

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

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

**PERIOD ENDED 30 SEPTEMBER 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 30 September 2024, and the related interim condensed consolidated statement of income, interim condensed consolidated statement of comprehensive income for the three-month and nine-month periods then ended, 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. 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.

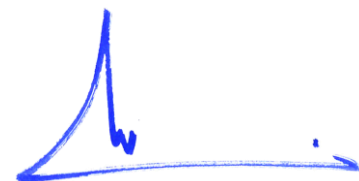
### *Conclusion*

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 nine-month period ended 30 September 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 “CMA” and organization of security activity and its executive regulations, as amended, during the nine-month period ended 30 September 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

7 November 2024  
Kuwait

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

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 September 2024

		30 September 2024	(Audited) 31 December 2023	30 September 2023
	Notes	KD	KD	KD
<b>ASSETS</b>				
Cash and cash equivalents	3	32,590,793	26,480,979	26,952,022
Loans and advances		3,966,943	4,757,485	4,823,473
Financial assets at fair value through profit or loss		32,021,703	38,973,574	37,553,189
Financial assets at fair value through other comprehensive income		5,884,781	6,390,725	6,489,516
Investment in associates		23,071,531	22,432,557	22,644,233
Other assets	4	10,402,908	12,749,341	11,588,573
Investment properties		12,309,221	12,313,527	12,007,381
Property and equipment		1,481,549	1,462,000	1,489,823
Intangible assets		2,957,627	3,284,467	3,350,167
<b>TOTAL ASSETS</b>		<b>124,687,056</b>	<b>128,844,655</b>	<b>126,898,377</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
Loans		45,000,000	48,750,000	49,000,000
Other liabilities		15,352,276	15,492,205	15,097,417
<b>TOTAL LIABILITIES</b>		<b>60,352,276</b>	<b>64,242,205</b>	<b>64,097,417</b>
<b>EQUITY</b>				
Share capital		34,233,263	34,233,263	34,233,263
Share premium		9,089,045	9,089,045	9,089,045
Statutory reserve		7,493,838	7,493,838	7,413,826
Voluntary reserve		2,092,619	2,092,619	2,012,607
Revaluation reserve		934,057	934,057	934,057
Cumulative changes in fair values		(5,904,968)	(6,707,611)	(6,887,584)
Foreign currency translation reserve		678,229	881,756	1,089,453
Retained earnings		12,667,479	11,647,732	9,843,995
<b>Equity attributable to equity holders of the Company</b>		<b>61,283,562</b>	<b>59,664,699</b>	<b>57,728,662</b>
Non-controlling interests		3,051,218	4,937,751	5,072,298
<b>TOTAL EQUITY</b>		<b>64,334,780</b>	<b>64,602,450</b>	<b>62,800,960</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>124,687,056</b>	<b>128,844,655</b>	<b>126,898,377</b>

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 30 September 2024

	<i>Notes</i>	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
		<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
		<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
<b>INCOME</b>					
Fee income	6	<b>3,940,731</b>	3,177,818	<b>12,056,561</b>	9,415,686
Net gain (loss) on financial assets at fair value through profit or loss	7	<b>422,347</b>	(875,323)	<b>1,973,523</b>	(374,155)
Share of results of associates		<b>336,781</b>	(376,259)	<b>1,108,218</b>	(429,380)
Dividend income		<b>417,928</b>	54,234	<b>1,194,645</b>	522,691
Interest income		<b>336,139</b>	327,982	<b>1,019,691</b>	995,999
Foreign exchange (loss) gain		<b>(87,439)</b>	64,796	<b>(147,772)</b>	237,119
Rental income		<b>243,420</b>	238,520	<b>718,200</b>	691,820
Other income	8	<b>44,792</b>	38,247	<b>584,025</b>	120,356
		<b>5,654,699</b>	2,650,015	<b>18,507,091</b>	11,180,136
<b>EXPENSES</b>					
General and administrative expenses		<b>3,795,702</b>	3,235,959	<b>11,855,819</b>	10,294,955
Finance costs		<b>676,098</b>	759,862	<b>2,396,700</b>	2,176,255
(Reversal of) provision for expected credit losses on loans and advances, net		<b>(21,579)</b>	150,044	<b>(20,866)</b>	5,633
Provision for (reversal of) expected credit losses on financial assets		<b>98,773</b>	(2,033)	<b>547,269</b>	77,048
		<b>4,548,994</b>	4,143,832	<b>14,778,922</b>	12,553,891
<b>PROFIT (LOSS) FOR THE PERIOD BEFORE TAXATION</b>		<b>1,105,705</b>	(1,493,817)	<b>3,728,169</b>	(1,373,755)
Contribution to KFAS		<b>(9,000)</b>	800	<b>(33,500)</b>	-
Zakat		<b>(20,100)</b>	800	<b>(49,100)</b>	-
NLST		<b>(53,500)</b>	3,500	<b>(123,000)</b>	-
<b>PROFIT (LOSS) FOR THE PERIOD</b>		<b>1,023,105</b>	(1,488,717)	<b>3,522,569</b>	(1,373,755)
<b>Attributable to:</b>					
Equity holders of the Company		<b>985,809</b>	(1,497,553)	<b>3,469,689</b>	(1,395,027)
Non-controlling interests		<b>37,296</b>	8,836	<b>52,880</b>	21,272
		<b>1,023,105</b>	(1,488,717)	<b>3,522,569</b>	(1,373,755)
<b>BASIC AND DILUTED EARNINGS (LOSS) PER SHARE –</b>					
Attributable to equity holders of the Company	5	<b>2.88 fils</b>	(4.37) fils	<b>10.14 fils</b>	(4.08) 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 30 September 2024

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2024 KD</i>	<i>2023 KD</i>	<i>2024 KD</i>	<i>2023 KD</i>
<b>Profit (loss) for the period</b>	<b>1,023,105</b>	<b>(1,488,717)</b>	<b>3,522,569</b>	<b>(1,373,755)</b>
<b>Other comprehensive (loss) income:</b>				
<i>Items that are or may be reclassified to the interim condensed consolidated statement of income in subsequent periods:</i>				
Foreign currency translation adjustments	<b>(186,756)</b>	211,801	<b>(224,304)</b>	272,353
<i>Items that will not be reclassified to the interim condensed consolidated statement of income in subsequent periods:</i>				
Share of other comprehensive (loss) income of associates	<b>(29)</b>	(20,508)	<b>486</b>	(41,431)
Net (loss) gain on equity instruments at fair value through other comprehensive income	<b>(82,309)</b>	(245,117)	<b>53,902</b>	(178,234)
	<b>(82,338)</b>	(265,625)	<b>54,388</b>	(219,665)
<b>Total other comprehensive (loss) income for the period</b>	<b>(269,094)</b>	<b>(53,824)</b>	<b>(169,916)</b>	<b>52,688</b>
<b>Total comprehensive income (loss) for the period</b>	<b>754,011</b>	<b>(1,542,541)</b>	<b>3,352,653</b>	<b>(1,321,067)</b>
<b>Attributable to:</b>				
Equity holders of the Company	<b>758,909</b>	(1,559,679)	<b>3,330,526</b>	(1,355,809)
Non-controlling interests	<b>(4,898)</b>	17,138	<b>22,127</b>	34,742
	<b>754,011</b>	<b>(1,542,541)</b>	<b>3,352,653</b>	<b>(1,321,067)</b>

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 30 September 2024

	<i>Attributable to shareholders of the Company</i>										
	<i>Share capital KD</i>	<i>Share premium KD</i>	<i>Statutory reserve KD</i>	<i>Voluntary reserve KD</i>	<i>Revaluation reserve KD</i>	<i>Cumulative changes in fair values KD</i>	<i>Foreign currency translation reserve KD</i>	<i>Retained earnings KD</i>	<i>Sub-total KD</i>	<i>Non-controlling interests KD</i>	<i>Total equity KD</i>
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	-	-	-	-	-	-	-	3,469,689	3,469,689	52,880	3,522,569
Other comprehensive income (loss)	-	-	-	-	-	64,364	(203,527)	-	(139,163)	(30,753)	(169,916)
Total comprehensive income (loss) for the period	-	-	-	-	-	64,364	(203,527)	3,469,689	3,330,526	22,127	3,352,653
Transfer on disposal of equity investments at FVOCI to retained earnings	-	-	-	-	-	738,279	-	(738,279)	-	-	-
Dividends (Note 10)	-	-	-	-	-	-	-	(1,711,663)	(1,711,663)	-	(1,711,663)
Ownership changes in subsidiary without loss of control (Note 9)	-	-	-	-	-	-	-	-	-	(1,598,056)	(1,598,056)
Distributions to non-controlling interests	-	-	-	-	-	-	-	-	-	(310,604)	(310,604)
<b>As at 30 September 2024</b>	<b>34,233,263</b>	<b>9,089,045</b>	<b>7,493,838</b>	<b>2,092,619</b>	<b>934,057</b>	<b>(5,904,968)</b>	<b>678,229</b>	<b>12,667,479</b>	<b>61,283,562</b>	<b>3,051,218</b>	<b>64,334,780</b>
	<i>Share capital KD</i>	<i>Share premium KD</i>	<i>Statutory reserve KD</i>	<i>Voluntary reserve KD</i>	<i>Revaluation reserve KD</i>	<i>Cumulative changes in fair values KD</i>	<i>Foreign currency translation reserve KD</i>	<i>Retained earnings KD</i>	<i>Sub-total KD</i>	<i>Non-controlling interests KD</i>	<i>Total equity KD</i>
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	-	-	-	-	-	-	-	(1,395,027)	(1,395,027)	21,272	(1,373,755)
Other comprehensive (loss) income	-	-	-	-	-	(197,773)	236,991	-	39,218	13,470	52,688
Total comprehensive (loss) income for the period	-	-	-	-	-	(197,773)	236,991	(1,395,027)	(1,355,809)	34,742	(1,321,067)
Transfer on disposal of equity investments at FVOCI to retained earnings	-	-	-	-	-	(1,036)	-	1,036	-	-	-
Dividends (Note 10)	-	-	-	-	-	-	-	(3,423,326)	(3,423,326)	-	(3,423,326)
Ownership changes in subsidiary without loss of control (Note 9)	-	-	-	-	-	-	-	-	-	1,665,630	1,665,630
Distributions to non-controlling interests	-	-	-	-	-	-	-	-	-	(184,009)	(184,009)
<b>As at 30 September 2023</b>	<b>34,233,263</b>	<b>9,089,045</b>	<b>7,413,826</b>	<b>2,012,607</b>	<b>934,057</b>	<b>(6,887,584)</b>	<b>1,089,453</b>	<b>9,843,995</b>	<b>57,728,662</b>	<b>5,072,298</b>	<b>62,800,960</b>

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 30 September 2024

		Nine months ended 30 September	
		2024	2023
Notes		KD	KD
<b>OPERATING ACTIVITIES</b>			
	Profit (loss) for the period before taxation	3,728,169	(1,373,755)
	<i>Adjustments for:</i>		
	Unrealized (gain) loss on financial assets at fair value through profit or loss	7 (1,271,668)	359,900
	Share of results of associates	(1,108,218)	429,380
	Dividend income	(1,194,645)	(522,691)
	Interest income	(1,019,691)	(995,999)
	Foreign exchange loss (gain)	147,772	(237,119)
	Finance costs	2,388,973	2,166,039
	Finance cost on lease liabilities	7,727	10,216
	Depreciation on property and equipment	98,483	69,054
	Depreciation on right of use assets	58,647	58,714
	Amortization	450,129	389,478
	(Reversal of) provision for expected credit losses on loans and advances	(20,866)	5,633
	Provision for expected credit losses on financial assets	547,269	77,048
	Provision for employees' end of service benefits	769,314	748,920
		3,581,395	1,184,818
	<i>Changes in operating assets and liabilities:</i>		
	Loans and advances	770,831	33,732
	Financial assets at fair value through profit or loss	7,208,776	(10,269,577)
	Other assets	1,659,548	1,029,739
	Other liabilities	(331,335)	(3,087,989)
	Cash from (used in) operations	12,889,215	(11,109,277)
	Dividend received	1,194,645	522,691
	Employees' end of service benefits paid	(643,512)	(243,521)
	Taxes paid	(33,439)	(247,298)
	<b>Net cash flows from (used in) operating activities</b>	<b>13,406,909</b>	<b>(11,077,405)</b>
<b>INVESTING ACTIVITIES</b>			
	Proceeds from sale of financial assets at fair value through other comprehensive income	970,756	55,482
	Net movement in deposits	440,899	(1,357,900)
	Purchase of property and equipment	(182,770)	(157,195)
	Purchase of intangible assets	(123,445)	(88,112)
	Acquisition of investment in associates	(16,457,135)	-
	Proceeds from disposal of investment in associates	17,280,854	-
	Dividend received from investment in associates	382,298	98,244
	Interest income received	977,041	1,006,675
	<b>Net cash flows from (used in) investing activities</b>	<b>3,288,498</b>	<b>(442,806)</b>

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) (continued)

For the period ended 30 September 2024

	<i>Notes</i>	<i>Nine months ended 30 September</i>	
		<i>2024</i>	<i>2023</i>
		<i>KD</i>	<i>KD</i>
<b>FINANCING ACTIVITIES</b>			
Loans availed		<b>88,000,000</b>	44,000,000
Loans repaid		<b>(91,750,000)</b>	-
Settlement of bond		-	(40,000,000)
Dividend paid to the equity holders of the Company		<b>(1,732,435)</b>	(3,381,146)
Finance costs paid		<b>(2,413,241)</b>	(2,604,751)
Payment of principal portion of lease liabilities		<b>(69,244)</b>	(69,406)
Ownership changes in subsidiary without loss of control		<b>(1,598,056)</b>	1,665,630
Distribution to non-controlling interests		<b>(310,604)</b>	(184,009)
<b>Net cash flows used in financing activities</b>		<b>(9,873,580)</b>	(573,682)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>6,821,827</b>	(12,093,893)
Foreign currency translation adjustments		<b>(271,114)</b>	389,851
<b>Cash and cash equivalents at 1 January</b>		<b>21,133,285</b>	33,744,706
<b>CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER</b>	<b>3</b>	<b>27,683,998</b>	22,040,664

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 30 September 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 nine months ended 30 September 2024 were authorized for issue by the Board of Directors on 7 November 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.

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2024

**2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

**2.1 BASIS OF PREPARATION**

The interim condensed consolidated financial information for the nine-month period ended 30 September 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 Central Bank of Kuwait ("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 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 nine-month period ended 30 September 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.

***Amendments to IFRS 16: Lease Liability in a Sale and Leaseback***

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains. The amendments had no impact on the Group's interim condensed consolidated financial information.

***Amendments to IAS 1: Classification of Liabilities as Current or Non-current***

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. The amendments had no impact on the Group's interim condensed consolidated financial information.

***Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7***

In May 2023, the IASB issued amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures* to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The transition rules clarify that an entity is not required to provide the disclosures in any interim periods in the year of initial application of the amendments. Thus, the amendments had no impact on the Group's interim condensed consolidated financial information.

# 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 30 September 2024

### 3 CASH AND CASH EQUIVALENTS

	<i>30 September 2024 KD</i>	<i>(Audited) 31 December 2023 KD</i>	<i>30 September 2023 KD</i>
Cash at banks and on hand	20,712,957	15,184,828	17,121,197
Deposits with banks	11,877,836	11,296,151	9,830,825
Cash and cash equivalents for the purpose of the interim condensed consolidated statement of financial position	32,590,793	26,480,979	26,952,022
Less: deposits with banks with original maturity of more than three months	(4,906,795)	(5,347,694)	(4,911,358)
Cash and cash equivalents for the purpose of the interim condensed consolidated statement of cash flows	27,683,998	21,133,285	22,040,664

### 4 OTHER ASSETS

	<i>30 September 2024 KD</i>	<i>(Audited) 31 December 2023 KD</i>	<i>30 September 2023 KD</i>
Due from portfolio clients	1,549,431	1,402,605	1,389,677
Accrued income	2,719,995	2,456,838	2,321,600
Other receivables and deposits	11,329,155	13,601,760	12,591,500
	15,598,581	17,461,203	16,302,777
Less: provision for expected credit losses	(5,195,673)	(4,711,862)	(4,714,204)
	10,402,908	12,749,341	11,588,573

### 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 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
<b>Basic and diluted earnings (loss) per share:</b>				
Profit (loss) for the period attributable to equity holders of the Company (KD)	985,809	(1,497,553)	3,469,689	(1,395,027)
<b>Weighted average number of outstanding shares</b>	342,332,633	342,332,633	342,332,633	342,332,633
<b>Basic and diluted earnings (loss) per share</b>	2.88 fils	(4.37) fils	10.14 fils	(4.08) fils

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
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As at and for the period ended 30 September 2024

**6 FEE INCOME**

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>KD</b>	<b>KD</b>	<b>KD</b>	<b>KD</b>
Management fees on assets under management	<b>2,471,357</b>	2,328,220	<b>7,721,832</b>	6,963,040
Incentive fees on assets under management	<b>10,000</b>	2,295	<b>10,044</b>	2,295
Placement fees/structuring fee/redemption fees – managed funds and other fees	<b>750,789</b>	48,991	<b>826,387</b>	157,290
Investment banking fees	<b>122,282</b>	415,800	<b>1,542,688</b>	995,925
Brokerage fees	<b>394,113</b>	299,179	<b>1,327,318</b>	1,045,666
Other fees	<b>192,190</b>	83,333	<b>628,292</b>	251,470
	<b>3,940,731</b>	3,177,818	<b>12,056,561</b>	9,415,686
<b>Timing of revenue recognition</b>				
Services transferred at a point in time	<b>1,277,184</b>	766,265	<b>3,706,437</b>	2,201,176
Services transferred over time	<b>2,663,547</b>	2,411,553	<b>8,350,124</b>	7,214,510
	<b>3,940,731</b>	3,177,818	<b>12,056,561</b>	9,415,686

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

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>KD</b>	<b>KD</b>	<b>KD</b>	<b>KD</b>
Realized gain (loss)	<b>120,969</b>	56,287	<b>701,855</b>	(14,255)
Unrealized gain (loss)	<b>301,378</b>	(931,610)	<b>1,271,668</b>	(359,900)
	<b>422,347</b>	(875,323)	<b>1,973,523</b>	(374,155)

**8 OTHER INCOME**

Other income included an amount of KD 397 thousand which represented certain liabilities that no longer required to be settled by the Company as these liabilities had been extinguished during the same period.

**9 INVESTMENT IN SUBSIDIARIES**

- The effective ownership of the Group in Kamco Global Fund increased from 61.32% to 96.85% on account of redemptions by other unit holders in the fund. This resulted in a decrease of non-controlling interests amounting to KD 1,465,940.
- The effective ownership of the Group in KAMCO MENA Plus Fixed Income Fund OEIC Ltd. increased from 53.75% to 55.69% on account of redemption by other unit holders in the fund. This resulted in a decrease of non-controlling interests amounting to KD 132,116.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
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As at and for the period ended 30 September 2024

**9 INVESTMENT IN SUBSIDIARIES (continued)**

During the prior period ended 30 September 2023:

- ▶ The effective ownership of the Group in Kamco Global Fund decreased from 90.75% to 58.85% on account of additional subscriptions by other unit holders in this fund. This resulted in an increase of non-controlling interests amounting to KD 1,504,456.
- ▶ The effective ownership of the Group in KAMCO MENA Plus Fixed Income Fund OEIC Ltd. decreased from 56.08% to 53.75% on account of additional subscriptions by other unit holders in this fund. This resulted in an increase of non-controlling interests amounting to KD 161,174.

**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:

	<i>30 September 2024 KD</i>	<i>(Audited) 31 December 2023 KD</i>	<i>30 September 2023 KD</i>
<b>Commitments</b>			
Commitments to invest in private equity funds	<b>534,532</b>	1,142,644	1,181,925
<b>Contingent liability</b>			
Irrevocable and unconditional bank guarantee	<b>658,930</b>	660,765	652,866

***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)

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#### 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:

	<i>Parent Company / Ultimate Parent Company KD</i>	<i>Associates KD</i>	<i>Other related parties KD</i>	<i>30 September 2024 KD</i>	<i>(Audited) 31 December 2023 KD</i>	<i>30 September 2023 KD</i>
<b><i>Interim condensed consolidated statement of financial position:</i></b>						
Cash and cash equivalents	3,877,381	-	2,634,519	6,511,900	6,963,036	6,752,335
Financial assets at fair value through profit or loss	4,280	-	378,691	382,971	6,560,164	6,131,310
Financial assets at fair value through other comprehensive income	-	-	604,305	604,305	725,827	875,235
Other assets	300,923	149,425	413,395	863,743	792,502	824,261
Other liabilities	-	-	12,771	12,771	100,112	9,389
				<i>Nine months ended 30 September</i>		
				<i>2024</i>	<i>2023</i>	
				<i>KD</i>	<i>KD</i>	
<b><i>Interim condensed consolidated statement of income:</i></b>						
Fee income	261,118	227,463	1,913,438	2,402,019	2,115,367	
Dividend income	-	-	48,089	48,089	160,641	
Interest income	3,491	-	14,776	18,267	27,750	
Other income	8,000	-	35,375	43,375	16,900	
General and administrative expenses	2,492	-	608,090	610,582	666,320	
				<i>Nine months ended 30 September</i>		
				<i>2024</i>	<i>2023</i>	
				<i>KD</i>	<i>KD</i>	
<b><i>Key management personnel compensation:</i></b>						
Short-term employee benefits				781,898	740,179	
End of service benefits				93,602	80,111	
				<b>875,500</b>	<b>820,290</b>	

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
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As at and for the period ended 30 September 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>Nine months ended 30 September 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	1,550,819	11,771,475	1,642,105	3,542,692	18,507,091
Profit (loss) for the period	909,557	7,833,998	(292,906)	(4,928,080)	3,522,569
Total assets	86,570	55,407,095	15,112,070	54,081,321	124,687,056
Total liabilities	-	1,012,075	808,552	58,531,649	60,352,276
<i>Nine months ended 30 September 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	1,003,088	6,209,258	1,360,096	2,607,694	11,180,136
Profit (loss) for the period	276,605	2,780,850	(106,344)	(4,324,866)	(1,373,755)
Total assets	162,966	50,464,921	15,680,126	60,590,364	126,898,377
Total liabilities	-	1,023,576	767,460	62,306,381	64,097,417

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
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**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:

<b>30 September 2024</b>	<b>Level 1 KD</b>	<b>Level 2 KD</b>	<b>Level 3 KD</b>	<b>Total KD</b>
<b>Financial assets at fair value</b>				
<i>Financial assets at fair value through profit or loss:</i>				
Quoted equities	2,457,377	-	-	2,457,377
Unquoted equities	-	-	5,798,441	5,798,441
Quoted debt securities	3,293,175	-	-	3,293,175
Unquoted debt securities	-	-	100,000	100,000
Managed funds	917,423	12,431,896	7,023,391	20,372,710
	<u>6,667,975</u>	<u>12,431,896</u>	<u>12,921,832</u>	<u>32,021,703</u>
<i>Financial assets at fair value through other comprehensive income:</i>				
Quoted equities	192,378	-	-	192,378
Unquoted equities	-	-	5,679,842	5,679,842
Managed funds	-	-	12,561	12,561
	<u>192,378</u>	<u>-</u>	<u>5,692,403</u>	<u>5,884,781</u>



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2024

**14 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)**

**Fair value hierarchy (continued)**

*Financial instruments (continued)*

30 September 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	6,332,369	-	-	6,332,369
Unquoted equities	-	-	8,453,148	8,453,148
Quoted debt securities	3,303,922	-	-	3,303,922
Unquoted debt securities	-	-	100,000	100,000
Managed funds	1,195,593	12,502,008	5,666,149	19,363,750
	<u>10,831,884</u>	<u>12,502,008</u>	<u>14,219,297</u>	<u>37,553,189</u>
<i>Financial assets at fair value through other comprehensive income:</i>				
Quoted equities	465,662	-	-	465,662
Unquoted equities	-	-	6,011,293	6,011,293
Managed funds	-	-	12,561	12,561
	<u>465,662</u>	<u>-</u>	<u>6,023,854</u>	<u>6,489,516</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 recorded in the consolidated statement of income KD	Purchase / transfers, settlements and sales (net) KD	Loss recorded in other comprehensive income KD	As at 30 September 2024 KD
<i>Financial assets at fair value through profit or loss:</i>					
Unquoted equities	8,128,685	236,083	(2,566,327)	-	5,798,441
Unquoted debt securities	100,000	-	-	-	100,000
Managed funds	5,561,700	404,061	1,057,630	-	7,023,391
	<u>13,790,385</u>	<u>640,144</u>	<u>(1,508,697)</u>	<u>-</u>	<u>12,921,832</u>
<i>Financial assets at fair value through other comprehensive income:</i>					
Unquoted equities	6,014,309	-	(266,431)	(68,036)	5,679,842
Managed funds	12,561	-	-	-	12,561
	<u>6,026,870</u>	<u>-</u>	<u>(266,431)</u>	<u>(68,036)</u>	<u>5,692,403</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 nine months ended 30 September 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%.