

**Kuwait Emirates Holding Company K.S.C.P and its subsidiaries  
State of Kuwait**

**Interim Condensed Consolidated Financial Information  
(Unaudited)**

**With Auditor's Review**

**For the Six Months Period Ended 30 June 2023**

**Kuwait Emirates Holding Company K.S.C.P and its subsidiaries  
State of Kuwait**

**Interim Condensed Consolidated Financial Information (Unaudited) and Auditors  
Review**

For the Six Months Period Ended 30 June 2023

---

<b>Content</b>	<b>Pages</b>
Review Report on the Interim Condensed Consolidated Financial Information	1 - 2
Interim Condensed Consolidated Statement of Financial Position (Unaudited)	3
Interim Condensed Consolidated Statement of profit or loss (Unaudited)	4
Interim Condensed Consolidated Statement of Other Comprehensive Income (Unaudited)	5
Interim Condensed Consolidated Statement of Changes in Equity (Unaudited)	6
Interim Condensed Consolidated Statement of Cash Flows (Unaudited)	7
Notes to the Interim Condensed Consolidated Financial Information (Unaudited)	8 - 14



A member of  
**Nexia**  
International

TEL : (965) 22942606 , 22942607  
P. O. Box : 27642 Safat 13137 Kuwait  
Email: info@nazarnexia.com  
Website : www.nazarnexia.com

نظروشركاه  
محاسبون قانونيون واستشاريون - عضو تكسيب الدولية  
**NAZAR & PARTNERS**  
Authorized Auditors & Consultants

## Report on Review of Interim Condensed Consolidated Financial Information

### To / Board of Directors

**Kuwait Emirates Holding Company K.S.C.P and its subsidiaries  
State of Kuwait**

### Introduction

We have reviewed the accompanying interim condensed consolidated financial information of Kuwait Emirates Holding Company K.S.C.P. (the "Parent Company") and its subsidiaries (together referred to as the "Group") - which comprise the interim condensed consolidated statement of financial position as at 30 June 2023 and the interim condensed consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the six-months period then ended. The Company's 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 the 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 ("ISAs") 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 has not been prepared, in all material respects, in accordance with International Accounting Standard No. (34) "Interim Financial Reporting".

### Emphasis of Matter

Without qualifying our conclusion, as shown in Note No. (11) of the interim condensed consolidated financial information which discloses that assets amounting to KD 22,866,358 as at 30 June 2023, which comprises 83% approximately of the Group's total assets is in the Arab Republic of Syria and that the Group has assessed that the current political and economic events are not expected to have any material effect on carrying value of these assets.

### Other matter

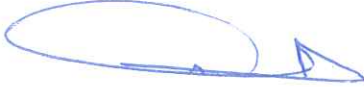
We have been appointed as the Group's auditors for the first time for the financial period ending on 30 June 2023. Accordingly, the consolidated financial statements of Kuwait Emirates Holding Company - K.S.C.P. and its subsidiaries (formerly: Kuwait Syrian Holding Company – K.S.C.P) for the financial year ending on 31 December 2022, and the interim condensed consolidated financial information for the six-month period ending on 30 June 2022 were audited by another auditor who expressed an unqualified opinion and conclusion about the consolidated financial statements and interim condensed consolidated financial information dated 23 March 2023 and 28 July 2022, respectively.



(1)

**Report on other legal and regulatory requirements**

Furthermore, and based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company, nothing has come to our attention indicating any violations of the Companies' Law No. 1 of 2016, as amended by law No.15 of 2017 and its Executive Regulations, as amended, or of the Parent Company's Articles of Association and Incorporation, and its amendments, or Law No. 7 of 2010 concerning the establishment of Capital Markets Authority and organization of securities activity and its Executive Regulations, and article of association and incorporation and its amendments during the six-months period ended 30 June 2023 that would materially affect the Parent Company activities or its interim condensed consolidated financial position.



**Nayer Awadh Nazar**  
**Authorized Public Auditor No. 43-Grade A.**  
**Nazar and Partners**  
**Member of Nexia International**

**State of Kuwait**  
July 31, 2023



**Kuwait Emirates Holding Company K.S.C.P and its subsidiaries  
State of Kuwait**

**Interim Condensed Consolidated of Financial Position (Unaudited)  
As at 30 June 2023**

	Notes	30 June 2023 KD	31 December 2022 (Audited) KD	30 June 2022 KD
<b>Assets</b>				
<b>Non-Current assets</b>				
Investment properties	4	12,756,744	12,725,426	12,746,304
Financial assets at fair value through statement of other comprehensive income	5	10,109,031	7,552,989	4,369,336
		<u>22,865,775</u>	<u>20,278,415</u>	<u>17,115,640</u>
<b>Currents assets</b>				
Properties held for trading	6	3,950,750	3,950,750	3,950,750
Accounts receivable and other debit balances		316,717	321,921	311,682
Cash and cash equivalent	7	332,027	271,830	222,624
		<u>4,599,494</u>	<u>4,544,501</u>	<u>4,485,056</u>
<b>Total assets</b>		<u>27,465,269</u>	<u>24,822,916</u>	<u>21,600,696</u>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Capital		17,627,690	17,627,690	17,627,690
Statutory reserve		139,253	139,253	139,253
Change in fair value reserve		8,346,152	5,790,110	2,606,459
Foreign currency translation reserve		(859,663)	(875,668)	(857,702)
Accumulated losses		(1,450,021)	(1,495,905)	(1,530,377)
<b>Total equity attributable to the shareholders of the Parent Company</b>		<u>23,803,411</u>	<u>21,185,480</u>	<u>17,985,323</u>
Non-controlling interest		3,298,531	3,264,398	3,231,938
<b>Total equity</b>		<u>27,101,942</u>	<u>24,449,878</u>	<u>21,217,261</u>
<b>Liabilities</b>				
<b>Non-Current liabilities</b>				
Provision for end of service indemnity		17,843	16,976	14,489
		<u>17,843</u>	<u>16,976</u>	<u>14,489</u>
<b>Current liabilities</b>				
Accounts payable and other credit balances	8	345,484	356,062	368,946
		<u>345,484</u>	<u>356,062</u>	<u>368,946</u>
<b>Total liabilities</b>		<u>363,327</u>	<u>373,038</u>	<u>383,435</u>
<b>Total equity and liabilities</b>		<u>27,465,269</u>	<u>24,822,916</u>	<u>21,600,696</u>

The accompanying notes from pages 8 to 14 an integral part of the interim condensed consolidated financial information



**Fahad Abdulrahman Al-Mukhaizim**  
Vice Chairman

Kuwait Emirates Holding Company K.S.C.P and its subsidiaries  
State of Kuwait

Interim Condensed Consolidated Statement of profit or loss (Unaudited)  
For the six months period ended 30 June 2023

	Notes	Three months ended		Six months ended	
		30 June		30 June	
		2023	2022	2023	2022
		KD	KD	KD	KD
<b>Income</b>					
Real estate revenue		66,150	54,166	134,620	105,724
Foreign exchange gain		2,344	405	19,707	988
Other income		533	191	1,028	320
		<u>69,027</u>	<u>54,762</u>	<u>155,355</u>	<u>107,032</u>
<b>Expenses and other charges</b>					
Staff cost		(12,105)	(15,543)	(24,837)	(26,687)
General and administrative expenses		(20,197)	(28,153)	(52,362)	(52,429)
Total expenses and other charges		<u>(32,302)</u>	<u>(43,696)</u>	<u>(77,199)</u>	<u>(79,116)</u>
<b>Profit for the period before deductions</b>					
National Labour Support Tax		36,725	11,066	78,156	27,916
Zakat		255	88	(389)	(15)
		(156)	(6)	(156)	(6)
<b>Net profit for the period</b>		<u>36,824</u>	<u>11,148</u>	<u>77,611</u>	<u>27,895</u>
<b>Attributable to:</b>					
Shareholders of the parent company		21,193	(3,822)	45,884	(209)
Non-controlling interest		15,631	14,970	31,727	28,104
<b>Profit for the period</b>		<u>36,824</u>	<u>11,148</u>	<u>77,611</u>	<u>27,895</u>
<b>Basic and diluted earnings / (loss) per share attributable to shareholders of the Parent Company (fils)</b>					
	9	<u>0.120</u>	<u>(0.022)</u>	<u>0.260</u>	<u>(0.001)</u>

The accompanying notes from pages 8 to 14 an integral part of the interim condensed consolidated financial information

**Interim Condensed Consolidated Statement of Other Comprehensive Income (Unaudited)**  
For the six months period ended 30 June 2023

	Three months ended		Six months ended	
	30 June		30 June	
	2023	2022	2023	2022
	KD	KD	KD	KD
Net profit for the period	36,824	11,148	77,611	27,895
<b>Other comprehensive income:</b>				
<b>Items that may be reclassified subsequently to the interim condensed consolidated statement of profit or loss :</b>				
Foreign currency translation differences	21,326	117,220	18,411	181,160
<b>Items that will not be reclassified subsequently to the interim condensed consolidated statement of profit or loss:</b>				
Change in fair value	2,949,185	856,839	2,556,042	1,471,889
<b>Other comprehensive income for the period</b>	<u>2,970,511</u>	<u>974,059</u>	<u>2,574,453</u>	<u>1,653,049</u>
<b>Total other comprehensive income for the period</b>	<u>3,007,335</u>	<u>985,207</u>	<u>2,652,064</u>	<u>1,680,944</u>
<b>Attributable to:</b>				
shareholders of the parent company	2,987,971	949,413	2,617,931	1,615,494
Non-controlling interest	19,364	35,794	34,133	65,450
	<u>3,007,335</u>	<u>985,207</u>	<u>2,652,064</u>	<u>1,680,944</u>

The accompanying notes from pages 8 to 14 an integral part of the interim condensed consolidated financial information

**Kuwait Emirates Holding Company K.S.C.P and its subsidiaries**  
**State of Kuwait**

**Interim Condensed Consolidated Statement of Changes in Equity (Unaudited)**

For the six months period ended 30 June 2023

	Share capital	Statutory reserve	Change in fair value reserve	Foreign currency translation reserve	Accumulated losses	Sub-total	Non-controlling interest	Total equity
	KD	KD	KD	KD	KD	KD	KD	KD
Balance as 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 (loss) / profit for the period	-	-	-	-	(209)	(209)	28,104	27,895
Total other comprehensive income for the period	-	-	1,471,889	143,814	-	1,615,703	37,346	1,653,049
<b>Balance as at 30 June 2022</b>	<b>17,627,690</b>	<b>139,253</b>	<b>2,606,459</b>	<b>(857,702)</b>	<b>(1,530,377)</b>	<b>17,985,323</b>	<b>3,231,938</b>	<b>21,217,261</b>
Balance as at 1 January 2023	17,627,690	139,253	5,790,110	(875,668)	(1,495,905)	21,185,480	3,264,398	24,449,878
Net profit for the period	-	-	-	-	45,884	45,884	31,727	77,611
Total other comprehensive income for the period	-	-	2,556,042	16,005	-	2,572,047	2,406	2,574,453
<b>Balance as at 30 June 2023</b>	<b>17,627,690</b>	<b>139,253</b>	<b>8,346,152</b>	<b>(859,663)</b>	<b>(1,450,021)</b>	<b>23,803,411</b>	<b>3,298,531</b>	<b>27,101,942</b>

The accompanying notes from pages 8 to 14 an integral part of the interim condensed consolidated financial information



**Kuwait Emirates Holding Company K.S.C.P and its subsidiaries**  
**State of Kuwait**

**Interim Condensed Consolidated Statement of Cash Flows (Unaudited)**  
**For the six months period ended 30 June 2023**

	<b>Six-months ended</b>	
	<b>30 June</b>	
	<b>2023</b>	<b>2022</b>
	KD	KD
<b>Cash flows from operating activities</b>		
Net profit for the period	77,611	27,895
<i>Adjustments:</i>		
Depreciation of property and equipment	-	139
Interest income	(1,028)	(320)
Provision for end of service Indemnity	(867)	776
	<u>75,716</u>	<u>28,490</u>
Changes in working capital:		
Accounts receivable and other debit balances	5,204	(11,711)
Accounts payable and other credit balances	(21,410)	(39,856)
<b>Net cash generated from / (used in) operating activities</b>	<u>59,510</u>	<u>(23,077)</u>
<b>Cash flows from investing activities</b>		
Interest income received	1,028	320
<b>Net cash generated from investing activities</b>	<u>1,028</u>	<u>320</u>
<b>Cash flows from Financing activities</b>		
Dividends paid	(341)	(1,803)
<b>Net cash used in financing activities</b>	<u>(341)</u>	<u>(1,803)</u>
Net increase / (decrease) in cash and cash equivalent	60,197	(24,560)
Cash and cash equivalent at beginning of the period	271,830	247,184
Cash and cash equivalent at end of the period	<u>332,027</u>	<u>222,624</u>

The accompanying notes from pages 8 to 14 an integral part of the interim condensed consolidated financial information

Notes to the interim condensed consolidated financial information (Unaudited)  
For the six month period ended 30 June 2023

---

**1. Incorporation and objectives**

The Kuwait Emirates Holding Company K.S.C.P (Formerly: Kuwait Syrian Holding Company) and its subsidiaries "the Parent Company" and its subsidiaries - the State of Kuwait - was established according to the memorandum of association of a Kuwaiti public shareholding company on 28 July 2002 and its subsequent amendments in accordance with the provisions in the State of Kuwait and under the memorandum of association and its amendments, and in accordance with the Kuwaiti Commercial Companies Law No. 15 of 1960 and its amendments. The last entry in the commercial registry is on 17 November 2022. The company is listed on Kuwait Stock Exchange.

The principal 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 other 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 head office of the parent company is located in Al Khaleejia Tower, Floor 3, Sharq, Kuwait.

This interim condensed consolidated financial information includes the financial information of the parent company and its subsidiaries as shown in Note No. (3) collectively referred to as the "Group".

This interim condensed consolidated financial information was approved for issue by the Board of Directors on July 31, 2023 .

**2. Basis of preparation**

The interim condensed financial information has been prepared in accordance with the International Accounting Standard No. 34 "Interim Financial Reporting". The interim condensed financial information does not include all the information and disclosures required for complete financial statements prepared in accordance with International Financial Reporting Standards (IFRSs). In the opinion of the management all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included in the interim condensed consolidated financial information.

The interim condensed consolidated financial information is presented in Kuwaiti Dinars, which is the Group's functional and presentation currency.

Operating results for the six-months period ended 30 June 2023 are not necessarily indicative of the results that may be expected for the year ended 31 December 2023. For further information, refer to the consolidated financial statements and notes thereto for the financial year ended 31 December 2022.

**Notes to the interim condensed consolidated financial information (Unaudited)**

For the six months period ended 30 June 2023

**Significant accounting policies**

The accounting policies applied in the preparation of the interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements of the Group for the year ended on 31 December 2022, except for the application of new standards that are effective from 1 January 2023, and which have no impact on the interim condensed consolidated financial information of the Group.

**Standards, interpretation and amendments issued and adopted by the Group**

The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

The new standards and amendments that are effective for annual reporting periods beginning on or after 1 January 2023. These amendments did not have material impact on the financial position or the performance of the Group.

**3. Basis of consolidation**

The interim condensed consolidated financial information has been consolidated on the basis of financial information prepared by management for the six-month period ended on 30 June 2023. The interim condensed consolidated financial information the "Parent Company" and its subsidiaries is as follows:

Company name	Main activities	Country of incorporation	Ownership percentage (direct and indirect) (%)		
			30 June 2023	31 December 2022 (Audited)	30 June 2022
Kuwait Syrian Real Estate Company – W.L.L	Real Estate Trading and services	Kuwait	100	100	100
Syrian Kuwait Limited Company – W.L.L.	Tourism	Syria	100	100	100
Al-Naser Gardens Holding Company – K.S.C Holding	Holding	Kuwait	60.9	60.9	60.9
Al-Naser Gardens Real Estate Company – W.L.L.	Real Estate	Kuwait	99	99	99
Al-Naser Garden Syrian Company – Shareholding	General Trading	Syria	97.9	97.9	97.9

The subsidiaries total assets amounted to KD 17,286,698 as at 30 June 2023 (KD 17,177,462 as at 31 December 2022, KD 17,126,918 as at 30 June 2022) and its profits amounted to KD 142,734 for the period ended 30 June 2023 (KD 69,944 for the period ended 30 June 2022).

Notes to the interim condensed consolidated financial information (Unaudited)  
For the six months period ended 30 June 2023

4. Investment properties

	30 June 2023	31 December 2022 (Audited)	30 June 2022
	KD	KD	KD
Balance at beginning of the period/year	12,725,426	12,568,838	12,568,838
Foreign currency translation differences	31,318	156,588	177,466
Balance at end of the period/year	<u>12,756,744</u>	<u>12,725,426</u>	<u>12,746,304</u>

Investment properties of the group are located in the Arab Syrian Republic.

5. Financial assets at fair value through statement of other comprehensive income

	30 June 2023	31 December 2022 (Audited)	30 June 2022
	KD	KD	KD
Foreign quoted shares	9,281,484	6,700,944	3,508,266
Local unquoted shares	182,952	203,743	212,823
Foreign unquoted shares	644,595	648,302	648,247
	<u>10,109,031</u>	<u>7,552,989</u>	<u>4,369,336</u>

The fair value of the financial assets at fair value through the statement of other comprehensive income was reached in accordance with the evaluation principles as shown in Note No. (13).

6. Properties held for trading

This note represents the cost of purchasing investment properties for the purpose of resale. The properties are managed by a real estate company, and the net rents of those properties are included in the interim condensed consolidated statement of profit or loss.

7. Cash and cash equivalent

	30 June 2023	31 December 2022 (Audited)	30 June 2022
	KD	KD	KD
Term deposits	56,168	55,170	54,561
Cash at banks	275,859	216,660	168,063
	<u>332,027</u>	<u>271,830</u>	<u>222,624</u>

8. Account payable and other credit balances

	30 June 2023	31 December 2022 (Audited)	30 June 2022
	KD	KD	KD
Trade payables	319,005	326,525	338,693
Accrued dividends	21,888	22,229	24,732
National Labour Support Tax	424	997	50
Zakat	295	139	869
Other credit balances	3,872	6,172	4,602
	<u>345,484</u>	<u>356,062</u>	<u>368,946</u>

Notes to the interim condensed consolidated financial information (Unaudited)  
For the six months period ended 30 June 2023

9. **Basic and diluted earnings / (loss) per share attributable to shareholders of the Parent Company**  
Earnings / (loss) as per share has been calculated by dividing the net profit for the period attributable to the shareholders of the Parent Company by the weighted average number of shares outstanding during the period as follows:

	Three months ended 30 June		Six months ended 30 June	
	2023	2022	2023	2022
Net profit for the period attributable to the shareholders of the Parent Company (Kuwaiti Dinars)	21,193	(3,822)	45,884	(209)
Weighted average number of shares outstanding and paid up (share)	176,276,900	176,276,900	176,276,900	176,276,900
Basic and diluted earnings / (loss) as per share attributable to shareholders of the Parent Company (Fils)	0.120	(0.022)	0.260	(0.001)

10. **Related parties' disclosures**

Related parties represent the shareholders of the Group who have representation on the Board of Directors, members of the Board of Directors, senior management personnel, their close family members and companies owned by them. In the normal course of business and with the approval of the Group's management, transactions with those parties during the six months ended on 30 June 2023. The following are the significant transactions and balances with related parties:

	30 June	31 December	30 June	
	2023	2022	2022	
Balances in interim condensed consolidated statement of financial position	KD	(Audited) KD	KD	
Key management compensation	3,320	5,371	3,241	
Transactions in the interim condensed consolidated statement of profit or loss	Three months ended 30 June		Six months ended 30 June	
	2023	2022	2023	2022
Key management compensation	KD	KD	KD	KD
	8,751	15,600	16,701	19,800

These 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 (Unaudited)  
For the six months period ended 30 June 2023

11. Operating segments

The management has determined the operating segments based on the reports submitted to the Board of Directors for the purpose of making strategic decisions.

The following is a summary of the activity of each of the Group's sectors to be reported:

- Investment: includes the Group's activities related to trading in securities and investment.
- Real estate: includes real estate trading, development and management.

	<b>Six months ended 30 June 2023</b>		
	<b>Investment</b>	<b>Real estate</b>	<b>Total</b>
	KD	KD	KD
Sector revenue	25	155,330	155,355
Sector expenses	(65,148)	(12,596)	(77,744)
Sector results	(65,123)	142,734	77,611
Sector assets	10,178,571	17,286,698	27,465,269
Sector liabilities	353,918	9,409	363,327

	<b>Six months ended 30 June 2022</b>		
	<b>Investment</b>	<b>Real estate</b>	<b>Total</b>
	KD	KD	KD
Sector revenue	70	106,962	107,032
Sector expenses	(70,202)	(8,914)	(79,116)
Sector results	(70,132)	98,048	27,916
Sector assets	4,473,778	17,126,918	21,600,696
Sector liabilities	366,953	16,482	383,435

The following is the geographical distribution of assets and liabilities:

	<b>30 June 2023</b>		
	<b>Kuwait</b>	<b>Syria</b>	<b>Total</b>
	KD	KD	KD
Assets	4,598,911	22,866,358	27,465,269
Liabilities	362,747	580	363,327

	<b>31 December 2022 (Audited)</b>		
	<b>Kuwait</b>	<b>Syria</b>	<b>Total</b>
	KD	KD	KD
Assets	4,568,536	20,254,380	24,822,916
Liabilities	372,650	388	373,038

	<b>30 June 2022</b>		
	<b>Kuwait</b>	<b>Syria</b>	<b>Total</b>
	KD	KD	KD
Assets	4,517,285	17,083,411	21,600,696
Liabilities	370,127	13,308	383,435

**11. Operating segments (continued)**

The Group's assets amounting to KD 22,866,358 as at 30 June 2023 which represent approximately 83% from the Group's Assets is in Syria (KD 20,254,380 as at 31 December 2022 which represent approximately 82% from the Group's Assets and KD 17,083,411 as at 30 June 2022 which represents approximately 79% 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 "Financial Reporting in Hyperinflationary Economies" 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. The General Assembly of the Shareholders of the Parent Company**

As on 11 May 2023, the general ordinary assembly meeting of the shareholders of the Parent Company approved the consolidated financial statements for the financial year ended on 31 December 2022 and approved the Board of Directors' recommendation not to distribute dividends and not to pay Board of Directors remunerations for the financial year ended on 31 December 2022.

As on 9 June 2022, the general ordinary assembly meeting of the shareholders of the Parent Company approved the consolidated financial statements for the financial year ended on 31 December 2021 and approved the Board of Directors' recommendation not to distribute dividends and not to pay Board of Directors remunerations for the financial year ended on 31 December 2021.

**13. Fair value measurement**

The Group measures financial assets as financial assets at fair value through statement of other comprehensive income at the end of the reporting period.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly (for example, price inputs).
- Level 3: Inputs derived from valuation techniques that include inputs for assets or liabilities that are not based on market data and are supported by identifiable sources (inputs not supported by identifiable sources).

Notes to the interim condensed consolidated financial information (Unaudited)  
For the six month period ended 30 June 2023

13. Fair value measurement (continued)

The following table shows an analysis of items recorded at fair value, according to the level of the fair value hierarchy:

Financial assets at fair value through statement of other comprehensive income:	Fair value as at			fair value level	Valuation technique(s) and Key input(s)
	30 June 2023	31 December 2022 (Audited)	30 June 2022		
Foreign quoted shares	9,281,484	6,700,944	3,508,266	Level 1	Closing price
Local unquoted shares	182,952	203,743	212,823	Level 2	Comparative market price for similar assets
Foreign unquoted shares	550,643	554,350	554,295	Level 3	Discounted cash flows
Foreign unquoted shares	93,952	93,952	93,952	Level 3	Adjusted book value
<b>Total</b>	<b>10,109,031</b>	<b>7,552,989</b>	<b>4,369,336</b>		

Reconciliation to determine fair value for Level 3:

	30 June 2023	31 December 2022 (Audited)	30 June 2022
	KD	KD	KD
Balance at beginning of the period/year	648,302	648,247	648,247
Change in fair value	(3,707)	55	-
Balance at end of the period/year	<u>644,595</u>	<u>648,302</u>	<u>648,247</u>