |
| <b>Net profit for the period</b>                   |          | <b>16,747</b>                  | <b>16,634</b> |
| <b>Attributable to:</b>                            |          |                                |               |
| Shareholders of the Parent Company                 |          | 3,613                          | 1,698         |
| Non-controlling interest                           |          | 13,134                         | 14,936        |
|  |          | <b>16,747</b>                  | <b>16,634</b> |
| <b>Earnings per share (fils)</b>                   | <b>8</b> | <b>0.02</b>                    | <b>0.01</b>   |

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 ended 31 March 2022  
(Unaudited)

(All amounts in Kuwaiti Dinars)

|   | Three months ended<br>31 March |                |
|---|--------------------------------|----------------|
|   | 2022                           | 2021           |
| Net profit for the period   | 16,747                         | 16,634         |
| Other comprehensive income items:   |                                |                |
| <i>Items that may be reclassified subsequently to statement of income:</i>      |                                |                |
| Foreign currency translation differences  | 63,940                         | (14,962)       |
| <i>Items that will not be reclassified subsequently to statement of income:</i> |                                |                |
| Change in fair value of investments in equity instruments at FVTOCI             | 615,050                        | 878,720        |
| Total other comprehensive income items  | 678,990                        | 863,758        |
| <b>Total comprehensive profit for the period</b>                                | <b>695,737</b>                 | <b>880,392</b> |
| Attributable to:  |                                |                |
| Shareholders of the Parent Company  | 666,081                        | 867,998        |
| Non-controlling interest  | 29,656                         | 12,394         |
|   | <b>695,737</b>                 | <b>880,392</b> |

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 ended 31 March 2022  
(Unaudited)

(All amounts in Kuwaiti Dinars)

|  | Equity attributable to the shareholders of the Parent Company |                      |                                       |   |                       |            | Non-<br>controlling<br>interest | Total equity |
|--|---|----------------------|---------------------------------------|---|-----------------------|------------|---------------------------------|--------------|
|  | Share<br>capital  | Statutory<br>reserve | Investments<br>revaluation<br>reserve | Foreign<br>currency<br>translation<br>reserve | Accumulated<br>losses | Total      |                                 |              |
| Balance at 1 January 2021              | 17,627,690  | 139,253              | 1,244,866                             | (6,292,985)                                   | (2,551,204)           | 10,167,620 | 1,711,690                       | 11,879,310   |
| Net profit for the period              | -   | -                    | -                                     | -   | 1,698                 | 1,698      | 14,936                          | 16,634       |
| Total other comprehensive income items | -   | -                    | 878,720                               | (12,420)                                      | -                     | 866,300    | (2,542)                         | 863,758      |
| Balance at 31 March 2021               | 17,627,690  | 139,253              | 2,123,586                             | (6,305,405)                                   | (2,549,506)           | 11,035,618 | 1,724,084                       | 12,759,702   |
| Balance at 1 January 2022              | 17,627,690  | 139,253              | 1,134,570                             | (1,001,516)                                   | (1,530,168)           | 16,369,829 | 3,166,488                       | 19,536,317   |
| Net profit for the period              | -   | -                    | -                                     | -   | 3,613                 | 3,613      | 13,134                          | 16,747       |
| Total other comprehensive income items | -   | -                    | 615,050                               | 47,418  | -                     | 662,468    | 16,522                          | 678,990      |
| Balance at 31 March 2022               | 17,627,690  | 139,253              | 1,749,620                             | (954,098)                                     | (1,526,555)           | 17,035,910 | 3,196,144                       | 20,232,054   |

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 ended 31 March 2022  
(Unaudited)**

(All amounts in Kuwaiti Dinars)

| Note  | Three months ended |          |
|---|--------------------|----------|
|   | 31 March           |          |
|   | 2022               | 2021     |
| <b>Cash flows from operating activities</b>                     |                    |          |
| Net profit for the period                                       | 16,747             | 16,634   |
| <i>Adjustments:</i>   |                    |          |
| Depreciation  | 139                | 11,056   |
| Interest income   | (129)              | (122)    |
| End of service indemnity provision                              | 389                | 388      |
| Operating profit before changes in working capital              | 17,146             | 27,956   |
| Trade and other receivables                                     | (5,009)            | 473      |
| Trade and other payables  | (4,461)            | 58,544   |
| Net cash generated from operating activities                    | 7,676              | 86,973   |
| <b>Cash flows from investing activities</b>                     |                    |          |
| Interest income received  | 129                | 122      |
| Paid for develop investment properties                          | -                  | (8,233)  |
| Net cash generated from/ (used in) investing activities         | 129                | (8,111)  |
| <b>Cash flows from financing activities</b>                     |                    |          |
| Payment of cash dividends                                       | (264)              | (733)    |
| Paid from term loan   | -                  | (36,395) |
| Net cash used in financing activities                           | (264)              | (37,128) |
| <b>Net change in cash and cash equivalents</b>                  | 7,541              | 41,734   |
| <b>Cash and cash equivalents at the beginning of the period</b> | 247,184            | 526,484  |
| <b>Cash and cash equivalents at the end of the period</b>       | 6 254,725          | 568,218  |

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 ended 31 March 2022  
(Unaudited)**

*(All amounts in Kuwaiti Dinars unless otherwise stated)*

**1. Incorporation of the Group**

Kuwait Syrian Holding Company “the Parent Company” is a Kuwaiti Public Shareholding Company incorporated in 28 July 2002.

The main activities of the Parent Company are:

- Owning stocks in Kuwaiti or Non-Kuwaiti shareholding companies and shares in Kuwaiti or non-Kuwaiti limited liability companies and participating in the establishment, lending and managing of these companies and acting as a guarantor for these companies.
- Lending money to companies in which it owns shares, guaranteeing them with third parties where the holding company owns 20% or more of the capital of the borrowing company.
- Owning industrial rights such as patents, industrial trademarks, royalties, or any other related rights, and leasing to other companies to use it inside and outside state of Kuwait.
- Owning properties and moveable property to conduct its operations within the limits as stipulated by law.
- Utilizing the company’s available surplus funds in financial portfolio managed by specialized entities.

The Parent Company’s main office is at Rakan Tower, 16th Floor, Fahad Al-Salem Street, Kuwait.

This interim condensed consolidated financial information comprise the financial information of the Parent Company and its subsidiaries (Note 10), known collectively as “the Group”.

The General Assembly of the shareholders of the Parent Company for the year ended 31 December 2021 did not hold, accordingly the consolidated financial statements for the year ended 31 December 2021 did not approve yet.

This interim condensed consolidated financial information was authorized for issuance by the Board of Directors on 15 May 2022.

**2. Basis of presentation and significant accounting policies**

**2.1 Basis of presentation**

This interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard No. (34), “Interim Financial Reporting”.

The interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements in accordance with International Financial Reporting Standards, and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2021. For further information, refer to the consolidated financial statements and its related notes for the year ended 31 December 2021.

In the management’s opinion, all necessary adjustments, including recurring accruals have been included in the interim condensed consolidated financial information for fair presentation. The operating results for the period ended 31 March 2022 are not necessarily indicative of results that may be expected for the year ending 31 December 2022.

**2.2 Significant accounting policies**

The accounting policies used in the preparation of these 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 2021, except for 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 2022 and which did not result in any material impact on the accounting policies, financial position or performance of the Group. The Group has not early adopted any standards, interpretations and amendments that had been issued but is not yet effective.

**IFRS 9 Financial Instruments – Fees in the ‘10 per cent’ test for derecognition of financial liabilities**

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other’s behalf. There is no similar amendment proposed for IAS 39 Financial Instruments: Recognition and Measurement. These amendments had no material impact on the

Notes to the Interim Condensed Consolidated Financial Information for the three months ended 31 March 2022  
(Unaudited)

(All amounts in Kuwaiti Dinars unless otherwise stated)

interim condensed consolidated financial information of the Group as there were no significant modifications of the Group's financial instruments during the period.

Other amendments to IFRSs which are effective for annual accounting period starting from 1 January 2022 did not have 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 technique(s) and Key input(s)     |
|---|------------------|-------------------------------|---------------|----------------------|---|
|   | 31 March 2022    | 31 December 2021<br>(Audited) | 31 March 2021 |                      |   |
| <b>Equity instruments designated at FVTOCI:</b> |                  |                               |               |                      |   |
| Foreign quoted shares                           | 2,599,269        | 2,007,742                     | 3,041,992     | Level 1              | Closing price                               |
| Local unquoted shares                           | 264,930          | 241,405                       | 196,172       | Level 2              | Comparative market price for similar assets |
| Foreign unquoted shares                         | 554,313          | 554,295                       | 557,947       | Level 3              | Discounted cash flows                       |
| Foreign unquoted shares                         | 93,952           | 93,952                        | 93,952        | Level 3              | Adjusted book value                         |

The fair value of other financial assets and financial liabilities approximately equal its book value as at the interim condensed consolidated financial information date.

4. Investment properties

|   | 31 March 2022 | 31 December 2021<br>(Audited) | 31 March 2021 |
|---|---------------|-------------------------------|---------------|
| Balance at the beginning of the period/ year                            | 12,568,838    | 8,174,406                     | 8,174,406     |
| Additions   | -             | 9,390                         | 8,233         |
| Investment properties in the subsidiaries as at the disposal date       | -             | (3,690,842)                   | -             |
| Investment properties acquired from the subsidiaries as at the disposal | -             | 12,093,258                    | -             |
| Foreign currency translation differences                                | 62,635        | (4,017,374)                   | (23,734)      |
| Balance at the end of the period/ year                                  | 12,631,473    | 12,568,838                    | 8,158,905     |

4.1 Investment properties includes lands with an amount of KD 12,631,473 as at 31 March 2022 (KD 12,568,838 as at 31 December 2021, KD 5,768,061 as at 31 March 2021) located in the Syrian Arab Republic.

4.2 Investment properties were evaluated based on the fair value as of 31 December 2021.

5. Financial investments at FVTOCI

|                         | 31 March 2022 | 31 December 2021<br>(Audited) | 31 March 2021 |
|-------------------------|---------------|-------------------------------|---------------|
| Foreign quoted shares   | 2,599,269     | 2,007,742                     | 3,041,992     |
| Local unquoted shares   | 264,930       | 241,405                       | 196,172       |
| Foreign unquoted shares | 648,265       | 648,247                       | 651,899       |
|                         | 3,512,464     | 2,897,394                     | 3,890,063     |

5.1 Investments have been valued based on valuation basis mentioned in Note 3.

5.2 Investments in equity instruments designated as at FVTOCI are not subject to impairment, and their cumulated changes in fair value included in the investments revaluation reserve is not subsequently reclassified to statement of income.

Notes to the Interim Condensed Consolidated Financial Information for the three months ended 31 March 2022  
(Unaudited)

(All amounts in Kuwaiti Dinars unless otherwise stated)

6. Cash and cash equivalents

|                        | 31 March<br>2022 | 31 December<br>2021<br>(Audited) | 31 March<br>2021 |
|------------------------|------------------|----------------------------------|------------------|
| Cash at banks          | 200,320          | 192,898                          | 514,286          |
| Term deposits          | 54,405           | 54,286                           | 53,932           |
|                        | 254,725          | 247,184                          | 568,218          |
| Expected credit losses | -                | -                                | (52,642)         |
|                        | 254,725          | 247,184                          | 515,576          |

As at 31 March 2022, the annual interest rate on term deposits is 0.875% (0.87% as at 31 December 2021, 0.8% as at 31 March 2021).

7. Trade and other payables

|                                | 31 March<br>2022 | 31 December<br>2021<br>(Audited) | 31 March<br>2021 |
|--------------------------------|------------------|----------------------------------|------------------|
| Due to related parties         | -                | -                                | 1,640,441        |
| Advance payment from customers | -                | -                                | 1,723,585        |
| Trade payables                 | 339,989          | 346,493                          | 510,910          |
| Accrued dividends              | 26,271           | 26,535                           | 31,617           |
| NLST                           | 26,595           | 26,492                           | -                |
| Zakat                          | 10,597           | 10,597                           | -                |
| Other credit balances          | 4,784            | 4,129                            | 21,409           |
|                                | 408,236          | 414,246                          | 3,927,962        |

8. Earnings per share

Earnings per share is calculated on the basis of the net profit for the period and the weighted average number of ordinary shares outstanding during the period as follows:

|  | Three months ended<br>31 March |             |
|--|--------------------------------|-------------|
|  | 2022                           | 2021        |
| Net profit for the period attributable to the shareholders of the Parent Company | 3,613                          | 1,698       |
| Weighted average number of shares outstanding and paid (share)                   | 176,276,900                    | 176,276,900 |
| Earnings per share (fils)  | 0.02                           | 0.01        |

9. Related parties' transactions

Related parties represent shareholders who have representatives in the Boards of Directors, members of the Boards of Directors, Senior Management and the companies who controlled by the major shareholders. In the ordinary course of business, the Group entered into transactions with related parties during the three months ended 31 March 2022. The following are the transactions and balances resulted from these transactions:

| Transaction              | Three months ended<br>31 March |                                  |                  |
|--------------------------|--------------------------------|----------------------------------|------------------|
|                          | 2022                           | 2021                             |                  |
| Key management benefits  | 4,200                          | 12,675                           |                  |
|                          | 31 March<br>2022               | 31 December<br>2021<br>(Audited) | 31 March<br>2021 |
| Balances                 |                                |                                  |                  |
| Key management benefits  | -                              | -                                | 19,165           |
| Trade and other payables | -                              | -                                | 1,640,441        |

All transactions with related parties are subject to the approval of the shareholders in the annual General Assembly Meeting.

Notes to the Interim Condensed Consolidated Financial Information for the three months ended 31 March 2022  
(Unaudited)

(All amounts in Kuwaiti Dinars unless otherwise stated)

10. Subsidiaries

Structure of the Group:

The following financial information of the subsidiaries has been consolidated when preparing the interim condensed consolidated financial information.

| Company name                                     | Legal entity | Ownership percentage<br>(direct & indirect) (%) |                                  |                  | Activity                        | Country of<br>corporation |
|--|--------------|---|----------------------------------|------------------|---------------------------------|---------------------------|
|  |              | 31 March<br>2022                                | 31 December<br>2021<br>(Audited) | 31 March<br>2021 |                                 |                           |
| Kuwait Syrian Real Estate Company                | W.L.L        | 100   | 100                              | 100              | Real Estate<br>Trading and      | Kuwait<br>Syria           |
| Syrian Kuwait Limited Company                    | W.L.L        | 100   | 100                              | 100              | tourist services                |                           |
| Al-Naser Gardens Holding Company                 | Holding      | 60.98   | 60.98                            | 60.98            | Holding                         | Kuwait                    |
| - Al-Naser Gardens Real Estate Company           | W.L.L        | 99  | 99                               | 99               | Real Estate                     | Kuwait                    |
| - New Faihaa Shareholding Company                | Shareholding | -   | -                                | 75.1             | General<br>Trading              | Syria                     |
| - Al-Naser Garden Syrian Company                 | Shareholding | 97.9  | 97.9                             | 97.9             | General<br>Trading              | Syria                     |
| - Kuwait Lebanon Real Estate Development Company | Offshore     | -   | -                                | 100              | Trading and<br>tourist services | Lebanon                   |

The financial information of the subsidiaries has been consolidated based on interim condensed financial information (unaudited) as at 31 March 2022.

Subsidiaries total assets amounted to KD 17,051,860 as at 31 March 2022 (KD 16,996,389 as at 31 December 2021, KD 12,865,138 as at 31 March 2021) and its gains amounted to KD 35,584 during the period ended 31 March 2022 (KD 61,217 for the period ended 31 March 2021).

11. Segment distribution

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The following summary describes the operations in each of the Group's reportable segments:

- Investment: Includes the Group's securities trading and investment activities.
- Real-estates: Includes trading, development and management of real-estates.

|                     | Three months ended 31 March 2021 |             |            |
|---------------------|----------------------------------|-------------|------------|
|                     | Investment                       | Real Estate | Total      |
| Segment revenues    | (3)                              | 93,816      | 93,813     |
| Segment expenses    | (43,757)                         | (33,422)    | (77,179)   |
| Segment results     | (43,760)                         | 60,394      | 16,634     |
| Segment assets      | 3,946,157                        | 12,865,138  | 16,811,295 |
| Segment liabilities | 390,304                          | 3,661,289   | 4,051,593  |
|                     | Three months ended 31 March 2022 |             |            |
|                     | Investment                       | Real Estate | Total      |
| Segment revenues    | 12                               | 52,258      | 52,270     |
| Segment expenses    | (31,983)                         | (3,540)     | (35,523)   |
| Segment results     | (31,971)                         | (48,718)    | 16,747     |
| Segment assets      | 3,602,532                        | 17,051,860  | 20,654,392 |
| Segment liabilities | 404,342                          | 17,996      | 422,338    |

Geographical distribution of assets and liabilities:

|             | 31 March 2021 |            |           |            |
|-------------|---------------|------------|-----------|------------|
|             | Kuwait        | Syria      | Lebanon   | Total      |
| Assets      | 4,471,661     | 12,069,764 | 269,870   | 16,811,295 |
| Liabilities | 391,729       | 1,955,312  | 1,704,552 | 4,051,593  |



Notes to the Interim Condensed Consolidated Financial Information for the three months ended 31 March 2022  
(Unaudited)

(All amounts in Kuwaiti Dinars unless otherwise stated)

|             | 31 December 2021<br>(Audited) |            |         |            |
|-------------|-------------------------------|------------|---------|------------|
|             | Kuwait                        | Syria      | Lebanon | Total      |
| Assets      | 4,542,851                     | 15,421,425 | -       | 19,964,276 |
| Liabilities | 414,915                       | 13,044     | -       | 427,959    |
|             | 31 March 2022                 |            |         |            |
|             | Kuwait                        | Syria      | Lebanon | Total      |
| Assets      | 4,596,530                     | 16,057,862 | -       | 20,654,392 |
| Liabilities | 409,159                       | 13,179     | -       | 422,338    |

The Group's assets amounting to KD 16 Million as at 31 March 2022 which represent 78% from the Group's Assets is in Syria (KD 15.4 Million as at 31 December 2021 which represent 77% from the Group's Assets), the Group has assessed that the current political and economic events is unlikely to have any material effect on the carrying value of these assets, taking into consideration that these assets are recorded at its fair values which reflect the impact of the current circumstances. In addition, there are no restrictions on the disposition of these assets.

The Group's management believes that the application of IAS 29 has no material impact on the financial statements of the subsidiaries in the Syrian Arab Republic taking into consideration the above, in additional, most of the long-term assets have been transferred and registered in these companies, so as to reflect the effect of changes in currency rates.

12. Capital commitments

|                                  | 31 March<br>2022 | 31 December<br>2021<br>(Audited) | 31 March<br>2021 |
|----------------------------------|------------------|----------------------------------|------------------|
| Projects in progress commitments | -                | -                                | 440,584          |

13. Impact of COVID-19

The Group is gradually recovering from the effects of COVID-19 pandemic. The Group's operating environment is moderately rebound, and signs of economic recovery is visible across the region and globally. High vaccination rates and strict social distancing measures significantly reduced the impact of latest variants of virus.

المحاسبون المتحدون