

**Kamco Investment Company K.S.C.P.
and Subsidiaries**

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

PERIOD ENDED 31 MARCH 2024



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

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Kamco Investment Company K.S.C.P. (the “Company”) and its subsidiaries (collectively, the “Group”) as at 31 March 2024, and the related interim condensed consolidated statement of income, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the three-month period then ended. Management of the Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with basis of preparation set out in Note 2. 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.

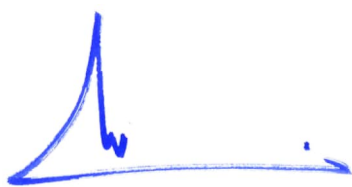
Conclusion

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 basis of preparation as set out in Note 2.

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 accounts of the 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 Company’s Memorandum of Incorporation and Articles of Association, as amended, during the three-month period ended 31 March 2024 that might have had a material effect on the business of the 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 material violations of the provisions of Law No. 32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the organisation of banking business, and its related regulations, or of the provisions of Law No. 7 of 2010 concerning establishment of Capital Markets Authority and organization of security activity and its executive regulations, as amended, during the three-month period ended 31 March 2024 that might have had a material effect on the business of the Company or on its financial position.



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

9 May 2024
Kuwait

Kamco Investment Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 31 March 2024

		<i>(Audited)</i>	
	<i>31 March</i>	<i>31 December</i>	<i>31 March</i>
	<i>2024</i>	<i>2023</i>	<i>2023</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>
<i>Notes</i>			
ASSETS			
Cash and cash equivalents	3	27,217,548	26,480,979
Loans and advances		4,758,476	4,774,785
Financial assets at fair value through profit or loss		37,549,438	26,241,185
Financial assets at fair value through other comprehensive income		5,767,085	6,507,641
Assets held for sale	8	-	8,371,567
Investment in associates		40,099,859	22,508,861
Other assets	4	10,710,830	10,355,698
Investment properties		12,315,388	12,001,401
Property and equipment		1,538,376	1,465,527
Intangible assets		3,225,160	3,539,149
TOTAL ASSETS		143,182,160	129,132,686
LIABILITIES AND EQUITY			
LIABILITIES			
Loans		60,750,000	5,000,000
Bonds		-	40,000,000
Other liabilities		16,340,666	18,222,492
TOTAL LIABILITIES		77,090,666	63,222,492
EQUITY			
Share capital		34,233,263	34,233,263
Share premium		9,089,045	9,089,045
Statutory reserve		7,493,838	7,413,826
Voluntary reserve		2,092,619	2,012,607
Revaluation reserve		934,057	934,057
Cumulative changes in fair values		(5,871,925)	(6,846,139)
Foreign currency translation reserve		980,231	871,996
Retained earnings		12,504,711	13,097,805
Equity attributable to equity holders of the Company		61,455,839	60,806,460
Non-controlling interests		4,635,655	5,103,734
TOTAL EQUITY		66,091,494	65,910,194
TOTAL LIABILITIES AND EQUITY		143,182,160	129,132,686

Talal Ali Abdullah Al Jaber Al Sabah
Chairman

Faisal Mansour Sarkhou
Chief Executive Officer

The attached notes 1 to 14 form part of this interim condensed consolidated financial information.

Kamco Investment Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)

For the period ended 31 March 2024

	<i>Notes</i>	<i>Three months ended 31 March</i>	
		<i>2024</i> <i>KD</i>	<i>2023</i> <i>KD</i>
INCOME			
Fee income	6	3,521,109	3,279,329
Net gain (loss) on financial assets at fair value through profit or loss	7	1,296,491	(779,100)
Share of results of associates		1,086,399	(635,107)
Dividend income		161,025	80,705
Interest income		337,190	348,020
Foreign exchange (loss) gain		(14,380)	65,303
Rental income		237,401	220,453
Other income		117,990	63,063
		6,743,225	2,642,666
EXPENSES			
General and administrative expenses		3,979,630	3,467,567
Finance costs		880,098	676,814
Provision for expected credit losses on financial assets		317,319	41,138
Provision for expected credit losses on loans and advances		1,388	5,830
		5,178,435	4,191,349
PROFIT (LOSS) FOR THE PERIOD BEFORE TAXATION		1,564,790	(1,548,683)
Contribution to KFAS		(16,500)	-
Zakat		(21,000)	-
NLST		(50,500)	-
PROFIT (LOSS) FOR THE PERIOD		1,476,790	(1,548,683)
Attributable to:			
Equity holders of the Company		1,466,055	(1,564,543)
Non-controlling interests		10,735	15,860
		1,476,790	(1,548,683)
BASIC AND DILUTED EARNINGS (LOSS) PER SHARE –			
Attributable to equity holders of the Company	5	4.28 fils	(4.57) fils

The attached notes 1 to 14 form part of this interim condensed consolidated financial information.

Kamco Investment Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 31 March 2024

	<i>Three months ended</i>	
	<i>31 March</i>	
	2024	2023
	KD	KD
Profit (loss) for the period	1,476,790	(1,548,683)
Other comprehensive income:		
<i>Items that are or may be reclassified to the interim condensed consolidated statement of income in subsequent periods:</i>		
Foreign currency translation adjustments	107,759	21,659
<i>Items that will not be reclassified to the interim condensed consolidated statement of income in subsequent periods:</i>		
Share of other comprehensive income of associates	569	-
Net gain (loss) on equity instruments at fair value through other comprehensive income	250,557	(165,063)
	251,126	(165,063)
Total other comprehensive income (loss) for the period	358,885	(143,404)
Total comprehensive income (loss) for the period	1,835,675	(1,692,087)
Attributable to:		
Equity holders of the Company	1,791,140	(1,701,337)
Non-controlling interests	44,535	9,250
	1,835,675	(1,692,087)

The attached notes 1 to 14 form part of this interim condensed consolidated financial information.

Kamco Investment Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 31 March 2024

	Attributable to shareholders of the Company										
	Share capital KD	Share premium KD	Statutory reserve KD	Voluntary reserve KD	Revaluation reserve KD	Cumulative changes in fair values KD	Foreign currency translation reserve KD	Retained earnings KD	Sub-total KD	Non-controlling interests KD	Total equity KD
As at 1 January 2024	34,233,263	9,089,045	7,493,838	2,092,619	934,057	(6,707,611)	881,756	11,647,732	59,664,699	4,937,751	64,602,450
Profit for the period	-	-	-	-	-	-	-	1,466,055	1,466,055	10,735	1,476,790
Other comprehensive income	-	-	-	-	-	226,610	98,475	-	325,085	33,800	358,885
Total comprehensive income for the period	-	-	-	-	-	226,610	98,475	1,466,055	1,791,140	44,535	1,835,675
Transfer on disposal of equity investments at FVOCI to retained earnings	-	-	-	-	-	609,076	-	(609,076)	-	-	-
Ownership changes in subsidiary without loss of control (Note 9)	-	-	-	-	-	-	-	-	-	(315,496)	(315,496)
Distributions to non-controlling interests	-	-	-	-	-	-	-	-	-	(31,135)	(31,135)
As at 31 March 2024	34,233,263	9,089,045	7,493,838	2,092,619	934,057	(5,871,925)	980,231	12,504,711	61,455,839	4,635,655	66,091,494
As at 1 January 2023	34,233,263	9,089,045	7,413,826	2,012,607	934,057	(6,688,775)	852,462	14,661,312	62,507,797	3,555,935	66,063,732
(Loss) profit for the period	-	-	-	-	-	-	-	(1,564,543)	(1,564,543)	15,860	(1,548,683)
Other comprehensive (loss) income	-	-	-	-	-	(156,328)	19,534	-	(136,794)	(6,610)	(143,404)
Total comprehensive (loss) income for the period	-	-	-	-	-	(156,328)	19,534	(1,564,543)	(1,701,337)	9,250	(1,692,087)
Transfer on disposal of equity investments at FVOCI to retained earnings	-	-	-	-	-	(1,036)	-	1,036	-	-	-
Ownership changes in subsidiary without loss of control (Note 9)	-	-	-	-	-	-	-	-	-	1,592,186	1,592,186
Distribution to non-controlling interests	-	-	-	-	-	-	-	-	-	(53,637)	(53,637)
As at 31 March 2023	34,233,263	9,089,045	7,413,826	2,012,607	934,057	(6,846,139)	871,996	13,097,805	60,806,460	5,103,734	65,910,194

The attached notes 1 to 14 form part of this interim condensed consolidated financial information.

Kamco Investment Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(UNAUDITED)

For the period ended 31 March 2024

		<i>Three months ended 31 March</i>	
		2024	2023
	<i>Note</i>	KD	KD
OPERATING ACTIVITIES			
Profit (loss) for the period before taxation		1,564,790	(1,548,683)
<i>Adjustments for:</i>			
Unrealized (gain) loss on financial assets at fair value through profit or loss	7	(1,041,093)	770,021
Share of results of associates		(1,086,399)	635,107
Dividend income		(161,025)	(80,705)
Interest income		(337,190)	(348,020)
Foreign exchange loss (gain)		14,380	(65,303)
Finance costs		877,514	673,417
Interest on lease liabilities		2,584	3,397
Depreciation on property and equipment		25,268	23,301
Depreciation on right of use assets		19,609	19,543
Amortization		131,460	129,714
Provision for expected credit losses on financial assets		317,319	41,138
Provision for expected credit losses on loans and advances		1,388	5,830
Provision for employees' end of service benefits		164,225	155,123
		492,830	413,880
<i>Changes in operating assets and liabilities:</i>			
Loans and advances		10,808	32,503
Financial assets at fair value through profit or loss		1,241,141	287,247
Other assets		1,728,492	1,951,936
Other liabilities		723,195	(164,124)
Cash from operations		4,196,466	2,521,442
Dividend received		161,025	80,705
Employees' end of service benefits paid		(84,626)	(90,783)
Tax paid		(7,201)	(58,709)
Net cash flows from operating activities		4,265,664	2,452,655
INVESTING ACTIVITIES			
Proceeds from sale of financial assets at fair value through other comprehensive income		874,195	50,527
Net movement in deposits		(71,958)	803,458
Purchase of property and equipment		(118,617)	(57,143)
Purchase of intangible assets		(72,047)	(18,792)
Acquisition of non-current asset classified as held for sale		-	(7,664,716)
Acquisition of investment in associates		(16,457,138)	-
Proceeds from disposal of investment in associates		814,796	-
Dividend received from investment in associates		338,407	17,660
Interest income received		329,890	344,072
Net cash flows used in investing activities		(14,362,472)	(6,524,934)

The attached notes 1 to 14 form part of this interim condensed consolidated financial information.

Kamco Investment Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(UNAUDITED)

For the period ended 31 March 2024

	<i>Note</i>	<i>Three months ended</i>	
		<i>31 March</i>	
		<i>2024</i>	<i>2023</i>
		<i>KD</i>	<i>KD</i>
FINANCING ACTIVITIES			
Loans availed		47,500,000	-
Loans repaid		(35,500,000)	-
Dividend paid to the equity holders of the Company		(3,609)	(2,167)
Finance costs paid		(888,605)	(653,737)
Payment of principal portion of lease liabilities		(23,016)	(22,952)
Ownership changes in subsidiary without loss of control		(315,496)	1,592,186
Distribution to non-controlling interest		(31,135)	(53,637)
Net cash flows from financing activities		10,738,139	859,693
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		641,331	(3,212,586)
Foreign currency translation adjustments		23,280	84,752
Cash and cash equivalents at 1 January		21,133,285	33,744,706
CASH AND CASH EQUIVALENTS AT 31 MARCH	3	21,797,896	30,616,872

The attached notes 1 to 14 form part of this interim condensed consolidated financial information.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2024

1 INCORPORATION AND PRINCIPAL ACTIVITIES

The interim condensed consolidated financial information of Kamco Investment Company K.S.C.P. (the “Company”) and subsidiaries (collectively the “Group”) for the three months ended 31 March 2024 were authorized for issue by the Board of Directors on 9 May 2024.

The Company is a Kuwaiti shareholding company registered and incorporated in Kuwait on 16 September 1998 under the Commercial Companies Law No. 15 of 1960 and amendments thereto and is listed on Boursa Kuwait. The Company is registered with the Central Bank of Kuwait (“CBK”) as an investment company and is subject to the supervision of Capital Markets Authority of Kuwait (“CMA”).

The Company is a subsidiary of United Gulf Bank B.S.C. (the “Parent Company”). The Parent Company is a subsidiary of Kuwait Projects Company Holding K.S.C.P. (the “Ultimate Parent Company” or “KIPCO”) which is listed on the Boursa Kuwait.

The Company’s registered head office is at Sharq, Al Shaheed Tower, Khalid Bin Al-Waleed Street, Kuwait City, P.O. Box 28873, Safat 13149, Kuwait.

The purpose for which the Company has been established is to undertake the following activities:

1. Investing in different financial, industrial, real estate, agricultural, and services sectors as directly or indirectly by contribution in outstanding companies or establishment of specialized companies in the mentioned activities, or ownership of projects that fulfill that for the interest of the Company.
2. Manager of investment portfolio.
3. Brokerage in Lending and Borrowing Operations.
4. Subscription agent.
5. Providing loans for third parties with duly observing the ethics of financial solvency in granting such loans and at the same time preserving the continuity of the company’s financial position soundness according to the conditions, rules, and limitations set forth by the Central Bank of Kuwait.
6. Dealing and trading in foreign currency market and precious metals market inside Kuwait and abroad for the interest of the Company or its clients.
7. Purchase and sale of securities of local and international companies and governmental authorities for the interest of the Company or its clients.
8. Manager of investment pooling.
9. Ownership of properties and movables necessary for achieving its goals for the interest of the Company or its clients.
10. Unregistered Broker of financial securities in the stock exchange market.
11. Investment consultant.
12. Custodian.
13. Market maker.
14. Financing export and import operations by direct financing or accepting transfers drawn on the Company for short terms.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2024

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the three-month period ended 31 March 2024 has been prepared in accordance with IAS 34 *Interim Financial Reporting* except, as noted below:

The consolidated financial statements for the year ended 31 December 2023 were prepared in accordance with the regulations for financial services institutions as issued by the CBK in the State of Kuwait. These regulations require the expected credit loss ("ECL") on credit facilities (i.e. loans and advances) to be measured at the higher of the amount computed under IFRS 9 in accordance to the CBK guidelines or the provisions as required by CBK instructions; the consequent impact on related disclosures; and the adoption of all other requirements of International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB") (collectively referred to as IFRS, as adopted by CBK for use by the State of Kuwait).

The interim condensed consolidated financial information provides comparative information in respect of the previous period.

The interim condensed consolidated financial information does 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 31 December 2023.

Further, 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.

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 used in the preparation of the annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Several other amendments and interpretations apply for the first time in 2024, but do not have an impact on the interim condensed consolidated financial information of the Group.

General requirements for disclosure of sustainability-related financial information (IFRS S1) and Climate-related disclosures (IFRS S2)

In June 2023 the International Sustainability Standards Board (ISSB) issued its first two IFRS Sustainability Disclosure Standards, IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures. IFRS S1 includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across a Group's value chain. IFRS S2 is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities. The standard requires an entity to disclose information about climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term. The applicability of this standard is subject to local regulatory approvals.

Kamco Investment Company K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2024

3 CASH AND CASH EQUIVALENTS

	31 March 2024 KD	<i>(Audited)</i> 31 December 2023 KD	31 March 2023 KD
Cash at banks and on hand	14,165,995	15,184,828	25,154,233
Deposits with banks	13,051,553	11,296,151	8,212,639
Cash and cash equivalents for the purpose of the interim condensed consolidated statement of financial position	27,217,548	26,480,979	33,366,872
Less: deposits with banks with original maturity of more than three months	(5,419,652)	(5,347,694)	(2,750,000)
Cash and cash equivalents for the purpose of the interim condensed consolidated statement of cash flows	21,797,896	21,133,285	30,616,872

4 OTHER ASSETS

	31 March 2024 KD	<i>(Audited)</i> 31 December 2023 KD	31 March 2023 KD
Due from portfolio clients	1,488,969	1,402,605	1,257,237
Accrued income	2,363,063	2,456,838	1,899,904
Other receivables and deposits	11,889,004	13,601,760	11,852,373
	15,741,036	17,461,203	15,009,514
Less: provision for expected credit losses	(5,030,206)	(4,711,862)	(4,653,816)
	10,710,830	12,749,341	10,355,698

5 BASIC AND DILUTED EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share amounts are calculated by dividing the profit (loss) for the period attributable to equity holders of the Company by the weighted average number of paid-up shares, less treasury shares outstanding during the period. Diluted earnings (loss) per share is calculated by dividing the profit (loss) for the period 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 earnings (loss) per share are identical.

	<i>Three months ended 31 March</i>	
	2024	2023
Basic and diluted earnings (loss) per share:		
Profit (loss) for the period attributable to equity holders of the Company (KD)	1,466,055	(1,564,543)
Weighted average number of outstanding shares	342,332,633	342,332,633
Basic and diluted earnings (loss) per share	4.28 fils	(4.57) fils

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2024

6 FEE INCOME

	<i>Three months ended 31 March</i>	
	<i>2024</i>	<i>2023</i>
	<i>KD</i>	<i>KD</i>
Management fees on assets under management	2,562,306	2,222,953
Placement fees/structuring fee/redemption fees – managed funds and other fees	43,141	50,889
Investment banking fees	183,337	510,125
Brokerage fees	474,167	434,228
Other fees	258,158	61,134
	<u>3,521,109</u>	<u>3,279,329</u>

7 NET GAIN (LOSS) ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<i>Three months ended 31 March</i>	
	<i>2024</i>	<i>2023</i>
	<i>KD</i>	<i>KD</i>
Realized gain (loss)	255,398	(9,079)
Unrealized gain (loss)	1,041,093	(770,021)
	<u>1,296,491</u>	<u>(779,100)</u>

8 ASSETS HELD FOR SALE

During the prior period ended 31 March 2023, the Group made an investment in a certain special purpose vehicle (the “Entity”) with a carrying value amounting to KD 7,664,716 (USD 25,003 thousand) classified in accordance with IFRS 5 - Non-current Assets held for sale. Subsequently, the Group fully disposed its interest in these Entities for a consideration equivalent to its carrying value. Accordingly, no gain or loss from the disposal of these Entities was recognized in the interim condensed consolidated statement of income.

Upon initial recognition, the Group considered the above Entities meet the criteria to be classified as held for sale for the following reasons:

- ▶ These Entities were available for immediate sale and could be disposed off in their current condition.
- ▶ The actions to complete disposal were initiated and were to be completed within one year from the date of acquisition.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2024

9 INVESTMENT IN SUBSIDIARIES

- a. The effective ownership of the Group in Kamco Global Fund increased from 61.32% to 65.61% on account of redemptions by other unit holders in the fund. This resulted in a decrease of non-controlling interests amounting to KD 271,008.
- b. The effective ownership of the Group in KAMCO MENA Plus Fixed Income Fund OEIC Ltd. increased from 53.75% to 54.39% on account of redemption by other unit holders in the fund. This resulted in a decrease of non-controlling interests amounting to KD 44,488.

During the prior period ended 31 March 2023:

- ▶ The effective ownership of the Group in Kamco Global Fund decreased from 90.75% to 59.02% on account of additional subscriptions by other unit holders in the fund. This resulted in an increase of non-controlling interests amounting to KD 1,492,252.
- ▶ The effective ownership of the Group in KAMCO MENA Plus Fixed Income Fund OEIC Ltd. decreased from 56.08% to 54.62% on account of additional subscriptions by other unit holders in the fund. This resulted in an increase of non-controlling interests amounting to KD 99,934.

10 ANNUAL GENERAL ASSEMBLY

The Annual General Assembly of equity holders held on 28 April 2024 approved the consolidated financial statements of the Group for the year ended 31 December 2023 and resolved to distribute dividends of 5 fils per share (2022: 10 fils).

11 COMMITMENTS AND CONTINGENCIES

The total outstanding contingent liabilities and commitments are as follows:

	31 March 2024 KD	<i>(Audited)</i> 31 December 2023 KD	31 March 2023 KD
Commitments			
Commitments to invest in private equity funds	502,440	1,142,644	252,904
Contingent liabilities			
Irrevocable and unconditional bank guarantee	664,660	660,765	647,370

Commitments to invest in private equity funds

Commitments to invest in private equity funds represent the uncalled capital by the investment managers (general partners) of various private equity funds in which the Group has made investments. The capital can be called at the investment manager's discretion.

The Group is engaged in litigation cases, which involve claims made by and against the Group which have arisen in the ordinary course of business. The management of the Group, after reviewing the claims pending against the Company and Group companies and based on the advice of the relevant professional legal advisors, are satisfied that the outcome of these claims will not have a material adverse effect on the interim condensed consolidated financial information of the Group.

Kamco Investment Company K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2024

12 RELATED PARTY TRANSACTIONS

Related parties represent the Parent Company / Ultimate Parent Company, associates, directors and key management personnel of the Company and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management. Balances and transactions with related parties are as follows:

	Parent Company / Ultimate Parent Company	Associates	Other related parties	31 March 2024	(Audited) 31 December 2023	31 March 2023
	KD	KD	KD	KD	KD	KD
<i>Interim condensed consolidated statement of financial position:</i>						
Cash and cash equivalents	3,892,411	-	3,261,315	7,153,726	6,963,036	6,950,353
Financial assets at fair value through profit or loss	5,466	-	1,428,837	1,434,303	6,560,164	634,753
Financial assets at fair value through other comprehensive income	-	-	516,235	516,235	725,827	978,191
Other assets	243,945	311,289	320,785	876,019	792,502	767,626
Other liabilities	-	-	234,357	234,357	100,112	50,190

Three months ended 31 March

	2024	2023
	KD	KD
<i>Interim condensed consolidated statement of income:</i>		
Fee income	89,055	338,860
Interest income	1,182	1,302
Other income	8,000	-
General and administrative expenses	2,430	168,289
	97,474	885,538
	-	20,368
	-	5,800
	-	197,472

Three months ended 31 March

	2024	2023
	KD	KD
<i>Key management personnel compensation:</i>		
Short-term employee benefits	281,463	245,628
End of service benefits	33,331	26,603
	314,794	272,231

Kamco Investment Company K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2024

13 SEGMENT INFORMATION

The Group is organized into four major business segments based on internal reporting provided to the management. The Group does not have material inter-segment transactions. The principal activities and services under these segments are as follows:

Investment banking and Advisory	: Private placement of equities and debt, advising and managing listings, initial public offerings (IPOs), arranging conventional and Islamic debt, buy and sell side advisory, advising on strategy, privatization, mergers and reverse mergers and acquisitions and debt restructuring.
Asset management	: Asset management services cover both local and international markets and include securities trading, derivatives trading, discretionary and non-discretionary portfolio management, custody services, portfolio structuring and asset allocation advice, mutual funds and alternative instruments.
Brokerage	: Quoted and unquoted equity and debt instruments brokerage activities and margin financing
Strategic investments and corporate overheads	: Strategic investments include investments which are long-term in nature and are aligned with the Group's long-term strategy. Corporate overheads include all support services.

Management monitors operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on segmental return on investments.

The following table presents information regarding the Group's operating segments.

<i>Three months ended 31 March 2024</i>					
	<i>Investment banking and Advisory KD</i>	<i>Asset management KD</i>	<i>Brokerage KD</i>	<i>Strategic investments and corporate overheads KD</i>	<i>Total KD</i>
Total revenue	187,619	4,896,663	579,317	1,079,626	6,743,225
(Loss) profit for the period	(22,563)	3,740,402	(204,425)	(2,036,624)	1,476,790
Total assets	25,000	69,878,001	15,892,980	57,386,179	143,182,160
Total liabilities	-	1,233,800	916,207	74,940,659	77,090,666
<i>Three months ended 31 March 2023</i>					
	<i>Investment banking and Advisory KD</i>	<i>Asset management KD</i>	<i>Brokerage KD</i>	<i>Strategic investments and corporate overheads KD</i>	<i>Total KD</i>
Total revenue	515,038	698,479	537,028	892,121	2,642,666
(Loss) profit for the period	257,792	(505,130)	93,237	(1,394,582)	(1,548,683)
Total assets	25,000	49,515,498	16,727,599	62,864,589	129,132,686
Total liabilities	-	15,462,830	833,013	46,926,649	63,222,492

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2024

14 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in orderly transactions between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Group is a going concern without any intention, or need, to liquidate, curtail materially the scale of its operations or undertake a transaction on adverse terms.

Financial instruments comprise of financial assets and financial liabilities.

For financial assets and financial liabilities that are liquid or having a short-term maturity (less than three months), the carrying amount approximates their fair value. The fair values of financial instruments are not materially different from their carrying values.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

- ▶ 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.

Financial instruments

The following table shows an analysis of financial instruments recorded at fair value:

31 March 2024	Level 1 KD	Level 2 KD	Level 3 KD	Total KD
Financial assets at fair value				
<i>Financial assets at fair value through profit or loss:</i>				
Quoted equities	8,425,350	-	-	8,425,350
Unquoted equities	-	-	5,777,827	5,777,827
Quoted debt securities	3,086,321	-	-	3,086,321
Unquoted debt securities	-	-	100,000	100,000
Managed funds	1,246,509	12,714,928	6,198,503	20,159,940
	<u>12,758,180</u>	<u>12,714,928</u>	<u>12,076,330</u>	<u>37,549,438</u>
<i>Financial assets at fair value through other comprehensive income:</i>				
Quoted equities	117,180	-	-	117,180
Unquoted equities	-	-	5,637,344	5,637,344
Managed funds	-	-	12,561	12,561
	<u>117,180</u>	<u>-</u>	<u>5,649,905</u>	<u>5,767,085</u>

Kamco Investment Company K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2024

14 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Financial instruments (continued)

31 March 2023	Level 1 KD	Level 2 KD	Level 3 KD	Total KD
Financial assets at fair value				
<i>Financial assets at fair value through profit or loss:</i>				
Quoted equities	2,398,285	-	-	2,398,285
Unquoted equities	-	-	1,118,500	1,118,500
Quoted debt securities	3,603,562	-	-	3,603,562
Unquoted debt securities	-	-	100,000	100,000
Managed funds	1,214,940	12,543,100	5,262,798	19,020,838
	<u>7,216,787</u>	<u>12,543,100</u>	<u>6,481,298</u>	<u>26,241,185</u>
<i>Financial assets at fair value through other comprehensive income:</i>				
Quoted equities	534,180	-	-	534,180
Unquoted equities	-	-	5,960,900	5,960,900
Managed funds	-	-	12,561	12,561
	<u>534,180</u>	<u>-</u>	<u>5,973,461</u>	<u>6,507,641</u>

The following table shows a reconciliation of the opening and closing amount of level 3 financial instruments which are recorded at fair value:

	As at 1 January 2024 KD	Gain (loss) recorded in the consolidated statement of income KD	Purchase / transfers, settlements and sales (net) KD	Gain (loss) recorded in other comprehensive income KD	As at 31 March 2024 KD
<i>Financial assets at fair value through profit or loss:</i>					
Unquoted equities	8,128,685	74,505	(2,425,363)	-	5,777,827
Unquoted debt securities	100,000	-	-	-	100,000
Managed funds	5,561,700	(50,232)	687,035	-	6,198,503
	<u>13,790,385</u>	<u>24,273</u>	<u>(1,738,328)</u>	<u>-</u>	<u>12,076,330</u>
<i>Financial assets at fair value through other comprehensive income:</i>					
Unquoted equities	6,014,309	-	(580,778)	203,813	5,637,344
Managed funds	12,561	-	-	-	12,561
	<u>6,026,870</u>	<u>-</u>	<u>(580,778)</u>	<u>203,813</u>	<u>5,649,905</u>

There were no transfers between Level 1 and Level 2 fair value measurements during the period, and no transfers into or out of Level 3 fair value measurements during the three months ended 31 March 2024.

The impact on the interim condensed consolidated statement of financial position and the interim condensed consolidated statement of income would be immaterial if the relevant risk variables used to fair value the unquoted securities and unquoted funds managed by external fund managers were altered by 5%.

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