

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

Condensed consolidated interim financial information (Unaudited)  
and independent auditor's review report for the three month period ended 31 March 2024

**Rasiyat Holding Company K.P.S.C. and its Subsidiaries  
State of Kuwait**

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**The Board of Directors  
Rasiyat Holding Company K.P.S.C.  
State of Kuwait**

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

**Introduction**

We have reviewed the accompanying condensed consolidated interim statement of financial position of Rasiyat Holding Company K.P.S.C. (the "Parent Company") and its subsidiaries (together referred to as the "Group") as at 31 March 2024, and the related condensed consolidated interim statements of income, comprehensive income, changes in equity and cash flows for the three month period then ended and explanatory notes. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34"). Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

**Scope of review**

Except as explained in the following paragraph, 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 condensed consolidated 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.

**Basis for qualified conclusion**

Investment properties of KD 6,300,683 at 31 March 2024 represent undeveloped plots of lands located in the Arab Republic of Syria ("Syria"). The management of the Group appointed two external licensed valuers in Syria to value the plots of lands as at 31 December 2023, based on the market approach method. Due to insufficient reliable information available on the real estate market and economy in Syria we were unable to satisfy ourselves as to the fair values of the plots of lands and whether any adjustments that may be required to the condensed consolidated interim financial information.


**Qualified conclusion**

Except for the adjustments to the condensed consolidated interim financial information that we might have become aware of had it not been for the situation described above, based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34").

**Report on review of other legal and regulatory requirements**

Furthermore, based on our review except for the possible effect of the matter described in the basis for the qualified conclusion paragraph above, the condensed consolidated interim financial information is in agreement with the books of account of the Parent Company. We further report that nothing has come to our attention indicating any violations of the Companies Law No. 1 of 2016, and its executive regulations nor of the Parent Company's Memorandum and Articles of Association, as amended, have occurred during the three-month period ended 31 March 2024, that might have had a material effect on the business of the Group or its consolidated financial position.

We further report that, during the course of our review except for the possible effect of the matter described in the basis for qualified conclusion paragraph above, we have not become aware of any violations during the three-month period ended 31 March 2024 of the provisions of Law No. 7 of 2010 concerning the Capital Markets Authority and its related regulations, that might have had a material effect on the business of the Group or its consolidated financial position.



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Khalid Ebrahim Al-Shatti  
Licence No. 175  
PricewaterhouseCoopers (AlShatti & Co.)

9 May 2024  
Kuwait

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Rasiyat Holding Company K.P.S.C. and its Subsidiaries  
State of Kuwait

Condensed consolidated interim statement of financial position  
As at 31 March 2024  
(All amounts are in Kuwaiti Dinar unless otherwise stated)

	Notes	31 March 2024 (Unaudited)	31 December 2023 (Audited) (Restated) Note 15	31 March 2023 (Unaudited) (Restated) Note 15
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	5	6,817,449	6,897,266	7,004,191
Intangible assets		392,360	402,777	434,027
Investment properties	4 & 6	6,300,683	6,287,360	7,623,390
Investments in associate		10,036	10,737	13,017
Financial asset at fair value through profit or loss	4	312,436	312,436	293,580
Financial asset at fair value through other comprehensive income	4	11,857	11,857	11,857
		<u>13,844,821</u>	<u>13,922,433</u>	<u>15,380,062</u>
<b>Current assets</b>				
Financial asset at fair value through profit or loss	4	69,565	69,565	46,421
Trade and other receivables	7	2,186,197	2,042,368	1,780,978
Cash and cash equivalents	8	3,195,654	2,048,275	627,814
		<u>5,451,416</u>	<u>4,160,208</u>	<u>2,455,213</u>
Asset held for sale	14	139,373	139,079	-
<b>Total assets</b>		<u>19,435,610</u>	<u>18,221,720</u>	<u>17,835,275</u>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Share capital		15,000,000	15,000,000	15,000,000
Accumulated losses		(3,435,828)	(3,564,935)	(4,300,478)
<b>Equity attributable to equity holders of the Parent</b>				
<b>Company</b>		11,564,172	11,435,065	10,699,522
Non-controlling interests		3,313,191	3,297,466	3,534,575
<b>Net equity</b>		<u>14,877,363</u>	<u>14,732,531</u>	<u>14,234,097</u>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Employees' end of service benefits		326,390	295,565	224,659
Bank borrowing	9	1,688,300	1,886,350	1,355,500
Accounts payable and other liabilities	10	299,528	295,079	328,226
		<u>2,314,218</u>	<u>2,476,994</u>	<u>1,908,385</u>
<b>Current liabilities</b>				
Bank borrowing	9	675,644	593,054	542,200
Accounts payable and other liabilities	10	1,568,385	419,141	1,150,593
		<u>2,244,029</u>	<u>1,012,195</u>	<u>1,692,793</u>
<b>Total liabilities</b>		<u>4,558,247</u>	<u>3,489,189</u>	<u>3,601,178</u>
<b>Total equity and liabilities</b>		<u>19,435,610</u>	<u>18,221,720</u>	<u>17,835,275</u>

Mishari Ayman Boodai  
Chairman

Saleh Mohammad Alroomi  
Board member and General Manager

The notes on pages 7 to 16 form an integral part of this condensed consolidated interim financial information.

**Rasiyat Holding Company K.P.S.C. and its Subsidiaries**  
**State of Kuwait**

**Condensed consolidated interim statement of income**  
For the three month period ended 31 March 2024  
(All amounts are in Kuwaiti Dinar unless otherwise stated)

	Notes	Three months ended 31 March	
		2024 (Unaudited)	2023 (Unaudited) (Restated)
<b>Income</b>			Note 15
Tuition fees - revenue		1,105,660	771,727
Management fees		2,250	2,250
Change in fair value of investment properties		13,323	36,879
Change in fair value of financial assets at fair value through profit or loss	4	43,071	31,890
Share of results of investment in an associate		(701)	(2,862)
Foreign exchange gain / (loss)		12,977	(1,756)
Other income		71,544	31,361
		<u>1,248,124</u>	<u>869,489</u>
<b>Expenses</b>			
Direct cost of tuition fees		(495,706)	(592,405)
General and administrative expenses		(337,911)	(152,818)
Depreciation	5	(201,901)	(193,017)
Amortisation of intangible assets		(10,417)	(10,417)
Finance costs		(50,031)	(35,867)
		<u>(1,095,966)</u>	<u>(984,524)</u>
<b>Profit / (loss) before contribution to National Labour Support Tax ("NLST") and Zakat</b>		<b>152,158</b>	<b>(115,035)</b>
Contribution to National Labour Support Tax ("NLST")		(3,145)	-
Contribution to Zakat		(4,181)	-
<b>Profit / (loss) for the period</b>		<b>144,832</b>	<b>(115,035)</b>
<b>Attributable to:</b>			
Equity holders of the Parent Company		129,107	(128,785)
Non-controlling interests		15,725	13,750
<b>Profit/(loss) for the period</b>		<b>144,832</b>	<b>(115,035)</b>
<b>Basic and diluted earnings / (loss) per share (fils)</b>	11	<b>0.86</b>	<b>(0.86)</b>

The notes on pages 7 to 16 form an integral part of this condensed consolidated interim financial information.

**Rasiyat Holding Company K.P.S.C. and its Subsidiaries**  
**State of Kuwait**

**Condensed consolidated interim statement of comprehensive income**

For the three month period ended 31 March 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

	Three months ended	
	31 March	
	2024	2023
	(Unaudited)	(Unaudited)
		(Restated)
		Note 15
<b>Profit/(loss) for the period</b>	<b>144,832</b>	<b>(115,035)</b>
<b>Other comprehensive income for the period:</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss) for the period</b>	<b>144,832</b>	<b>(115,035)</b>
<b>Attributable to:</b>		
Equity holders of the Parent Company	129,107	(128,785)
Non-controlling interests	15,725	13,750
<b>Total comprehensive income/(loss) for the period</b>	<b>144,832</b>	<b>(115,035)</b>

The notes on pages 7 to 16 form an integral part of this condensed consolidated interim financial information.



**Condensed consolidated interim statement of changes in equity**

For the three month period ended 31 March 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

Equity attributable to the owners of the Parent Company (unaudited)							
	Share capital	Foreign currency translation reserve	Fair value reserve	Accumulated losses	Sub-total	Non-controlling interests (unaudited)	Total (unaudited)
Balance at 1 January 2024	15,000,000	-	-	(3,564,935)	11,435,065	3,297,466	14,732,531
Profit for the period	-	-	-	129,107	129,107	15,725	144,832
Total comprehensive income for the period	-	-	-	129,107	129,107	15,725	144,832
<b>Balance at 31 March 2024</b>	<b>15,000,000</b>	-	-	<b>(3,435,828)</b>	<b>11,564,172</b>	<b>3,313,191</b>	<b>14,877,363</b>
Balance at 1 January 2023	15,000,000	1,481,669	(1,146,104)	(3,610,004)	11,725,561	3,587,321	15,312,882
Correction of errors (note 15)	-	(1,481,669)	1,146,104	(561,689)	(897,254)	(66,496)	(963,750)
<b>Restated at 1 January 2023</b>	<b>15,000,000</b>	-	-	<b>(4,171,693)</b>	<b>10,828,307</b>	<b>3,520,825</b>	<b>14,349,132</b>
(Loss)/profit for the period	-	-	-	(128,785)	(128,785)	13,750	(115,035)
Total comprehensive income/(loss) for the period	-	-	-	(128,785)	(128,785)	13,750	(115,035)
<b>Balance at 31 March 2023</b>	<b>15,000,000</b>	-	-	<b>(4,300,478)</b>	<b>10,699,522</b>	<b>3,534,575</b>	<b>14,234,097</b>

The notes on pages 7 to 16 form an integral part of this condensed consolidated interim financial information.

**Rasiyat Holding Company K.P.S.C. and its Subsidiaries**  
**State of Kuwait**

**Condensed consolidated interim statement of cash flows**  
For the three month period ended 31 March 2024  
(All amounts are in Kuwaiti Dinar unless otherwise stated)

	Notes	Three months ended 31 March	
		2024 (Unaudited)	2023 (Unaudited) (Restated) Note 15
<b>Operating activities</b>			
Profit/(loss) before contribution to National Labour Support Tax ("NLST") and Zakat		152,158	(115,035)
<i>Adjustments:</i>			
Depreciation	5	201,901	193,017
Amortisation of intangible assets		10,417	10,417
Share of results of investment in an associate		701	2,862
Change in fair value of investment properties		(13,323)	(36,879)
Change in fair value of financial asset at fair value through profit or loss	4	(43,071)	(31,890)
Finance costs		50,031	35,867
Foreign exchange gain/(loss)		(12,977)	1,756
Employees' end of service benefits		36,388	26,676
		<u>382,225</u>	<u>86,791</u>
<b>Changes in working capital</b>			
Trade and other receivables		(141,410)	3,840
Trade and other payables		1,141,519	633,383
		<u>1,382,334</u>	<u>724,014</u>
<b>Cash flows generated from operations</b>			
National Labour Support Tax paid		(5,563)	(10,330)
Employees' end of service benefits paid		1,376,771	713,684
		<u>1,376,771</u>	<u>713,684</u>
<b>Net cash flows generated from operating activities</b>			
<b>Investing activities</b>			
Purchase of property, plant and equipment	5	(122,084)	(66,041)
Investment income received		43,071	-
		<u>(79,013)</u>	<u>(66,041)</u>
<b>Net cash flows generated used in investing activities</b>			
<b>Financing activities</b>			
Payment of term borrowing		(135,550)	(135,550)
Finance costs paid		(25,093)	(30,619)
		<u>(160,643)</u>	<u>(166,169)</u>
<b>Net cash flows generated used in financing activities</b>			
<b>Net increase in cash and cash equivalents</b>			
Effects of exchange rate changes on cash and cash equivalents		10,264	(6,040)
Cash and cash equivalents at beginning of the period		2,048,275	152,380
Cash and cash equivalents at end of the period	8	<u>3,195,654</u>	<u>627,814</u>

The notes on pages 7 to 16 form an integral part of this condensed consolidated interim financial information.



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

For the three month period ended 31 March 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

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**1. INCORPORATION AND ACTIVITIES**

Rasiyat Holding Company K.P.S.C. (the "Parent Company") was incorporated on 3 December 2005 as a Kuwaiti Shareholding Company. The General Assembly meeting for establishment of the Parent Company was held at the Ministry of Commerce and Industry on 14 December 2005. The Parent Company's shares were listed on the Boursa Kuwait Securities Company on 23 March 2010.

The main objectives of the Parent Company are as follows:

- Extending loans to investee companies and providing guarantees for third parties, provided that the share of the holding company in the investee company is not less than 20%.
- Acquisition of industrial rights and related intellectual properties or any other industrial trade marks or royalties and any other property related thereto, and renting such properties to the others whether inside Kuwait or abroad.
- Acquisition of properties and buildings necessary to carry out the business activities as allowable by the law.
- Ownership of shares in Kuwaiti and foreign shareholding companies in addition to ownership of shares in Kuwaiti and foreign limited liability companies and the participation in the share capital of both types of companies including management, lending and guaranteeing against third parties.
- Utilizing excess funds through investing in financial portfolios managed by specialized companies and institutions.

The Parent Company has the right to carry out its activities inside Kuwait or abroad whether directly or through power of attorney.

The Group comprises the Parent Company and its subsidiaries.

In all cases, the Parent Company is governed in all its activities by Islamic Sharia'a and all activities which are in compliance of Islamic Sharia'a board are obligatory to the Parent Company.

The address of the Parent Company's registered office is PO Box 4425, Safat 13045, State of Kuwait.

The consolidated financial statements for the year ended 31 December 2023 were authorized for issuance by the Board of Directors of the Parent Company on 28 March 2024 and are subject to the approval of the Annual General Assembly of the shareholders that have not been held until the issuance of the review report on the condensed consolidated interim financial information for the period ended 31 March 2024. The shareholders of the Parent Company have the power to amend the consolidated financial statements at the Annual General Assembly meeting.

The condensed consolidated interim financial information of the Group for the period ended 31 March 2024 was authorised for issue by the Board of Directors of the Parent Company on 9 May 2024.

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

For the three month period ended 31 March 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

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**2. BASIS OF PREPARATION**

The condensed consolidated interim financial information has been prepared in accordance with the International Accounting Standard 34, Interim Financial Reporting. The condensed consolidated interim financial information does not include all the information and notes required for complete annual consolidated financial statements prepared in accordance with IFRS Accounting Standards. In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for fair presentation have been included.

Operating results for the three month period ended 31 March 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024. For further information, refer to the annual audited consolidated financial statements of the Group for the financial year ended 31 December 2023.

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

The accounting policies adopted in the preparation of the condensed consolidated interim financial information are consistent with those followed in the preparation of annual consolidated financial statements for the year ended 31 December 2023 and the corresponding interim reporting period. Also see (a) and (b) below.

*(a) New and amended standards adopted by the Group:*

The Group has applied the following amendments for the first time for their annual reporting period commencing on 1 January 2024:

- Non-current Liabilities with Covenants – Amendments to IAS 1
- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16
- Supplier finance arrangements – Amendments to IAS 7 and IFRS 7
- Classification of Liabilities as Current or Non-current – Amendments to IAS 1

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current period.

*(b) New standards and amendments not yet effective for the financial period beginning on 1 January 2024 and have not been early adopted by the Group:*

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for the current reporting periods and have not been early adopted by the Group. The management of the Group is in the process of assessing the impact of these new standards, interpretations and amendments which will be adopted in the Group's consolidated financial statement as and when they are applicable.

**3. JUDGEMENT AND ESTIMATES**

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

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

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

For the three month period ended 31 March 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

**4. FAIR VALUE ESTIMATION**

The fair values of financial assets and investment properties are estimated as follows:

- Level 1:** Quoted prices in active markets for quoted financial instruments.  
**Level 2:** Quoted prices in active markets 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 3:** Inputs for the asset or liabilities that are not based on observable market data.

The following table shows the fair value measurement hierarchy of the Group's financial assets recorded at fair value:

	Level 1	Level 2	Level 3	Total fair value
<b>31 March 2024 (Unaudited)</b>				
Investment properties	-	-	6,300,683	6,300,683
Financial asset at fair value through other comprehensive income	-	-	11,857	11,857
Financial assets at fair value through profit or loss	-	-	382,001	382,001
<b>31 December 2023 (Audited)</b>				
Investment properties	-	-	6,287,360	6,287,360
Financial asset at fair value through other comprehensive income	-	-	11,857	11,857
Financial assets at fair value through profit or loss	-	-	382,001	382,001
<b>31 March 2023 (Unaudited)</b>				
Investment properties	-	-	7,623,390	7,623,390
Financial asset at fair value through other comprehensive income	-	-	11,857	11,857
Financial assets at fair value through profit or loss	-	-	340,001	340,001

The method of valuation used in Level 3 has been consistent with that used in the recent annual consolidated financial statements, which is measured at fair value estimated using various models like discounted cash flow model, which includes some assumptions that are not supportable by observable market prices or rates or the latest financial statements or information available on these investments the future financial flows of which are unpredictable.

The following table represents movement in financial assets at fair value through profit or loss:

	31 March 2024 (Unaudited)	31 December 2023 (Audited)	31 March 2023 (Unaudited)
Opening balance	382,001	340,001	340,001
Change in fair value	43,071	204,186	31,890
Cash received	(43,071)	(162,186)	-
Income receivable	-	-	(31,890)
<b>Ending balance</b>	<b>382,001</b>	<b>382,001</b>	<b>340,001</b>

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

For the three month period ended 31 March 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

**5. PROPERTY AND EQUIPMENT**

	31 March 2024 (Unaudited)	31 December 2023 (Audited)	31 March 2023 (Unaudited)
At 1 January	6,897,266	7,131,167	7,131,167
Additions	122,084	556,691	66,041
Depreciation	(201,901)	(790,592)	(193,017)
	<u>6,817,449</u>	<u>6,897,266</u>	<u>7,004,191</u>

**6. INVESTMENT PROPERTIES**

	31 March 2024 (Unaudited)	31 December 2023 (Audited)	31 March 2023 (Unaudited)
At 1 January	6,287,360	7,586,511	7,586,511
Change in fair value	13,323	16,050	36,879
Disposal of investment property resulted from sale of subsidiary	-	(1,315,201)	-
	<u>6,300,683</u>	<u>6,287,360</u>	<u>7,623,390</u>

**7. TRADE AND OTHER RECEIVABLES**

	31 March 2024 (Unaudited)	31 December 2023 (Audited)	31 March 2023 (Unaudited)
Trade receivables	2,313,088	2,215,770	1,782,874
Provision for impairment of trade receivables	(349,010)	(355,861)	(343,444)
	1,964,078	1,859,909	1,439,430
Letter of guarantee	-	-	118,810
Prepaid expenses	120,662	90,617	152,495
Dividend receivable	-	-	31,890
Staff receivable	7,002	6,670	15,808
Refundable deposits	13,565	9,590	8,985
Other receivables	80,890	75,582	17,965
Provision for impairment of other receivables	-	-	(4,405)
	<u>2,186,197</u>	<u>2,042,368</u>	<u>1,780,978</u>

**8. CASH AND CASH EQUIVALENTS**

	31 March 2024 (Unaudited)	31 December 2023 (Audited)	31 March 2023 (Unaudited)
Saving accounts	9,423	9,423	9,533
Cash in hand	7,154	5,298	5,613
Bank balances	1,579,077	2,033,554	612,668
Deposit with original maturity of less than 3 months	1,600,000	-	-
	<u>3,195,654</u>	<u>2,048,275</u>	<u>627,814</u>

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

For the three month period ended 31 March 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

**9. BANK BORROWING**

	31 March 2024 (Unaudited)	31 December 2023 (Audited)	31 March 2023 (Unaudited)
Current	675,644	593,054	542,200
Non-current	1,688,300	1,886,350	1,355,500
	<u>2,363,944</u>	<u>2,479,404</u>	<u>1,897,700</u>

Bank borrowing is Tawarruq financing which represents Islamic financing obtained from a local financial institution and it is repayable in 20 equal quarterly installments and secured against the shares of a subsidiary Kuwait Technical College S.P.C. It carries a profit rate of 2.5% per annum (31 December 2023: 2.5% and 31 March 2023 3.5%) above the discount rate of the Central Bank of Kuwait.

**10. ACCOUNTS PAYABLE AND OTHER LIABILITIES**

	31 March 2024 (Unaudited)	31 December 2023 (Audited)	31 March 2023 (Unaudited)
Accounts payable	198,100	220,455	137,875
Accrued NLST	3,145	18,345	-
Accrued Zakat	4,181	9,227	-
Unearned income	1,122,538	-	767,144
Lease liabilities	326,468	321,619	353,372
Due to related parties (note 12)	-	-	103,684
Staff leave provision	156,601	136,124	108,194
Dividend payable	56,880	8,450	8,550
	<u>1,867,913</u>	<u>714,220</u>	<u>1,478,819</u>

	31 March 2024 (Unaudited)	31 December 2023 (Audited)	31 March 2023 (Unaudited)
Current	1,568,385	419,141	1,150,593
Non-current	299,528	295,079	328,226
	<u>1,867,913</u>	<u>714,220</u>	<u>1,478,819</u>

**11. BASIC AND DILUTED EARNINGS / (LOSSES) PER SHARE**

Basic and diluted earnings / (losses) per share is calculated by dividing the profit / (loss) for the period by the weighted average number of shares in issue excluding treasury shares.

	Three months ended 31 March	
	2024 (Unaudited)	2023 (Unaudited) (restated) (Note 15)
(Loss)/profit for the period attributable to the equity holders of the Parent Company (KD)	<u>129,107</u>	<u>(128,785)</u>
Weighted average number of shares	<u>150,000,000</u>	<u>150,000,000</u>
Basic and diluted earnings/(losses) per share (fils)	<u>0.86</u>	<u>(0.86)</u>

Notes to the condensed consolidated interim financial information (Unaudited)

For the three month period ended 31 March 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

**12. RELATED PARTY TRANSACTIONS**

Related parties represent, major shareholders, directors and key management personnel of the Group, their close family members, and entities controlled, or significantly influenced by the Parent Company. In the ordinary course of business, and subject to the approval of the Group's management, transactions were made with such related parties during the period ended 31 March. Detail of the significant related party transactions and balances are as follows:

	31 March 2024 (Unaudited)	31 December 2023 (Audited)	31 March 2023 (Unaudited)
<b>Balances</b>			
Due to related parties – non controlling interest	-	-	103,684
Dividends payable - shareholders	-	8,450	-
			<b>Three months ended 31 March</b>
			<b>2024                      2023</b>
			<b>(Unaudited)              (Unaudited)</b>
<b>Key management compensation:</b>			
Salaries and other short term benefits			64,054                      49,081
End of service benefits			7,221                        4,097
			<u>71,275                      53,178</u>

**13. SEGMENTAL ANALYSIS**

**13.1 Geographical and operational segments of the revenues, results, assets and liabilities**

An operating segment is a component of an entity that engages in business activities from which it earns revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker represented by the Chairman and Vice Chairman to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The Group conducts its activities through the following operating segments:

- The academic segment of the university encompasses a broad range of activities, including curriculum development, course delivery, and academic research. This involves creating, organizing, and delivering educational programs to students. The university is responsible for purchasing educational materials, transporting students, facilitating research endeavors, and providing a platform for the exchange of knowledge.
- Investments segment include investment portfolios and investments in non-financial assets held for capital appreciation.

**13.2 Operating segments for the revenues and results**

The segments results are reported to the senior executive management of the Group, as well as the revenues and results of the Group's business, assets and liabilities are reported in accordance with the above mentioned segments. The following is the segment analysis which is consistent with the internal reports submitted to the management:

**i. Segment revenue**

	Academic segment		Investments segment		Total	
	Three months ended 31 March					
	2024	2023	2024	2023	2024	2023
Kuwait	1,172,204	828,226	55,263	41,263	1,227,467	869,489
Morocco	-	-	10,264	-	10,264	-
Syria	-	-	10,393	-	10,393	-
<b>Total</b>	<u>1,172,204</u>	<u>828,226</u>	<u>75,920</u>	<u>41,263</u>	<u>1,248,124</u>	<u>869,489</u>

Notes to the condensed consolidated interim financial information (Unaudited)

For the three month period ended 31 March 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

13. SEGMENTAL ANALYSIS (CONTINUED)

ii. Segment results

	Academic segment		Investments segment		Total	
	Three months ended 31 March					
	2024	2023	2024	2023	2024	2023
Kuwait	291,627	22,610	(122,062)	(119,614)	169,565	(97,004)
Morocco	-	-	(11,470)	(7,921)	(11,470)	(7,921)
Syria	-	-	(13,263)	(10,110)	(13,263)	(10,110)
<b>Total</b>	<b>291,627</b>	<b>22,610</b>	<b>(146,795)</b>	<b>(137,645)</b>	<b>144,832</b>	<b>(115,035)</b>

13.3 Segmental distribution of assets and liabilities

	31 March 2024		
	Academic segment	Investments segment	Total
	Assets	12,914,671	6,520,939
Liabilities	4,335,308	222,939	4,558,247

	31 December 2023		
	Academic segment	Investments segment	Total
	Assets	11,686,012	6,535,708
Liabilities	3,343,005	146,184	3,489,189

	31 March 2023		
	Academic segment	Investments segment	Total
	Assets	12,044,478	5,790,797
Liabilities	3,390,478	210,700	3,601,178

Intersegment assets and liabilities are eliminated on consolidation.

13.4 Geographical distribution of assets and liabilities

	31 March 2024			
	Kuwait	Morocco	Syria	Total
	Assets	11,475,350	1,659,544	6,300,716
Liabilities	4,555,695	1,248	1,304	4,558,247

	31 December 2023			
	Kuwait	Morocco	Syria	Total
	Assets	10,265,600	1,668,727	6,287,393
Liabilities	3,483,849	2,491	2,849	3,489,189

	31 March 2023			
	Kuwait	Morocco	Syria	Total
	Assets	9,406,306	2,102,950	6,326,019
Liabilities	371,333	178,480	3,051,365	3,601,178



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

For the three month period ended 31 March 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

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**14. ASSET HELD FOR SALE**

During the previous year ended 31 December 2023, the Group signed an agreement to sell 70% of its ownership of Dream Building SARL, an indirect subsidiary of the Group reducing its ownership from 85% to 15%. Accordingly, the Group no longer has control over the subsidiary. Simultaneously, the Group has signed another agreement comprising a promise to sell the remaining 15% ownership of the indirect subsidiary. Accordingly, the remaining 15% ownership has been classified as an asset held for sale.

**15. RESTATEMENT EFFECT – CORRECTION OF ERRORS**

During the period, management has re-evaluated the accounting treatment and presentation of certain transactions and balances in the condensed consolidated interim financial information to determine if these have been accounted for correctly and presented appropriately in line with the requirements of IFRS Accounting Standards. Where necessary, changes in presentation were made in accordance with IAS 8 "Accounting policies, changes in accounting estimates and errors. The impact of the restatements below has been presented in the tables below:

**Restatement 1 – Correction of an error in the classification of financial asset at fair value through other comprehensive income to be financial asset at fair value through profit or loss**

As at 31 March 2023, the investment in Hajar Towers in Saudi Arabia was classified as an equity instrument at fair value through other comprehensive income (FVOCI). As such, all fair value movements were presented in the other comprehensive income in the condensed consolidated interim statement of comprehensive income.

As at 31 December 2023, on review of the contractual terms it was noted that the instruments did not meet the definition of an equity instrument from the perspective of the issuer and the returns received did not represent solely payments of principal and interest. As such, this investment did not meet the classification requirements in International Financial Report Standard 9 - Financial Instruments (IFRS 9) to be classified as a financial instrument at FVOCI.

In the current period this investment has been classified as a financial asset at fair value through profit or loss (FVTPL). In addition, all fair value movements were accounted for in the condensed consolidated interim statement of income and not in other comprehensive income. The carrying amount of the asset on the statement of financial position was split between current and non-current based on timing and amounts of expected cash flows.

**Restatement 2 – Correction of an error related to determining functional currency of a foreign subsidiaries**

In the condensed consolidated interim financial information for period ended 31 March 2023, the Group had three subsidiary entities incorporated in foreign jurisdictions and the functional currency of the subsidiaries was determined to be USD and MAD. The subsidiaries had no management structure, no cash inflows and were merely holding investments in underlying vacant land.

In 2023, management performed an assessment to determine if the functional currency was appropriate. In terms of International Accounting Standard 21 - The effects of changes in foreign exchange rates (IAS 21), foreign operations need to be assessed to determine if the such entities are autonomous from the parent entity. Management determined that these entities were not autonomous and should be considered an extension of the parent and therefore have the same functional currency as the parent, namely the KWD.

As such, the functional currency was changed from USD/MAD to KWD. This resulted in the exchange differences being recorded in the condensed consolidated interim statement of income, primarily as part of the fair value movement on investment property, and no longer in other comprehensive income. Accumulated foreign currency translation reserve balances were reclassified to accumulated losses.

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

For the three month period ended 31 March 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

**15. RESTATEMENT EFFECT – CORRECTION OF ERRORS (CONTINUED)**

**Restatement 3 – Corrections of the accounting treatment for the consideration paid to acquire leasehold**

During 2018, as part of the acquisition of Kuwait Technical College, the land lease where the college stands was considered to contain an off-market element and as per the requirements of IFRS 3, the favourable component was accounted for as a key money asset and was not depreciated as it was considered to have a residual value which was higher than the carrying value based on the valuation obtained.

On the adoption of IFRS 16 leases, the transition requirements with respect to the favourable element (off-market element) required the lessee to derecognise that asset and adjust the carrying amount of the right-of-use asset by a corresponding amount at the date of initial application. Management had not adjusted this amount against the right-of-use asset and the balance was not depreciated over the lease term.

In order to correct the above, the key money asset was reclassified from being a separate category in property, plant and equipment to be under the right of use assets and was depreciated over the lease term.

Below is the impact of the correction on the condensed consolidated interim financial information line items for the periods impacted.

	Previous presentation	Restatement 1	Restatement 2	Restatement 3	Current presentation
<b>Condensed consolidated interim statement of financial position as at 1 January 2023</b>					
Financial assets at fair value through other comprehensive income	351,858	(340,001)	-	-	11,857
Financial asset at fair value through profit or loss	-	340,001	-	-	340,001
Fair value reserve	(1,146,104)	1,146,104	-	-	-
Foreign currency translation reserve	1,481,669	-	(1,481,669)	-	-
Accumulated losses	(3,610,004)	(1,146,104)	1,481,669	(897,254)	(4,171,693)
Non controlling interest	3,587,321	-	-	(66,496)	3,520,825
Property, plant and equipment	8,094,917	-	-	(963,750)	7,131,167

	Previous presentation	Restatement 1	Restatement 2	Restatement 3	Current presentation
<b>Condensed consolidated interim statement of financial position as at 31 March 2023</b>					
Financial assets at fair value through other comprehensive income	351,858	(340,001)	-	-	11,857
Financial asset at fair value through profit or loss	-	340,001	-	-	340,001
Fair value reserve	(1,146,104)	1,146,104	-	-	-
Foreign currency translation reserve	1,504,442	-	(1,504,442)	-	-
Accumulated losses	(3,710,647)	(1,146,104)	1,504,442	(948,169)	(4,300,478)
Non controlling interest	3,604,844	-	-	(70,269)	3,534,575
Property, plant and equipment	8,022,629	-	-	(1,018,438)	7,004,191

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

For the three month period ended 31 March 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

**15. RESTATEMENT EFFECT – CORRECTION OF ERRORS (CONTINUED)**

	Previous presentation	Restatement 1	Restatement 2	Restatement 3	Current presentation
<b>Condensed consolidated interim statement of income for the three-month period ended 31 March 2023</b>					
Change in fair value of investment properties	-	-	36,879	-	36,879
Change in fair value of financial assets at fair value through profit or loss	-	31,890	-	-	31,890
Dividend income	31,890	(31,890)	-	-	-
Foreign exchange (loss) / gain	4,284	-	(6,040)	-	(1,756)
Depreciation	(138,329)	-	-	(54,688)	(193,017)
<b>Condensed consolidated interim statement of comprehensive income for the three-month period ended 31 March 2023</b>					
Exchange difference arising on translation of foreign operations	30,839	-	(30,839)	-	-

**Correction of error in classification in condensed consolidated interim statement of cash flow**

Principal of lease liabilities paid from IFRS 16 was classified within changes in working capital under trade and other payables part of operating activities and has been reclassified to be presented on the face of condensed consolidated interim statement of cash flows under financing activities to comply with the requirements of IAS 7.

In accordance with IAS 7, net foreign exchange differences are not cash flows, accordingly the effect of foreign currency exchange rates is to be presented separately from cash flows from operating, investing and financing activities. In the prior period, the effect of foreign currency exchange rates was reported before the net decrease in cash and cash equivalents and has been reclassified to be presented after a net decrease in cash and cash equivalents.

	Previous presentation	Restatement	Current presentation
<b>Condensed consolidated interim statement of cash flows for the period ended 31 March 2023</b>			
Net increase in cash and cash equivalents		475,434	481,474

**Adjustment to the three-months period ended 31 March 2023 basic and diluted earnings per share**

The above adjustments resulted in an increase of the loss attributable to equity holders of the parent company for the three-months period ended 31 March 2023 from KD (100,643) to KD (128,785) after adjustments. As a result of this reduction, the basic and diluted earnings per share for that period were adjusted by KD 0.19 fils from KD (0.67) fils to KD (0.86) fils. Please refer to note 11.