

**OSOS Holding Group Company K.P.S.C. and its subsidiaries
State of Kuwait**

**Interim condensed consolidated financial information (Unaudited)
and review report for the six months period ended 30 June 2025**

OSOS Holding Group Company K.P.S.C. and its subsidiaries
State of Kuwait
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For the six months period ended 30 June 2025

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Report on review of interim condensed consolidated financial information

**The Board of Directors
OSOS Holding Group Company K.P.S.C.
State of Kuwait**

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of OSOS Holding Group Company K.P.S.C. ("the Parent Company") and its subsidiaries (together referred to as "the Group") as at 30 June 2025 and the related interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six 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 disclosed in note no. (2). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of review

We conducted our review in accordance with the 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.

Other matter

The consolidated financial statements for the year ended 31 December 2024 and the interim condensed consolidated financial information for the six months period ended 30 June 2024 were audited and reviewed, respectively, by other auditor who issued an unqualified report opinion on 25 March 2025 and unmodified review conclusion on 7 August 2024 respectively.

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 disclosed in note no. (2).

Report on review of other legal and regulatory requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the accounting records of the Parent Company. We further report that nothing has come to our attention indicating any contravention during the six months period ended 30 June 2025, of the Companies Law No. 1 of 2016 and its Executive Regulations, as amended, or of the provisions of Law No. 7 of year 2010 concerning the Capital Markets Authority, Executive Regulations and its related regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, that would materially affect the Group's activities or its consolidated financial position.

Barrak Abdul Mohsen Al-Ateeqi
Licence No. 69 A
Al-Ateeqi Certified Accountants
A Member of B.K.R. International
Kuwait: 31 July 2025

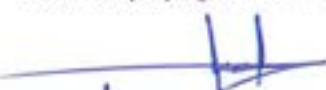
Independent Member

B K R
INTERNATIONAL

OSOS Holding Group Company K.P.S.C and its subsidiaries
State of Kuwait
Interim condensed consolidated statement of financial position (Unaudited)
As at 30 June 2025

		30 June 2025	31 December 2024 (Restated) (Audited)	30 June 2024 (Restated)
	Notes	KD	KD	KD
Assets				
Non-current assets				
Property and equipment		5,520	6,635	17
Investment properties	4	18,392,000	18,392,000	17,231,500
Investment in associate		1	1	1
Financial assets at fair value through other comprehensive income	5	533,481	400,676	376,348
Total non-current assets		<u>18,931,002</u>	<u>18,799,312</u>	<u>17,607,866</u>
Current assets				
Debtors and other debit balances	6	25,600	43,424	449,877
Financial assets at fair value through profit or loss	8	2,483,326	2,018,360	1,058,474
Wakala investments deposits	9	67,000	390,000	150,000
Cash and cash equivalents	10	949,232	726,147	874,503
Total current assets		<u>3,525,158</u>	<u>3,177,931</u>	<u>2,532,854</u>
Total assets		<u>22,456,160</u>	<u>21,977,243</u>	<u>20,140,720</u>
Equity and liabilities				
Equity				
Share capital	11	10,920,000	10,920,000	10,920,000
Statutory reserve		1,605,045	1,605,045	1,365,588
Fair value reserve		(129,497)	44,596	20,268
Retained Earnings		5,588,562	3,676,248	2,200,181
Total equity		<u>17,984,110</u>	<u>16,245,889</u>	<u>14,506,037</u>
Liabilities				
Non-current liabilities				
Creditors and other credit balances- non-current portion		27,935	27,935	-
Lease contract with promise to purchase – non-current portion	12	3,036,800	3,252,600	3,306,550
Provision for end of service indemnity		419,995	306,792	290,889
Total non-current liabilities		<u>3,484,730</u>	<u>3,587,327</u>	<u>3,597,439</u>
Current liabilities				
Creditors and other credit balances – current portion		411,156	803,764	543,031
Lease contract with promise to purchase – current portion	12	323,700	323,700	377,650
Provisions	13	252,464	1,016,563	1,116,563
Total current liabilities		<u>987,320</u>	<u>2,144,027</u>	<u>2,037,244</u>
Total liabilities		<u>4,472,050</u>	<u>5,731,354</u>	<u>5,634,683</u>
Total equity and liabilities		<u>22,456,160</u>	<u>21,977,243</u>	<u>20,140,720</u>

The accompanying notes form an integral part of these interim condensed consolidated financial information.


Abdulmuhsen S. Al Meshan
Chairman


Fahad A. Al Mukhaizim
Vice Chairman


Khalid M. AlNouri
Chief Executive Officer

OSOS Holding Group Company K.P.S.C and its subsidiaries
State of Kuwait
Interim condensed consolidated statement of profit or loss (Unaudited)
For the six months period ended 30 June 2025

	Notes	For the three months period ended		For the six months period ended	
		30 June	30 June	30 June	30 June
		2025	2024	2025	2024
		KD	KD	KD	KD
Real estate rental income		231,021	147,416	481,691	259,416
Real estate operating expenses		<u>(23,389)</u>	<u>(9,374)</u>	<u>(67,255)</u>	<u>(28,979)</u>
Gross profit		207,632	138,042	414,436	230,437
Income / (loss) from investments	14	513,623	(51,565)	563,601	121,761
General and administrative expenses		(196,273)	(120,914)	(318,690)	(229,755)
Reversal of provision for expected credit losses		654,600	9,385	644,660	2,427
Loss on foreign currency		(50)	(104)	(7)	(3,211)
Reversal of provisions		717,116	-	717,116	-
Profit on wakala investments deposits		3,576	6,994	10,000	17,914
Other income		171	418,853	1,291	419,774
Finance cost from lease contract with promise to purchase		<u>(50,817)</u>	<u>(29,570)</u>	<u>(102,726)</u>	<u>(48,492)</u>
Profit before contribution to KFAS, NLST and Zakat		1,849,578	371,121	1,929,681	510,855
Contribution to Kuwait Foundation for Advancement of Science ("KFAS")		(16,646)	(3,340)	(17,367)	(4,598)
National Labour Support Tax (NLST)		2,518	(9,329)	-	(13,280)
Zakat		<u>1,007</u>	<u>(3,732)</u>	-	<u>(5,312)</u>
Profit for the period		<u>1,836,457</u>	<u>354,720</u>	<u>1,912,314</u>	<u>487,665</u>
Basic and diluted earnings per share (Fils)	15	<u>16.82</u>	<u>3.25</u>	<u>17.51</u>	<u>4.47</u>

The accompanying notes form an integral part of these interim condensed consolidated financial information.

OSOS Holding Group Company K.P.S.C. and its subsidiaries
 State of Kuwait
Interim condensed consolidated statement of comprehensive income (Unaudited)
For the six months period ended 30 June 2025

	For the three months period ended		For the six months period ended	
	30 June 2025 KD	30 June 2024 KD	30 June 2025 KD	30 June 2024 KD
Profit for the period	<u>1,836,457</u>	<u>354,720</u>	<u>1,912,314</u>	<u>487,665</u>
Other comprehensive income for the period				
<i>Items that may not be reclassified subsequently to the consolidated statement of profit or loss:</i>				
Loss on financial assets at fair value through other comprehensive income	<u>-</u>	<u>-</u>	<u>(174,093)</u>	<u>-</u>
Other comprehensive loss for the period				
Total profit and other comprehensive income for the period	<u>1,836,457</u>	<u>354,720</u>	<u>1,738,221</u>	<u>487,665</u>

The accompanying notes form an integral part of these interim condensed consolidated financial information.

OSOS Holding Group Company K.P.S.C. and its subsidiaries
State of Kuwait
Interim condensed consolidated statement of changes in equity (Unaudited)
for the six months period ended 30 June 2025

	Share capital KD	Statutory reserve KD	Fair value reserve KD	Retained earnings KD	Total equity KD
Balance at 31 December 2024	10,920,000	1,605,045	44,596	2,314,268	14,883,909
Correction of an error (note 18)	-	-	-	<u>1,361,980</u>	<u>1,361,980</u>
Balance at 1 January 2025 (Restated)	10,920,000	1,605,045	44,596	3,676,248	16,245,889
Profit for the period	-	-	-	1,912,314	1,912,314
Other comprehensive loss for the period	-	-	<u>(174,093)</u>	-	<u>(174,093)</u>
Total other comprehensive (loss) /income for the period	-	-	<u>(174,093)</u>	<u>1,912,314</u>	<u>1,738,221</u>
Balance at 30 June 2025	<u>10,920,000</u>	<u>1,605,045</u>	<u>(129,497)</u>	<u>5,588,562</u>	<u>17,984,110</u>
Balance at 31 December 2023	10,500,000	1,365,588	20,268	1,149,775	13,035,631
Correction of an error (note 18)	-	-	-	<u>1,402,741</u>	<u>1,402,741</u>
Balance at 1 January 2024 (Restated)	10,500,000	1,365,588	20,268	2,552,516	14,438,372
Total comprehensive income for the period	-	-	-	487,665	487,665
Distribution of cash dividends	-	-	-	(420,000)	(420,000)
Bonus shares	<u>420,000</u>	-	-	<u>(420,000)</u>	-
Balance at 30 June 2024 (Restated)	<u>10,920,000</u>	<u>1,365,588</u>	<u>20,268</u>	<u>2,200,181</u>	<u>14,506,037</u>

The accompanying notes form an integral part of these interim condensed consolidated financial information.

OSOS Holding Group Company K.P.S.C. and its subsidiaries
State of Kuwait
Interim condensed consolidated statement of cash flows (Unaudited)
For the six months period ended 30 June 2025

	Notes	For the six months period ended	
		30 June 2025 KD	30 June 2024 KD
Cash flows from operating activities			
Profit for the period		1,912,314	487,665
<i>Adjustments for:</i>			
Depreciation		1,115	-
Unrealised (gain) / loss from financial assets at fair value through profit or loss	14	(533,852)	69,229
Realised gain on sale of financial assets at fair value through profit or loss	14	(22,848)	(98,098)
Dividend income	14	(22,193)	(114,495)
Claim receivable		-	(417,727)
Profit on wakala investments		(10,000)	(17,914)
Reversal of provision for expected credit losses of associate	7	(655,490)	(8,307)
Provision for expected credit losses		10,830	5,880
Reversal of provision of indemnity		-	(1,096)
Reversal of provision for guarantee	13	(717,116)	-
Provision for indemnity		113,203	23,857
Finance cost from lease contract with promise to purchase		<u>102,726</u>	<u>48,492</u>
Operating cash flows before movement in working capital		178,689	(22,514)
Changes in working capital			
Debtors and other debit balances		10,100	17,024
Due from related parties	7	655,490	8,307
Creditors and other credit balances		(317,160)	(46,518)
Provision paid	13	<u>(46,983)</u>	<u>-</u>
Net cash from / (used in) operating activities		<u>480,136</u>	<u>(43,701)</u>
Cash flows from investing activities			
Net movement of financial assets at fair value through profit or loss		91,734	2,485,313
Purchase of financial assets at fair value through other comprehensive income	5	(306,898)	-
Dividend received from investments		22,193	108,745
Wakala investments deposits		323,000	(26,000)
Purchase of investment property		-	(5,100,500)
Profit on wakala investments deposits received		<u>6,893</u>	<u>20,852</u>
Net cash from / (used in) investing activities		<u>136,922</u>	<u>(2,511,590)</u>
Cash flows from financing activities			
Paid to shareholders from capital reduction		(12,619)	(841)
Dividends paid		(16,054)	(416,952)
Lease contract with promise to purchase		(215,800)	2,600,000
Finance costs paid		<u>(149,500)</u>	<u>-</u>
Net cash (used in) / from financing activities		<u>(393,973)</u>	<u>2,182,207</u>
Increase / (decrease) in cash and cash equivalents		223,085	(373,084)
Cash and cash equivalents at beginning of the period		<u>726,147</u>	<u>1,247,587</u>
Cash and cash equivalent at the end of the period	10	<u>949,232</u>	<u>874,503</u>

The accompanying notes form an integral part of these interim condensed consolidated financial information.

OSOS Holding Group Company K.P.S.C. and its subsidiaries
State of Kuwait
Notes to the interim condensed consolidated financial information (Unaudited)
For the six months period ended 30 June 2025

1. Incorporation and activities

The International Valley for Computer Company K.S.C. (Closed) was incorporated as per articles of association of a Kuwaiti Shareholding Company (Closed) authenticated at the Ministry of Justice- Real Estate Registration and Authentication Department – under ref. No. 17/Volume 284 dated May 16, 1994. According to the decision taken by Ordinary and Extraordinary General Assembly meeting dated 23 May 2007, the company agreed to amend the name of the company to become: “Al-Safat TEC Holding Company – K.S.C. (Holding)” and this amendment was registered in the Commercial Register on 30 May 2007. As per decision made in extra-ordinary meeting held on 30 July 2015, it was agreed to amend company's name to “OSOS Holding Group Company K.P.S.C.”, this amendment was registered in commercial register on 8 September 2015.

As per extra-ordinary general assembly meeting held on 25 October 2018, it was decided to amend the Company’s business objectives as detailed below. These amendments are recorded in the commercial register on 5 November 2018.

The purpose which the Company is incorporated is to conduct its activities in accordance with Islamic Sharia Laws and it is not permitted, in any form or shape, to conduct any of its activities below, directly or indirectly, in a way that contradicts with Islamic Sharia Laws.

1. Manage subsidiary companies or co-manage to those companies where there is equity interest and provide necessary support.
2. Invest funds in trading shares, bond and other financial instruments.
3. Finance or provide loan to those companies where the Parent Company has equity interest and guarantee against others. In this case, the Parent Company’s equity interest should not be less than 20% at minimum.
4. Owning property rights of patents, trade marks, commercial or industrial fees, or any other rights and using and leasing this to subsidiaries or other companies both inside and outside Kuwait.
5. Owning real estate or movables necessary to direct its activity in the limits and in accordance with the law.
6. Using the surplus funds available to the company in portfolio administered by the companies and specialized bodies.

In all cases, the Company is required to conduct all its activities in accordance with Islamic Sharia Law and the Company should stay away from activities that contradicts with Islamic Sharia Law. The Company can obtain guidance from Sharia Compliance Committee and their directive become obligatory on Company’s management.

The address of the Parent Company’s registered office is Hawalli, Beirut Street, Al Safat Tower, Floor 8, P.O. Box 16798 Qadisiya, 35858 Kuwait.

The interim condensed consolidated financial information for the six months period ended 30 June 2025, comprise of the Parent Company and its subsidiaries (together referred to as “the group”) (refer note 3).

The interim condensed consolidated financial information of OSOS Holding Group Company K.P.S.C. and its subsidiaries (“the Group”) for the period ended 30 June 2025 was authorized for issue by Board of Directors of the Parent Company on 31 July 2025.

2. Basis of preparation

The interim condensed consolidated financial information is prepared in accordance with IAS 34 “*Interim Financial Reporting*”. The interim condensed consolidated financial information does not include all of the information and footnotes required for complete financial statements prepared in accordance with International Financial Reporting Standards. For further information, refer to the consolidated financial statements and notes thereto for the year ended 31 December 2024. In the opinion of the management all adjustments (consisting of recurring accruals) have been included in the interim condensed consolidated financial information.

The operating results for the six month period ended 30 June 2025 are not necessarily indicative of the results that may be expected for the year ending 31 December 2025.

The interim condensed consolidated financial information have been presented in Kuwaiti Dinars, which is the functional currency of the Group.

2. Basis of preparation (continued)

The accounting policies used in the preparation of the interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2024. Certain amendments and interpretations apply for the first time on 1 January 2025, but do not have an impact on the interim condensed consolidated financial information of the Group.

New standards, interpretations and amendments adopted by the Group

Amendments to IAS 21: The Effects of Changes in Foreign Exchange Rates titled Lack of Exchangeability

The amendments to IAS 21 specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not.

An entity assesses whether a currency is exchangeable into another currency at a measurement date and for a specified purpose. If an entity is able to obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose, the currency is not exchangeable into the other currency. Therefore, an entity is required to estimate the spot exchange rate at that date.

These amendments did not have material impact on group's interim condensed consolidated financial information.

New and Amended Standards issued but not Yet Effective

IFRS 18: Presentation and Disclosure in Financial Statements

IFRS 18 replaces IAS 1 and sets out presentation and base disclosure requirements for financial statements. The changes, which mostly affect the income statement, include the requirement to classify income and expenses into three new categories – operating, investing and financing – and present subtotals for operating profit or loss and profit or loss before financing and income taxes. Furthermore, operating expenses are presented directly on the face of the income statement – classified either by nature (e.g. employee compensation), by function (e.g. cost of sales) or using a mixed presentation.

This standard is not expected to have material impact on group's interim condensed consolidated financial information.

IFRS 19 : Subsidiaries without Public Accountability: Disclosures

IFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements.

A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

An entity is only permitted to apply IFRS 19 if, at the end of the reporting period:

- It is a subsidiary (this includes an intermediate parent)
- It does not have public accountability, and
- Its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

This standard is not expected to have material impact on group's interim condensed consolidated financial information.

OSOS Holding Group Company K.P.S.C. and its subsidiaries
State of Kuwait
Notes to the interim condensed consolidated financial information (Unaudited)
For the six months period ended 30 June 2025

3. Basis of consolidation

This interim condensed consolidated financial information for the six months ended 30 June 2025 includes the Parent Company and all its subsidiaries.

Details of principal operating subsidiaries are as follows:

<u>Name of subsidiary</u>	<u>Country of Incorporation</u>	<u>Percentage of ownership interest (%)</u>		
		30 June 2025	31 December 2024	30 June 2024
OSOS Limited Company for Sale and Purchase of Real Estate and Shares for the Benefit of the Company O.P.C.	State of Kuwait	100	100	100
OSOS United Real Estate Group Company K.S.C. (Closed)	State of Kuwait	99	99	99
Beam Warehouse Storage Company O.P.C.	State of Kuwait	100	-	-

4. Investment properties

Investment properties represent buildings on free hold land and buildings on leasehold land located in State of Kuwait. The details of investment properties are as follows:

	30 June 2025	31 December 2024 (Audited)	30 June 2024
	KD	KD	KD
Buildings on freehold land	9,978,000	9,978,000	9,289,000
Buildings on lease hold land	<u>8,414,000</u>	<u>8,414,000</u>	<u>7,942,500</u>
	<u>18,392,000</u>	<u>18,392,000</u>	<u>17,231,500</u>

The movement in investment property is as follows:

	30 June 2025	31 December 2024 (Audited)	30 June 2024
	KD	KD	KD
Beginning balances	18,392,000	12,131,000	12,131,000
Additions	-	5,100,500	5,100,500
Change in fair value	-	<u>1,160,500</u>	-
	<u>18,392,000</u>	<u>18,392,000</u>	<u>17,231,500</u>

Investment properties at fair value of KD 8,414,000 (31 December 2024: KD 8,414,000 and 30 June 2024: KD 7,942,500) are pledged against lease contract with promise to purchase (note 12).

The following table shows the rental revenue generated from these investment properties:

	30 June 2025	31 December 2024 (Audited)	30 June 2024
	KD	KD	KD
Rental revenue	481,691	745,186	259,416
Direct operating expenses	<u>(67,255)</u>	<u>(60,967)</u>	<u>(28,979)</u>
	<u>414,436</u>	<u>684,219</u>	<u>230,437</u>

OSOS Holding Group Company K.P.S.C. and its subsidiaries
State of Kuwait
Notes to the interim condensed consolidated financial information (Unaudited)
For the six months period ended 30 June 2025

5. Financial assets at fair value through other comprehensive income

	30 June 2025	31 December 2024 (Audited)	30 June 2024
	KD	KD	KD
Foreign unquoted shares	441,250	308,445	301,536
Local unquoted shares	<u>92,231</u>	<u>92,231</u>	<u>74,812</u>
	<u>533,481</u>	<u>400,676</u>	<u>376,348</u>

The movement of financial assets at fair value through other comprehensive income for the period / year is as follows:

	30 June 2025	31 December 2024 (Audited)	30 June 2024
	KD	KD	KD
Balance at the beginning of the period / year	400,676	376,348	376,348
Additions	306,898	-	-
Change in fair value reserve	<u>(174,093)</u>	<u>24,328</u>	<u>-</u>
	<u>533,481</u>	<u>400,676</u>	<u>376,348</u>

Foreign unquoted shares amounting to KD 306,898 (31 December 2024: KD Nil and 30 June 2024: KD and Nil) managed by a related party under a portfolio management agreement (note 7).

Financial assets at fair value through other comprehensive income are acquired with the intention of capital appreciation over a medium to long-term time frame.

The hierarchy for determining and disclosing the fair value of financial assets at fair value through other comprehensive income by valuation techniques are presented in note 16.

6. Debtors and other debit balances

	30 June 2025	31 December 2024 (Audited)	30 June 2024
	KD	KD	KD
Receivable from tenants	189,028	180,247	184,322
Refundable deposits	17,765	17,765	17,765
Provision for expected credit losses	<u>(183,349)</u>	<u>(172,518)</u>	<u>(177,342)</u>
	23,444	25,494	24,745
Staff receivables	134	1,333	-
Accrued income	1,913	16,488	7,295
Other debit balances	<u>109</u>	<u>109</u>	<u>417,837</u>
	<u>25,600</u>	<u>43,424</u>	<u>449,877</u>

OSOS Holding Group Company K.P.S.C. and its subsidiaries
State of Kuwait
Notes to the interim condensed consolidated financial information (Unaudited)
For the six months period ended 30 June 2025

7. Related parties

Related parties primarily comprise of directors, key management personnel, associates, subsidiaries, shareholders and companies of which the Parent Company is principal owner or over which they are able to exercise significant influence. All related party transactions are carried out on terms approved by the group's management. The following is the summary of significant related party transactions.

	For the three months period ended		For the six months period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	KD	KD	KD	KD
Transactions included in the interim condensed consolidated statement of profit or loss:				
Net rental income	-	1,050	-	2,100
Management fees for real estate and portfolio investments	(6,303)	(8,025)	(12,417)	(19,154)
Key management personnel compensation:				
Salaries and short-term benefits	44,142	35,128	86,537	74,703
Employees end of service benefits	98,154	5,748	106,273	13,065
		30 June 2025	31 December 2024	30 June 2024
		KD	(Audited) KD	KD
Balances included in the interim condensed consolidated statement of financial position :				
Due from :				
Associate company		1,712,327	2,367,817	2,393,972
Provision for expected credit losses		<u>(1,712,327)</u>	<u>(2,367,817)</u>	<u>(2,393,972)</u>
		<u>-</u>	<u>-</u>	<u>-</u>

The movement of provision for expected credit losses for the period / year is as follows:

	30 June 2025	31 December 2024	30 June 2024
	KD	(Audited) KD	KD
Balance at the beginning of the period / year	2,367,817	2,402,279	2,402,279
Amount recovered	<u>(655,490)</u>	<u>(34,462)</u>	<u>(8,307)</u>
	<u>1,712,327</u>	<u>2,367,817</u>	<u>2,393,972</u>

8. Financial assets at fair value through profit or loss

	30 June 2025	31 December 2024	30 June 2024
	KD	(Audited) KD	KD
Local quoted shares	2,166,616	1,635,300	1,030,474
Foreign quoted shares	287,988	355,060	-
Local unquoted shares	<u>28,722</u>	<u>28,000</u>	<u>28,000</u>
	<u>2,483,326</u>	<u>2,018,360</u>	<u>1,058,474</u>

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8. Financial assets at fair value through profit or loss (continued)

Local quoted shares amounting to KD 2,157,953 (31 December 2024: KD 1,627,542 and 30 June 2024: KD 1,025,561) managed by a related party under a portfolio management agreement (note 7).

The hierarchy for determining and disclosing the fair value of financial assets at fair value through the consolidated statement of profit or loss by valuation techniques are presented in note 16.

9. Wakala investments deposits

	30 June 2025	31 December 2024 (Audited)	30 June 2024
	KD	KD	KD
Wakala investments deposits	<u>67,000</u>	<u>390,000</u>	<u>150,000</u>

The effective yield rate of the wakala investments deposits is 3.875% to 4% (31 December 2024: 3.875% to 4.25% and 30 June 2024: 4.125% to 4.25%) per annum.

10. Cash and cash equivalents

	30 June 2025	31 December 2024 (Audited)	30 June 2024
	KD	KD	KD
Cash on hand	500	495	50,500
Cash at banks	805,554	261,939	784,200
Cash in portfolios	143,178	54,713	9,803
Wakala investments deposits	-	<u>409,000</u>	<u>30,000</u>
	<u>949,232</u>	<u>726,147</u>	<u>874,503</u>

The effective yield rate on wakala investment deposits as at financial position date is Nil (31 December 2024: 3.5% to 4.25% and 30 June 2024: 4.125%) per annum.

11. Share capital

The company's share capital is KD 10,920,000 (31 December 2024: KD 10,920,000 and 30 June 2024: KD 10,920,000) distributed into 109,200,000 shares (31 December 2024: 109,200,000 shares and 30 June 2024: 109,200,000 shares) each valued at 100 fils and all shares are cash shares.

12. Lease contract with promise to purchase

	30 June 2025	31 December 2024 (Audited)	30 June 2024
	KD	KD	KD
Total amount	3,552,650	3,786,819	3,760,094
Less: deferred finance costs	<u>(192,150)</u>	<u>(210,519)</u>	<u>(75,894)</u>
	<u>3,360,500</u>	<u>3,576,300</u>	<u>3,684,200</u>

On 19 October 2021 a subsidiary company (OSOS United Real Estate Group Company K.S.C. (Closed) signed lease contract with promise to purchase with Local Islamic Bank in State of Kuwait. The lease contract with promise to purchase is to be repaid on maximum period of 12 years at effective cost rate of 2.25% per annum above discount rate of Central Bank of Kuwait. The subsidiary company is obligated to deposit the property income from rentals or otherwise in the subsidiary company's account with the local bank. Also, the subsidiary company undertakes that distribution rate of net profits shall not exceed 75%. Lease contract with promise to purchase is granted against pledged of buildings on leasehold land for the benefit of Local Islamic Bank (note 4).

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12. Lease contract with promise to purchase (continued)

On 6 June 2024, a subsidiary company (OSOS Limited Company for Sale and Purchase of Real Estate and Shares for the Benefit of the Company O.P.C.) signed lease contract with promise to purchase with Local Islamic Bank in State of Kuwait. The lease contract with promise to purchase is to be repaid on maximum period of 12 years at effective cost rate of 1.5% per annum above discount rate of Central Bank of Kuwait. The subsidiary company is obligated to deposit the property income from rentals or otherwise in the subsidiary company account with the local bank. Also, the subsidiary company undertakes that distribution rate of net profits shall not exceed 75%. Lease contract with promise to purchase is granted against pledged of buildings on leasehold land for the benefit of Local Islamic Bank (note 4).

	30 June 2025	31 December 2024 (Audited)	30 June 2024
	KD	KD	KD
Non- current portion	3,036,800	3,252,600	3,306,550
Current portion	<u>323,700</u>	<u>323,700</u>	<u>377,650</u>
	<u>3,360,500</u>	<u>3,576,300</u>	<u>3,684,200</u>

13. Provisions

The Group management performed comprehensive study of contingents and commitments that will probably require resource outlays and future cash outflow. As a result, the management created provision for probable losses are as follows:

	30 June 2025	31 December 2024 (Restated) (Audited)	30 June 2024 (Restated)
	KD	KD	KD
Precautionary provision for bank facilities granted to an associate	<u>252,464</u>	<u>1,016,563</u>	<u>1,116,563</u>
	<u>252,464</u>	<u>1,016,563</u>	<u>1,116,563</u>

Movement in provisions during the year was as follows:

	Precautionary provision for bank facilities, granted to an associate KD	Total KD
Opening balance	1,016,563	1,016,563
Amount paid during the period	(46,983)	(46,983)
Reversal of provisions for credit facilities	<u>(717,116)</u>	<u>(717,116)</u>
	<u>252,464</u>	<u>252,464</u>

During the current period, the associate company (Al-Alamiah Technology Group Company K.S.C.C. former subsidiary company) settled all outstanding cash facilities and letter of guarantees with local banks except for KD 252,464 as at 30 June 2025. As a result, the precautionary provision for bank facilities related to this associate company and its subsidiary, on which OSOS Holding Group Company K.P.S.C. was a joint guarantor, has been reversed and charged to current interim condensed consolidated statement of profit or loss.

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14. Income from investments

	For the three months period ended		For the six months period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	KD	KD	KD	KD
Unrealised gain / (loss) on financial assets at fair value through profit or loss	502,253	(157,072)	533,852	(69,229)
Realised gain on sale of financial assets at fair value through profit or loss	-	2,786	22,848	98,098
Dividend income	16,410	108,731	22,193	114,495
Portfolio management fees	<u>(5,040)</u>	<u>(6,010)</u>	<u>(15,292)</u>	<u>(21,603)</u>
	<u>513,623</u>	<u>(51,565)</u>	<u>563,601</u>	<u>121,761</u>

15. Earnings per share attributable to owners of the Parent Company (fils)

Earnings per share is calculated by dividing the net profit attributable to owners of the Parent Company to weighted average number of shares outstanding during the period. The following is the profit and weighted average number of shares outstanding during the period which is used to calculate the profit per share.

The Parent Company had no outstanding dilutive potential shares.

	For the three months period ended		For the six months period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
Profit for the period	1,836,457	354,720	1,912,314	487,665
Weighted average number of shares outstanding (No's)	109,200,000	109,200,000	109,200,000	109,200,000
Basic and diluted earnings per share (Fils)	16.82	3.25	17.51	4.47

16. Fair value of financial instruments

Financial instruments comprise of financial assets and financial liabilities.

Financial assets consist of financial assets at fair value through other comprehensive income, due from related parties, accounts receivable and other debit balances, investments at fair value through profit or loss, wakala investment deposits and cash and cash equivalents. Financial liabilities consist of lease contract with promise to purchase and accounts payable and other credit balances. The fair values of financial instruments are not materially different from their carrying values.

a) Fair value measurements recognised in the consolidated statement of financial position

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 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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16. Fair value of financial instruments (continued)

The financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

30 June 2025	Level 1	Level 3	Total
	KD	KD	KD
<i>Financial assets at fair value through profit or loss</i>			
Local unquoted shares	-	28,722	28,722
Local quoted shares	2,166,616	-	2,166,616
Foreign quoted shares	287,988	-	287,988
<i>Financial assets at fair value through other comprehensive income</i>			
Foreign unquoted shares	-	441,250	441,250
Local unquoted shares	-	92,231	92,231
Total	<u>2,454,604</u>	<u>562,203</u>	<u>3,016,807</u>
31 December 2024			
<i>Financial assets at fair value through profit or loss</i>			
Local unquoted shares	-	28,000	28,000
Local quoted shares	1,635,300	-	1,635,300
Foreign quoted shares	355,060	-	355,060
<i>Financial assets at fair value through other comprehensive income</i>			
Foreign unquoted shares	-	308,445	308,445
Local unquoted shares	-	92,231	92,231
Total	<u>1,990,360</u>	<u>428,676</u>	<u>2,419,036</u>
30 June 2024			
<i>Financial assets at fair value through profit or loss</i>			
Managed portfolios	-	28,000	28,000
Local quoted shares	1,030,474	-	1,030,474
<i>Financial assets at fair value through other comprehensive income</i>			
Foreign unquoted shares	-	301,536	301,536
Local unquoted shares	-	74,812	74,812
Total	<u>1,030,474</u>	<u>404,348</u>	<u>1,434,822</u>

There have been no transfers between levels 1 & 3 during the reporting period.

Valuation techniques and significant unobservable inputs used in determining the fair value measurement of level 3 financial instruments, as well as the inter-relationship between key unobservable inputs and fair value, are set out below.

Valuation of unquoted equity investments classified under level 3 is normally based on price to book value technique, dividend yield method and external valuation with marketability discount ranging from 20% to 30%.

Changing inputs to the level 3 valuations to reasonably possible alternative assumptions would not change significantly amounts recognized in the consolidated statement of profit or loss, total assets, total liabilities or total equity.

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16. Fair value of financial instruments (continued)

The measurement of financial assets and liabilities classified in level 3 uses valuation techniques inputs that are not based on observable market data. The financial instruments within this level can be reconciled from beginning to ending balances as follows:

Reconciliation of Level 3 fair value measurements of financial assets

	<u>Financial assets at fair value through profit and loss</u>	<u>Financial assets at fair value through other comprehensive income</u>	<u>Total</u>
	KD	KD	KD
30 June 2025			
Beginning balance	28,000	400,676	428,676
Total gain or losses:			
In profit or loss	722	-	722
In other comprehensive loss	-	(174,093)	(174,093)
Purchases	-	306,898	306,898
Ending balance	<u>28,722</u>	<u>533,481</u>	<u>562,203</u>
31 December 2024			
Beginning balance	28,000	376,348	404,348
Change in fair value reserve	-	24,328	24,328
Ending balance	<u>28,000</u>	<u>400,676</u>	<u>428,676</u>
30 June 2024			
Beginning balance	<u>28,000</u>	<u>376,348</u>	<u>404,348</u>
Ending balance	<u>28,000</u>	<u>376,348</u>	<u>404,348</u>

The sensitivity analysis of a reasonably possible change in one significant unobservable input, holding other inputs constant, of level 3 financial instruments is provided below:

Financial assets at fair value through other comprehensive income (level 3)

	<u>Profit or loss</u>		<u>Other comprehensive income</u>	
	<u>Increase</u>	<u>Decrease</u>	<u>Increase</u>	<u>Decrease</u>
	KD	KD	KD	KD
30 June 2025				
If marketability discount changes by 5% with all other factors constant, the impact on the profit and equity would be:	1,436	(1,436)	26,674	(26,674)
31 December 2024				
If marketability discount changes by 5% with all other factors constant, the impact on the profit and equity would be:	1,400	(1,400)	20,034	(20,034)
30 June 2024				
If marketability discount changes by 5% with all other factors constant, the impact on the profit and equity would be:	1,400	(1,400)	18,817	(18,817)

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

(i) *Quoted securities*

All the listed equity securities are publicly traded on a recognized stock exchange. Fair value has been determined by referring to their quoted bid prices at the reporting date.

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16. Fair value of financial instruments (continued)

(ii) *Managed portfolios*

The underlying investments of managed funds primarily comprise of quoted and unquoted securities. The fair value of the quoted underlying securities has been determined by reference to their quoted bid prices at the reporting date. The fair value of the unquoted underlying securities has been determined using valuation techniques that are normally used by fund managers. All significant inputs into the model are based on observable market prices.

(iii) *Unquoted securities*

Unlisted securities are measured at fair value estimated using various models like discounted cash flow model, which includes some assumptions that are not supportable by observable market prices or rates or the latest consolidated financial statements or information available on these investments the future financial flows of which are unpredictable.

17. Operating segments

The group's activities represent mainly two segments: real estate activities and investments activities. The group operates mainly in the State of Kuwait and has no other geographical area. For the purpose of presenting the main activities, the management classified its activities as follows:

Real estate activities: Own, sell, purchase real estate and bare lands and develop for the Company's account inside Kuwait and outside Kuwait as well as property management for others. Own, sell, purchase shares and bonds in real estate companies for company's account only. Prepare studies and offer consultations in the field of real estate in varied forms.

Investment activities: Investing in portfolios and in other companies.

	Real estate activities	Investment activities	Total
	KD	KD	KD
30 June 2025			
Segment revenues	482,590	1,946,594	2,429,184
Segment costs	<u>(233,713)</u>	<u>(283,157)</u>	<u>(516,870)</u>
Segment result	<u>248,877</u>	<u>1,663,437</u>	<u>1,912,314</u>
Segment assets	18,559,955	3,896,205	22,456,160
Segment liabilities	3,503,347	968,703	4,472,050
31 December 2024			
Segment revenues	1,909,823	1,306,038	3,215,861
Segment costs	<u>(354,726)</u>	<u>(617,185)</u>	<u>(971,911)</u>
Segment result	<u>1,555,097</u>	<u>688,853</u>	<u>2,243,950</u>
Segment assets	18,657,110	3,320,133	21,977,243
Segment liabilities	3,712,128	2,019,226	5,731,354
30 June 2024			
Segment revenues	319,619	581,978	901,597
Segment costs	<u>(175,700)</u>	<u>(238,242)</u>	<u>(413,942)</u>
Segment result	<u>143,919</u>	<u>343,736</u>	<u>487,655</u>
Segment assets	17,359,463	2,781,257	20,140,720
Segment liabilities	3,826,247	1,808,436	5,634,683

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18. Prior period error

During the period ended 30 June 2025, management of the company discovered accounting errors in the consolidated statements of financial position for the year ended 31 December 2024 relating to provision against due from subsidiaries. As a result, the management rectified those errors by restating comparative consolidated statement of financial position and the related statement of changes in equity as at 31 December 2024 and 30 June 2024 in accordance with *IAS 8: Accounting policies, changes in accounting estimates and errors*.

The details of the impact of the restatement are as follows:

Consolidated statement of financial position

	Balance as at 31 December 2024 (As previously presented) KD	Effect of restatement KD	Balance as at 31 December 2024 (Restated) KD
Provisions	2,378,543	(1,361,980)	1,016,563
Retained earnings	2,314,268	1,361,980	3,676,248

	Balance as at 31 December 2023 (As previously presented) KD	Effect of restatement KD	Balance as at 31 December 2023 (Restated) KD
Provisions	2,519,304	(1,402,741)	1,116,563
Retained earnings	1,149,775	1,402,741	2,552,516

19. Annual general assembly meeting

The annual general assembly meeting of shareholders held on 25 May 2025 approved the consolidated financial statements for the year ended 31 December 2024. The general assembly also approved Board of Directors remuneration in the amount of KD 50,000 for the year ended 31 December 2024.