

AL MANAR

FINANCING & LEASING



2025



**Al Manar Financing and Leasing Company K.S.C. (Public)
and its Subsidiaries
State of Kuwait**

**Interim Condensed Consolidated Financial Information (Unaudited)
and Independent Auditor's Review Report
For the three months period ended 31 March 2025**



Al Manar Financing and Leasing Company K.S.C. (Public)
and its Subsidiaries
State of Kuwait

Interim Condensed Consolidated Financial Information (Unaudited)
and Independent Auditor's Review Report
For the three months period ended 31 March 2025

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The Board of Directors
Al Manar Financing and Leasing Company K.S.C. (Public)
State of Kuwait

Independent Auditor's Review Report on Interim Condensed Consolidated Financial Information

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Al Manar Financing and Leasing Company K.S.C. (Public) ("the Parent Company") and its subsidiaries (together referred to as "the Group") as at 31 March 2025 and the related interim condensed consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the three months 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 the basis of preparation as set out in (Note 2.1). 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 the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim condensed consolidated 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 the basis of preparation as set out in (Note 2.1).

Other Matter

The interim condensed consolidated financial information for the three months period ended 31 March 2024 was reviewed by another auditor who expressed an unqualified conclusion on that information on 7 May 2024.

Report on Other Legal and Regulatory Requirements

Based on our review, the interim condensed consolidated financial information is in agreement with the books of accounts 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, and its Executive Regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Article of Association, as amended, have occurred during the three months period ended 31 March 2025, that might have had a material effect on business of the Group or its interim condensed consolidated financial position.

Report on Other Legal and Regulatory Requirements (Continued)

We further report that, during the course of 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 organization of banking business and its related regulation or of the provisions of Law No. 7 of 2010 concerning the establishment of Capital Markets Authority and Organization of Securities Activity and its Executive Regulations, as amended, have occurred during the three months period ended 31 March 2025, that might have had a material effect on business of the Group or its interim condensed consolidated financial position.

Qais M. Al Nisf
License No. 38 "A"
BDO Al Nisf & Partners

Kuwait: 12 May 2025

Interim Condensed Consolidated Statement of Financial Position (Unaudited)

As at 31 March 2025

	Notes	31 March 2025 KD	31 December 2024 (Audited) KD	31 March 2024 (Restated) KD
Assets				
Cash and cash equivalents	4	1,207,814	1,197,734	2,281,131
Investments in Wakala receivables	5	9,347,321	9,347,321	9,347,321
Investment in an associate	6	11,686,828	11,548,041	11,276,641
Finance receivables	7	17,065,658	16,339,394	14,358,439
Other receivables and prepayments	8	367,694	286,268	249,212
Investments in financial securities	9	13,052,385	12,945,622	10,958,436
Investment properties		4,615,000	4,615,000	4,412,000
Other assets		12,376	13,633	11,536
Total assets		57,355,076	56,293,013	52,894,716
LIABILITIES AND EQUITY				
Liabilities				
Accounts payable and other credit balances	10	2,906,492	2,766,963	1,449,259
Islamic financing payables	11	19,314,150	18,858,740	17,810,961
Provision for staff indemnity		350,152	327,413	319,996
Total liabilities		22,560,794	21,953,116	19,570,216
Equity				
Share capital		26,374,759	26,374,759	26,374,759
Treasury shares	12	(116,277)	(116,277)	-
Treasury shares reserve		4,995	4,995	4,995
Statutory reserve		641,316	641,316	494,271
Voluntary reserve		641,316	641,316	494,271
Fair value reserve		422,262	242,374	(558,211)
Group's share in associate's reserve		(14,370)	(31,236)	(41,389)
Retained earnings		3,231,313	3,013,867	3,170,708
Total equity attributable to Shareholders of the Parent Company		31,184,294	31,771,094	29,939,404
Non-controlling interests		3,609,988	3,568,803	3,385,096
Total equity		34,794,282	34,339,897	33,324,500
Total liabilities and equity		57,355,076	56,293,013	52,894,716

The accompanying notes on pages 7 to 17 form an integral part of this interim condensed consolidated financial information.

Faisal Abdulaziz Al Nassar
Chairman

**Interim Condensed Consolidated Statement of Profit or Loss
(Unaudited)**

For the three months period ended 31 March 2025

		For the three months period ended 31 March	
		2025	2024
		KD	KD
Notes			
Revenues			
		588,874	552,368
6	Share of associate's results	114,693	380,432
	Rental income	75,440	71,515
13	Net (losses) / gains from investments in financial securities	(61,676)	109,692
	Other income	48,929	119,267
		766,260	1,233,274
Expenses			
	Finance cost	(244,039)	(256,150)
	Staff costs	(154,644)	(157,249)
7	Reversal / (provide) of provision for credit facilities	20,441	(96,409)
	Other expenses	(128,021)	(106,535)
		(506,263)	(616,343)
	Profit for the period before deductions	259,997	616,931
	NLST	(6,219)	(12,570)
	Zakat	(2,488)	(5,095)
	KFAS	(887)	(4,525)
	Net profit for the period	250,403	594,741
Attributable to:			
	The Parent Company's shareholders	216,446	480,612
	Non-controlling interests	33,957	114,129
	Net profit for the period	250,403	594,741
14	Basic and diluted earnings per share (fils)	0.83	1.82

The accompanying notes on pages 7 to 17 form an integral part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Unaudited)
For the three months period ended 31 March 2025

	For the three months period ended 31 March	
	2025	2024
	KD	KD
Net profit for the period	250,403	594,741
Other comprehensive income		
<i>Items that will not be reclassified subsequently to the interim condensed consolidated statement of profit or loss:</i>		
Changes in fair value of financial assets at fair value through other comprehensive income	179,888	323,047
<i>Items that may be reclassified subsequently to the interim condensed consolidated statement of profit or loss:</i>		
Group's share in associate's reserve	24,094	13,786
Other comprehensive income for the period	203,982	336,833
Total Comprehensive income for the period	454,385	931,574
Attributable to:		
The Parent Company's shareholders	413,200	813,310
Non-controlling interests	41,185	118,264
	454,385	931,574

The accompanying notes on pages 8 to 21 form an integral part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Changes in Equity (Unaudited)
For the three months period ended 31 March 2025

	Share capital KD	Treasury shares	Treasury shares reserve KD	Statutory reserve KD	Voluntary reserve KD	Fair value reserve KD	Group's share in associates' reserve KD	Retained earnings KD	Total equity attributable to shareholders of Parent Company KD	Non- controlling interests KD	Total Equity KD
Balance as at 1 January 2024	26,374,759	-	4,995	494,271	494,271	(881,258)	(51,040)	2,690,096	29,126,094	3,266,832	32,392,926
Net profit for the period	-	-	-	-	-	-	-	480,612	480,612	114,129	594,741
Other comprehensive income for the period	-	-	-	-	-	323,047	9,651	-	332,698	4,135	336,833
Total comprehensive income for the period	-	-	-	-	-	323,047	9,651	480,612	813,310	118,264	931,574
Balance as at 31 March 2024	26,374,759	-	4,995	494,271	494,271	(558,211)	(41,389)	3,170,708	29,939,404	3,385,096	33,324,500
Balance as at 1 January 2025	26,374,759	(116,277)	4,995	641,306	641,306	242,374	(31,236)	3,013,867	30,771,094	3,568,803	34,339,897
Net profit for the period	-	-	-	-	-	-	-	216,446	216,446	33,957	250,403
Other comprehensive income for the period	-	-	-	-	-	179,888	16,866	-	196,754	7,228	203,982
Total comprehensive income for the period	-	-	-	-	-	179,888	16,866	216,446	413,200	41,185	454,385
Balance as at 31 March 2025	26,374,759	(116,277)	4,995	641,306	641,306	422,262	(14,370)	3,230,313	31,184,294	3,609,988	34,794,282

The accompanying notes on pages 7 to 17 form an integral part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Cash Flows (Unaudited)

For the three months period ended 31 March 2025

		For the three months period ended 31 March	
		2025	(Restated) 2024
	Notes	KD	KD
Cash flows from operating activities			
Net profit for the period		250,403	594,741
Adjustments for:			
Share of associate's results	6	(114,693)	(380,432)
(Reversal) / provide of provision for credit facilities	7	(20,441)	96,409
Depreciation and amortization		1,257	1,511
Net losses / (gains) from investments in financial securities	13	61,676	(109,692)
Finance costs		244,039	256,150
Provision for staff indemnity		22,739	6,707
		444,980	465,394
Change in working capital			
Finance receivables		(705,823)	437,468
Other receivables and prepayments		(81,426)	53,463
Accounts payable and other credit balances		138,672	(56,562)
Net cash flows (used in) / generated from operating activities		(203,597)	899,763
Investing activities			
Proceeds from redemption of financial securities at FVTPL		-	2,665
Purchase of other assets		-	(775)
Dividends income received from financial securities	13	13,440	12,776
Net cash flows generated from investing activities		13,440	14,666
Financing activities			
Proceed from Islamic financing payables		920,000	-
Payment for Islamic financing payables		(474,590)	(239,445)
Payment for capital reduction		(617)	(10,203)
Dividend paid		(517)	(2,039)
Finance cost paid		(244,039)	(256,150)
Net cash flows generated from / (used in) financing activities		200,237	(507,837)
Net increase in cash and cash equivalents		10,080	406,592
Cash and cash equivalents at the beginning of the period		1,197,734	1,874,539
Cash and cash equivalents at the end of the period	4	1,207,814	2,281,131

The accompanying notes on pages 7 to 17 form an integral part of this interim condensed consolidated financial information.

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)
For the three months period ended 31 March 2025

1. INCORPORATION AND ACTIVITIES

Al Manar Financing and Leasing Company K.S.C. (Public) ("the Parent Company") was incorporated in the State of Kuwait in 2003 by the authorized letter of incorporation no. 4857 file 1 dated 6 December 2003.

The main activities of the Parent Company and its subsidiaries (together referred to as "the Group") are all financing and investing activities according to the Islamic Shari'a principles.

The Parent Company has the right to conduct the above activities inside and outside State of Kuwait directly or through agency and the Parent Company may have an interest or participate with others having similar activities or assist it in accomplishing its activities inside or outside Kuwait or purchase these companies. This must be in accordance with the provisions of Islamic Sharia.

The Parent Company is subject to instructions and monitoring by the Central Bank of Kuwait and Capital Markets Authority.

The registered office of the Parent Company is P.O. Box 22828, Safat 13189, Kuwait.

This interim condensed consolidated financial information for the three months period ended 31 March 2025 were authorized for issue by the Board of Directors of the Parent Company on 12 May 2025.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial information for the three months ended 31 March 2025 has been prepared in accordance with International Accounting Standard: 34 "Interim Financial Reporting" and the instructions of the Central Bank of Kuwait and should be read with the last audited consolidated annual financial statements of the Group as of 31 December 2024.

The interim condensed consolidated financial information does not include all the information and disclosures required to prepare complete annual consolidated financial statements in accordance with International Financial Reporting Standards ("IFRSs") as amended for use by the State of Kuwait for financial services institutions supervised by the Central Bank of Kuwait. These regulations require the application of all IFRSs, including the requirements of International Financial Reporting Standard No. (9): Financial Instruments Related to Expected Credit Risks or the required provisions in accordance with the instructions of the Central Bank of Kuwait, whichever is higher.

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included.

Operating results for the three-month period ended 31 March 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025. For further information, refer to the annual audited consolidated financial statements of the Group for the year ended 31 December 2024.

This interim condensed consolidated financial information is presented in Kuwaiti Dinars (KD), which is also the functional and presentation currency of the Parent Company.

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)
For the three months period ended 31 March 2025

2. BASIS OF PREPARATION AND MATERIAL 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 2024, except for the adoption of new standards effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. one amendment applies for the first time in 2025 but does not have an impact on the interim condensed consolidated financial information of the Group.

Lack of Exchangeability (Amendment to IAS 21)

On 15 August 2023, the IASB issued Lack of Exchangeability which amended IAS 21 The Effects of Changes in Foreign Exchange Rates (the Amendments). The Amendments arose as a result of a submission received by the IFRS Interpretations Committee about the determination of the exchange rate when there is a long-term lack of exchangeability. IAS 21, prior to the Amendments, did not include explicit requirements for the determination of the exchange rate when a currency is not exchangeable into another currency, which led to diversity in practice.

The Committee recommended that the IASB develop narrow scope amendments to IAS 21 to address this issue. After further deliberations, the IASB issued an exposure draft of the proposed amendments to IAS 21 in April 2021 and the final amendments were issued in August 2023.

The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency.

The amendments did not have a material impact on the Group's interim condensed consolidated financial information.

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.

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)
For the three months period ended 31 March 2025

3. BASIS OF CONSOLIDATION

The interim condensed consolidated financial information comprises of Al Manar Financing and Leasing Company K.S.C. (Public) and its subsidiaries (together referred to as “the Group”)

Name of subsidiary	Country of incorporation	Principal activities	Ownership (%)		
			31 March 2025	31 December 2024 (Audited)	31 March 2024
Manarat Tasaheel Real Estate Company W.L.L.	Kuwait	Real estate	100	100	100
AI-Manar Express for Marketing Consulting Company W.L.L.	Kuwait	Consulting	100	100	100
AI- Manar Watania for Administrative Consulting Company W.L.L.	Kuwait	Consulting	100	100	100
AI Jawhara Company for Buying and Selling Shares & Bonds W.L.L.	Kuwait	Investment	70	70	70
Sidra National Real Estate Consulting Company S.P.C.*	Kuwait	Real Estate Consulting	100	100	-

Subsidiaries' management accounts have been used for the consolidation purposes as at 31 March 2025. The total assets of the subsidiaries are KD 17,625,427 (KD 17,473,779 as at 31 December 2024, KD 15,781,427 as at 31 March 2024), net gains of KD 136,913 during the three months ended 31 March 2025 (net gains KD 379,718 during the three months ended 31 March 2024).

4. CASH AND CASH EQUIVALENTS

	31 March 2025	(Audited) 31 December 2024	31 March 2024
	KD	KD	KD
Cash at banks and portfolios	906,693	896,734	1,429,981
Wakala with banks (less than 3 months)	310,000	310,000	850,000
Cash on hand	1,121	1,000	1,150
	1,207,814	1,197,734	2,281,131

As at 31 March 2025, the effective yield rate on Wakala is 3.750% (31 December 2024: 3.875% and 31 March 2024: 4%).

5. INVESTMENTS IN MURABAHA AND WAKALA RECIVABLES

Investments in Wakala receivables have been deposited at local financial institutions according to Wakala contracts. The effective yield on those contracts is 3.75% to 4.25% per annum as at 31 March 2025 (31 December 2024: 4.125% - 4.25% and 31 March 2024: 4.125% - 4.5% per annum). Expected credit losses amounted to KD 17,679 as at 31 March 2025 (KD 17,679 as at 31 December 2024 and KD 17,679 as at 31 March 2024).

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)
For the three months period ended 31 March 2025

6. INVESTMENT IN ASSOCIATE

Name of associate	Country of incorporation	Principal activities	Ownership (%)		
			31 March 2025	(Audited) 31 December 2024	31 March 2024
Injazzat Real Estate Development Company K.S.C.P.	Kuwait	Real Estate	28.294	28.294	27.629

The movement during the period / year / period is as follows:

	31 March 2025	(Audited) 31 December 2024	31 March 2024
	KD	KD	KD
Balance at the beginning of the period / year / period	11,548,041	10,882,423	10,882,423
Additions	-	225,178	-
Bargain purchase gain from additional shares	-	35,261	-
Share of results	114,693	844,289	380,432
Share of reserves	24,094	28,291	13,786
Dividends received	-	(467,401)	-
Balance at the end of the period / year / period	11,686,828	11,548,041	11,276,641

The Group has recognised the share of results from “Injazzat Real Estate Development Company K.S.C. (Public)” based on issued interim condensed consolidated financial information as at 31 March 2025.

7. FINANCE RECEIVABLES

	31 March 2025	(Audited) 31 December 2024	31 March 2024
	KD	KD	KD
Finance receivables - gross	23,034,168	22,147,551	19,883,353
Less: deferred and suspended revenues	(3,202,313)	(3,021,519)	(2,641,477)
Less: provision for credit facilities	(2,766,197)	(2,786,638)	(2,883,437)
Finance receivables – net	17,065,658	16,339,394	14,358,439

7. FINANCE RECEIVABLES (CONTINUED)

Provision for expected credit losses on credit facilities determined under IFRS 9 according to CBK guidelines amounted to KD 2,701,127 as at 31 March 2025 (31 December 2024: KD 2,786,638 and 31 March 2024: KD 2,693,188), which is lower than / equal / lower than the provision for credit facilities required by CBK instructions of KD 2,766,197 as at 31 March 2025 (31 December 2024: KD 2,786,638 and 31 March 2024: KD 2,883,437).

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)
For the three months period ended 31 March 2025

The movement in gross credit facilities is as follows:

	Stage 1	Stage 2	Stage 3	Total
	KD	KD	KD	KD
Balance at 1 January 2025	17,857,679	615,831	3,674,041	22,147,551
Net financing / (collection)	1,089,783	(99,677)	(103,489)	886,617
Transfer from / to stage 1	(224,056)	224,056	-	-
Transfer from / to stage 2	-	(3,584)	3,584	-
Balance at 31 March 2025	18,723,406	736,626	3,574,136	23,034,168

	Stage 1	Stage 2	Stage 3	Total
	KD	KD	KD	KD
Balance at 1 January 2024	15,672,403	1,056,822	3,690,901	20,420,126
Net (collection)	(256,986)	(160,999)	(118,788)	(536,773)
Transfer from / to stage 1	(296,931)	296,931	-	-
Transfer from / to stage 2	123,570	(134,883)	11,313	-
Balance at 31 March 2024	15,242,057	1,057,870	3,583,426	19,883,353

The movement in the provision for expected credit losses during the period is as follows:

	Stage 1	Stage 2	Stage 3	Total
	KD	KD	KD	KD
Balance at 1 January 2025	77,131	36,191	2,673,316	2,786,638
Charged / (reversal) during the period	6,504	(9,789)	(82,226)	(85,511)
Transfer from / to stage 1	(1,245)	1,245	-	-
Transfer from / to stage 2	-	(258)	258	-
Balance at 31 March 2025	82,390	27,389	2,591,348	2,701,127

	Stage 1	Stage 2	Stage 3	Total
	KD	KD	KD	KD
Balance at 1 January 2024	70,053	20,483	2,696,492	2,787,028
(Reversal) / charged during the period	(178)	5,155	(98,817)	(93,840)
Transfer from / to stage 1	(2,718)	2,718	-	-
Transfer from / to stage 2	1,156	(1,970)	814	-
Balance at 31 March 2024	68,313	26,386	2,598,489	2,693,188

the provision for credit facilities required by CBK instructions as follows:

	31 March 2025	31 March 2024
	KD	KD
Balance at 1 January	2,786,638	2,787,028
(Reversal) / provide during the period	(20,441)	96,409
Balance at 31 March	2,766,197	2,883,437

The Group holds collateral amounting to KD 2,000,008 as at 31 March 2025 (31 December 2024: KD 2,126,142 and 31 March 2024: KD 2,336,482) over its finance receivables. Management believes that there is no further credit provision required in excess of the provision for credit losses.

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)
For the three months period ended 31 March 2025

8. OTHER RECEIVABLES AND PREPAYMENTS

	31 March 2025	(Audited) 31 December 2024	31 March 2024
	KD	KD	KD
Staff advances	16,954	15,813	28,236
Accrued income	208,116	144,033	135,966
Others	142,624	126,422	85,010
	367,694	286,268	249,212

9. INVESTMENTS IN FINANCIAL SECURITIES

	31 March 2025	(Audited) 31 December 2024	31 March 2024
	KD	KD	KD
Financial assets at fair value through profit or loss ("FVTPL")			
Quoted foreign funds	1,324,721	1,417,484	1,367,635
Quoted local shares	81,968	64,881	73,645
Unquoted foreign funds	576,378	575,818	543,771
Unquoted local shares	316,800	316,800	374,400
Unquoted foreign shares	118,310	118,310	131,640
	2,418,167	2,493,283	2,490,091

Financial assets at fair value through other comprehensive income ("FVTOCI")			
Quoted local shares	5,479,917	5,353,458	4,416,051
Quoted foreign shares	725,677	672,248	709,958
Unquoted local shares	900,000	900,000	-
Unquoted foreign shares	1,482,207	1,482,207	1,237,811
	8,587,801	8,407,913	6,363,820

Financial assets at amortized cost			
Debt sukuks – quoted at foreign stock exchanges	2,046,417	2,044,426	2,104,525
	2,046,417	2,044,426	2,104,525
	13,052,385	12,945,622	10,958,436

Fair value of financial assets was disclosed in Note 18.

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)
For the three months period ended 31 March 2025

10. ACCOUNTS PAYABLE AND OTHER CREDIT BALANCES

	31 March 2025	(Audited) 31 December 2024	31 March 2024
	KD	KD	KD
Trade payables	839,424	735,996	370,359
Capital reduction payables	105,997	106,614	162,812
Accrued salaries and other staff accruals	328,031	320,978	328,690
Payable against on acquisition of subsidiary	750,000	750,000	-
Dividends payable	149,127	149,644	140,380
NLST	40,358	34,139	76,085
Zakat	16,385	13,897	31,361
KFAS	14,120	13,233	22,435
Others	663,051	642,462	318,137
	2,906,492	2,766,963	1,449,259

11. ISLAMIC FINANCING PAYABLES

Islamic financing payables are obtained from local and foreign banks and are denominated in KD and USD. The average cost is 5.10% - 5.50% and 4.75% - 5.24% for local and foreign banks respectively as at 31 March 2025 (31 December 2024: 5.10% - 5.50% and 4.91% - 6.39% for local and foreign banks respectively, 31 March 2024: 5.375% - 5.50% and 5.21% - 7.20% for local and foreign banks respectively).

Islamic finance payables are guaranteed against the following:

	31 March 2025	(Audited) 31 December 2024	31 March 2024
	KD	KD	KD
Investments in Wakala receivables	9,347,321	9,347,321	9,347,321
Assigning receivables – gross	1,353,996	1,545,135	2,229,571
Investment properties	4,495,000	4,495,000	4,292,000
Investments in financial securities	10,153,110	10,063,434	9,141,940

12. TREASURY SHARES

	31 March 2025	(Audited) 31 December 2024	31 March 2024
	KD	KD	KD
Number of treasury shares (share)	1,993,185	1,993,185	-
Percentage of issued shares	0.756%	0.756%	-
Market value (KD)	132,945	138,526	-
Cost (KD)	116,277	116,277	-

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)
For the three months period ended 31 March 2025

13. NET (LOSSES) / GAINS FROM INVESTMENTS IN FINANCIAL SECURITIES

	For the three months period ended 31 March	
	2025	2024
	KD	KD
<i>Financial assets at fair value through profit or loss ("FVTPL")</i>		
Change in fair value	(75,116)	96,916
Dividend income	9,894	9,383
	(65,222)	106,299
<i>Financial assets at fair value through other comprehensive income ("FVTOCI")</i>		
Dividend income	3,546	3,393
	(61,676)	109,692

14. BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY

	For the three months period ended 31 March	
	2025	(Restated) 2024
Net profit for the period attributable to the Shareholders of the Parent Company ("KD")	216,446	480,612
Weighted average number of outstanding shares excluding treasury shares (share)	261,754,406	263,747,591
Basic and diluted earnings per share (fils)	0.83	1.82

15. RELATED PARTIES' BALANCES AND TRANSACTIONS

Related parties represent major shareholders, directors and senior management personnel of the Group, and Companies controlled, or significantly influenced by such parties. The pricing policies and conditions for these transactions are approved by the Group's management.

The significant related parties' balances and transactions included in the interim condensed consolidated financial information are as follows:

	31 March 2025	(Audited) 31 December 2024	31 March 2024
	KD	KD	KD
Balances:			
Finance receivables (gross)	2,437,551	2,481,131	2,626,296
Investments in financial securities	900,000	900,000	-
Key management's benefits payable	310,963	273,568	274,287
Advance to staff	4,866	6,709	13,754
Board of Directors committees' remunerations payables	61,000	61,000	61,000

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)

For the three months period ended 31 March 2025

	31 March 2025	31 March 2024
	KD	KD
Transactions:		
a) Remuneration of key management personal	52,052	68,702
b) Staff cost	37,204	39,880

16. SEGMENTAL INFORMATION

The Group is organised into functional divisions to manage its various lines of business. For the purposes of segment reporting, the Group's management has grouped its activities into the following business segments:

- Finance
- Investment
- Others

31 March 2025				
	Finance	Investment	Others	Total
	KD	KD	KD	KD
Segment revenues	561,733	191,040	13,487	766,260
Segment expenses	(191,313)	(127,607)	(187,353)	(506,263)
Segment results	370,431	63,433	(173,866)	259,997
Segment assets	22,883,244	33,829,872	641,960	57,355,076
Segment liabilities	11,806,654	9,086,920	1,667,220	22,560,794

31 March 2024 (Audited)				
	Finance	Investment	Others	Total
	KD	KD	KD	KD
Segment revenues	2,255,727	1,924,948	65,855	4,246,531
Segment expenses	(826,409)	(599,414)	(1,086,870)	(2,512,693)
Segment results	1,429,318	1,325,534	(1,021,015)	1,733,837
Segment assets	22,103,213	33,626,875	562,925	56,293,013
Segment liabilities	11,043,286	9,311,450	1,608,380	21,953,116

31 March 2024				
	Finance	Investment	Others	Total
	KD	KD	KD	KD
Segment revenues	589,064	636,886	7,324	1,233,274
Segment expenses	(290,774)	(169,289)	(156,280)	(616,343)
Segment results	298,290	467,597	(148,956)	616,931
Segment assets	21,249,313	31,076,499	568,904	52,894,716
Segment liabilities	9,153,020	9,028,310	1,388,896	19,570,216

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)
For the three months period ended 31 March 2025

17. ANNUAL GENERAL ASSEMBLY

The Parent Company's Shareholders' Ordinary General Assembly Meeting held on 28 April 2025 approved the consolidated financial statements of the Group for the financial year ended 31 December 2024 and approved to distribute cash dividends of 3% of the paid-up capital (3 fils per share) for the year ended 31 December 2024. Also, not to pay remuneration to the Board of Directors.

18. FAIR VALUE MEASUREMENT

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

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.

The level within which the financial asset is classified is determined based on the lowest level of significant input to the fair value measurement.

The financial assets measured at fair value in the interim condensed consolidated statement of financial position / consolidated statement of financial position are grouped into the fair value hierarchy as follows:

	Level 1	Level 2	Level 3	Total
	KD	KD	KD	KD
31 March 2025				
Financial assets at fair value through profit or loss	1,406,689	576,378	435,100	2,418,167
Financial assets at fair value through other comprehensive income	6,205,594	-	2,382,207	8,587,801
	7,612,283	576,378	2,817,307	11,005,968
	Level 1	Level 2	Level 3	Total
	KD	KD	KD	KD
31 December 2024 (Audited)				
Financial assets at fair value through profit or loss	1,482,365	575,818	435,100	2,493,283
Financial assets at fair value through other comprehensive income	6,025,706	-	2,382,207	8,407,913
	7,508,071	575,818	2,817,307	10,901,196
	Level 1	Level 2	Level 3	Total
	KD	KD	KD	KD
31 March 2024				
Financial assets at fair value through profit or loss	1,441,280	543,771	505,040	2,490,091
Financial assets at fair value through other comprehensive income	5,126,009	-	1,237,811	6,363,820
	6,567,289	543,771	1,742,851	8,853,911

Notes to the Interim Condensed Consolidated Financial Information (Unaudited)
For the three months period ended 31 March 2025

18. FAIR VALUE MEASUREMENT (CONTINUED)

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Reconciliation of level 3 fair value measurements:

	31 March 2025	(Audited) 31 December 2024	31 March 2024
	KD	KD	KD
Balance at the beginning of the period / year / period	2,817,307	1,742,851	1,742,851
Additions	-	1,242,857	-
Capital reduction	-	(36,855)	-
Change in fair value	-	(131,546)	-
Balance at the end of the period / year / period	2,817,307	2,817,307	1,742,851

During the period/year, there were no transfers between level 1, level 2 and level 3.

19. CHANGE IN ACCOUNTING POLICY

Certain comparative figures have been reclassified to confirm with the current period presentation, such reclassification did not affect previously reported total profit or total equity.

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FINANCING & LEASING



2025