

**Injazzat Real Estate Development Company  
K.S.C.P. and Subsidiaries**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL  
INFORMATION**

**30 JUNE 2025 (UNAUDITED)**



**Shape the future  
with confidence**

## **REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF INJAZZAT REAL ESTATE DEVELOPMENT COMPANY K.S.C.P.**

### ***Introduction***

We have reviewed the accompanying interim condensed consolidated statement of financial position of Injazzat Real Estate Development Company K.S.C.P. (the “Parent Company”) and Subsidiaries (collectively, the “Group”) as at 30 June 2025 and the related interim condensed consolidated statement of income and interim condensed consolidated statement of comprehensive income for the three and six months periods then ended, and interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six months period then ended. Management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, “*Interim Financial Reporting*”. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

### ***Scope of Review***

We conducted our review in accordance with International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*.” A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### ***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with IAS 34.

### ***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 Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended, and its executive regulations, as amended, or of the Parent Company’s Memorandum of Incorporation and Articles of Association, as amended, have occurred during the six months period ended 30 June 2025 that might have had a material effect on the business of the Parent Company or on its financial position.

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any violations of the provisions of Law No. 7 of 2010 concerning the establishment of the Capital Markets Authority (“CMA”) and organization of security activities and its executive regulations, as amended, during the six months period ended 30 June 2025 that might have had a material effect on the business of the Parent Company or on its financial position.



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SHEIKHA AL FULAIJ  
LICENCE NO. 289A  
EY  
AL AIBAN, AL OSAIMI & PARTNERS

# Injazzat Real Estate Development Company K.S.C.P. and Subsidiaries

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)

For the six months ended 30 June 2025

|                                                                                   |              | <i>Three months ended</i> |             | <i>Six months ended</i> |             |
|-----------------------------------------------------------------------------------|--------------|---------------------------|-------------|-------------------------|-------------|
|                                                                                   |              | <i>30 June</i>            |             | <i>30 June</i>          |             |
|                                                                                   | <i>Notes</i> | <b>2025</b>               | <b>2024</b> | <b>2025</b>             | <b>2024</b> |
|                                                                                   |              | <b>KD</b>                 | <b>KD</b>   | <b>KD</b>               | <b>KD</b>   |
| <b>INCOME</b>                                                                     |              |                           |             |                         |             |
| Rental income                                                                     |              | <b>860,338</b>            | 719,102     | <b>1,637,190</b>        | 1,448,159   |
| Gain on disposal of investment properties                                         |              | -                         | -           | -                       | 1,031,341   |
| Distribution income from financial assets<br>at fair value through profit or loss |              | <b>70,058</b>             | 128,029     | <b>197,423</b>          | 255,787     |
| Management fees                                                                   |              | <b>60,910</b>             | 47,033      | <b>107,899</b>          | 85,300      |
| Interest income                                                                   |              | <b>107,712</b>            | 179,624     | <b>238,914</b>          | 306,101     |
| Other income                                                                      |              | -                         | 3,734       | <b>27,377</b>           | 30,816      |
| Share of results of associates                                                    | 6            | <b>350,323</b>            | 644,392     | <b>695,731</b>          | 1,027,542   |
| Net foreign exchange loss                                                         |              | <b>(62,091)</b>           | (22,798)    | <b>(33,620)</b>         | (18,734)    |
|                                                                                   |              | <b>1,387,250</b>          | 1,699,116   | <b>2,870,914</b>        | 4,166,312   |
| <b>EXPENSES</b>                                                                   |              |                           |             |                         |             |
| Real estate operating costs                                                       |              | <b>(242,918)</b>          | (296,387)   | <b>(528,952)</b>        | (562,675)   |
| Staff costs                                                                       |              | <b>(177,249)</b>          | (215,510)   | <b>(388,684)</b>        | (397,717)   |
| Depreciation                                                                      |              | <b>(35,907)</b>           | (33,572)    | <b>(70,747)</b>         | (67,290)    |
| Administrative expenses                                                           |              | <b>(58,918)</b>           | (64,944)    | <b>(118,120)</b>        | (107,942)   |
| Consultancy and professional fees                                                 |              | <b>(29,058)</b>           | (93,814)    | <b>(63,819)</b>         | (134,054)   |
| Finance costs                                                                     |              | <b>(436,653)</b>          | (462,445)   | <b>(868,755)</b>        | (923,116)   |
|                                                                                   |              | <b>(980,703)</b>          | (1,166,672) | <b>(2,039,077)</b>      | (2,192,794) |
| <b>Profit before tax</b>                                                          |              | <b>406,547</b>            | 532,444     | <b>831,837</b>          | 1,973,518   |
| Contribution to Kuwait Foundation for<br>the Advancement of Sciences (KFAS)       |              | <b>(3,537)</b>            | (4,792)     | <b>(7,245)</b>          | (17,762)    |
| National Labour Support Tax (NLST)                                                |              | <b>(11,586)</b>           | (13,834)    | <b>(23,170)</b>         | (50,386)    |
| Zakat                                                                             |              | <b>(4,634)</b>            | (5,534)     | <b>(9,269)</b>          | (20,156)    |
| <b>PROFIT FOR THE PERIOD</b>                                                      |              | <b>386,790</b>            | 508,284     | <b>792,153</b>          | 1,885,214   |
| <b>BASIC AND DILUTED EARNINGS PER SHARE</b>                                       | 3            | <b>1.14 fils</b>          | 1.50 fils   | <b>2.34 Fils</b>        | 5.57 fils   |

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

# Injazzat Real Estate Development Company K.S.C.P. and Subsidiaries

## INTERIM CONDENSED CONSOLIDATED STATEMENT COMPREHENSIVE INCOME (UNAUDITED)

For the six months ended 30 June 2025

|                                                                                                                            | <i>Three months ended</i> |             | <i>Six months ended</i> |             |
|----------------------------------------------------------------------------------------------------------------------------|---------------------------|-------------|-------------------------|-------------|
|                                                                                                                            | <i>30 June</i>            |             | <i>30 June</i>          |             |
|                                                                                                                            | <b>2025</b>               | <b>2024</b> | <b>2025</b>             | <b>2024</b> |
|                                                                                                                            | <b>KD</b>                 | <b>KD</b>   | <b>KD</b>               | <b>KD</b>   |
| <b>PROFIT FOR THE PERIOD</b>                                                                                               | <b>386,790</b>            | 508,284     | <b>792,153</b>          | 1,885,214   |
| <b>Other comprehensive loss:</b>                                                                                           |                           |             |                         |             |
| <i>Other comprehensive income that may be reclassified to interim condensed consolidated income in subsequent periods:</i> |                           |             |                         |             |
| Share of other comprehensive loss of associates                                                                            | <b>(58,544)</b>           | (71,087)    | <b>(53,342)</b>         | (72,663)    |
| Net exchange differences on translation of foreign operations                                                              | <b>(404,987)</b>          | (114,220)   | <b>(325,034)</b>        | (62,720)    |
| <b>Other comprehensive loss</b>                                                                                            | <b>(463,531)</b>          | (185,307)   | <b>(378,376)</b>        | (135,383)   |
| <b>TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD</b>                                                                    | <b>(76,741)</b>           | 322,977     | <b>413,777</b>          | 1,749,831   |

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

# Injazzat Real Estate Development Company K.S.C.P. and Subsidiaries

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

As at 30 June 2025

|                                                       |       | 30 June<br>2025<br>KD     | (Audited)<br>31 December<br>2024<br>KD | 30 June<br>2024<br>KD    |
|-------------------------------------------------------|-------|---------------------------|----------------------------------------|--------------------------|
|                                                       | Notes |                           |                                        |                          |
| <b>ASSETS</b>                                         |       |                           |                                        |                          |
| <b>Non-current assets</b>                             |       |                           |                                        |                          |
| Property and equipment                                |       | 381,365                   | 399,915                                | 448,343                  |
| Investment properties                                 | 5     | 53,023,761                | 51,581,752                             | 49,441,443               |
| Investment in associates                              | 6     | 23,556,010                | 23,321,366                             | 23,283,802               |
| Financial assets at fair value through profit or loss |       | 8,561,747                 | 8,561,747                              | 7,490,992                |
| Accounts receivable and other assets                  |       | 3,396,172                 | 3,537,791                              | 3,575,907                |
|                                                       |       | <u>88,919,055</u>         | <u>87,402,571</u>                      | <u>84,240,487</u>        |
| <b>Current assets</b>                                 |       |                           |                                        |                          |
| Accounts receivable and other assets                  |       | 2,976,632                 | 3,102,233                              | 2,561,869                |
| Term deposits                                         |       | 470,513                   | 464,868                                | 497,620                  |
| Cash and cash equivalents                             | 4     | 7,782,262                 | 10,513,022                             | 12,529,348               |
|                                                       |       | <u>11,229,407</u>         | <u>14,080,123</u>                      | <u>15,588,837</u>        |
| <b>TOTAL ASSETS</b>                                   |       | <u><b>100,148,462</b></u> | <u><b>101,482,694</b></u>              | <u><b>99,829,324</b></u> |
| <b>EQUITY AND LIABILITIES</b>                         |       |                           |                                        |                          |
| <b>EQUITY</b>                                         |       |                           |                                        |                          |
| Share capital                                         | 7.1   | 34,564,860                | 34,564,860                             | 34,564,860               |
| Share premium                                         |       | 2,869,130                 | 2,869,130                              | 2,869,130                |
| Statutory reserve                                     |       | 10,120,823                | 10,120,823                             | 9,797,519                |
| Voluntary reserve                                     |       | 639,163                   | 639,163                                | 477,511                  |
| Treasury shares                                       | 7.2   | (625,684)                 | (625,684)                              | (625,684)                |
| Treasury shares reserve                               |       | 4,723,846                 | 4,723,846                              | 4,723,846                |
| Foreign currency translation reserve                  |       | 1,572,936                 | 1,951,312                              | 1,715,286                |
| Retained earnings                                     |       | 5,217,282                 | 6,116,832                              | 5,469,145                |
| <b>TOTAL EQUITY</b>                                   |       | <u><b>59,082,356</b></u>  | <u><b>60,360,282</b></u>               | <u><b>58,991,613</b></u> |
| <b>LIABILITIES</b>                                    |       |                           |                                        |                          |
| <b>Non-current liabilities</b>                        |       |                           |                                        |                          |
| Loans and borrowings                                  | 9     | 36,000,000                | 36,500,000                             | 36,500,000               |
| Accounts payable and other liabilities                |       | 1,021,374                 | 1,011,054                              | 1,005,325                |
|                                                       |       | <u>37,021,374</u>         | <u>37,511,054</u>                      | <u>37,505,325</u>        |
| <b>Current liabilities</b>                            |       |                           |                                        |                          |
| Accounts payable and other liabilities                |       | 3,544,732                 | 3,611,358                              | 3,332,386                |
| Loans and borrowings                                  | 9     | 500,000                   | -                                      | -                        |
|                                                       |       | <u>4,044,732</u>          | <u>3,611,358</u>                       | <u>3,332,386</u>         |
| <b>TOTAL LIABILITIES</b>                              |       | <u><b>41,066,106</b></u>  | <u><b>41,122,412</b></u>               | <u><b>40,837,711</b></u> |
| <b>TOTAL EQUITY AND LIABILITIES</b>                   |       | <u><b>100,148,462</b></u> | <u><b>101,482,694</b></u>              | <u><b>99,829,324</b></u> |

Khaled Abdullah Merza  
Chairman

Hamad Jassem Al Sadoun  
CEO - Acting

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

# Injazzat Real Estate Development Company K.S.C.P. and its Subsidiaries

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the six months ended 30 June 2025

|                                                  | Share<br>capital<br>KD | Share<br>premium<br>KD | Statutory<br>reserve<br>KD | Voluntary<br>reserve<br>KD | Treasury<br>shares<br>KD | Treasury<br>shares<br>reserve<br>KD | Foreign<br>currency<br>translation<br>reserve<br>KD | Retained<br>earnings<br>KD | Total<br>KD       |
|--------------------------------------------------|------------------------|------------------------|----------------------------|----------------------------|--------------------------|-------------------------------------|-----------------------------------------------------|----------------------------|-------------------|
| As at 1 January 2025 (Audited)                   | 34,564,860             | 2,869,130              | 10,120,823                 | 639,163                    | (625,684)                | 4,723,846                           | 1,951,312                                           | 6,116,832                  | 60,360,282        |
| Profit for the period                            | -                      | -                      | -                          | -                          | -                        | -                                   | -                                                   | 792,153                    | 792,153           |
| Other comprehensive loss                         | -                      | -                      | -                          | -                          | -                        | -                                   | (378,376)                                           | -                          | (378,376)         |
| Total comprehensive (loss) income for the period | -                      | -                      | -                          | -                          | -                        | -                                   | (378,376)                                           | 792,153                    | 413,777           |
| Cash dividend (Note 8)                           | -                      | -                      | -                          | -                          | -                        | -                                   | -                                                   | (1,691,703)                | (1,691,703)       |
| <b>At 30 June 2025</b>                           | <b>34,564,860</b>      | <b>2,869,130</b>       | <b>10,120,823</b>          | <b>639,163</b>             | <b>(625,684)</b>         | <b>4,723,846</b>                    | <b>1,572,936</b>                                    | <b>5,217,282</b>           | <b>59,082,356</b> |

|                                                  | Share<br>capital<br>KD | Share<br>premium<br>KD | Statutory<br>reserve<br>KD | Voluntary<br>reserve<br>KD | Treasury<br>shares<br>KD | Treasury<br>shares<br>reserve<br>KD | Foreign<br>currency<br>translation<br>reserve<br>KD | Retained<br>earnings<br>KD | Total<br>KD       |
|--------------------------------------------------|------------------------|------------------------|----------------------------|----------------------------|--------------------------|-------------------------------------|-----------------------------------------------------|----------------------------|-------------------|
| As at 1 January 2024 (Audited)                   | 34,564,860             | 2,869,130              | 9,797,519                  | 477,511                    | (625,684)                | 4,723,846                           | 1,850,669                                           | 5,275,634                  | 58,933,485        |
| Profit for the period                            | -                      | -                      | -                          | -                          | -                        | -                                   | -                                                   | 1,885,214                  | 1,885,214         |
| Other comprehensive loss for the period          | -                      | -                      | -                          | -                          | -                        | -                                   | (135,383)                                           | -                          | (135,383)         |
| Total comprehensive (loss) income for the period | -                      | -                      | -                          | -                          | -                        | -                                   | (135,383)                                           | 1,885,214                  | 1,749,831         |
| Cash dividend (Note 8)                           | -                      | -                      | -                          | -                          | -                        | -                                   | -                                                   | (1,691,703)                | (1,691,703)       |
| <b>At 30 June 2024</b>                           | <b>34,564,860</b>      | <b>2,869,130</b>       | <b>9,797,519</b>           | <b>477,511</b>             | <b>(625,684)</b>         | <b>4,723,846</b>                    | <b>1,715,286</b>                                    | <b>5,469,145</b>           | <b>58,991,613</b> |

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

# Injazzat Real Estate Development Company K.S.C.P. and its Subsidiaries

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(UNAUDITED)

For the six months ended 30 June 2025

|                                                                                                 |                                                                                         | Six months ended   |                    |
|-------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|--------------------|--------------------|
|                                                                                                 |                                                                                         | 30 June            |                    |
| Notes                                                                                           |                                                                                         | 2025<br>KD         | 2024<br>KD         |
| <b>OPERATING ACTIVITIES</b>                                                                     |                                                                                         |                    |                    |
|                                                                                                 | Profit before tax                                                                       | 831,837            | 1,973,518          |
|                                                                                                 | <i>Adjustments to reconcile profit before tax to net cash flows:</i>                    |                    |                    |
|                                                                                                 | Gain on disposal of investment properties                                               | -                  | (1,031,341)        |
|                                                                                                 | Distribution income from financial assets at fair value through profit or loss          | (197,423)          | (255,787)          |
| 6                                                                                               | Share of results of associates                                                          | (695,731)          | (1,027,542)        |
|                                                                                                 | Depreciation of property and equipment                                                  | 3,814              | 3,896              |
|                                                                                                 | Depreciation of right-of-use assets                                                     | 66,933             | 63,394             |
|                                                                                                 | Interest income                                                                         | (238,914)          | (306,101)          |
|                                                                                                 | Finance cost on lease liabilities                                                       | 11,417             | 13,299             |
|                                                                                                 | Finance costs                                                                           | 857,338            | 909,817            |
|                                                                                                 | Provision for employees' end of service benefits                                        | 95,093             | 41,937             |
|                                                                                                 |                                                                                         | 734,364            | 385,090            |
|                                                                                                 | <i>Working capital adjustments:</i>                                                     |                    |                    |
|                                                                                                 | Accounts receivable and other assets                                                    | 176,547            | (237,355)          |
|                                                                                                 | Accounts payable and other liabilities                                                  | 88,451             | (2,635,961)        |
|                                                                                                 | Cash flows from (used in) operations                                                    | 999,362            | (2,488,226)        |
|                                                                                                 | Employees' end of service benefits paid                                                 | (42,938)           | (4,097)            |
|                                                                                                 | KFAS paid                                                                               | -                  | (112,202)          |
|                                                                                                 | Taxes paid                                                                              | -                  | (59,029)           |
|                                                                                                 | <b>Net cash flows from (used in) operating activities</b>                               | <b>956,424</b>     | <b>(2,663,554)</b> |
| <b>INVESTING ACTIVITIES</b>                                                                     |                                                                                         |                    |                    |
|                                                                                                 | Additions to property and equipment                                                     | (390)              | (868)              |
| 5                                                                                               | Capital expenditure incurred on investment properties                                   | (1,666,158)        | (783,174)          |
|                                                                                                 | Proceeds from disposal of investment properties                                         | -                  | 9,931,341          |
| 6                                                                                               | Dividend received from investment in associates                                         | 407,745            | 405,956            |
|                                                                                                 | Distribution income received from financial assets at fair value through profit or loss | 197,423            | 255,787            |
|                                                                                                 | Interest income received                                                                | 238,914            | 306,101            |
|                                                                                                 | Net movement in term deposits                                                           | (5,645)            | (13,249)           |
|                                                                                                 | <b>Net cash flows (used in) from investing activities</b>                               | <b>(828,111)</b>   | <b>10,101,894</b>  |
| <b>FINANCING ACTIVITIES</b>                                                                     |                                                                                         |                    |                    |
| 8                                                                                               | Cash dividends paid                                                                     | (1,691,703)        | (1,691,703)        |
|                                                                                                 | Finance costs paid                                                                      | (1,080,150)        | (1,152,973)        |
|                                                                                                 | Payment of lease liabilities                                                            | (77,008)           | (70,847)           |
|                                                                                                 | <b>Net cash flows used in financing activities</b>                                      | <b>(2,848,861)</b> | <b>(2,915,523)</b> |
| <b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>                                     |                                                                                         |                    |                    |
|                                                                                                 |                                                                                         | (2,720,548)        | 4,522,817          |
|                                                                                                 | Foreign currency adjustments                                                            | (10,212)           | (54,953)           |
|                                                                                                 | Cash and cash equivalents at 1 January                                                  | 10,513,022         | 8,061,484          |
| 4                                                                                               | <b>CASH AND CASH EQUIVALENTS AT 30 JUNE</b>                                             | <b>7,782,262</b>   | <b>12,529,348</b>  |
| <b>Non-cash items excluded from the interim condensed consolidated statement of cash flows:</b> |                                                                                         |                    |                    |
|                                                                                                 | Additions to right-of-use assets                                                        | (51,807)           | (23,072)           |
|                                                                                                 | Additions to lease liabilities                                                          | 51,807             | 23,072             |

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

# Injazzat Real Estate Development Company K.S.C.P. and Subsidiaries

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## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

30 June 2025

### 1 CORPORATE INFORMATION

The interim condensed consolidated financial information of Injazaat Real Estate Development Company K.S.C.P. (the “Parent Company”) and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2025 was authorised for issue in accordance with a resolution of the board of directors of the Parent Company on 4 August 2025.

The Parent Company is a Kuwaiti shareholding company incorporated and domiciled in Kuwait and whose shares are publicly traded in Kuwait Stock Exchange (“Boursa Kuwait”). The Parent Company’s registered postal address is P.O. Box 970, Safat 13010, State of Kuwait.

The Group is principally engaged in real estate activities. The primary objectives of the Parent Company is as follows:

- ▶ Ownership, purchasing, sale and development of all kinds of investment properties with exception to residential properties inside and outside the state of Kuwait for the benefit of the Parent Company and on the behalf of others.
- ▶ Ownership and sale of financial assets, bonds relating to real estate companies for the benefit of the Parent Company alone inside and outside the State of Kuwait.
- ▶ Preparation and delivery of studies relating to real estate activities.
- ▶ Maintenance activities relating to the properties owned by the Parent Company including civil, mechanical, electrical works and all required works to sustain the state of the properties.
- ▶ Organisation of real estate conventions relating to the Parent Company’s projects in accordance with the regulations set out by the Ministry of Commerce.
- ▶ Hosting auctions.
- ▶ Ownership of malls and residential complexes and managing them.
- ▶ Ownership of hotels, health clubs, tourism related facilities and leasing and releasing them.
- ▶ Management, operating and leasing all types of investment properties.
- ▶ Establishment and management of real estate investment funds.
- ▶ It is permitted for the Parent Company to invest in managed funds managed by specialised managers.

The Parent Company is authorised to have interest in or participate with any party or institution carrying out similar activities or those parties who will assist the Parent Company in achieving its objectives whether in Kuwait or abroad. The Parent Company has the right to establish, participate in or acquire such institutions.

### 2 BASIS OF PREPARATION AND CHANGES TO THE GROUP’S ACCOUNTING POLICIES

#### 2.1 Basis of preparation

The interim condensed consolidated financial information for the six months ended 30 June 2025 have been prepared in accordance with IAS 34 *Interim Financial Reporting*.

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 2024.

Further, results for the six months period ended 30 June 2025, are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
INFORMATION (UNAUDITED)

30 June 2025

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

**2.2 New standards, interpretations and amendments adopted by the Group**

The accounting policies and methods of computation 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 amendments effective as of 1 January 2025. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

***Lack of exchangeability - Amendments to IAS 21***

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments had no impact on the Group's interim condensed consolidated financial information.

**3 EARNINGS PER SHARE (EPS)**

Basic EPS amounts are calculated by dividing the profit for the period by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is calculated by dividing the profit 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 per share are identical.

|                                                                                                   | <i>Three months ended</i><br><i>30 June</i> |             | <i>Six months ended</i><br><i>30 June</i> |             |
|---------------------------------------------------------------------------------------------------|---------------------------------------------|-------------|-------------------------------------------|-------------|
|                                                                                                   | <b>2025</b>                                 | <b>2024</b> | <b>2025</b>                               | <b>2024</b> |
| Profit for the period (KD)                                                                        | <b>386,790</b>                              | 508,284     | <b>792,153</b>                            | 1,885,214   |
| Weighted average number of shares<br>outstanding during the period (excluding<br>treasury shares) | <b>338,340,630</b>                          | 338,340,630 | <b>338,340,630</b>                        | 338,340,630 |
| <b>Basic and diluted earnings per share (EPS)</b>                                                 | <b>1.14 fils</b>                            | 1.50 fils   | <b>2.34 fils</b>                          | 5.57 fils   |

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

# Injazzat Real Estate Development Company K.S.C.P. and Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

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### 4 CASH AND CASH EQUIVALENTS

The movement in carrying value of investment properties is as follows:

|                                                  | <b>30 June<br/>2025<br/>KD</b> | <b>(Audited)<br/>31 December<br/>2024<br/>KD</b> | <b>30 June<br/>2024<br/>KD</b> |
|--------------------------------------------------|--------------------------------|--------------------------------------------------|--------------------------------|
| Cash on hand                                     | 3,136                          | 344                                              | 7,960                          |
| Bank balances                                    | 3,283,984                      | 2,695,341                                        | 2,486,110                      |
| Cash and bank balances                           | 3,287,120                      | 2,695,685                                        | 2,494,070                      |
| Short-term deposits maturing within three months | 4,495,142                      | 7,817,337                                        | 10,035,278                     |
|                                                  | <b>7,782,262</b>               | <b>10,513,022</b>                                | <b>12,529,348</b>              |

Short-term deposits are made for varying periods between one day and three months, depending on the immediate cash requirements of the Group with local and foreign financial institutions and carry an average effective interest rate of 3.9% (31 December 2024: 4.5% and 30 June 2024: 4.8%).

### 5 INVESTMENT PROPERTIES

The movement in carrying value of investment properties is as follows:

|                                       | <b>30 June<br/>2025<br/>KD</b> | <b>(Audited)<br/>31 December<br/>2024<br/>KD</b> | <b>30 June<br/>2024<br/>KD</b> |
|---------------------------------------|--------------------------------|--------------------------------------------------|--------------------------------|
| At the beginning of the period/year   | 51,581,752                     | 57,566,036                                       | 57,566,036                     |
| Capitalised borrowing costs           | 130,171                        | 280,856                                          | 143,353                        |
| Capital expenditure on owned property | 1,535,987                      | 2,196,297                                        | 639,821                        |
| Disposals                             | -                              | (8,900,000)                                      | (8,900,000)                    |
| Change in fair value                  | -                              | 330,418                                          | -                              |
| Exchange differences                  | (224,149)                      | 108,145                                          | (7,767)                        |
| At the end of the period / year       | <b>53,023,761</b>              | <b>51,581,752</b>                                | <b>49,441,443</b>              |

During the period, the Group incurred development expenditure, including borrowing cost amounting to KD 1,666,158 (31 December 2024: KD 2,477,153 and 30 June 2024: KD 783,174).

The fair value of investment properties was independently determined at 31 December 2024 by accredited independent valuers who are specialised in valuing such type of properties using a mix of income capitalization method and the market comparison approach considering the nature usage of each property. The valuation of the Group's investment properties is performed on an annual basis as management believes that there are no significant circumstance that have arisen during the period, which may have a significant impact on fair value.

Investment properties with a carrying value of KD 23,664,810 (31 December 2024: KD 22,072,375 and 30 June 2024: KD 20,305,506) are pledged as security in order to fulfil collateral requirements of certain bank loans (Note 9).

# Injazzat Real Estate Development Company K.S.C.P. and Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

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### 6 INVESTMENT IN ASSOCIATES

The movement in investment in associates is as follows:

|                                        | <b>30 June<br/>2025<br/>KD</b> | <b>(Audited)<br/>31 December<br/>2024<br/>KD</b> | <b>30 June<br/>2024<br/>KD</b> |
|----------------------------------------|--------------------------------|--------------------------------------------------|--------------------------------|
| At the beginning of the period / year  | <b>23,321,366</b>              | 22,734,879                                       | 22,734,879                     |
| Additional contribution                | -                              | 83,378                                           | -                              |
| Dividend                               | <b>(407,745)</b>               | (406,137)                                        | (405,956)                      |
| Share of results for the period / year | <b>695,731</b>                 | 913,272                                          | 1,027,542                      |
| Exchange differences                   | <b>(53,342)</b>                | (4,026)                                          | (72,663)                       |
| At the end of the period / year        | <b>23,556,010</b>              | 23,321,366                                       | 23,283,802                     |

As at 30 June 2025, investment in associates with a carrying value of KD 20,756,058 (31 December 2024: KD 20,842,714 and 30 June 2024: KD 20,327,293) are pledged as security in order to fulfil collateral requirements of certain bank loans (Note 9).

### 7 SHARE CAPITAL AND TREASURY SHARES

#### 7.1 Share capital

At 30 June 2025, the authorised, issued and fully paid-up capital of the Parent Company comprised 345,648,600 (31 December 2024: 345,648,600 and 30 June 2024: 345,648,600) shares of 100 fils each. All shares are paid in cash.

#### 7.2 Treasury shares

|                                      | <b>30 June<br/>2025</b> | <b>(Audited)<br/>31 December<br/>2024</b> | <b>30 June<br/>2024</b> |
|--------------------------------------|-------------------------|-------------------------------------------|-------------------------|
| Number of treasury shares            | <b>7,307,970</b>        | 7,307,970                                 | 7,307,970               |
| Percentage of issued shares          | <b>2.11%</b>            | 2.11%                                     | 2.11%                   |
| Cost of treasury shares (KD)         | <b>625,684</b>          | 625,684                                   | 625,684                 |
| Market value of treasury shares (KD) | <b>825,801</b>          | 738,105                                   | 694,257                 |

Reserves equivalent to the cost of the treasury shares held are not available for distribution during the holding period of such shares.

### 8 ANNUAL GENERAL ASSEMBLY RESOLUTIONS

The annual general meeting (AGM) of the shareholders of the Parent Company held on 17 April 2025 approved the consolidated financial statements for the year ended 31 December 2024 and approved distribution of cash dividend of 5 fils per share (2023: 5 fils) amounting to KD 1,691,703 (2023: KD 1,691,703) and directors' remuneration of KD 70,000 (2023: KD 70,000) for the year then ended.

# Injazzat Real Estate Development Company K.S.C.P. and Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

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### 9 LOANS AND BORROWINGS

|                   | <i>Currency</i> | <i>Effective interest rate (EIR)</i>  | <i>30 June 2025<br/>KD</i> | <i>(Audited)<br/>31 December 2024<br/>KD</i> | <i>30 June 2024<br/>KD</i> |
|-------------------|-----------------|---------------------------------------|----------------------------|----------------------------------------------|----------------------------|
| Bank borrowings   | Kuwaiti Dinar   | CBK discount rate Plus 1.25% to 1.50% | <b>36,500,000</b>          | 36,500,000                                   | 36,500,000                 |
| Total Current     |                 |                                       | <b>500,000</b>             | -                                            | -                          |
| Total non-current |                 |                                       | <b>36,000,000</b>          | 36,500,000                                   | 36,500,000                 |

The Group's secured bank borrowings comprise of:

- ▶ Bank loan amount to KD 26,500,000 (31 December 2024: 26,500,000 and 30 June 2024: 36,500,000) from a credit facility having a cash limit of KD 34,150,000 (31 December 2024: KD 34,150,000 and 30 June 2024: KD 44,150,000), which carries a profit/interest rate of 1.50 % (31 December 2024: 1.50% and 30 June 2024: 1.50%) per annum over CBK discount rate and which is repayable by amounts KD 5,458,000 and KD 21,042,000 on 15 July 2026 and 15 August 2026 respectively.
- ▶ Islamic financing amounting to KD 10,000,000 (31 December 2024: 10,000,000) from a credit facility having a cash limit of KD 20,000,000 (31 December 2024: 20,000,000), which carries a profit rate of 1,25 % (31 December 2024: 1.25%) per annum over CBK discount rate and which is repayable on 31 March 2031 respectively.

Bank borrowings are secured over certain of the Group's investment properties and investment in associates (Notes 5 and 6).

### 10 RELATED PARTY DISCLOSURES

Related parties represent the major shareholders, associates, entities under common control, directors and executive officers of the Group, close members of their families and entities of which they are principal owners or over which they are able to exercise significant influence or joint control. Pricing policies and terms of these transactions are approved by the Group's management.

The following table provides the aggregate amounts of outstanding balances with related parties in the interim condensed consolidated statement of financial position:

|                                    | <i>30 June 2025<br/>KD</i> | <i>(Audited)<br/>31 December 2024<br/>KD</i> | <i>30 June 2024<br/>KD</i> |
|------------------------------------|----------------------------|----------------------------------------------|----------------------------|
| Receivables from associates        | <b>20,498</b>              | 26,773                                       | 47,513                     |
| Receivables from major shareholder | <b>3,315,596</b>           | 3,457,592                                    | 3,495,465                  |
| Other receivables                  | -                          | -                                            | 100,000                    |

Receivable from major shareholder represents receivable for sale of investment property, which carries an interest rate of 1.5 % (2024: 1.5%) per annum over CBK discount rate and has no fixed maturity. It is also secured by an investment property registered in the name of the Group and can be called upon if the counterparty is in default under the terms of the agreement.

# Injazzat Real Estate Development Company K.S.C.P. and Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

30 June 2025

### 10 RELATED PARTY DISCLOSURES (continued)

The following table provides the aggregate amounts of transactions with related parties in the interim condensed consolidated statement of income:

|                                                      | <i>Three months ended</i><br><i>30 June</i> |             | <i>Six months ended</i><br><i>30 June</i> |             |
|------------------------------------------------------|---------------------------------------------|-------------|-------------------------------------------|-------------|
|                                                      | <b>2025</b>                                 | <b>2024</b> | <b>2025</b>                               | <b>2024</b> |
|                                                      | <b>KD</b>                                   | <b>KD</b>   | <b>KD</b>                                 | <b>KD</b>   |
| Management fees from an associate                    | <b>20,498</b>                               | 20,434      | <b>40,882</b>                             | 46,327      |
| Management fees from major shareholder               | <b>3,293</b>                                | 2,762       | <b>6,251</b>                              | 5,501       |
| Management fee from other related party *            | <b>12,231</b>                               | 6,771       | <b>23,513</b>                             | 6,771       |
| Interest income on receivable from major shareholder | <b>46,109</b>                               | 50,128      | <b>92,348</b>                             | 100,606     |
|                                                      | <b>82,131</b>                               | 80,095      | <b>162,994</b>                            | 159,205     |

\* Other related party represents an entity controlled by one of the major shareholders.

### Key management personnel

Key management personnel comprise of the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Group. The aggregate value of transactions related to key management personnel were as follows:

|                                                              | <i>Three months ended</i><br><i>30 June</i> |             | <i>Six months ended</i><br><i>30 June</i> |             |
|--------------------------------------------------------------|---------------------------------------------|-------------|-------------------------------------------|-------------|
|                                                              | <b>2025</b>                                 | <b>2024</b> | <b>2025</b>                               | <b>2024</b> |
|                                                              | <b>KD</b>                                   | <b>KD</b>   | <b>KD</b>                                 | <b>KD</b>   |
| <i>Compensation of key management personnel of the Group</i> |                                             |             |                                           |             |
| Salaries and short-term benefits                             | <b>164,159</b>                              | 105,787     | <b>286,013</b>                            | 280,596     |
| Employees' end of service benefits                           | <b>11,834</b>                               | 13,868      | <b>24,317</b>                             | 27,736      |
|                                                              | <b>175,993</b>                              | 119,655     | <b>310,330</b>                            | 308,332     |

The directors' remuneration of KD 70,000 (2023: KD 70,000) for the year then ended 31 December 2024 was approved by the shareholders of the Parent Company during the AGM held on 17 April 2025.

### 11 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.

### Fair values

The following table provides the fair value measurement hierarchy of the Group's financial instruments.

|                                                        | <i>Fair value measurement using</i><br><i>Significant unobservable inputs (Level 3)</i><br><i>(Audited)</i> |                    |                |
|--------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|--------------------|----------------|
|                                                        | <b>30 June</b>                                                                                              | <b>31 December</b> | <b>30 June</b> |
|                                                        | <b>2025</b>                                                                                                 | <b>2024</b>        | <b>2024</b>    |
|                                                        | <b>KD</b>                                                                                                   | <b>KD</b>          | <b>KD</b>      |
| <i>As at 30 June 2025</i>                              |                                                                                                             |                    |                |
| Financial assets at fair value through profit or loss: |                                                                                                             |                    |                |
| Unquoted equity securities                             | <b>8,561,747</b>                                                                                            | 8,561,747          | 7,490,992      |

# Injazzat Real Estate Development Company K.S.C.P. and Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

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### 11 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

There were no transfers between Level 1 and Level 2 fair value measurements during the period/ year, and no transfers into or out of Level 3 fair value measurements during the period / year.

#### Fair value hierarchy

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

- ▶ Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

#### Reconciliation of Level 3 fair values

The following table shows a reconciliation of all movements in the fair value of items categorised within Level 3 between the beginning and the end of the reporting period:

#### Reconciliation of recurring fair value measurements categorised within Level 3 of the fair value hierarchy:

| <i>Financial assets at FVTPL</i>                | <i>Non-listed equity investments</i><br><i>KD</i> |
|-------------------------------------------------|---------------------------------------------------|
| <b>30 June 2025</b>                             |                                                   |
| As at 1 January 2025                            | 8,561,747                                         |
| As at 30 June 2025                              | 8,561,747                                         |
|                                                 |                                                   |
| <i>Financial assets at FVTPL</i>                | <i>Non-listed equity investments</i><br><i>KD</i> |
| <b>31 December 2024 (Audited)</b>               |                                                   |
| As at 1 January 2024                            | 7,490,992                                         |
| Remeasurement recognised in statement of income | 1,070,755                                         |
| As at 31 December 2024                          | 8,561,747                                         |
|                                                 |                                                   |
| <i>Financial assets at FVTPL</i>                | <i>Non-listed equity investments</i><br><i>KD</i> |
| <b>30 June 2024</b>                             |                                                   |
| As at 1 January 2024                            | 7,490,992                                         |
| As at 30 June 2024                              | 7,490,992                                         |

For assets classified as level 3, fair value is estimated using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of similar assets; or other valuation techniques. The Group has also performed a sensitivity analysis by varying these input factors by 5%. Based on such analysis, there is no material impact on the interim condensed consolidated financial information.

Management assessed that the carrying value of financial instruments at amortised cost is not significantly different from their fair values as most of these assets and liabilities are of short-term maturity or are re-priced immediately based on market movement in interest rates. The fair value of financial assets and financial liabilities with a demand feature is not less than its face value.

# Injazzat Real Estate Development Company K.S.C.P. and its Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

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### 12 SEGMENT INFORMATION

For management purposes, the Group's activities are concentrated in real estate investments. The Group's activities are concentrated in two main segments: Domestic (Kuwait) and International (Kingdom of Bahrain, United Arab Emirates, Europe and USA). The Group's segmental information is as follows:

|                                                                                | <i>Six months ended<br/>30 June 2025 (Unaudited)</i> |                             |                     | <i>Six months ended<br/>30 June 2024 (Unaudited)</i> |                             |                     |
|--------------------------------------------------------------------------------|------------------------------------------------------|-----------------------------|---------------------|------------------------------------------------------|-----------------------------|---------------------|
|                                                                                | <i>Domestic<br/>KD</i>                               | <i>International<br/>KD</i> | <i>Total<br/>KD</i> | <i>Domestic<br/>KD</i>                               | <i>International<br/>KD</i> | <i>Total<br/>KD</i> |
| Rental income                                                                  | 88,500                                               | 1,548,690                   | 1,637,190           | 88,500                                               | 1,359,659                   | 1,448,159           |
| Gain on disposal of investment properties                                      | -                                                    | -                           | -                   | 1,031,341                                            | -                           | 1,031,341           |
| Distribution income from financial assets at fair value through profit or loss | -                                                    | 197,423                     | 197,423             | -                                                    | 255,787                     | 255,787             |
| Management fees                                                                | 6,932                                                | 100,967                     | 107,899             | 5,825                                                | 79,475                      | 85,300              |
| Interest income                                                                | 228,982                                              | 9,932                       | 238,914             | 292,667                                              | 13,434                      | 306,101             |
| Other income                                                                   | 1,664                                                | 25,713                      | 27,377              | 29,473                                               | 1,343                       | 30,816              |
| Share of results of associates                                                 | -                                                    | 695,731                     | 695,731             | -                                                    | 1,027,542                   | 1,027,542           |
| Net foreign exchange loss                                                      | (33,620)                                             | -                           | (33,620)            | (18,734)                                             | -                           | (18,734)            |
| <b>Total income</b>                                                            | <b>292,458</b>                                       | <b>2,578,456</b>            | <b>2,870,914</b>    | <b>1,429,072</b>                                     | <b>2,737,240</b>            | <b>4,166,312</b>    |
| Real estate operating costs                                                    | (10,682)                                             | (518,270)                   | (528,952)           | (59,726)                                             | (502,949)                   | (562,675)           |
| Staff costs                                                                    | (388,684)                                            | -                           | (388,684)           | (397,717)                                            | -                           | (397,717)           |
| Depreciation                                                                   | (55,462)                                             | (15,285)                    | (70,747)            | (53,606)                                             | (13,684)                    | (67,290)            |
| Administrative expenses                                                        | (95,446)                                             | (22,674)                    | (118,120)           | (87,781)                                             | (20,161)                    | (107,942)           |
| Consultancy and professional fees                                              | (59,881)                                             | (3,938)                     | (63,819)            | (82,382)                                             | (51,672)                    | (134,054)           |
| Finance costs                                                                  | (255,547)                                            | (613,208)                   | (868,755)           | (157,950)                                            | (765,166)                   | (923,116)           |
| KFAS, NLST and Zakat                                                           | (39,684)                                             | -                           | (39,684)            | (88,304)                                             | -                           | (88,304)            |
| <b>Total expenses and other charges</b>                                        | <b>(905,386)</b>                                     | <b>(1,173,375)</b>          | <b>(2,078,761)</b>  | <b>(927,466)</b>                                     | <b>(1,353,632)</b>          | <b>(2,281,098)</b>  |
| <b>(LOSS) PROFIT FOR THE PERIOD</b>                                            | <b>(612,928)</b>                                     | <b>1,405,081</b>            | <b>792,153</b>      | <b>501,606</b>                                       | <b>1,383,608</b>            | <b>1,885,214</b>    |

# Injazzat Real Estate Development Company K.S.C.P. and its Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

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### 12 SEGMENT INFORMATION (continued)

|                          | <i>30 June 2025 (Unaudited)</i> |                             |                     | <i>31 December 2024 (Audited)</i> |                             |                     | <i>30 June 2024 (Unaudited)</i> |                             |                     |
|--------------------------|---------------------------------|-----------------------------|---------------------|-----------------------------------|-----------------------------|---------------------|---------------------------------|-----------------------------|---------------------|
|                          | <i>Domestic<br/>KD</i>          | <i>International<br/>KD</i> | <i>Total<br/>KD</i> | <i>Domestic<br/>KD</i>            | <i>International<br/>KD</i> | <i>Total<br/>KD</i> | <i>Domestic<br/>KD</i>          | <i>International<br/>KD</i> | <i>Total<br/>KD</i> |
| <b>Total assets</b>      | <b>26,560,262</b>               | <b>73,588,200</b>           | <b>100,148,462</b>  | 24,759,926                        | 76,722,768                  | 101,482,694         | 22,488,935                      | 77,340,389                  | 99,829,324          |
| <b>Total liabilities</b> | <b>8,588,475</b>                | <b>32,477,631</b>           | <b>41,066,106</b>   | 9,060,358                         | 32,062,054                  | 41,122,412          | 8,499,769                       | 32,337,942                  | 40,837,711          |
| <b>Commitments</b>       | <b>14,232,995</b>               | <b>-</b>                    | <b>14,232,995</b>   | 15,734,819                        | <b>-</b>                    | 15,734,819          | 17,027,748                      | <b>-</b>                    | 17,027,748          |

### Disaggregated revenue information

The following presents the disaggregation of the Group's revenue from contracts with customers:

| <i>Timing of revenue recognition</i>               | <i>Six months ended 30 June 2025</i> |                             |                     | <i>Six months ended 30 June 2024</i> |                             |                     |
|----------------------------------------------------|--------------------------------------|-----------------------------|---------------------|--------------------------------------|-----------------------------|---------------------|
|                                                    | <i>Domestic<br/>KD</i>               | <i>International<br/>KD</i> | <i>Total<br/>KD</i> | <i>Domestic<br/>KD</i>               | <i>International<br/>KD</i> | <i>Total<br/>KD</i> |
| At a point of time                                 | -                                    | -                           | -                   | 1,031,341                            | 4,706                       | 1,036,047           |
| Over time                                          | <b>6,932</b>                         | <b>100,967</b>              | <b>107,899</b>      | 11,326                               | 69,268                      | 80,594              |
| <b>Total revenue from contracts with customers</b> | <b>6,932</b>                         | <b>100,967</b>              | <b>107,899</b>      | 1,042,667                            | 73,974                      | 1,116,641           |

# Injazzat Real Estate Development Company K.S.C.P. and its Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

30 June 2025

### 13 COMMITMENTS AND CONTINGENCIES

#### *Capital commitments*

As at 30 June 2025, the Group had ongoing construction contracts with third parties and is consequently committed to future capital expenditure in respect of investment properties under development of KD 14,232,995 (31 December 2024: KD 15,734,819 and 30 June 2024: KD 17,027,748) There are no contractual commitments in respect of completed investment properties.

#### *Contingencies*

|                      | <b>30 June</b> | <i>(Audited)</i>   |                |
|----------------------|----------------|--------------------|----------------|
|                      | <b>2025</b>    | <i>31 December</i> | <i>30 June</i> |
|                      | <b>KD</b>      | <i>2024</i>        | <i>2024</i>    |
|                      |                | <i>KD</i>          | <i>KD</i>      |
| Letters of guarantee | <b>865,496</b> | 859,851            | 892,604        |

The Group has contingent liabilities in respect of bank guarantees arising in the ordinary course of business from which it is anticipated that no material liabilities will arise. Time deposits amounting to KD 470,513 (31 December 2024: KD 464,868 and 30 June 2024: KD 497,620) are restricted against letters of guarantee provided to the Group by its bank.

#### *Legal claim contingency*

The Group operates in the real estate industry and is subject to legal disputes with tenants in the normal course of business. Management does not believe that such proceedings will have a material effect on its results and financial position.