

**Tijara & Real Estate Investment
Company K.S.C.P. and its subsidiaries**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION (UNAUDITED)**

30 JUNE 2021



REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF TIJARA & REAL ESTATE INVESTMENT COMPANY K.S.C.P.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Tijara & Real Estate Investment Company K.S.C.P. (the “Parent Company”) and its subsidiaries (collectively, the “Group”) as at 30 June 2021, and the related interim condensed consolidated statement of profit or loss, interim condensed consolidated statement of comprehensive income for the three-month and six-month periods then ended, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six-month period then ended. The management of the Parent Company 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 the interim condensed consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

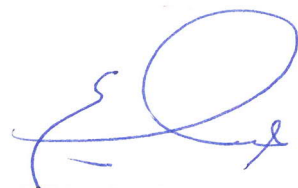
Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance, with IAS 34.

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended, and its executive regulations, as amended, or of the Parent Company’s Memorandum of Incorporation and Articles of Association, as amended, have occurred during the three and six months period ended 30 June 2021 that might have had a material effect on the business of the Parent Company or on its financial position.

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any violations of the provisions of Law No 7 of 2010 concerning the Capital Markets Authority and its related regulations during the three and six months period ended 30 June 2021 that might have had a material effect on the business of the Parent Company or on its financial position.



ABDULKARIM ALSAMDAN
LICENSE NO. 208 A
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AL AIBAN, AL OSAIMI & PARTNERS

Tijara & Real Estate Investment Company K.S.C.P. and its subsidiaries
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
(UNAUDITED)

For the period ended 30 June 2021

	<i>Notes</i>	<i>Three months ended</i>		<i>Six months ended</i>	
		<i>30 June</i>		<i>30 June</i>	
		<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
		<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Rental income		982,981	1,007,146	1,947,000	2,041,675
Other services and operating income		13,378	-	20,805	7,902
Property operating expenses		(75,413)	(37,608)	(135,057)	(89,492)
Net profit on investment properties		920,946	969,538	1,832,748	1,960,085
Share of results of an associate	4	30,185	(3,167)	70,652	23,188
Net investment profit		30,185	(3,167)	70,652	23,188
Administrative expenses		(238,375)	(210,409)	(474,080)	(430,754)
Foreign exchange (loss) gain		(37,316)	(14,745)	(57,835)	114,743
Other income		-	-	100	14
Operating profit		675,440	741,217	1,371,585	1,667,276
Finance costs		(250,314)	(270,856)	(501,608)	(650,161)
Provision for expected credit losses on accounts receivable		(119,809)	(787,836)	(226,733)	(784,312)
PROFIT FOR THE PERIOD BEFORE CONTRIBUTION TO KUWAIT FOUNDATION FOR THE ADVANCEMENT OF SCIENCES (KFAS), NATIONAL LABOUR SUPPORT TAX (NLST), ZAKAT AND BOARD OF DIRECTORS' REMUNERATION		305,317	(317,475)	643,244	232,803
KFAS		(2,748)	2,858	(5,789)	(2,095)
NLST		(11,220)	(12,357)	(22,869)	(26,626)
Zakat		(4,488)	(4,943)	(9,148)	(10,650)
Board of directors' remuneration		-	-	-	(30,000)
PROFIT FOR THE PERIOD		286,861	(331,917)	605,438	163,432
BASIC AND DILUTED EARNINGS PER SHARE	3	0.78 fils	(0.90) fils	1.64 fils	0.44 fils

The attached notes 1 to 11 form part of this interim condensed consolidated financial information.

Tijara & Real Estate Investment Company K.S.C.P. and its subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 June 2021

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
<i>Note</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
PROFIT FOR THE PERIOD	286,861	(331,917)	605,438	163,432
Other comprehensive (loss) income:				
<i>Items that are (or) may be subsequently reclassified to interim condensed consolidated statement of profit or loss in subsequent periods:</i>				
Exchange differences arising on translation of foreign operations	(31,662)	(17,604)	(51,507)	111,141
Exchange differences arising on translation of foreign associate	4 (36,294)	(20,295)	(59,077)	129,262
Other comprehensive (loss) income for the period	(67,956)	(37,899)	(110,584)	240,403
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	218,905	(369,816)	494,854	403,835

The attached notes 1 to 11 form part of this interim condensed consolidated financial information.

Tijara & Real Estate Investment Company K.S.C.P. and its subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2021

		30 June 2021 KD	(Audited) 31 December 2020 KD	30 June 2020 KD
ASSETS				
Bank balances and cash		4,186,243	3,882,346	3,082,340
Accounts receivable and prepayments		632,171	656,460	1,943,594
Inventory properties		608,732	608,732	608,732
Investment in an associate	4	8,086,383	8,171,714	8,340,801
Investment properties	5	60,230,973	60,347,404	60,650,120
Property and equipment		18,783	12,822	18,135
TOTAL ASSETS		73,763,285	73,679,478	74,643,722
LIABILITIES AND EQUITY				
Liabilities				
Accounts payable and accruals		874,188	796,981	1,830,707
Islamic financing payables	6	32,663,502	33,196,542	32,826,201
Employees' end of service benefits		1,003,026	958,240	920,361
Total liabilities		34,540,716	34,951,763	35,577,269
Equity				
Share capital		37,000,000	37,000,000	37,000,000
Statutory reserve		426,876	426,876	413,180
General reserve		426,876	426,876	413,180
Share options reserve		142,253	142,253	142,253
Foreign currency translation reserve		133,581	244,165	474,211
Treasury shares reserve		18,132	18,132	18,132
Retained earnings		1,074,851	469,413	605,497
Total equity		39,222,569	38,727,715	39,066,453
TOTAL LIABILITIES AND EQUITY		73,763,285	73,679,478	74,643,722

Tareq Fareed Al Othman

Vice Chairman and Executive President

The attached notes 1 to 11 form part of this interim condensed consolidated financial information.

Tijara & Real Estate Investment Company K.S.C.P. and its subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 June 2021

	<i>Share capital KD</i>	<i>Statutory reserve KD</i>	<i>General reserve KD</i>	<i>Share options reserve KD</i>	<i>Foreign currency translation reserve KD</i>	<i>Treasury shares reserve KD</i>	<i>Retained earnings KD</i>	<i>Total KD</i>
As at 1 January 2021	37,000,000	426,876	426,876	142,253	244,165	18,132	469,413	38,727,715
Profit for the period	-	-	-	-	-	-	605,438	605,438
Other comprehensive loss for the period	-	-	-	-	(110,584)	-	-	(110,584)
Total comprehensive (loss) income for the period	-	-	-	-	(110,584)	-	605,438	494,854
As at 30 June 2021	37,000,000	426,876	426,876	142,253	133,581	18,132	1,074,851	39,222,569
As at 1 January 2020	37,000,000	413,180	413,180	142,253	233,808	18,132	1,182,065	39,402,618
Profit for the period	-	-	-	-	-	-	163,432	163,432
Other comprehensive income for the period	-	-	-	-	240,403	-	-	240,403
Total comprehensive income for the period	-	-	-	-	240,403	-	163,432	403,835
Dividends (Note 8)	-	-	-	-	-	-	(740,000)	(740,000)
As at 30 June 2020	37,000,000	413,180	413,180	142,253	474,211	18,132	605,497	39,066,453

The attached notes 1 to 11 form part of this interim condensed consolidated financial information.

Tijara & Real Estate Investment Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)

For the period ended 30 June 2021

		<i>Six months ended</i>	
		<i>30 June</i>	
<i>Notes</i>	2021	2020	
	KD	KD	
OPERATING ACTIVITIES			
Profit for the period before KFAS, NLST, Zakat and board of directors' remuneration	643,244	232,803	
Adjustments to reconcile profit for the period before KFAS, NLST, Zakat and board of directors' remuneration to net cash flows:			
Depreciation	5,227	5,879	
Provision for expected credit losses on accounts receivables	226,733	784,312	
Share of results of an associate	(70,652)	(23,188)	
Provision for employees' end of service benefits	47,192	47,910	
Finance costs	501,608	650,161	
Foreign exchange Loss (gain)	57,835	(114,743)	
	1,411,187	1,583,134	
Changes in operating assets and liabilities:			
Accounts receivable and prepayments	(204,972)	(1,363,911)	
Accounts payable and accruals	57,462	238,551	
Cash flows from operations	1,263,677	457,774	
Employees' end of service benefits paid	(2,406)	-	
Board of directors' remuneration paid	-	(30,000)	
Net cash flows from operating activities	1,261,271	427,774	
INVESTMENT ACTIVITIES			
Additions to property and equipment	(11,188)	(540)	
Proceeds from capital redemption of investment in an associate	96,906	122,574	
Net cash flows from investing activities	85,718	122,034	
FINANCING ACTIVITIES			
Repayment of Islamic financing payables	(508,094)	(50,000)	
Finance costs paid	(504,168)	(563,372)	
Dividends paid	(16,994)	(9,107)	
Net cash flows used in financing activities	(1,029,256)	(622,479)	
NET INCREASE (DECREASE) IN BANK BALANCES AND CASH	317,733	(72,671)	
Net foreign exchange differences	(13,836)	12,654	
Bank balances and cash at 1 January	3,882,346	3,142,357	
BANK BALANCES AND CASH AT THE END OF THE PERIOD	4,186,243	3,082,340	

The attached notes 1 to 11 form part of this interim condensed consolidated financial information.

Tijara & Real Estate Investment Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2021

1 CORPORATE INFORMATION

The interim condensed consolidated financial information of Tijara & Real Estate Investment Company K.S.C.P. (the “Parent Company”) and its subsidiaries (collectively the “Group”) for the six months period ended 30 June 2021 were authorised for issue in accordance with a resolution of the Parent Company’s Board of Directors on 5 August 2021.

The Parent Company is a Kuwaiti public shareholding company registered and incorporated in Kuwait on 18 April 1983. The Group operates in accordance with the Islamic Sharia. The registered office of the Parent Company is P.O. Box 5655, Safat, 13057 Kuwait. The Parent Company was listed on the Kuwait Stock Exchange on 26 September 2005.

The Parent Company is engaged in the following activities:

- ▶ Purchase and sale of land and real estate and exchange thereof; constructing buildings, commercial and residential complexes, and lease and rental thereof.
- ▶ Management of own properties and of third parties both inside and outside Kuwait.
- ▶ Sale and purchase of securities of companies carrying on similar activities.
- ▶ Development and building of real estate properties for the Group and for third parties.
- ▶ Maintenance works of buildings and real estate properties owned by the Group, including civil, mechanical, air-conditioning works to preserve all buildings and properties.
- ▶ Investing in equities and other investments.

The consolidated financial statements of the Group for the year ended 31 December 2020 were approved by the shareholders of the Parent Company in the annual general assembly meeting held on 31 March 2021.

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP’S ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial information for the six months ended 30 June 2021 has been prepared in accordance with International Accounting Standard 34 “*Interim Financial Reporting*”.

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

The interim condensed consolidated financial information does not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2020.

2.2 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2020, except for the adoption of new standards effective as of 1 January 2021. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. The adoption of these standards did not have any effect on the financial performance or financial position of the Group.

Tijara & Real Estate Investment Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2021

3 BASIC AND DILUTED EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit for the period by the weighted average number of ordinary shares outstanding during the period (excluding treasury shares). Diluted EPS is calculated by dividing the profit for the period by the weighted average number of ordinary shares outstanding during the period (excluding treasury shares) plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical.

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
Profit for the period (KD)	286,861	(331,917)	605,438	163,432
Weighted average number of shares outstanding (Shares)*	370,000,000	370,000,000	37,000,000	370,000,000
Basic and diluted EPS (fils)	0.78	(0.90)	1.64	0.44

* The weighted average of shares takes into account the weighted average effect of changes in treasury shares during the period.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of the authorisation of this interim condensed consolidated financial information.

4 INVESTMENT IN AN ASSOCIATE

The Group has the following investment in an associate:

<i>Name of company</i>	<i>Country of incorporation</i>	<i>Equity interest as at</i>			<i>Principal activities</i>
		<i>(Audited)</i>			
		<i>30 June 2021</i>	<i>31 December 2020</i>	<i>30 June 2020</i>	
		<i>%</i>	<i>%</i>	<i>%</i>	
Al Madar Al Thahabia Company W.L.L. ("Al Madar")	Kingdom of Saudi Arabia	24%	24%	24%	Sale, purchase, rent and lease of real estate properties and lands

Movement in the carrying value of investment in an associate is as follows:

	<i>(Audited)</i>		
	<i>30 June 2021</i>	<i>31 December 2020</i>	<i>30 June 2020</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>
At the beginning of the period / year	8,171,714	8,310,925	8,310,925
Share of results	70,652	84,418	23,188
Proceeds from capital redemption of investment in an associate	(96,906)	(230,500)	(122,574)
Foreign currency translation adjustment	(59,077)	6,871	129,262
At the end of the period / year	8,086,383	8,171,714	8,340,801

The share of results from an associate for the period ended 30 June 2021 have been recorded based on the management accounts as at 30 June 2021.

Tijara & Real Estate Investment Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2021

5 INVESTMENT PROPERTIES

	30 June 2021 KD	<i>(Audited)</i> 31 December 2020 KD	30 June 2020 KD
At the beginning of the period / year	60,347,404	60,396,066	60,396,066
Change in fair value of investment properties	-	(59,472)	-
Net foreign exchange (loss) gain	(116,431)	10,810	254,054
At the end of the period / year	<u>60,230,973</u>	<u>60,347,404</u>	<u>60,650,120</u>

As at 30 June 2021, certain investment properties amounting to KD 4,250,000 (31 December 2020: KD 4,250,000 and 30 June 2020: KD 4,160,000) are held in the name of a third party under Ijara agreement (Note 6).

As at 30 June 2021, certain investment properties of KD 31,953,000 (31 December 2020: KD 31,953,000 and 30 June 2020: KD 31,850,000) are pledged as a security against Murabaha agreement of KD 25,325,000 (31 December 2020: KD 25,400,000 and 30 June 2020: KD 24,950,000) (Note 6).

The valuations of the local investment properties were performed at 31 December 2020 by two accredited independent valuers with recognised and relevant professional qualification and experience in the locations and categories of the investment properties being valued. The fair value was determined to be the lower of the two values using the income capitalisation approach. For the foreign properties, the valuation has been performed by a reputable accredited valuer who has valued these properties using income capitalization approach.

For the reasons described in Note 11, Management believes that there is no significant change in the fair value of investment properties since the latest valuation performed as at 31 December 2020.

Fair value hierarchy disclosures for investment properties are provided in Note 10.

6 ISLAMIC FINANCING PAYABLES

30 June 2021	<i>Ijara</i> KD	<i>Tawarruq</i> KD	<i>Murabaha</i> KD	<i>Total</i> KD
Gross amount	3,628,412	4,583,834	30,085,563	38,297,809
Less: deferred profit	(529,589)	(344,155)	(4,760,563)	(5,634,307)
	<u>3,098,823</u>	<u>4,239,679</u>	<u>25,325,000</u>	<u>32,663,502</u>
31 December 2020 <i>(Audited)</i>	<i>Ijara</i> KD	<i>Tawarruq</i> KD	<i>Murabaha</i> KD	<i>Total</i> KD
Gross amount	3,686,297	5,113,741	30,532,480	39,332,518
Less: deferred profit	(587,155)	(418,388)	(5,130,433)	(6,135,976)
	<u>3,099,142</u>	<u>4,695,353</u>	<u>25,402,047</u>	<u>33,196,542</u>
30 June 2020	<i>Ijara</i> KD	<i>Tawarruq</i> KD	<i>Murabaha</i> KD	<i>Total</i> KD
Gross amount	3,769,546	4,917,720	30,454,277	39,141,543
Less: deferred profit	(671,357)	(136,605)	(5,507,380)	(6,315,342)
	<u>3,098,189</u>	<u>4,781,115</u>	<u>24,946,897</u>	<u>32,826,201</u>

Tijara & Real Estate Investment Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2021

6 ISLAMIC FINANCING PAYABLES (continued)

Islamic financing payables represent facilities obtained from Islamic financial institutions and carry an average profit rate of 1.5% to 3.25% (31 December 2020: 1.5% to 3.25% and 30 June 2020: 1.5% to 3.25%) per annum over Central Bank of Kuwait discount rate. Islamic financing payables are mainly due within range of 1 to 9 years from the reporting date.

As at 30 June 2021, Ijara payable amounting to KD 3,095,644 (31 December 2020: KD 3,095,644 and 30 June 2020: KD 3,095,644) are secured by the investment properties amounting to KD 4,250,000 (31 December 2020: KD 4,250,000 and 30 June 2020: KD 4,160,000) (Note 5).

As at 30 June 2021, Murabaha payable amounting to KD 25,325,000 (31 December 2020: KD 25,400,000 and 30 June 2020: KD 24,950,000) are secured by the investment properties amounting to KD 31,953,000 (31 December 2020: KD 31,953,000 and 30 June 2020: KD 31,850,000) (Note 5).

7 RELATED PARTY TRANSACTIONS

These represent transactions with major shareholders, directors, executive officers and key management personnel of the Group, close members of their families and companies of which they are principal owners or over which they are able to exercise control or significant influence entered into by the Group in the ordinary course of business. Pricing policies and terms of these transactions are approved by the Parent Company's management.

Transactions with related parties included in the interim condensed consolidated statement of profit or loss are as follows:

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Foreign currency exchange differences	(41,595)	(24,219)	(67,861)	152,833

The Group has recognized a loss of loss KD 67,861 (30 June 2020: gain of KD 152,833) in the interim condensed consolidated statement of profit or loss on foreign exchange rate fluctuation in SAR relating to the amounts due from one of the Group's subsidiary of SAR 114,473,949 (30 June 2020: SAR 121,199,110).

No balance with related parties included in the interim condensed consolidated statement of financial position as at the reporting date.

Key management personnel:

Key management personnel comprise of the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Group. The aggregate value of transactions and balances related to key management personnel were as follow:

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Salaries and other short-term benefits	76,050	76,050	152,100	152,100
Employees' end of service benefits	14,987	21,328	29,809	36,314
	91,037	97,378	181,909	188,414

8 ANNUAL GENERAL MEETING

The Annual General Assembly "AGM" of the shareholders of the Parent Company held on 31 March 2021 approved the consolidated financial statements for the year ended 31 December 2020. The AGM approved non distribution of cash dividends for the year ended 31 December 2020 (2019: 2 fils per share of KD 740,000).

Tijara & Real Estate Investment Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2021

9 SEGMENT INFORMATION

For management purposes, the Group is organized into business units based on their products and services, and has two reportable operating segments as follows:

- Real Estate management comprises investment and trading in real estate and construction or development of real estate for the sale in the ordinary course of business and the provision of other related real estate services.
- Investment management comprises participation in financial and real estate funds and managing the Group's liquidity requirements.
- Other comprises other activities rather than real estate and investment activities.

	<i>Six months ended 30 June 2021</i>				<i>Six months ended 30 June 2020</i>			
	<i>Real estate activities KD</i>	<i>Investment activities KD</i>	<i>Others KD</i>	<i>Total KD</i>	<i>Real estate activities KD</i>	<i>Investment activities KD</i>	<i>Others KD</i>	<i>Total KD</i>
Net profit on investment property	1,832,748	-	-	1,832,748	1,960,085	-	-	1,960,085
Share of result from an associate	-	70,652	-	70,652	-	23,188	-	23,188
Administrative expenses	(474,080)	-	-	(474,080)	(430,754)	-	-	(430,754)
Other income	-	-	100	100	-	-	14	14
Foreign exchange (loss) gain	-	-	(57,835)	(57,835)	-	-	114,743	114,743
Finance costs	(501,608)	-	-	(501,608)	(650,161)	-	-	(650,161)
Provision for expected credit losses on accounts receivable	(226,733)	-	-	(226,733)	(784,312)	-	-	(784,312)
Unallocated expenses	-	-	(37,806)	(37,806)	-	-	(69,371)	(69,371)
Profit (loss) for the period	630,327	70,652	(95,541)	605,438	94,858	23,188	45,386	163,432

	<i>30 June 2021</i>				<i>31 December 2020 (Audited)</i>				<i>30 June 2020</i>			
	<i>Real estate activities KD</i>	<i>Investment activities KD</i>	<i>Others KD</i>	<i>Total KD</i>	<i>Real estate activities KD</i>	<i>Investment activities KD</i>	<i>Others KD</i>	<i>Total KD</i>	<i>Real estate activities KD</i>	<i>Investment activities KD</i>	<i>Others KD</i>	<i>Total KD</i>
Total assets	65,658,119	8,086,383	18,783	73,763,285	65,494,942	8,171,714	12,822	73,679,478	66,284,786	8,340,801	18,135	74,643,722
Total liabilities	33,537,690	-	1,003,026	34,540,716	33,993,523	-	958,240	34,951,763	34,656,908	-	920,361	35,577,269

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2021

10 FAIR VALUE MEASUREMENT

Investment properties have been stated at fair values. For other financial assets and financial liabilities carried at amortized cost, the carrying value is not significantly different from their fair values as most of these assets and liabilities are of short-term maturity or repriced immediately based on market movement in interest rates.

Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the interim condensed consolidated financial information are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- ▶ Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- ▶ Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Group's investment properties is valued using level 3 of the fair value measurements.

During the period ended 30 June 2021, there were no transfers into and out of level 3 fair value measurements. The reconciliation of the opening and closing amount of Level 3 are presented in Note 5.

11 IMPACT OF COVID-19

The COVID-19 pandemic continues to spread across global geographies causing disruption to business and economic activities and bringing significant uncertainties to the global economic environment. Fiscal and monetary authorities worldwide launched extensive responses designed to mitigate the severe consequences of the pandemic.

The Group considered the potential impact of the current economic volatility on the reported amounts of the Group's financial and non-financial assets. The reported amounts best represent management's assessment based on observable information. Markets, however, remain volatile and asset carrying values remain sensitive to market fluctuations. The impact of the highly uncertain economic environment remains judgmental and the Group will accordingly continue to reassess its position and the related impact on a regular basis.

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