



الشركة السورية القابضة
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 nine months ended 30 September 2022
And review report



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Index	Page
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)	6–12

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

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 30 September 2022 and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the nine-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 (12) to the interim condensed consolidated financial information which discloses that assets amounting to KD 17 Million as at 30 September 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 nine-month period ended 30 September 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 nine-month period ended 30 September 2022, that might had a material effect on the business of Group or on its consolidated financial position.


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



Kuwait : 7 November 2022

Interim Condensed Consolidated Statement of Financial Position as of 30 September 2022
(Unaudited)

(All amounts in Kuwaiti Dinars)

	Note	30 September 2022	31 December 2021 (Audited)	30 September 2021
Assets				
Non-current assets				
Property and equipment		-	139	388
Investment properties	4	12,913,332	12,568,838	2,506,082
Financial investments at FVTOCI	5	4,806,838	2,897,394	2,105,251
		<u>17,720,170</u>	<u>15,466,371</u>	<u>4,611,721</u>
Current assets				
Properties held for trading		3,950,750	3,950,750	3,967,750
Trade and other receivables		314,353	299,971	31,609
Cash and cash equivalents	6	265,258	247,184	227,186
		<u>4,530,361</u>	<u>4,497,905</u>	<u>4,226,545</u>
Assets held for sale	7	-	-	1,958,034
		<u>4,530,361</u>	<u>4,497,905</u>	<u>6,184,579</u>
Total assets		<u>22,250,531</u>	<u>19,964,276</u>	<u>10,796,300</u>
Equity and Liabilities				
Equity				
Share capital		17,627,690	17,627,690	17,627,690
Statutory reserve		139,253	139,253	139,253
Investments revaluation reserve		3,043,914	1,134,570	342,485
Foreign currency translation reserve		(717,501)	(1,001,516)	(559,997)
Accumulated losses		(1,509,211)	(1,530,168)	(2,622,718)
		<u>18,584,145</u>	<u>16,369,829</u>	<u>14,926,713</u>
Amounts recognized directly in equity related to assets held for sale	7	-	-	(7,751,281)
Total equity attributable to the shareholders of the Parent Company		<u>18,584,145</u>	<u>16,369,829</u>	<u>7,175,432</u>
Non-controlling interest		<u>3,279,571</u>	<u>3,166,488</u>	<u>484,408</u>
Total equity		<u>21,863,716</u>	<u>19,536,317</u>	<u>7,659,840</u>
Non-current liabilities				
End of service indemnity		14,881	13,713	13,321
		<u>14,881</u>	<u>13,713</u>	<u>13,321</u>
Current liabilities				
Trade and other payables	8	371,934	414,246	364,473
		<u>371,934</u>	<u>414,246</u>	<u>364,473</u>
Liabilities related to assets held for sale	7	-	-	2,758,666
		<u>371,934</u>	<u>414,246</u>	<u>3,123,139</u>
Total liabilities		<u>386,815</u>	<u>427,959</u>	<u>3,136,460</u>
Total equity and liabilities		<u>22,250,531</u>	<u>19,964,276</u>	<u>10,796,300</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 nine months ended 30 September 2022
(Unaudited)

(All amounts in Kuwaiti Dinars)

	Note	Three months ended 30 September		Nine months ended 30 September	
		2022	2021	2022	2021
Continuing operations:					
Revenue					
Net properties income		53,113	39,466	158,837	154,526
Cash dividends from financial investments at FVTOCI		12,500	-	12,500	-
Foreign currency gains		753	438	1,741	1,187
Other income		347	125	667	368
Total revenue		66,713	40,029	173,745	156,081
Expenses and other charges					
Staff cost		7,738	16,948	34,425	61,825
Administration and general expenses		24,472	15,538	76,901	71,864
Total expenses and other charges		32,210	32,486	111,326	133,689
Net profit for the period from continuing operations		34,503	7,543	62,419	22,392
Discontinued operations:					
Net loss for the period from discontinued operations	7	-	(9,183)	-	(91,814)
Net profit/ (loss) for the period before deductions		34,503	(1,640)	62,419	(69,422)
NLST		590	-	605	-
Zakat		111	-	117	-
Net profit/ (loss) for the period		33,802	(1,640)	61,697	(69,422)
Attributable to:					
Shareholders of the Parent Company					
Profit/ (Loss) for the period from continuing operations		21,166	(670)	20,957	(1,355)
Loss for the period from discontinued operations		-	(7,214)	-	(70,159)
Profit/ (Loss) for the period attributable to shareholders of the Parent Company		21,166	(7,884)	20,957	(71,514)
Non-controlling interest					
Profit for the period from continuing operations		12,636	8,213	40,740	23,747
Loss for the period from discounted operations		-	(1,969)	-	(21,655)
Profit for the period attributable to non-controlling interest		12,636	6,244	40,740	2,092
		33,802	(1,640)	61,697	(69,422)
Earnings/ (loss) per share from continuing operations attributable to shareholders of the Parent Company (fils)					
	9	0.12	(0.004)	0.119	(0.008)
Earnings/ (loss) per share from continuing and discontinued operations attributable to shareholders of the Parent Company (fils)					
	9	0.12	(0.04)	0.119	(0.41)

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

**Interim Condensed Consolidated Statement of Comprehensive Income for the nine months ended 30 September 2022
(Unaudited)**

(All amounts in Kuwaiti Dinars)

	Three months ended 30 September		Nine months ended 30 September	
	2022	2021	2022	2021
Net profit/ (loss) for the period	<u>33,802</u>	<u>(1,640)</u>	<u>61,697</u>	<u>(69,422)</u>
Other comprehensive income items:				
<i>Items that may be reclassified subsequently to statement of income:</i>				
Foreign currency translation differences	<u>175,198</u>	<u>(2,254)</u>	<u>356,358</u>	<u>(3,247,667)</u>
<i>Items that will not be reclassified subsequently to statement of income:</i>				
Change in fair value of investments in equity instruments at FVTOCI	<u>437,455</u>	<u>108,476</u>	<u>1,909,344</u>	<u>(902,381)</u>
Total other comprehensive income/ (loss) items	<u>612,653</u>	<u>106,222</u>	<u>2,265,702</u>	<u>(4,150,048)</u>
Total comprehensive income/ (loss) for the period	<u>646,455</u>	<u>104,582</u>	<u>2,327,399</u>	<u>(4,219,470)</u>
Attributable to:				
Shareholders of the Parent Company	<u>598,822</u>	<u>101,096</u>	<u>2,214,316</u>	<u>(2,992,188)</u>
Non-controlling interest	<u>47,633</u>	<u>3,486</u>	<u>113,083</u>	<u>(1,227,282)</u>
	<u>646,455</u>	<u>104,582</u>	<u>2,327,399</u>	<u>(4,219,470)</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 nine months ended 30 September 2022
(Unaudited)

(All amounts in Kuwaiti Dinars)

	Equity attributable to the shareholders of the Parent Company						Non- controlling interest	Total equity	
	Share capital	Statutory reserve	Investments revaluation reserve	Foreign currency translation reserve	Accumulated losses	Total			Amounts related to assets held for sale
Balance at 1 January 2021	17,627,690	139,253	1,244,866	(6,292,985)	(2,551,204)	10,167,620	-	10,167,620	11,879,310
Net (loss)/ profit for the period	-	-	-	-	(71,514)	(71,514)	-	(71,514)	(69,422)
Total other comprehensive loss items	-	-	(902,381)	(2,018,293)	-	(2,920,674)	-	(2,920,674)	(4,150,048)
Transfer during the period	-	-	-	7,751,281	-	7,751,281	(7,751,281)	-	-
Balance at 30 September 2021	17,627,690	139,253	342,485	(559,997)	(2,622,718)	14,926,713	(7,751,281)	7,175,432	7,659,840
Balance at 1 January 2022	17,627,690	139,253	1,134,570	(1,001,516)	(1,530,168)	16,369,829	-	16,369,829	19,536,317
Net profit for the period	-	-	-	-	20,957	20,957	-	20,957	61,697
Total other comprehensive income items	-	-	1,909,344	284,015	-	2,193,359	-	2,193,359	2,265,702
Balance at 30 September 2022	17,627,690	139,253	3,043,914	(717,501)	(1,509,211)	18,584,145	-	18,584,145	21,863,716

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

Interim Condensed Consolidated Statement of Cash Flows for the nine months ended 30 September 2022
(Unaudited)

(All amounts in Kuwaiti Dinars)

	Note	Nine months ended	
		30 September	
		2022	2021
Operating activities			
Net profit/ (loss) for the period		61,697	(69,422)
<i>Adjustments:</i>			
Cash dividends from financial investments at FVTOCI		(12,500)	-
Depreciation		139	1,013
Interest income		(667)	(368)
End of service indemnity provision		1,168	1,168
Operating profit/ (loss) before changes in working capital		49,837	(67,609)
Trade and other receivables		(14,382)	5,748
Trade and other payables		(28,076)	91,705
End of service indemnity provision – paid		-	(1,424)
Net cash generated from operating activities		7,379	28,420
Investing activities			
Cash dividends received		12,500	-
Interest income received		667	368
Net cash generated from investing activities		13,167	368
Financing activities			
Payment of cash dividends		(2,472)	(3,295)
Net cash used in financing activities		(2,472)	(3,295)
Net change in cash and cash equivalents		18,074	25,493
Cash and cash equivalents at the beginning of the period		247,184	526,484
Cash and cash equivalents at the end of the period	6	265,258	551,977

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

**Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 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 11), known collectively as “the Group”.

This interim condensed consolidated financial information was authorized for issuance by the Board of Directors on 7 November 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 30 September 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 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.

Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2022
(Unaudited)

(All amounts in Kuwaiti Dinars unless otherwise stated)

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)	Significant unobservable inputs	Relationship of unobservable inputs to fair value
	30 September 2022	31 December 2021 (Audited)	30 September 2021				
Equity instruments designated at FVTOCI:							
Foreign quoted shares	3,965,015	2,007,742	1,234,345	Level 1	Closing price	N/A	N/A
Local unquoted shares	193,476	241,405	222,717	Level 2	Comparative market price for similar assets	Illiquidity discount	The higher the discount rate the lower the value
Foreign unquoted shares	554,395	554,295	554,237	Level 3	Discounted cash flows	Illiquidity discount	The higher the discount rate the lower the value
Foreign unquoted shares	93,952	93,952	93,952	Level 3	Adjusted book value	Illiquidity discount	The higher the discount rate the lower the value

Reconciliation of level 3 fair value measurements

	30 September 2022	31 December 2021 (Audited)	30 September 2021
Balance at the beginning of the period/ year	648,247	651,939	651,939
Change in fair value	100	(3,692)	(3,750)
Balance at the end of the period/ year	648,347	648,247	648,189

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

	30 September 2022	31 December 2021 (Audited)	30 September 2021
Balance at the beginning of the period/ year	12,568,838	8,174,406	8,174,406
Additions	-	9,390	9,390
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	344,494	(4,017,374)	(4,104,137)
Transfer to assets held for sale	-	-	(1,573,577)
Balance at the end of the period/ year	12,913,332	12,568,838	2,506,082



Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2022
(Unaudited)

(All amounts in Kuwaiti Dinars unless otherwise stated)

4.1 Investment properties located in the Syrian Arab Republic.

4.2 Investment properties were evaluated based on the fair value as of 31 December 2021 (level 2).

5. Financial Investments at FVTOCI

	30 September 2022	31 December 2021 (Audited)	30 September 2021
Foreign quoted shares	3,965,015	2,007,742	1,234,345
Local unquoted shares	193,476	241,405	222,717
Foreign unquoted shares	648,347	648,247	648,189
	<u>4,806,838</u>	<u>2,897,394</u>	<u>2,105,251</u>

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 cumulative changes in fair value included in the investments revaluation reserve is not subsequently reclassified to statement of income.

6. Cash and cash equivalents

	30 September 2022	31 December 2021 (Audited)	30 September 2021
Cash at banks	210,401	192,898	173,018
Term deposits	54,857	54,286	54,168
Cash and cash equivalents	<u>265,258</u>	<u>247,184</u>	<u>227,186</u>
Total cash and cash equivalents	265,258	247,184	227,186
Cash and cash equivalents included in assets held for sale	-	-	324,791
	<u>265,258</u>	<u>247,184</u>	<u>551,977</u>

As at 30 September 2022, the annual interest rate on term deposits is 2.25% (0.87% as at 31 December 2021, 0.875% as at 30 September 2021).

7. Assets and liabilities held for sales

During the previous period, the Board of Directors of the Parent Company approved the offer submitted by a shareholder in New Faihaa Shareholding Company to acquire the entire share of the Group of 75.1% in return for acquiring real estate assets. Accordingly, the Group's investments in the subsidiary were classified as assets and liabilities held for sale, the assets and liabilities had been accounted for in accordance with the requirements of International Financial Reporting Standard "5".

The following are details of assets held for sale and related liabilities:

	30 September 2021
Property and equipment	94,153
Investment properties	1,573,577
Properties held for trading	13,856
Trade and other receivables	4,299
Cash and cash equivalents	324,791
Deduct: ECL provision related cash and cash equivalents	(52,642)
Total assets held for sale	<u>1,958,034</u>
Long term loan	(17,804)
Trade and other payables	(2,721,094)
Term loan (current)	(19,768)
Total liabilities related to assets held for sale	<u>(2,758,666)</u>
Deduct: non-controlling interest (debit balance)	1,245,709
Net assets of subsidiary classified as held for sale after eliminated the inter-balances	<u>445,077</u>

Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2022
(Unaudited)

(All amounts in Kuwaiti Dinars unless otherwise stated)

The details of net loss for the period from discontinued operations till disposal date are as follows:

	Three months ended 30 September		Nine months ended 30 September	
	2022	2021	2022	2021
Staff costs	-	(1,556)	-	(9,861)
Administration and general expenses	-	(10,957)	-	(47,587)
Foreign currency losses	-	3,330	-	(34,366)
Net loss for the period from discontinued operations	-	(9,183)	-	(91,814)

8. Trade and other payables

	30 September 2022	31 December 2021 (Audited)	30 September 2021
Trade payables	340,566	346,493	330,156
Accrued dividends	24,063	26,535	28,455
NLST	640	26,492	-
Zakat	256	10,597	-
Other credit balances	6,409	4,129	5,862
	371,934	414,246	364,473

9. Earnings/ (loss) per share

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

	Three months ended 30 September		Nine months ended 30 September	
	2022	2021	2022	2021
Continuing operations				
Profit/ (loss) for the period from continuing operations attributable to the shareholders of the Parent Company	21,166	(670)	20,957	(1,355)
Weighted average number of shares outstanding and paid	176,276,900	176,276,900	176,276,900	176,276,900
Earnings/ (loss) per share from continuing operations attributable to the shareholders of the Parent Company (fils)	0.12	(0.004)	0.119	(0.008)
Discontinued operations				
Loss for the period from discontinued operations attributable to the shareholders of the Parent Company	-	(7,214)	-	(70,159)
Weighted average number of shares outstanding and paid	176,276,900	176,276,900	176,276,900	176,276,900
Loss per share from discontinued operations attributable to the shareholders of the Parent Company (fils)	-	(0.04)	-	(0.40)
Earnings/ (loss) per share from continuing and discontinued operations attributable to the shareholders of the Parent Company (fils)	0.12	(0.04)	0.119	(0.41)

Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2022
(Unaudited)

(All amounts in Kuwaiti Dinars unless otherwise stated)

10. 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 nine months ended 30 September 2022. The following are the transactions and balances resulted from these transactions:

Transaction	Three months ended 30 September		Nine months ended 30 September	
	2022	2021	2022	2021
Key management benefits	4,950	9,125	24,750	38,675
		30 September 2022	31 December 2021 (Audited)	30 September 2021
Balances				
Key management benefits		3,842	-	21,333
Trade and other payables		-	-	845,376

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

11. 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 (direct & indirect) (%)			Activity	Country of corporation
		30 September 2022	31 December 2021 (Audited)	30 September 2021		
Kuwait Syrian Real Estate Company	W.L.L	100	100	100	Real Estate Trading and tourist services	Kuwait
Syrian Kuwait Limited Company	W.L.L	100	100	100	Real Estate Trading and tourist services	Syria
Al-Naser Gardens Holding Company	Holding	60.9	60.9	60.9	Holding	Kuwait
- Al-Naser Gardens Real Estate Company	W.L.L	99	99	99	Real Estate General Trading	Kuwait
- New Faihaa Shareholding Company	Shareholding	-	-	75.1	General Trading	Syria
- Al-Naser Garden Syrian Company	Shareholding	97.9	97.9	97.9	General Trading and tourist services	Syria
- Kuwait Lebanon Real Estate Development Company	Offshore	-	-	100	Real Estate Trading and tourist services	Lebanon

The financial information of the subsidiaries has been consolidated based on interim condensed financial information (unaudited) as at 30 September 2022.

Subsidiaries total assets amounted to KD 17,305,992 as at 30 September 2022 (KD 16,996,389 as at 31 December 2021, KD 8,622,001 as at 30 September 2021) and its gains amounted to KD 107,271 during the period ended 30 September 2022 (KD 43,932 for the period ended 30 September 2021).

12. 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.

Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2022
(Unaudited)

(All amounts in Kuwaiti Dinars unless otherwise stated)

- Real-estates: Includes trading, development and management of real-estates.

	Nine months ended 30 September 2021		
	Investment	Real-estate	Total
Segment revenue	15	156,066	156,081
Segment expenses	(118,769)	(14,920)	(133,689)
Total	(118,754)	141,146	22,392
Loss for the period from discontinued operations			(91,814)
Loss for the period			(69,422)

Segment assets	2,174,299	8,622,001	10,796,300
Segment liabilities	389,508	2,746,952	3,136,460

	Nine months ended 30 September 2022		
	Investment	Real-estate	Total
Segment revenue	12,623	161,122	173,745
Segment expenses	(98,937)	(13,111)	(112,048)
Segment results	(86,314)	148,011	61,697
Segment assets	4,914,193	17,336,338	22,250,531
Segment liabilities	368,662	18,153	386,815

Geographical distribution of assets and liabilities:

	30 September 2021			
	Kuwait	Syria	Lebanon	Total
Assets	4,528,535	6,001,106	266,659	10,796,300
Liabilities	376,924	1,059,863	1,699,673	3,136,460

	31 December 2021 (Audited)			
	Kuwait	Syria	Lebanon	Total
Assets	4,542,851	15,421,425	-	19,964,276
Liabilities	414,915	13,044	-	427,959

	30 September 2022			
	Kuwait	Syria	Lebanon	Total
Assets	4,537,146	17,713,385	-	22,250,531
Liabilities	373,282	13,533	-	386,815

The Group's assets amounting to KD 17.7 Million as at 30 September 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.



**Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2022
(Unaudited)**

(All amounts in Kuwaiti Dinars unless otherwise stated)

13. Capital commitments

	30 September 2022	31 December 2021 (Audited)	30 September 2021
Projects in progress commitments	-	-	386,997

14. General Assembly

On 9 June 2022, the general assembly for the shareholders of the Parent Company approved the audited consolidated financial statements for the year ended 31 December 2021, also approved the followings:

- Not to distribute cash dividends to the shareholders for year 2021 (Not to distribute cash dividends to the shareholders for year 2020).
- Not to distribute Board of Directors remuneration.

15. 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.