

**DAR AL-THURAYA REAL ESTATE COMPANY
K.S.C.P. AND ITS SUBSIDIARIES**

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

30 SEPTEMBER 2022



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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF DAR AL-THURAYA REAL ESTATE COMPANY K.S.C.P.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Dar Al-Thuraya Real Estate Company K.S.C.P. (the “Parent Company”) and its subsidiaries (collectively, the “Group”) as at 30 September 2022, and the related interim condensed consolidated statement of comprehensive income for the three-month and nine-month periods then ended, and the related interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the nine-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 IAS 34 *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”. A review of interim 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.

Emphasis of Matter

We draw attention to Note 7 in the interim condensed consolidated financial information which states that the Group is the ultimate beneficiary of certain investment properties with a carrying value of KD 1,700,000 (31 December 2021: KD 1,700,000 and 30 September 2021: KD Nil) registered in the name of the Ultimate Parent Company on behalf of the Group. Our conclusion is not modified in respect of this matter.

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF DAR AL-THURAYA REAL ESTATE COMPANY K.S.C.P. (continued)

Report on Other Legal and Regulatory Matters

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, nor of the Parent Company's Articles of Association and Memorandum of Incorporation, as amended, during the nine-month period ended 30 September 2022 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 nine-month period ended 30 September 2022 that might have had a material effect on the business of the Parent Company or on its financial position.



BADER A. AL-ABDULJADER
LICENCE NO. 207 A
EY
AL AIBAN, AL OSAIMI & PARTNERS

14 November 2022
Kuwait

Dar Al-Thuraya Real Estate Company K.S.C. P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 September 2022

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2022 KD	2021 KD	2022 KD	2021 KD
INCOME					
Net real estate income	3	110,969	32,946	298,874	73,865
Net gain (loss) from investments securities	4	16,298	(17,232)	49,092	7,369
Reversal (charge) of provision for expected credit losses		-	1,650	-	19,700
Other income		-	-	1,485	-
		<u>127,267</u>	<u>17,364</u>	<u>349,451</u>	<u>100,934</u>
EXPENSES					
Administrative expenses		(31,350)	(32,712)	(98,895)	(96,337)
Finance costs		(11,086)	-	(30,477)	-
		<u>(42,436)</u>	<u>(32,712)</u>	<u>(129,372)</u>	<u>(96,337)</u>
PROFIT (LOSS) BEFORE PROVISION FOR TAX		84,831	(15,348)	220,079	4,597
Contribution to Kuwait Foundation for Advancement of Sciences (KFAS)		(764)	-	(1,981)	-
National Labour Support Tax (NLST)		(2,153)	90	(5,558)	-
PROFIT (LOSS) FOR THE PERIOD		81,914	(15,258)	212,540	4,597
Other comprehensive income		-	-	-	-
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		81,914	(15,258)	212,540	4,597
Attributable to:					
Equity holders of the Parent Company		81,914	(15,258)	212,540	4,597
Non-controlling interests		-	-	-	-
		<u>81,914</u>	<u>(15,258)</u>	<u>212,540</u>	<u>4,597</u>
BASIC AND DILUTED EARNINGS (LOSS) PER SHARE	5	0.56 Fils	(0.10) Fils	1.45 Fils	0.03 Fils

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

Dar Al-Thuraya Real Estate Company K.S.C. P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 September 2022

		(Audited)	
	Notes	30 September 2022 KD	31 December 2021 KD
		30 September 2021 KD	
ASSETS			
Non-current assets			
Investment properties	6	13,353,452	12,450,000
Current assets			
Trade and other receivables	7	6,431,491	6,490,217
Financial assets at fair value through profit or loss	11	935,732	531,438
Bank balances and cash		77,970	666,834
		7,445,193	7,688,489
TOTAL ASSETS		20,798,645	20,138,489
EQUITY AND LIABILITIES			
Equity			
Share capital		14,650,000	14,650,000
Statutory reserve		917,748	917,748
Voluntary reserve		866,845	866,845
Retained earnings (accumulated losses)		643,334	430,794
Total equity		17,077,927	16,865,387
Liabilities			
Non-current liabilities			
Employees' end of service benefits		23,325	19,595
Current liabilities			
Other liabilities		3,697,393	3,253,507
Total liabilities		3,720,718	3,273,102
TOTAL EQUITY AND LIABILITIES		20,798,645	20,138,489

Ahmad Abdulrazaq Al-Bahar
Chairman

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

Dar Al-Thuraya Real Estate Company K.S.C. P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 September 2022

	<i>Attributable to equity holders of the Parent Company</i>				<i>Sub-total KD</i>	<i>Non-controlling interests KD</i>	<i>Total equity KD</i>
	<i>Share capital KD</i>	<i>Statutory reserve KD</i>	<i>Voluntary reserve KD</i>	<i>Retained Earnings (accumulated losses) KD</i>			
As at 1 January 2022 (audited)	14,650,000	917,748	866,845	430,794	16,865,387	-	16,865,387
Profit for the period	-	-	-	212,540	212,540	-	212,540
Total comprehensive income for the period	-	-	-	212,540	212,540	-	212,540
As at 30 September 2022	14,650,000	917,748	866,845	643,334	17,077,927	-	17,077,927
As at 1 January 2021 (audited)	14,650,000	866,845	866,845	(402,483)	15,981,207	2,007	15,983,214
Profit for the period	-	-	-	4,597	4,597	-	4,597
Total comprehensive income (loss) for the period	-	-	-	4,597	4,597	-	4,597
Change in ownership interests in subsidiaries	-	-	-	2,007	2,007	(2,007)	-
As at 30 September 2021	14,650,000	866,845	866,845	(395,879)	15,987,811	-	15,987,811

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

Dar Al-Thuraya Real Estate Company K.S.C. P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)

For the period ended 30 September 2022

	Notes	Nine months ended 30 September	
		2022 KD	2021 KD
OPERATING ACTIVITIES			
Profit for the period		212,540	4,597
<i>Adjustments to reconcile loss for the period to net cash flows:</i>			
Depreciation of furniture and equipment		-	657
Changes in fair value on financial assets at FVPL	4	100,703	(8,068)
Realised (gain) loss on sale of financial assets at FVPL	4	(134,795)	5,699
Dividend income		(15,000)	(5,000)
Reversal for expected credit losses		-	(19,700)
Provision for employees' end of service benefits		4,230	2,730
Finance costs		(30,477)	-
		137,201	(19,085)
<i>Working capital changes:</i>			
Trade and other receivables		58,726	(1,011,379)
Other liabilities		513,123	750,389
Cash flow from (used in) operations		709,050	(280,075)
Employees' end of service benefits paid		(500)	-
Net cash flows from (used in) operating activities		708,550	(280,075)
INVESTING ACTIVITIES			
Dividend income received	4	15,000	5,000
Capital expenditure on investment properties	6	(51,212)	(423,888)
Additions to investment properties	6	(852,240)	-
Proceeds from sale of financial assets at FVPL		2,794,964	1,609,320
Purchase of financial assets at FVPL		(3,165,166)	(1,020,308)
Net cash flows (used in) from investing activities		(1,258,654)	170,124
FINANCING ACTIVITY			
Finance costs paid		(38,760)	-
Net cash flows used in financing activities		(38,760)	-
NET DECREASE IN BANK BALANCES AND CASH		(588,864)	(109,951)
Bank balances and cash as at 1 January		666,834	145,431
BANK BALANCES AND CASH AS AT 30 SEPTEMBER		77,970	35,480

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

Dar Al-Thuraya Real Estate 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 September 2022

1.1 CORPORATE INFORMATION

The interim condensed consolidated financial information of Dar Al-Thuraya Real Estate Co. K.S.C. P. (the “Parent Company”) and its subsidiaries (collectively, the “Group”) for the nine months ended 30 September 2022 was authorised for issue in accordance with a resolution of the Board of Directors of the Parent Company on 14 November 2022.

The consolidated financial statements of the Group for the year ended 31 December 2021 were approved in the annual general assembly meeting (AGM) of the shareholders held on 29 May 2022. No dividends have been declared by the Parent Company.

The Parent Company is a public shareholding company, incorporated and domiciled in the State of Kuwait, and whose shares are publicly traded in Boursa Kuwait.

The Parent Company’s head office is located at Al Salam Tower, Fahad Al Salem Street, Al Salhia and its registered postal address is P.O. Box 1376, Safat 13014, State of Kuwait.

The Group principally operates in Kuwait and engages in financial investments and properties as detailed in the Group’s annual consolidated financial statements for the year ended 31 December 2021. The principal activities of the Group are described in Note 10.

The Group carries out its activities in accordance with the principles of Islamic Shari’a as approved by the Fatwa and Shari’a board appointed by the Parent Company.

The Parent Company is a subsidiary of Al Madar Investment Company K.S.C.P. (the “Intermediate Parent Company”) listed on Boursa Kuwait. The Intermediate Company is a subsidiary of Al Thekair General Trading and Contracting Company W.L.L. (the “Ultimate Parent Company”).

1.2 GROUP INFORMATION

The consolidated financial statements of the Group include the following subsidiaries:

Name	Principal activities	Country of Incorporation	% equity interest (Audited)		
			30 September 2022	31 December 2021	30 September 2021
Al Thuraya Star Company W.L.L.	General trading and contracting	Kuwait	100%	100%	100%
Kuwait Building Real Estate Company K.S.C. (Closed) *	Real estate	Kuwait	99%	99%	99%
Golden Madar Real Estate Company W.L.L.	Real estate	Kuwait	100%	100%	100%

* The remaining shares in this subsidiary is held by other parties on behalf of the Group. Therefore, the effective ownership of the Group in this subsidiary is 100%.

2.1 Basis of preparation

The interim condensed consolidated financial information of the Group has been prepared in accordance with International Accounting Standard 34: “Interim Financial Reporting” (“IAS 34”). The Group has prepared the consolidated financial statements on the basis that it will continue to operate as a going concern. The management considers that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements as at and for the year ended 31 December 2021.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2022

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (continued)

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 2021, 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.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The Group applied the amendments to the contracts for which it had not fulfilled all of its obligations at the beginning of the reporting period.

These amendments had no impact on the interim condensed consolidated financial statements of the Group as there were no onerous contracts outstanding within the scope of these amendments arisen during the period.

Reference to the Conceptual Framework – Amendments to IFRS 3

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements.

The amendments add an exception to the recognition principle of IFRS 3 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

These amendments had no impact on the interim condensed consolidated financial information of the Group as there were no contingent assets, liabilities and contingent liabilities within the scope of these amendments arisen during the period.

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

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

These amendments had no impact on the interim condensed consolidated financial information of the Group as there were no modifications of the Group's financial instruments during the period.

Several amendments and interpretations apply for the first time in 2022, but do not have an impact on the interim condensed consolidated financial information of the Group.

Dar Al-Thuraya Real Estate 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 September 2022

3 NET REAL ESTATE INCOME

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Rental income from investment properties	115,395	38,680	308,555	126,595
Real estate related expenses	(4,426)	(5,734)	(9,681)	(52,730)
	110,969	32,946	298,874	73,865

4 NET GAIN (LOSS) FROM INVESTMENTS SECURITIES

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Changes in fair value of financial assets at FVPL	19,138	(20,333)	(100,703)	8,068
Realised (loss) gain on sale of financial assets at FVPL	(2,840)	3,101	134,795	(5,699)
Dividend income	-	-	15,000	5,000
	16,298	(17,232)	49,092	7,369

5 EARNINGS (LOSS) PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit (loss) for the period attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is calculated by dividing the profit (loss) attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. As there are no dilutive instruments outstanding, basic and diluted EPS are identical.

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
Profit (loss) for the period attributable to equity holders of the Parent Company (KD)	81,914	(15,258)	212,540	4,597
Weighted average number of ordinary shares outstanding during the period (shares)*	146,500,000	146,500,000	146,500,000	146,500,000
Basic and diluted EPS (fils)	0.56	(0.10)	1.45	0.03

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

There have been no transactions involving ordinary shares between the reporting date and the date of authorisation of this interim condensed consolidated financial information which would require the restatement of EPS.

Dar Al-Thuraya Real Estate 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 September 2022

6 INVESTMENT PROPERTIES

	<i>(Audited)</i>		
	<i>30 September</i>	<i>31 December</i>	<i>30 September</i>
	<i>2022</i>	<i>2021</i>	<i>2021</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>
As at the beginning of the period/ year	12,450,000	9,700,000	9,700,000
Additions	852,240	3,324,000	-
Capital expenditure on owned property	51,212	515,196	423,888
Disposals	-	(1,624,000)	-
Change in fair value in investment properties	-	534,804	-
	<u>13,353,452</u>	<u>12,450,000</u>	<u>10,123,888</u>

Included in the investment properties, an income generating developed property in the State of Kuwait with a carrying value of KD 1,700,000 (31 December 2021: KD 1,700,000 and 30 September 2021: KD Nil) that is financed through an Islamic profit -bearing loan payable to a related party amounting to KD 1,033,013 as at (31 December 2021: KD 1,041,297 and 30 September 2021: KD Nil) included under other liabilities in the interim condensed consolidated statement of financial position. There is a letter of renunciation in favour of the Group confirming that it is the ultimate beneficiary of this property (Note 9).

The Group's investment property portfolio consists of the following:

	<i>(Audited)</i>		
	<i>30 September</i>	<i>31 December</i>	<i>30 September</i>
	<i>2022</i>	<i>2021</i>	<i>2021</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>
Properties under development	11,653,452	10,750,000	10,123,888
Developed properties	1,700,000	1,700,000	-
	<u>13,353,452</u>	<u>12,450,000</u>	<u>10,123,888</u>

7 PREPAYMENTS AND OTHER RECEIVABLES

	<i>(Audited)</i>		
	<i>30 September</i>	<i>31 December</i>	<i>30 September</i>
	<i>2022</i>	<i>2021</i>	<i>2021</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>
Trade receivables	8,208	77,185	11,983
Receivables from sale of investment properties	6,381,900	6,381,900	6,381,900
Prepaid expenses	9,183	29,932	6,974
Advances paid to purchase investment properties	-	-	1,313,000
Refundable deposits	31,000	-	28,440
Other receivables	1,200	1,200	1,200
	<u>6,431,491</u>	<u>6,490,217</u>	<u>7,743,497</u>

Receivables from sale of investment properties of KD 6,381,900 mainly comprise of amounts due from an unrelated third party related to the purchase agreement entered into with the Group on 28 December 2020. Subsequent to the current interim reporting period, the third party issued a written notice of intent to withdraw from the purchase agreement.

Dar Al-Thuraya Real Estate 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 September 2022

8 COMMITMENTS AND CONTINGENCIES

Capital commitments

The Group has commitments in respect of future capital expenditure amounting to KD Nil (31 December 2021: KD 1,021,812 and 30 September 2021: KD 1,072,082) relating to purchase and construction of properties under development.

Contingent liabilities

The Group had no material contingent liabilities as at 30 September 2022, 31 December 2021 and 30 September 2021.

9 RELATED PARTY DISCLOSURES

These represent transactions with certain parties (associates, major shareholders, directors and executive officers of the Group, close members of their families and entities 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.

The following table provides the total amount of outstanding balances with related parties as at 30 September 2022, 31 December 2021 and 30 September 2021 and transactions for the periods/ year then ended:-

	<i>Intermediate Parent Company KD</i>	<i>30 September 2022 KD</i>	<i>(Audited) 31 December 2021 KD</i>	<i>30 September 2021 KD</i>
<i>Interim condensed consolidated statement of financial position</i>				
Other liabilities*	3,599,790	3,599,790	3,019,913	2,100,451

* Amounts due to related parties under other liabilities include an amount due to the shareholder of the Ultimate Parent Company of KD 1,033,013 as at 30 September 2022 (31 December 2021: KD 1,041,297 and 30 September 2021: KD Nil) which represents the financing obtained by the related party for the purchase of an investment property. The Group bears the finance cost on a yearly basis and classifies the deferred interest as a current liability. The amount is denominated in KD, carries a fixed Islamic profit rate of 4.3% (30 September 2021: Nil%) and the Group has paid an amount of KD 38,760 of accrued finance cost during the current period ended 30 September 2022. The Group had incurred finance costs amounting to KD 30,477 (30 September 2021: KD Nil) for the period then ended (Note 6).

Transactions with 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 outstanding balances related to key management personnel were as follows.

	<i>Transaction values for the period ended</i>		<i>Balance outstanding as at (Audited)</i>		
	<i>30 September 2022 KD</i>	<i>30 September 2021 KD</i>	<i>30 September 2022 KD</i>	<i>31 December 2021 KD</i>	<i>30 September 2021 KD</i>
Salaries and other short-term benefits	25,719	25,575	17,757	12,420	11,699
Employees end of service benefits	3,948	3,948	15,439	7,100	6,538
	29,667	29,523	33,196	19,520	18,237

On 29 May 2022, the shareholders of the Parent Company in the annual general assembly meeting resolved not to distribute board of directors' remuneration for the year ended 31 December 2021.

Dar Al-Thuraya Real Estate 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 September 2022

10 SEGMENT INFORMATION

For management purposes, the Group is organised into three major business segments. The principal activities and services under these segments are as follows:

- ▶ **Real estate:** Buying, selling, capital appreciation and investing in real estate
- ▶ **Investment:** investment in subsidiaries, associates and equity securities.
- ▶ **Others:** assets, liabilities, revenues and expenses that are not allocated to the above sectors

	<i>30 September 2022</i>			
	<i>Real estate KD</i>	<i>Investment KD</i>	<i>Other KD</i>	<i>Total KD</i>
Assets	19,743,358	942,860	112,427	20,798,645
Liabilities	1,036,013	338	2,684,367	3,720,718
Income	298,874	49,092	1,485	349,451
Segment results	298,874	49,093	(135,427)	212,540
	<i>30 September 2021</i>			
	<i>Real estate KD</i>	<i>Investment KD</i>	<i>Other KD</i>	<i>Total KD</i>
Assets	17,821,202	454,881	81,663	18,357,746
Liabilities	-	-	2,369,935	2,369,935
Income	73,865	7,369	19,700	100,934
Segment results	73,865	7,369	(76,637)	4,597
Capital expenditure	423,888	-	-	423,888
	<i>31 December 2021 (Audited)</i>			
	<i>Real estate KD</i>	<i>Investment KD</i>	<i>Other KD</i>	<i>Total KD</i>
Assets	12,450,000	606,670	7,081,819	20,138,489
Liabilities	1,044,297	73,042	2,155,763	3,273,102

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2022

11 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value hierarchy

All financial and non-financial assets for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

- ▶ 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
- ▶ Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

As at 30 September 2022, financial assets at fair value through profit or loss with a carrying value of KD 935,732 (31 December 2021: KD 531,438 and 30 September 2021: KD 454,881) are classified under Level 1 of the fair value hierarchy.

The valuation techniques and inputs used in this 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 2021.

For other financial assets and financial liabilities carried at amortised cost, the carrying value is not significantly different from their fair value as most of these assets and liabilities are of short-term maturity or are re-priced immediately based on market movement in profit rates.