



AL MAL INVESTMENT
شركة المال للإستثمار

التاريخ: 6 ديسمبر 2021

مرجع رقم : 426 / ن ج / م ل / 2021

المحترمين

السادة / بورصة الكويت

تحية طيبة وبعد ،،،

الموضوع : نتائج البيانات المالية للسنة المالية المنتهية في 2020/12/31

بالإشارة إلى الموضوع أعلاه، وتنفيذا لمتطلبات الفصل الرابع "الافصاح عن المعلومات الجوهرية" بالكتاب العاشر "الافصاح والشفافية" من اللائحة التنفيذية لقانون هيئة أسواق المال رقم 7 لسنة 2010 وتعديلاتهما.

نود إحاطتكم علما بأن مجلس إدارة شركة المال للاستثمار (ش.م.ك.ع) قد اجتمع يوم الاثنين الموافق 2021/12/6 في تمام الساعة 12:30 الثانية عشر والنصف ظهرا، وتمت مناقشة واعتماد البيانات المالية المجمعة للشركة للسنة المالية المنتهية في 2020/12/31.

وتجدون مرفق طيه "نموذج نتائج البيانات المالية" للسنة المالية المنتهية في 2020/12/31 مع نسخة البيانات المالية المعتمدة من مجلس الإدارة وتقرير مراقب الحسابات المعتمد.

وتفضلوا بقبول فائق الشكر والإحترام ،،،

سارة نايف العتيقي

نائب رئيس مجلس الإدارة

الرئيس التنفيذي بالتكليف

AL MAL INVESTMENT
شركة المال للإستثمار

Al Mal Investment Company K.P.S.C.

Registered in 1980 - C.R. 29211 - Authorised Capital 31,02 Million K.D.

Al-Mirqab - Khalid Ibn Al-Wleed St, Mazaya Tower 3 Floor 13

P.O. Box: 26308 Safat 13124 Kuwait

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www.almal.com.kw

شركة المال للإستثمار ش.م.ك.ع.

تأسست عام 1980 - س.ت 29211 - رأس المال المدفوع 31,02 مليون دينار كويتي

المرقاب - شارع خالد بن الوليد - برج مزايا 3 - الدور 13

ص.ب: 26308 الصفاة - الرمز البريدي 13124 الكويت

تلفون: (965) 22254800 فاكس: (965) 22258888

Company Name	اسم الشركة
Al Mal Investment Company (K.P.S.C)	شركة المال للإستثمارش.م.ك.ع

Select from the list	2020-12-31	اختر من القائمة
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Board of Directors Meeting Date	2021-12-06	تاريخ اجتماع مجلس الإدارة
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Required Documents	المستندات الواجب إرفاقها بالنموذج
Approved financial statements. Approved auditor's report This form shall not be deemed to be complete unless the documents mentioned above are provided	نسخة من البيانات المالية المعتمدة نسخة من تقرير مراقب الحسابات المعتمد لا يعتبر هذا النموذج مكتملاً ما لم يتم إرفاق هذه المستندات

التغير (%) Change (%)	اختر من القائمة Comparative Year	اختر من القائمة Current Year	البيان Statement
	2019-12-31	2020-12-31	
% (92)	(2,585,275)	(202,527)	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
% (92)	فلس (8.33)	فلس (0.65)	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
% (5)	4,520,686	4,304,855	الموجودات المتداولة Current Assets
% (2)	14,789,866	14,529,480	إجمالي الموجودات Total Assets
% 1	6,130,707	6,202,538	المطلوبات المتداولة Current Liabilities
% (2)	7,251,142	7,112,733	إجمالي المطلوبات Total Liabilities
% (2)	7,527,638	7,406,198	إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم Total Equity attributable to the owners of the Parent Company
% (331)	(197,451)	456,197	إجمالي الإيرادات التشغيلية Total Operating Revenue
% (159)	(275,297)	163,625	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)
% 1	% (74.05)	% (74.70)	الخسائر المتراكمة / رأس المال المدفوع Accumulated Loss / Paid-Up Share Capital

التعبير (%)	اختر من القائمة Fourth quarter Comparative Year 2019-12-31	اختر من القائمة Fourth quarter Current Year 2020-12-31	البيان Statement
(87) %	(687,646)	(90,843)	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
(87) %	فلس (2.21)	فلس (0.29)	ربحية (خسارة) السهم الأساسية والمخففة Basic & Diluted Earnings per Share
3 %	307,510	317,576	إجمالي الإيرادات التشغيلية Total Operating Revenue
(90) %	310,068	29,862	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)

• Not Applicable for first Quarter

• لا ينطبق على الربع الأول

Increase/Decrease in Net Profit (Loss) is due to	سبب ارتفاع/انخفاض صافي الربح (الخسارة)
1 - Net investments (loss)/gain 2 - Share of results of associates 3 - Other income	1. صافي خسارة / ربح الاستثمارات 2. حصة من نتائج شركات زميلة 3. إيرادات أخرى

Total Revenue realized from dealing with related parties (value, KWD)	KD Nil	لا شيء	بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ ذلك)
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Total Expenditures incurred from dealing with related parties (value, KWD)	KD Nil	لا شيء	بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ ذلك)
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Auditor Opinion		رأي مراقب الحسابات
1.	Unqualified Opinion	<input type="checkbox"/> رأي غير متحفظ
2.	Qualified Opinion	<input checked="" type="checkbox"/> رأي متحفظ
3.	Disclaimer of Opinion	<input type="checkbox"/> عدم إبداء الرأي
4.	Adverse Opinion	<input type="checkbox"/> رأي معاكس

In the event of selecting item No. 2, 3 or 4, the following table must be filled out, and this form is not considered complete unless it is filled.

بحال اختيار بند رقم 2 أو 3 أو 4 يجب تعبئة الجدول التالي، ولا يعتبر هذا النموذج مكتملاً ما لم يتم تعبئته

نص رأي مراقب الحسابات كما ورد في التقرير
<p>1- الاستثمار في شركات زميلة - شركة ديار الكويت العقارية ش.م.ك. (مقفلة) كما هو مبين في إيضاح (11) حول البيانات المالية المجمعة، لدى المجموعة استثمار في شركة زميلة ("شركة ديارالكويت العقارية ش.م.ك. (مقفلة)" أو "شركة ديار" أو "الشركة الزميلة") بمساهمة بنسبة 40.25% كما في 31 ديسمبر 2020 وقيمة دفترية تبلغ 6,015,344 دينار كويتي، وبلغت الحصة في النتائج 27,919 دينار كويتي (ربح). تمثل القيمة الدفترية للشركة الزميلة كما في 31 ديسمبر 2020 نسبة 41.40% من إجمالي الموجودات المجمعة للمجموعة وتمثل الحصة من النتائج نسبة 6.12% من إجمالي الإيرادات المجمعة للمجموعة للسنة المنتهية في 31 ديسمبر 2020. لم نتمكن من الوصول إلى قناعة حول وجود شركة ديار واكتمالها ومدى دقتها وتقييمها نظراً لما يلي :</p> <p>(أ)- تتضمن البيانات المالية لشركة ديار دفعة مقدما بقيمة دفترية تبلغ 1,382,507 دينار كويتي كما في 31 ديسمبر 2020 و 31 ديسمبر 2019 بنفس المبلغ بلغت بعد خصم الانخفاض في القيمة 153,612 دينار كويتي مدفوعة لشراء عقار (أرض). لم تقم شركة ديار بإجراء تقييم للمبلغ القابل للاسترداد من الدفعة المقدمة ومدى كفاية انخفاض القيمة ذو الصلة المسجل كما في 31 ديسمبر 2020 و 31 ديسمبر 2019.</p> <p>(ب)- تتضمن شركة ديار استثمارات مالية غير مسعرة بالقيمة العادلة من خلال بيان الدخل الشامل الآخر بمبلغ 333,464 دينار كويتي في 31 ديسمبر 2020 (31 ديسمبر 2019: 333,464 دينار كويتي) والتي أعيد تصنيفها من الاستثمار في شركة زميلة في 31 ديسمبر 2020 (تاريخ المعاملة). لم تقم شركة ديار بتقييم أساس إعادة التصنيف من استثمار في شركة زميلة إلى استثمار مالي مدرج بالقيمة العادلة من خلال بيان الدخل الشامل الآخر ولم يتم الاعتراف بهذا الاستثمار المالي بالقيمة العادلة منذ تاريخ المعاملة وكما في 31 ديسمبر 2020.</p> <p>نتيجة لما ذكر أعلاه ، لم نتمكن من التوصل إلى قناعة حول وجود استثمار في شركة ديار واكتماله ومدى دقته وتقييمه كما في 31 ديسمبر 2020 وحصتها من نتائج السنة المنتهية في 31 ديسمبر 2020.</p> <p>2- استثمار في شركة زميلة - شركة أرميلا كابيتال ليمنتد كما هو مبين في إيضاح (11) حول البيانات المالية المجمعة، لدى المجموعة استثمار في شركة زميلة (الشركة أرميلا كابيتال ليمنتد" أو "شركة أرميلا" أو "الشركة الزميلة") بمساهمة بنسبة 40% وقيمة دفترية تبلغ 1,143,124 دينار كويتي كما في 31 ديسمبر 2020، وبلغت الحصة في النتائج 61,713 دينار كويتي (ربح)، تمثل القيمة الدفترية لشركة أرميلا كما في 31 ديسمبر 2020 نسبة 7.87% من إجمالي الموجودات المجمعة للمجموعة وتمثل الحصة من النتائج بنسبة 13.53% من إجمالي الإيرادات المجمعة للمجموعة للسنة المنتهية في 31 ديسمبر 2020. تم اثبات الحصة في نتائج شركة أرميلا للسنة المنتهية في 31 ديسمبر 2020 استناداً إلى معلومات مالية معدة من قبل إدارة الشركة الزميلة كما في 30 يونيو 2020 مما لا يتماشى مع متطلبات المعايير الدولية للتقارير المالية وبالتالي لم نتمكن من التوصل إلى قناعة حول وجود هذه المبالغ واكتمالها ومدى دقتها وتقييمها نظراً لعدم توافر المعلومات</p>

المالية المراجعة لشركة أرميلا لفترة الستة أشهر المنتهية في 30 يونيو 2020 والبيانات المالية المدققة لشركة أرميلا للسنة المنتهية في 31 ديسمبر 2019 و 31 و 31 ديسمبر 2020. نتيجة لذلك لم نتمكن من تحديد ضرورة تعديل هذه المبالغ أم لا.

3- مدينون وأرصدة مدينة أخرى

يتضمن بند المدينون والأرصدة المدينة الأخرى الخاصة بالمجموعة مبلغ 389,922 دينار كويتي بما يمثل المبلغ المستحق من طرف ذي صلة - شركة زون المتقدم للتجارة العامة ذ.م.م. ، ("شركة زون") ، كما في 31 ديسمبر 2020. لم نطلع على مصادقة لهذا الرصيد، وعليه لم نتمكن من الحصول على الأدلة المؤيدة خاصة الخاصة بملكية الشركة لهذا الرصيد، مما لا يتماشى مع متطلبات المعايير الدولية للتقارير المالية.

4- استثمارات مالية بالقيمة العادلة من خلال بيان الدخل الشامل الأخر

كما هو مبين في إيضاح (10) حول البيانات المالية المجمعة، بلغت الاستثمارات المالية للمجموعة المدرجة بالقيمة العادلة من خلال الدخل الشامل الأخر شركة زون المتقدم للتجارة العامة ذ.م.م. - 2,586,895 دينار كويتي كما في 31 ديسمبر 2020 والذي تم إعادة تصنيفه من الاستثمار في الشركات الزميلة كما في 31 ديسمبر 2019 تاريخ المعاملة). لم تقم المجموعة بتقييم أساس إعادة التصنيف من استثمار في شركات زميلة إلى استثمار مالي مدرج بالقيمة العادلة من خلال بيان الدخل الشامل الأخر ولم يتم الاعتراف بهذا الاستثمار المالي بالقيمة العادلة منذ تاريخ المعاملة وكما في 31 ديسمبر 2020. وعليه ، لم نتمكن من التوصل إلى قناعة حول تقييم هذا المبلغ نتيجة لذلك، لم نتمكن من تحديد ضرورة تعديل هذا المبلغ أم لا. بإستثناء التأثيرات المحتملة للأموال المبينة في فقرة "أسس الرأي المتحفظ" الواردة في تقريرنا ، لقد قمنا بإجراءات التدقيق وفقاً للمعايير الدولية للتدقيق . إن مسؤلياتنا وفقاً لهذه المعايير موضحة لاحقاً في تقريرنا ضمن فقرة مسؤولية المدقق حول تدقيق البيانات المالية . نحن مستقيلين عن الشركة وفقاً للمتطلبات الأخلاقية ذات العلاقة بأعمال تدقيق البيانات المالية في دولة الكويت ، بالإضافة لإلتزامنا بالمسؤوليات الأخلاقية الأخرى وفقاً لهذه المتطلبات . نعتقد أن أدلة التدقيق التي حصلنا عليها كافية ومناسبة لتوفر أساساً لرأينا المتحفظ .

عدم التاكيد المادي المتعلق بمبدأ الاستمرارية

كما هو مبين في إيضاح (2) حول البيانات المالية المجمعة ، تكبدت المجموعة خسارة بمبلغ 203,064 دينار كويتي للسنة المنتهية في 31 ديسمبر 2020 (31 ديسمبر 2019: 2,562,274 دينار كويتي) و في هذا التاريخ، بلغت الخسائر المتراكمة 3,23,175,480 دينار كويتي (31 ديسمبر 2019: 22,972,953 دينار كويتي). إضافة إلى ذلك، تجاوزت المطلوبات دولة المتداولة للمجموعة موجوداتها المتداولة بمبلغ 1,897,683 دينار كويتي (31 ديسمبر 2019: 1,610,021 دينار كويتي). تشير هذه العوامل إلى وجود شك جوهري في قدرة المجموعة على العمل على أساس الاستمرارية بدون دعم مالي مستمر من المساهمين إن رأينا غير متحفظ فيما يتعلق بهذا الأمر

التاكيد على امور

نود ان نوجه انتباهكم للأمور التالية :

- إي إيضاح (6) حول البيانات المالية المجمعة الذي يبين أنه قد تم استبعاد الشركة التابعة السابقة وهي شركة المال الأولى العقارية ش.م.ك. (مقفل) خلال السنة المنتهية في 31 ديسمبر 2019 حيث أنه في تاريخ 14 أكتوبر 2021 اجتمع مجلس ادارة شركة المال القطرية القابضة (شركة تابعة) وقرر فسخ عقد المبادلة بين الشركة والشركة الكويتية الأوروبية والذي بموجبه سوف يتم استبعاد شركة ارميلا كإيصال وبعاد تجميع شركة المال الاولى العقارية كشركة تابعة لشركة المال القطرية القابضة ابتداءً من 14 أكتوبر 2021

<p>بنسبة 76.56 % . ! يوضح (9) حول البيانات المالية المجمعة والذي يبين عدم التأكد المادي المتعلق بنتيجة النزاع القضائي لاسترداد مصاريف التطوير القابلة للاسترداد. أن رأينا غير متحفظ فيما يتعلق بهذه الأمور المبينة أعلاه .</p>	
<p>1- يعود هذا التحفظ الى شركة الزميلة للمجموعة / شركة ديار الكويت العقارية ش.م.ك. (أ) - يعود الى الشركة الزميلة في نقل ملكية أحد الاصول المشتراه حديثا ، ومع ذلك ، فإن الشركة الزميلة تعمل على استكمال نقل الملكية. (ب) - أعادت الشركة الزميلة تصنيف أحد استثماراتها من شركة زميلة إلى استثمارات بالقيمة العادلة بسبب خسارة تأثيرها الجوهري ، ولم يكن بمقدورها الحصول على تقييم عادل لهذا الاستثمار في وقت إعداد المعلومات المالية المرجلة ، لتعذر الحصول على البيانات المالية المدققة لهذا الاستثمار 2- يعود ذلك الى استثمار في الشركة الزميلة أرميلا كابيتال ليتمتد بسبب عدم توفر بيانات مالية مدققة للشركة الزميلة لعام 2019 و المعلومات المالية المرجلة المراجعة لفترة الستة اشهر المنتهية في 30 يونيو 2020 (مع الاخذ بعين الاعتبار ان الشركة غير مدرجة و لا تصدر تقارير مالية مرجلة) ومع ذلك ، تم توفير حسابات معدة من قبل الإدارة و تزويده لمراقب الحسابات. 3- تحفظ رقم 3 و 4 ، يتعلقان باستثمار في الشركة الزميلة شركة زون للتجارة العامة ذ.م.م. حيث تم أعادت تصنيف الاستثمار من الاستثمار في شركة زميلة إلى الاستثمار بالقيمة العادلة من خلال بيان الدخل الشامل بسبب عدم قدرتنا على ممارسة اي تأثير جوهري على قرارات الشركة و تعذر الحصول على القيمة العادلة لهذا الاستثمار في وقت إعداد المعلومات المالية المرجلة .لتعذر الحصول على البيانات المالية المدققة للاستثمار بالإضافة إلى ما سبق ، أشار تقرير المدقق إلى عدم اليقين المادي بشأن استمرارية الشركة المتعلقة بالخسائر المتراكمة الحالية وإلى حقيقة أن الالتزامات المتداولة للشركة تتجاوز أصولها المتداولة.</p>	<p>شرح تفصيلي بالحالة التي استدعت مراقب الحسابات لإبداء الرأي</p>
<p>1- يعود هذا التحفظ الى شركة الزميلة للمجموعة / شركة ديار الكويت العقارية ش.م.ك. (أ) الشركة الزميلة سوف تعمل على استكمال نقل ملكية الأرض وتقييمها (ب) تسعى الشركة الزميلة لأتخاذ ما يلزم لتقاضي هذا الامر عند إعداد البيانات المالية في المستقبل بالحصول على البيانات المالية المدققة لهذا الاستثمار 2- يعود هذا التحفظ إلى الشركة الزميلة للمجموعة / شركة أرميلا كابيتال أنه في تاريخ 14 أكتوبر اجتمع مجلس ادارة شركة المال القطرية القابضة (شركة تابعة) وقرر فسخ عقد المبادلة بين الشركة والشركة الكويتية الاوربية والذي بموجبه سوف يتم استبعاد شركة أرميلا كابيتال ليتمتد ويعاد تجميع شركة المال الأولى العقارية اعتبارا من 14 أكتوبر 2021 3- تحفظ رقم 3 و 4 يتعلقان باستثمارنا في شركة زون المتقدم للتجارة ستعمل الشركة على الحصول على بيانات مالية مدققة لشركة زون لتتمكن من الوصول للقيمة العادلة للاستثمار في الفترات المستقبلية وستعمل الشركة على تحصيل النعم المدينة من هذه الشركة . وقد قامت الشركة بأخذ مخصص 10% كأنخفاض في قيمة الاستثمار والنعم المدينة اتباعا لمبدأ الشفافية امام المساهمين بالإضافة إلى ما سبق ، أشار تقرير المدقق إلى عدم التأكد المادي بشأن استمرارية الشركة المتعلقة بالخسائر المتراكمة الحالية وإلى حقيقة أن الالتزامات المتداولة لشركة تتجاوز أصولها المتداولة.</p>	<p>الخطوات التي ستقوم بها الشركة لمعالجة ما ورد في رأي مراقب الحسابات</p>

حيث تعتمد الشركة في الفترة المقبلة في النظر الى الحاجة إلى شطب جزء من الخسائر المتراكمة من خلال تخفيض رأس المال واستعمل على تحويل جزء من أصولها غير المتداولة لتصبح متداولة بغرض تحسين مؤشرات السيولة.	
1- شركة ديار الكويت العقارية أ) سيقوم مجلس الإدارة بالتواصل مع الشركة الزميلة لمعالجة التحفظ على مبلغ الدفعة المقدمة لشراء قطعة أرض بمجرد الانتهاء من اجراءات نقل الملكية وتقييمها. في الفترة المستقبلية ب) سيتم معالجة الأمر بمجرد الحصول على البيانات المالية المدققة للاستثمار واعادة تقييمه بالقيمة العادلة من خلال بيان الدخل الشامل الآخر خلال فترة الستة أشهر الاولى من العام المالي 2022 2 سيتم معالجة الامر في الربع الرابع من العام المالي الحالي 2021 3 سيتم معالجة الامر الخاص بالنم المدينة وتحصيلها من هذه الشركة فور التوصل لاتفاق لسداد تلك المبالغ 4 - سيتم معالجة الأمر بمجرد الحصول على بيانات مالية مدققة للاستثمار في شركة زون المتقدم وهو أمر خارج عن سيطرة مجموعة المال للاستثمار	الجدول الزمني لتنفيذ الخطوات لمعالجة ما ورد في رأي مراقب الحسابات

Corporate Actions		استحقاقات الأرباح (الأجراءات الموسمية)	
النسبة	القيمة		
لا ينطبق	لا ينطبق	توزيعات نقدية	Cash Dividends
لا ينطبق	لا ينطبق	توزيعات أسهم منحة	Bonus Share
لا ينطبق	لا ينطبق	توزيعات أخرى	Other Dividend
لا ينطبق	لا ينطبق	عدم توزيع أرباح	No Dividends
لا ينطبق	لا ينطبق	زيادة رأس المال	Capital Increase
لا ينطبق	لا ينطبق	تخفيض رأس المال	Capital Decrease

ختم الشركة Company Seal	التوقيع Signature	المسمى الوظيفي Title	الاسم
		رئيس مجلس الإدارة	عيد ناصر على الشهرى الرشيدى

AL MAL INVESTMENT
شركة المال للاستثمار

شركة المال للاستثمار وشركاتها التابعة
شركة مساهمة كويتية عامة
دولة الكويت

البيانات المالية المجمعة
للسنة المالية المنتهية في 31 ديسمبر 2020
مع
تقرير مراقب الحسابات



شركة المال للإستثمار وشركاتها التابعة
شركة مساهمة كويتية عامة
دولة الكويت

البيانات المالية المجمعة
للسنة المالية المنتهية في 31 ديسمبر 2020
مع
تقرير مراقب الحسابات

المحتويات

تقرير المراجعة

الصفحة

بيان

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22 - 6



بيان المركز المالي المجمع
بيان الدخل المجمع
بيان الدخل الشامل الآخر المجمع
بيان التغيرات في حقوق الملكية المجمع
بيان التدفقات النقدية المجمع

إيضاحات حول البيانات المالية المجمعة



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نظر وشركاه

محاسبون قانونيون واستشاريون - عضو نكسيا الدولية

NAZAR & PARTNERS
Authorized Auditors & Consultants

السادة / المساهمين المحترمين
شركة المال للاستثمار
شركة مساهمة كويتية عامة
دولة الكويت

تقرير مراقب الحسابات المستقل

الرأي المتحفظ

لقد قمنا بتدقيق البيانات المالية المجمعة لشركة المال للإستثمار - شركة مساهمة كويتية عامة ("الشركة الأم") وشركاتها التابعة ("إبشار اليهم معاً باسم المجموعة") - والمكونة من بيان المركز المالي المجموع كما في 31 ديسمبر 2020 ، وبيان الدخل المجموع وبيان الدخل الشامل الآخر المجموع وبيان التغييرات في حقوق الملكية المجموع وبيان التدفقات النقدية المجموع للسنة المنتهية بذلك التاريخ وملخصاً للسياسات المحاسبية الهامة الإيضاحات حول البيانات المالية المجمعة.

برأينا ، وبإستثناء أیه تأثيرات محتملة نتيجة الأمور المبينة في فقرة "أسس الرأي المتحفظ" من تقريرنا ، إن البيانات المالية المجمعة تظهر بعدالة من كافة النواحي الجوهرية المركز المالي للمجموعة كما في 31 ديسمبر 2020 وأداءها المالي وتدفقاتها النقدية للسنة المنتهية بذلك التاريخ وفقاً للمعايير الدولية لإعداد التقارير المالية.

أسس الرأي المتحفظ

1. استثمار في شركات زميلة - شركة ديار الكويت العقارية ش.م.ك. (مقفلة)
كما هو مبين في إيضاح (11) حول البيانات المالية المجمعة، لدى المجموعة استثمار في شركة زميلة ("شركة ديار الكويت العقارية ش.م.ك. (مقفلة)" أو "شركة ديار" أو "الشركة الزميلة") بمساهمة بنسبة 40.25% كما في 31 ديسمبر 2020 وبقیمة دفترية تبلغ 6,015,344 دينار كويتي، وبلغت الحصة في النتائج 27,919 دينار كويتي (ربح). تمثل القيمة الدفترية للشركة الزميلة كما في 31 ديسمبر 2020 نسبة 41.40% من إجمالي الموجودات المجمعة للمجموعة وتمثل الحصة من النتائج نسبة 6.12% من إجمالي الإيرادات المجمعة للمجموعة للسنة المنتهية في 31 ديسمبر 2020. لم تتمكن من الوصول إلى قناعة حول وجود شركة ديار واكتمالها ومدى دقتها وتقييمها نظراً لما يلي :

أ) تتضمن البيانات المالية - لشركة ديار دفعة مقدما بقيمة دفترية تبلغ 1,382,507 دينار كويتي كما في 31 ديسمبر 2020 و 31 ديسمبر 2019 بنفس المبلغ بلغت بعد خصم الانخفاض في القيمة 153,612 دينار كويتي منقوعة لشراء عقار (أرض). لم تقم شركة ديار بإجراء تقييم للمبلغ القابل للاسترداد من الدفعة المقدمة ومدى كفاية انخفاض القيمة ذو الصلة المسجل كما في 31 ديسمبر 2020 و 31 ديسمبر 2019.

ب) تتضمن شركة ديار استثمارات مالية غير مسعرة بالقيمة العادلة من خلال بيان الدخل الشامل الآخر بمبلغ 333,464 دينار كويتي في 31 ديسمبر 2020 (31 ديسمبر 2019: 333,464 دينار كويتي) والتي أعيد تصنيفها من الاستثمار في شركة زميلة في 31 ديسمبر 2019 ("تاريخ المعاملة"). لم تقم شركة ديار بتقييم أساس إعادة التصنيف من استثمار في شركة زميلة إلى استثمار مالي مدرج بالقيمة العادلة من خلال بيان الدخل الشامل الآخر ولم يتم الاعتراف بهذا الإستثمار المالي بالقيمة العادلة منذ تاريخ المعاملة وكما في 31 ديسمبر 2020. نتيجة لما ذكر أعلاه ، لم تتمكن من التوصل إلى قناعة حول وجود استثمار في شركة ديار واكتماله ومدى دقته وتقييمه كما في 31 ديسمبر 2020 وحصلتها من نتائج السنة المنتهية في 31 ديسمبر 2020.

2. استثمار في شركة زميلة - شركة أرميلا كابيتال ليمنند

كما هو مبين في إيضاح (11) حول البيانات المالية المجمعة، لدى المجموعة استثمار في شركة زميلة (الشركة أرميلا كابيتال ليمنند" أو "شركة أرميلا" أو "الشركة الزميلة") بمساهمة بنسبة 40% وبقیمة دفترية تبلغ 1,143,124 دينار كويتي كما في 31 ديسمبر 2020، وبلغت الحصة في النتائج 61,713 دينار كويتي (ربح)، تمثل القيمة الدفترية لشركة أرميلا كما في 31 ديسمبر 2020 نسبة 7.87% من إجمالي الموجودات المجمعة للمجموعة وتمثل الحصة من النتائج بنسبة 13.53% من إجمالي الإيرادات المجمعة للمجموعة للسنة المنتهية في 31 ديسمبر 2020 . تم إثبات الحصة في نتائج شركة أرميلا للسنة المنتهية في 31 ديسمبر 2020 استناداً إلى معلومات مالية معدة من قبل إدارة الشركة الزميلة كما في 30 يونيو 2020 مما لا يتماشى مع متطلبات المعايير الدولية للتقارير المالية وبالتالي لم تتمكن من التوصل إلى قناعة حول وجود هذه المبالغ واكتمالها ومدى دقتها وتقييمها نظراً لعدم توافر المعلومات المالية المراجعة لشركة أرميلا لفترة الستة أشهر المنتهية في 30 يونيو 2020 والبيانات المالية المدققة لشركة أرميلا للسنة المنتهية في 31 ديسمبر 2019 و 31 ديسمبر 2020. نتيجة لذلك لم تتمكن من تحديد ضرورة تعديل هذه المبالغ أم لا .

3. مدينون و أرصدة مدينة أخرى

يتضمن بند المدينون والأرصدة المدينة الأخرى الخاصة بالمجموعة مبلغ 389,922 دينار كويتي بما يمثل المبلغ المستحق من طرف ذي صلة - شركة زون المتقدم للتجارة العامة ذ.م. م ، ("شركة زون") ، كما في 31 ديسمبر 2020. لم نطلع على مصادقة لهذا الرصيد، وعليه لم نتكمن من الحصول على الأدلة المؤيدة الخاصة بملكية الشركة لهذا الرصيد، مما لا يتماشى مع متطلبات المعايير الدولية للتقارير المالية.



4. استثمارات مالية بالقيمة العادلة من خلال بيان الدخل الشامل الأخر كما هو مبين في إيضاح (10) حول البيانات المالية المجمعة، بلغت الإستثمارات المالية للمجموعة المدرجة بالقيمة العادلة من خلال الدخل الشامل الأخر شركة زون المتقدم للتجارة العامة ذ.م.م. - 2,586,895 دينار كويتي كما في 31 ديسمبر 2020 والذي تم إعادة تصنيفه من الاستثمار في الشركات الزميلة كما في 31 ديسمبر 2019 ("تاريخ المعاملة"). لم تقم المجموعة بتقييم أساس إعادة التصنيف من استثمار في شركات زميلة إلى استثمار مالي مدرج بالقيمة العادلة من خلال بيان الدخل الشامل الأخر ولم يتم الاعتراف بهذا الإستثمار المالي بالقيمة العادلة منذ تاريخ المعاملة وكما في 31 ديسمبر 2020. وعليه، لم تتمكن من التوصل إلى قناعة حول تقييم هذا المبلغ نتيجة لذلك، لم نتمكن من تحديد ضرورة تعديل هذا المبلغ أم لا.

باستثناء التأثيرات المحتملة للأموال المبينة في فقرة "أسس الرأي المتحفظ" الواردة في تقريرنا، لقد قمنا بإجراء التدقيق وفقاً للمعايير الدولية للتدقيق. إن مسؤولياتنا وفقاً لهذه المعايير موضحة لاحقاً في تقريرنا ضمن فقرة مسؤولية المدقق حول تدقيق البيانات المالية. نحن مستقلين عن الشركة وفقاً للمتطلبات الأخلاقية ذات العلاقة بأعمال تدقيق البيانات المالية في دولة الكويت، بالإضافة لإلتزامنا بالمسؤوليات الأخلاقية الأخرى وفقاً لهذه المتطلبات. نعتقد أن أدلة التدقيق التي حصلنا عليها كافية ومناسبة لتوفر أساساً لرأينا المتحفظ.

عدم التأكد المادي المتعلق بمبدأ الاستمرارية

كما هو موضح في إيضاح (2) حول البيانات المالية المجمعة، تكبدت المجموعة خسارة بمبلغ 203,064 دينار كويتي للسنة المنتهية في 31 ديسمبر 2020 (31 ديسمبر 2019: 2,562,274 دينار كويتي) وفي هذا التاريخ، بلغت الخسائر المتراكمة 23,175,480 دينار كويتي (31 ديسمبر 2019: 22,972,953 دينار كويتي). إضافة إلى ذلك، تجاوزت المطلوبات المتداولة للمجموعة موجوداتها المتداولة بمبلغ 1,897,683 دينار كويتي (31 ديسمبر 2019: 1,610,021 دينار كويتي). تشير هذه العوامل إلى وجود شك جوهري في قدرة المجموعة على العمل على أساس الاستمرارية بدون دعم مالي مستمر من المساهمين. إن رأينا غير متحفظ فيما يتعلق بهذا الأمر.

التأكيد على أمور

نود أن نوجه انتباهكم للأمور التالية :

- إيضاح (6) حول البيانات المالية المجمعة الذي يبين أنه قد تم استبعاد الشركة التابعة السابقة وهي شركة المال الأولى العقارية ش.م.ك. (مقفلة) خلال السنة المنتهية في 31 ديسمبر 2019 حيث أنه في تاريخ 14 أكتوبر 2021 اجتمع مجلس إدارة شركة المال القطرية القابضة (شركة تابعة) وقرر فسخ عقد المبادلة بين الشركة والشركة الكويتية الأوروبية والذي بموجبه سوف يتم استبعاد شركة ارميلا كابييتال ويعاد تجميع شركة المال الأولى العقارية كشركة تابعة لشركة المال القطرية القابضة ابتداء من 14 أكتوبر 2021 بنسبة 76.56% .

- إيضاح (9) حول البيانات المالية المجمعة والذي يبين عدم التأكد المادي المتعلق بنتيجة النزاع القضائي لاسترداد مصاريف التطوير القابلة للاسترداد.

إن رأينا غير متحفظ فيما يتعلق بهذه الأمور المبينة أعلاه .

أمر آخر

تم تدقيق البيانات المالية للمجموعة للسنة المالية المنتهية في 31 ديسمبر 2019، من قبل مراقب حسابات آخر وقد أبدى رأياً متحفظاً في تقريره المؤرخ في 15 يوليو 2020.

أمور التدقيق الرئيسية

إن أمور التدقيق الرئيسية هي تلك الأمور التي، من ناحية حكمنا المهني، كان لها أهمية كبيرة في تدقيقنا للبيانات المالية المجمعة للسنة الحالية وقد تم استعراض تلك الأمور في سياق تدقيقنا للبيانات المالية المجمعة ككل، وفي تكوين رأينا بشأنه. إننا لا نقدم رأياً منفصلاً حول هذه الأمور، إضافة إلى الأمور المبينة في فقرة "أسس الرأي المتحفظ" الواردة في تقريرنا، قمنا بتحديد الأمور المبينة أدناه كأمر تدقيق رئيسية يتم الإبلاغ عنها في تقريرنا.

تقييم استثمارات مالية غير مسعرة بالقيمة العادلة من خلال بيان الدخل

لدى المجموعة استثمارات مالية غير مسعرة بالقيمة العادلة من خلال بيان الدخل والذي تم قياسها بالقيمة العادلة باستخدام معلومات السوق بخلاف الأسعار المعلنة والمدخلات الجوهرية الملحوظة وغير الملحوظة بمبلغ 1,234,693 دينار كويتي (2019 : 1,298,340 دينار كويتي)، منها 586,051 دينار كويتي (2019 : 308,047 دينار كويتي) بما يمثل المستوى 2 ومبلغ 103,185 دينار كويتي (2019 : 990,293 دينار كويتي) بما يمثل موجودات المستوى 3.

هذه الموجودات جوهرية في سياق كل من المركز المالي المجمع ونتائج المجموعة، يعد تقييم الاستثمارات المالية غير المسعرة المدرجة بالقيمة العادلة من خلال بيان الدخل مهما بالنسبة لتدقيقنا حيث يعتمد اعتماداً كبيراً على تقديرات (افتراضات وطرق تقييم متعددة) تتضمن افتراضات غير معلنة في السوق. تضمنت طرق التقييم المستخدمة السعر إلى القيمة الدفترية، والسعر إلى الربحية والتدفقات النقدية المخصومة ونماذج خصم توزيعات حيث قامت إدارة الشركة الأم بتقييم هذه الاستثمارات المالية غير المسعرة يرجى الرجوع إلى الإيضاح رقم 8 وإيضاح 21 حول البيانات المالية المجمعة للإفصاحات ذات الصلة.

كيف تعامل تدقيقنا مع هذه الأمور

تضمنت إجراءات التدقيق التي قمنا بها تنفيذ ما يلي من بين أمور أخرى :

ركزنا في أعمال التدقيق على القيام بإجراءنا لتقييم الأساليب المتبعة والمضاعفات المستخدمة لتقييم الاستثمارات المالية غير المسعرة بالقيمة العادلة من خلال الربح أو الخسارة. كجزء من الإجراءات الخاصة بأعمال تدقيقنا استعنا بما لدينا من خبراء التقييم للمساعدة في تقييم المنهجيات والافتراضات الخاصة بتقييم الإدارة كما قمنا بتقييم مدى كفاية إفصاحات القيمة العادلة في إيضاح 8 وإيضاح 21 حول البيانات المالية المجمعة، لا سيما اكتمال ودقة موجودات المستوى 2 والمستوى 3 والحساسية المتعلقة بها.



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محاسبون قانونيون واستشاريون - عضو لكسبا الدولية

Since 1979

منذ 1979

معلومات أخرى

إن الإدارة هي المسؤولة عن المعلومات الأخرى. يتضمن الجزء الخاص بالمعلومات الأخرى معلومات واردة في التقرير السنوي للمجموعة للسنة المالية المنتهية في 31 ديسمبر 2020، ولا يتضمن البيانات المالية المجمعة وتقرير مراقب الحسابات عنها من المتوقع أن يتاح لنا التقرير السنوي للمجموعة للسنة المالية المنتهية في 31 ديسمبر 2020 بعد تاريخ تقرير مراقب الحسابات إن رأينا حول البيانات المالية المجمعة لا يشمل الجزء الخاص بالمعلومات الأخرى ولا نعبر عن أي نوع من نتائج التأكيد بشأنها.

فيما يتعلق بتدقيقنا للبيانات المالية المجمعة، فإن مسؤوليتنا هي قراءة المعلومات الأخرى الواردة أعلاه عند إتاحتها، وخلال قراءتنا نأخذ في اعتبارنا ما إذا كانت المعلومات الأخرى غير متوافقة بشكل مادي مع البيانات المالية المجمعة أو معرفتنا التي حصلنا عليها خلال التدقيق أو ما يظهر خلاف ذلك على أن به أخطاء مادية .

مسئولية إدارة الشركة والأشخاص المكلفين بالحوكمة عن البيانات المالية المجمعة

إن الإدارة مسؤولة عن إعداد وعدالة عرض البيانات المالية المجمعة وفقاً للمعايير الدولية لإعداد التقارير المالية، وعن الرقابة الداخلية التي تراها ضرورية لإعداد بيانات مالية مجمعة خالية من التحريفات الجوهرية، سواء كانت بسبب الاحتيال أو الخطأ .

عند إعداد البيانات المالية المجمعة، فإن الإدارة مسؤولة عن تقييم قدرة المجموعة على الإستمرارية والإفصاح، عندما ينطبق ذلك، عن الأمور المتعلقة بمفهوم الإستمرارية وإستخدام أساس الإستمرارية في المحاسبة، مالم توجد نية لدى الإدارة بتصفية المجموعة أو إيقاف عملياتها أو عدم وجود بديل واقعي غير ذلك.

إن الأشخاص المكلفين بالحوكمة مسؤولون على الإشراف على إجراءات التقارير المالية الخاصة بالمجموعة.

مسئوليات مراقب الحسابات حول تدقيق البيانات المالية المجمعة

إن هدفنا هو الحصول على تأكيدات معقولة بأن البيانات المالية ككل، خالية من أخطاء مادية، سواء كانت ناتجة عن الاحتيال أو الخطأ، وإصدار تقرير التدقيق الذي يحتوي على رأينا. إن التأكيدات المعقولة هي تأكيدات عالية المستوى، ولكنها لا تضمن بأن مهمة التدقيق المنفذة وفق متطلبات المعايير الدولية للتدقيق، سوف تقوم دائماً بكشف الأخطاء المادية في حالة وجودها. إن الأخطاء سواء كانت منفردة أو مجتمعة والتي يمكن أن تنشأ من الاحتيال أو الخطأ تعتبر مادية عندما يكون من المتوقع أن تؤثر على القرارات الاقتصادية للمستخدم والمتخذ بناء على ما ورد في تلك البيانات المالية.

وكجزء من مهام التدقيق وفق المعايير الدولية للتدقيق، نقوم بممارسة التقديرات المهنية والاحتفاظ بمستوى من الشك المهني طيلة أعمال التدقيق، كما أننا نقوم بما يلي:

- تحديد وتقييم مخاطر الأخطاء المادية في البيانات المالية المجمعة، سواء كانت ناتجة عن الاحتيال أو الخطأ، وتصميم وتنفيذ إجراءات التدقيق الملائمة التي تتجارب مع تلك المخاطر، والحصول على أدلة التدقيق الكافية والملائمة لتوفر لنا أساساً لإبداء رأينا. إن مخاطر عدم اكتشاف الأخطاء المادية الناتجة عن الاحتيال تعتبر أعلى من تلك المخاطر الناتجة عن الخطأ، حيث أن الاحتيال قد يشمل تواطؤ، أو تزوير، أو محذوفات مقصودة، أو عرض خاطئ أو تجاوز لإجراءات الرقابة الداخلية .
- استيعاب إجراءات الرقابة الداخلية التي لها علاقة بالتدقيق لغرض تصميم إجراءات التدقيق الملائمة حسب الظروف، ولكن ليس لغرض إبداء الرأي حول فعالية إجراءات الرقابة الداخلية .
- تقييم ملاءمة السياسات المحاسبية المتبعة ومعقولة التقديرات المحاسبية المطبقة والإيضاحات المتعلقة بها والمعدة من قبل الإدارة.
- الاستنتاج حول ملاءمة استخدام الإدارة للأسس المحاسبية في تحقيق مبدأ الإستمرارية، وبناء على أدلة التدقيق التي حصلنا عليها، سوف نقرر فيما إذا كان هناك عدم تأكد جوهري مرتبط بأحداث أو ظروف قد تشير إلى وجود شكوك جوهري حول قدرة الشركة على تحقيق الإستمرارية، وإذا ما توصلنا إلى وجود عدم تأكد جوهري، فإن علينا أن نلفت الانتباه ضمن تقرير مراقب الحسابات إلى الإيضاحات المتعلقة بها ضمن البيانات المالية المجمعة، أو في حالة ما إذا كانت تلك الإيضاحات غير ملائمة، لتعديل رأينا. إن استنتاجاتنا سوف تعتمد على أدلة التدقيق التي حصلنا عليها حتى تاريخ تقرير التدقيق، ومع ذلك، فإنه قد يكون هناك أحداث أو ظروف مستقبلية قد تؤدي إلى عدم قدرة المجموعة على تحقيق الإستمرارية .
- تقييم الإطار العام للبيانات المالية المجمعة من ناحية العرض والتنظيم والفحوى، بما في ذلك الإيضاحات، وفيما إذا كانت تلك البيانات المالية المجمعة تعكس المعاملات والأحداث المتعلقة بها بشكل يحقق العرض الشامل بشكل عادل .
- الحصول على دليل تدقيق كافي وملائم فيما يتعلق بالمعلومات المالية للمجموعة أو أنشطة الأعمال من خلال المجموعة بغرض إبداء الرأي حول البيانات المالية المجمعة. أننا مسؤولون عن التوجيه، الإشراف والأداء على تدقيق حسابات المجموعة. كما أننا مسؤولون بشكل منفرد فيما يتعلق برأينا حول التدقيق فقط .

إننا نتواصل مع المسؤولين عن الحوكمة، حول عدة أمور من بينها النطاق المخطط لأعمال التدقيق وتوقيتها ونتائج التدقيق الهامة، بما في ذلك أية أوجه قصور جوهري في أنظمة الرقابة الداخلية التي لفتت انتباهنا أثناء عملية التدقيق .

كما قمنا بتزويد المسؤولين عن الحوكمة بما يفيد التزامنا بمتطلبات أخلاقية المهنة المتعلقة بالاستقلالية، وتزويدهم بكافة ارتباطاتنا والأمور الأخرى التي قد تشير إلى وجود شكوك في استقلاليتنا، أو حيثما وجدت، والحماية منها .

ومن بين الأمور التي تم التواصل بها مع المسؤولين عن الحوكمة، تلك الأمور التي تم تحديدها من قبلنا على أن لها الأهمية الكبرى في تدقيق البيانات المالية للسنة الحالية وتم اعتبارها بذلك من أمور التدقيق الهامة، ولقد قمنا بالإفصاح عن تلك الأمور ضمن تقرير التدقيق ما لم تكن القوانين أو التشريعات المحلية تحد من الإفصاح عن أمر معين، أو في حالات نادرة جداً، قرولاً عدم الإفصاح عنها ضمن تقريرنا تجنباً لنتائج عكسية قد تحدث نتيجة الإفصاح عنها والتي قد تلغى على المصلحة العامة .





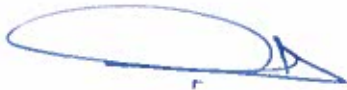
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نظرو شركاه
محاسبون قانونيون واستشاريون - عضو لكسبيا الدولية

تقرير حول المتطلبات القانونية والأموال التنظيمية الأخرى

برأينا كذلك، باستثناء التأثيرات المحتملة للأموال المبينة في فقرة "أسس الراي المتحفظ" الواردة بتقريرنا، أن الشركة الأم تمسك دفاتر محاسبية منتظمة وأن البيانات المالية المجمعة والبيانات الواردة في تقرير مجلس إدارة الشركة الأم فيما يخص البيانات المالية المجمعة متفقة مع ما هو وارد في تلك الدفاتر. كذلك فقد حصلنا على كافة المعلومات والإيضاحات التي رأيناها ضرورية لأغراض التدقيق، وأن البيانات المالية المجمعة تتضمن المعلومات التي يتطلبها قانون الشركات رقم 1 لسنة 2016، ولانحته التنفيذية وتعديلاتها، وعقد التأسيس والنظام الأساسي للشركة الأم وتعديلاتها، وأن الجرد قد أجري وفقا للأصول المرعية، ولم يرد لعلمنا، باستثناء مخالفة الشركة الأم للمادة رقم 2-3 من الكتاب الخامس للوائح التنفيذية الخاصة بالقانون رقم 7 لسنة 2010 بشأن إنشاء هيئة أسواق المال وتنظيم نشاط الأوراق المالية حيث أن الشركة الأم لم تعين موظفين لشغل منصب مسنول إدارة المخاطر ومنصب مسنول التدقيق الداخلي خلال السنة، أي مخالفات لأحكام قانون الشركات رقم 1 لسنة 2016، ولانحته التنفيذية وتعديلاتها، أو لعقد التأسيس والنظام الأساسي للشركة الأم وتعديلاتها، أو الأحكام القانون رقم 32 لسنة 1968 وتعديلاته في شأن النقد وبنك الكويت المركزي وتنظيم المهنة المصرفية واللوائح المتعلقة به، أو للقانون رقم 7 لسنة 2010 بشأن إنشاء هيئة أسواق المال وتنظيم نشاط الأوراق المالية ولانحته التنفيذية وتعديلاتها، خلال السنة المالية المنتهية في 31 ديسمبر 2020 على وجه يؤثر ماديا في نشاط المجموعة أو في مركزها المالي المجمع.



ناير عوض نظر
مراقب حسابات مرخص فنه أ - رقم 43
من نظر وشركاه
عضو تكسيا الدولية

ناير عوض نظر
محاسب قانوني ٢؛ أ - الكويت

دولة الكويت في 6 ديسمبر 2021 .



شركة المال للاستثمار
شركة مساهمة كويتية عامة وشركاتها التابعة
دولة الكويت

بيان (أ)

بيان المركز المالي المجموع
كما في 31 ديسمبر 2020

2019 دينار كويتي	2020 دينار كويتي	إيضاح	الموجودات
			الموجودات المتداولة
330,298	333,114	7	النقد والتقد معادل
1,397,305	1,307,602	8	استثمارات مالية بالقيمة العادلة من خلال بيان الدخل
2,793,083	2,664,139	9	مدينون وأرصدة مدينة أخرى
4,520,686	4,304,855		مجموع الموجودات المتداولة
99,000	99,000		موجودات أخرى
2,874,328	2,586,895	10	استثمارات مالية بالقيمة العادلة من خلال بيان الدخل الشامل الآخر
7,252,942	7,499,095	11	استثمار في شركات زميلة
42,910	39,635		عقارات استثمارية
14,789,866	14,529,480		مجموع الموجودات
			المطلوبات وحقوق الملكية
			المطلوبات المتداولة
6,130,707	6,202,538	12	دائنون وأرصدة دائنة أخرى
6,130,707	6,202,538		مجموع المطلوبات المتداولة
900,000	900,000	13	دالفو سندات
220,435	10,195		مخصص مكافأة نهاية الخدمة
31,024,591	31,024,591	14	حقوق الملكية رأس المال
(524,000)	(442,913)		إحتياطي ترجمة عملات أجنبية
(22,972,953)	(23,175,480)		(خسائر متراكمة) - بيان (د)
7,527,638	7,406,198		حقوق الملكية العائدة لمساهمي الشركة الام
11,086	10,549		الحصص غير المسيطرة
7,538,724	7,416,747		مجموع حقوق الملكية
14,789,866	14,529,480		مجموع المطلوبات وحقوق الملكية



عبد ناصر الرشيد
رئيس مجلس الإدارة



إن الإيضاحات المرفقة تشكل جزءاً لا يتجزأ من البيانات المالية المجمعة

بيان (ب)

بيان الدخل المجموع
للسنة المالية المنتهية في 31 ديسمبر 2020

2019 دينار كويتي	2020 دينار كويتي	إيضاح
		الإيرادات :
141,123	---	إيرادات تأجير
(9,946)	(3,275)	التغير في القيمة العادلة لعقارات استثمارية
74,156	---	إيرادات أتعاب إدارة واستشارات
44,894	23,526	صافي الإيرادات من خدمات الاتصالات
1,498,952	164,561	الحصة من نتائج أعمال شركة زميلة
(31,504)	---	11 إنخفاض في قيمة استثمار في شركات زميلة
(927,078)	152,263	15 صافي ربح (خسارة) استثمارات
(1,020,329)	---	إستبعاد فروق ترجمة عملات أجنبية
(724)	566	ربح (خسارة) تحويل عملات أجنبية
33,005	118,556	إيرادات أخرى
(197,451)	456,197	مجموع الإيرادات
		المصروفات والأعباء الأخرى :
1,129,545	318,755	16 المصروفات العمومية والإدارية
916,249	---	إنخفاض قيمة الدفعات المقدمة
---	287,433	إنخفاض في قيمة استثمارات بالقيمة العادلة من خلال بيان الدخل الشامل الأخر
241,183	47,934	مخصص خسائر انتمائية متوقعة
77,846	5,139	مصاريف تمويلية
2,364,823	659,261	مجموع المصروفات والأعباء الأخرى
(2,562,274)	(203,064)	صافي (خسارة) السنة - بيان (ج)
		الخاص بـ :
(2,585,275)	(202,527)	مساهمي الشركة الأم
23,001	(537)	الحصص غير المسيطرة
(2,562,274)	(203,064)	
		18 (خسارة) السهم الأساسية والمخففة العائدة الى حاملي حقوق ملكية الشركة الأم (فلس)
(8.33)	(0.65)	



بيان (ج)

بيان الدخل الشامل الآخر المجمع
للسنة المالية المنتهية في 31 ديسمبر 2020

2019	2020	إيضاح	صافي (خسارة) السنة
دينار كويتي	دينار كويتي		
(2,562,274)	(203,064)		
---	83,011	11	بنود (خسارة) الدخل الشامل الآخر : بنود يجوز إعادة تصنيفها لاحقاً الى بيان الدخل المجمع
66,162	---		حصة المجموعة في الدخل الشامل الآخر لشركات زميلة
68,510	---		إعادة تصنيف فروق ترجمة عملات أجنبية عند استبعاد شركة زميلة
1,020,329	---		حصة المجموعة من احتياطي ترجمة عملات أجنبية لشركات زميلة
158,184	(1,924)		استبعاد فروق ترجمة عملات أجنبية
1,313,185	81,087		فروق تحويل عملات أجنبية
(1,249,089)	(121,977)		الدخل الشامل الآخر للسنة
			إجمالي (الخسارة) الشاملة الأخرى للسنة - بيان (د)
(1,272,090)	(121,440)		الخاص بـ :
23,001	(537)		مساهمي الشركة الأم
(1,249,089)	(121,977)		الحصص غير المسيطرة



شركة المال الإستثمار
شركة مساهمة كويتية عامة وشركتها التابعة
دولة الكويت

بيان (د)

بيان التغيرات في حقوق الملكية المجمعة
للسنة المالية المنتهية في 31 ديسمبر 2020

مجموع حقوق الملكية	المحصون غير المسيطرة	المجموع الجزئي	(خسائر مترجمة)	إحتياطي ترجمة	رأس المال	
دينار كويتي	دينار كويتي	دينار كويتي	دينار كويتي	دينار كويتي	دينار كويتي	
13,463,440	4,663,712	8,799,728	(20,387,678)	(1,837,185)	31,024,591	حقوق الملكية في 1 يناير 2019
(2,562,274)	23,001	(2,585,275)	(2,585,275)	---	---	صافي (خسائر) السنة
1,313,185	---	1,313,185	---	1,313,185	---	الدخل الشامل الآخر للسنة
(1,249,089)	23,001	(1,272,090)	(2,585,275)	1,313,185	---	مجموع الدخل (الخسائر) الشاملة للسنة
(4,675,627)	(4,675,627)	---	---	---	---	تأثير استبعاد شركات تابعة (ايضاح 6)
7,538,724	11,086	7,527,638	(22,972,953)	(524,000)	31,024,591	حقوق الملكية في 31 ديسمبر 2019
7,538,724	11,086	7,527,638	(22,972,953)	(524,000)	31,024,591	حقوق الملكية في 1 يناير 2020
(203,064)	(537)	(202,527)	(202,527)	---	---	صافي (خسائر) السنة
81,087	---	81,087	---	81,087	---	الدخل الشامل الآخر للسنة
(121,977)	(537)	(121,440)	(202,527)	81,087	---	مجموع الدخل (الخسائر) الشاملة للسنة
7,416,747	10,549	7,406,198	(23,175,480)	(442,913)	31,024,591	حقوق الملكية في 31 ديسمبر 2020

إن الإيضاحات المرفقة تشكل جزء لا يتجزأ من البيانات المالية المجمعة
(4)

بيان التدفقات النقدية المجمع
البيانات المالية المنتهية في 31 ديسمبر 2020

بيان (أ)

2019 دينار كويتي	2020 دينار كويتي	
(2,562,274)	(203,064)	التدفقات النقدية من الأنشطة التشغيلية : صافي (خسارة) السنة
9,946	3,275	تسويات :
(1,498,952)	(164,561)	التغير في القيمة العادلة لعقارات استثمارية
31,504	---	الحصة من نتائج أعمال شركة زميلة
927,078	(152,263)	إنخفاض في قيمة استثمار في شركات زميلة
1,020,329	---	صافي (خسارة) ربح استثمارات
724	(566)	إستبعاد فروق ترجمة عملات أجنبية
916,249	---	(ربح) خسارة تحويل عملات أجنبية
---	287,433	إنخفاض في قيمة دفعات مقدمة
241,183	47,934	إنخفاض في قيمة استثمار بالقيمة العادلة من خلال بيان الدخل الشامل الأخر
77,846	5,139	مخصص الخسائر الإئتمانية المتوقعة
2,537	---	مصاريف تمويلية
71,807	8,605	استهلاكات
12,349	(82,815)	مكافأة نهاية الخدمة
(53,059)	71,831	(الزيادة) النقص في مدينون وأرصدة مدينة أخرى
(187,933)	(55,020)	الزيادة (النقص) في دائنون وأرصدة دائنة أخرى
(990,666)	(234,072)	(المسدد) من مخصص مكافأة نهاية الخدمة
---	(3,863)	صافي النقد (المستغل) في الأنشطة التشغيلية
1,891,328	222,214	التدفقات النقدية من الأنشطة الإستثمارية :
(31,717)	---	المنفوع لشراء إستثمارات بالقيمة العادلة من خلال بيان الدخل
32,637	17,181	المحصل من بيع إستثمارات بالقيمة العادلة من خلال بيان الدخل
8,447	6,434	شراء عقارات استثمارية
1,900,695	241,966	إيرادات توزيع أرباح مستلمة
29,970	---	إيرادات فوائد مستلمة
(47,417)	(5,139)	صافي النقد الناتج من الأنشطة الإستثمارية
(17,447)	(5,139)	الأنشطة التمويلية :
91,660	61	صافي الحركة على مرابحات دائنة
984,242	2,816	مصاريف تمويلية مدفوعة
(1,503,189)	---	صافي النقد (المستغل) في الأنشطة التمويلية
849,245	330,298	فروق تحويل عملة أجنبية
330,298	333,114	صافي الزيادة في النقد والنقد المعادل
		النقد والنقد المعادل الخاص بالشركات المستبعدة
		النقد والنقد المعادل في بداية السنة - بيان (أ)
		النقد والنقد المعادل في نهاية السنة - بيان (أ)

إن الإيضاحات المرفقة تشكل جزء لا يتجزأ من البيانات المالية المجمعة

**Al Mal Investment Company K.P.S.C. And Its
Subsidiaries
State of Kuwait**

**Consolidated financial statements and independent
auditor's report
For the year ended 31 December 2020**



**Al Mal Investment Company K.P.S.C. and its subsidiaries
State of Kuwait**

**Financial statements
For year ended 31 December 2020
With
Independent auditor report**

Contents

Independent auditor report

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نظرو شركاه
محاسبون قانونيون واستشاريون - عضو نكسيا الدولية
NAZAR & PARTNERS
Authorized Auditors & Consultants

To the / Shareholders

Al Mal Investment Company K.P.S.C. and its subsidiaries

State of Kuwait

Independent Auditor's report

Qualified Opinion

We have audited the consolidated financial statements of Al Mal Investment Company K.P.S.C. (the "Parent Company") and its subsidiaries (together referred to as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the "Basis for Qualified Opinion" section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2019, its financial performance and its cash flows for the financial year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Qualified Opinion

1. Investment in associate, Diyar Al-Kuwait Real Estate Company K.S.C. (Closed)

As stated in Note 11 to the consolidated financial statements, the Group has investment in an associate ("Diyar Al-Kuwait Real Estate Company K.S.C. (Closed).", or "Diyar" or the "associate"), with a shareholding of 40.25% as at 31 December 2020 and carrying value of KD 6,015,344 and share of results amounted to KD 27,919. The associate's carrying value as at 31 December 2020 represents 41.40% of the Group's total consolidated assets and the share of results represents 6.12% of the Group's total consolidated income for the year ended 31 December 2020. We were unable to obtain sufficient appropriate audit evidence about the existence, completeness, accuracy and valuation of Diyar due to the following:

a) Diyar has an unquoted financial asset at fair value through other comprehensive income ("FVOCI") amounted to KD 333,464 at 31 December 2020 which has been reclassified from investment in an associate. Diyar neither assessed the basis for reclassification from investment in an associate to financial asset at FVOCI nor recognised this financial asset at fair value as at 31 December 2020. As a result of the above, we were unable to obtain sufficient appropriate audit evidence about the valuation and presentation of this amount. Consequently, we were unable to determine whether any adjustment to this amount is necessary.

2. Investment in associate, Armila Capital Limited

As stated in Note 11 to the consolidated financial statements, the Group has investment in an associate ("Armila Capital Limited", or "Armila" or the "associate"), with a shareholding of 40% as at 31 December 2020 and carrying value of KD 1,143,636 as at 31 December 2020 and the share of results amounted to KD 6,173 (loss). Armila's carrying value as at 31 December 2020 represents 7.87% of the Group's total consolidated assets. The share of results of Armila has been recognised based on management accounts for the period ended 30 June 2020 due to the non-availability of the audited financial statements for the year ended 31 December 2019 and December 31, 2020. As a result of the above, we were unable to obtain comfort on the existence, completeness, accuracy and valuation of these amounts. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

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3-Accounts receivable and other debit balances

The Group's accounts receivable and other debit balances include KD 389,922 representing amount due from a related party, Zone Advanced General Trading Company W.L.L. ("Zone") as at the 31 December 2020. No assessment of provision for expected credit losses has been performed as at 31 December 2020. As a result of the above, we were unable to obtain sufficient appropriate audit evidence on the valuation of the account balance. Consequently, we were unable to determine whether any adjustment to this amount is necessary.

4-Investments at fair value through other comprehensive income

As stated in Note 10 to the consolidated financial statements, the Group's Investments at fair value through other comprehensive income Zone Advanced General Trading Company W.L.L. ("Zone") amounted to KD 2,586,895 as at 31 December 2020 which has been reclassified from investment in associates. The Group neither assessed the basis for reclassification from investment in associates to Investments at FVOCI nor recognized this Investments at fair value as at 31 December 2020. As a result of the above, we were unable to obtain sufficient appropriate audit evidence about the valuation and presentation of this amount. Consequently, we were unable to determine whether any adjustment to this amount is necessary.

Except for the possible effects of the matters described in the "Basis for Qualified Opinion" section of our report, we conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") together with ethical requirements that are relevant to our audit of the consolidated financial statements in the State of Kuwait, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty related to Going Concern

As stated in Note 2 to the consolidated financial statements for the year ended 31 December 2020, the Group incurred a loss of KD 203,064 (2019: KD 2,562,274) and, as of that date, the Parent Company has accumulated losses of KD 23,175,480 (2019: KD 22,972,953). Further, the Group's current liabilities exceeded its current assets by KD 1,897,683 (2019: KD 1,610,021). These factors indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern without the on-going financial support of the shareholders. Our opinion is not modified in respect of this matter.

Emphasis of a matter

- We draw attention to Note 6 to the consolidated financial statements which state that the former subsidiary First Al-Mal Real Estate K.S.C. (Closed) has been disposed-off during the year ended 31 December 2019, , however, on October 14, 2021, the Board of Directors of Al Mal Qatari Holding Company (a subsidiary company) met and decided to cancel the swap contract between the company and the Kuwaiti European Company, according to which Armila Capital Company will be disposed-off and First Al Mal Real Estate Company will be consolidated again as a subsidiary of Al Mal Qatari Holding Company starting from 14 October 2021 with a rate of 76.56%.

- We draw attention to Note 9 to the consolidated financial statements which describe the uncertainty related to the outcome of the legal disputes for the recovery of the refundable development expenses.

Our opinion is not modified in respect of the above matters.



Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.

We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.



Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.

We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, except for the possible effects of the matters described in the "Basis for Qualified Opinion" section of our report, proper books of account have been kept by the Parent Company and the consolidated financial statements, together with the contents of the report of the Parent Company's Board of Directors relating to these consolidated financial statements, are in accordance therewith. We further report that we obtained all the information and explanations that we required for the purpose of our audit and that the consolidated financial statements incorporate all information that is required by the Companies' Law No. 1 of 2016, its Executive Regulations, as amended, and by the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, that an inventory was duly carried out and that, to the best of our knowledge and belief, except for the fact that the Parent Company violated Article 3-2 of Module Five of the Executive Regulations, as amended, of Law No. 7 of 2010 concerning the establishment of Capital Markets Authority and organization of securities activity as the Parent Company have not appointed employees' to fulfill the position of Risk Management Officer and Internal Audit Officer during the year, no violations of the Companies' Law No. 1 of 2016, its Executive Regulations, as amended, nor of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, or of the provisions of Law No. 32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the organization of banking business and its related regulation, or Law No. 7 of 2010 concerning the establishment of Capital Markets Authority and organization of securities activity and its Executive Regulations, as amended, have occurred during the financial year ended 31 December 2020 that might have had a material effect on the business or financial position of the Group.

State of Kuwait
December 6, 2021.



Nayer Awadh Nazar
Authorized Public Auditor No. 43-Grade A.
Nazar and Partners
Member of Nexia International



Al Mal Investment Company K.P.S.C. and its subsidiaries
State of Kuwait

Consolidated statements of financial position
As at 31 December 2020

Statement (A)

Assets	Note	2020 KD	2019 KD
Currents assets			
Cash and cash equivalent	7	333,114	330,298
Investments at fair value through statement of income	8	1,307,602	1,397,305
Account receivables and other debit balances	9	2,664,139	2,793,083
Total current assets		4,304,855	4,520,686
Other assets			
Investments at fair value through statement of other comprehensive income	10	2,586,895	2,874,328
Investment in an associates	11	7,499,095	7,252,942
Investments properties		39,635	42,910
Total assets		14,529,480	14,789,866
Liabilities and equity			
Current liabilities			
Account payables and other credit balances	12	6,202,538	6,130,707
Total current liabilities		6,202,538	6,130,707
Ponds payables	13	900,000	900,000
Provision for end of service benefits		10,195	220,435
Equity			
Capital	14	31,024,591	31,024,591
Foreign currency translation reserve		(442,913)	(524,000)
Accumulated losses –Statement (D)		(23,175,480)	(22,972,953)
Equity attributable to equity holders of the Parent Company		7,406,198	7,527,638
Non-controlling interest		10,549	11,086
Total equity		7,416,747	7,538,724
Total liabilities and equity		14,529,480	14,789,866

The accompanying notes form an integral part of these consolidated financial statements


Eid Naser Al Rasheedi
Chairman

Al Mal Investment Company K.P.S.C. and its subsidiaries
State of Kuwait

Consolidated Statement of Income
For the year ended 31 December 2020

Statement (B)

	Note	2020 KD	2019 KD
Revenue:			
Rental income		---	141,123
Change in fair value of investment properties		(3,275)	(9,946)
Management and consultancy fee income		---	74,156
Net income from communication services		23,526	44,894
Share of results of associates	11	164,561	1,498,952
Impairment of investment in associates		---	(31,504)
Net investments profit (loss)	15	152,263	(927,078)
Derecognition of foreign currency translation differences		---	(1,020,329)
Foreign exchange (loss)/gain		566	(724)
Other income		118,556	33,005
Total revenue		456,197	(197,451)
Expenses and other charges :			
General and administrative expenses	16	318,755	1,129,545
Impairment of advances		---	916,249
Impairment of Investments at fair value through statement of other comprehensive income		287,433	---
Provision for expected credit losses		47,934	241,183
Finance costs		5,139	77,846
Total expenses and other charges		659,261	2,364,823
Net (loss) profit for the year		(203,064)	(2,562,274)
Attributable to:			
Equity holders of the Parent Company		(202,527)	(2,585,275)
Non-controlling interests		(537)	23,001
		(203,064)	(2,562,274)
Basic and diluted loss per share attributable to the equityholders of the Parent Company (fils)			
	18	(0.65)	(8.33)

The accompanying notes form an integral part of these consolidated financial statements

Al Mal Investment Company K.P.S.C. and its subsidiaries
State of Kuwait

Consolidated statement of comprehensive income
For the year ended 31 December 2020

Statement (C)

	Note	2020 KD	2019 KD
Net (loss) of the year		<u>(203,064)</u>	<u>(2,562,274)</u>
Other comprehensive (loss) items:			
<u>Items that may be reclassified subsequently to statement of income</u>			
Group's share of result other comprehensive income of an associates	11	83,011	---
Reclassification of foreign currency translation differences on derecognition of an associate		---	66,162
Group's share of foreign currency translation reserve of associates		---	68,510
Derecognition of foreign currency translation differences		---	1,020,329
Foreign currency translation differences		<u>(1,924)</u>	<u>158,184</u>
Other comprehensive income for the year		<u>81,087</u>	<u>1,313,185</u>
Total comprehensive (loss) for the year (D)		<u><u>(121,977)</u></u>	<u><u>(1,249,089)</u></u>
Attributable to:		(121,440)	(1,272,090)
Equity holders of the Parent Company		<u>(537)</u>	<u>23,001</u>
Non-controlling interests		<u><u>(121,977)</u></u>	<u><u>(1,249,089)</u></u>

The accompanying notes form an integral part of these consolidated financial statements

Al Mal Investment Company K.P.S.C. and its subsidiaries
State of Kuwait

Consolidated Statement of Changes in Equity
For the year ended 31 December 2020

	Capital KD	Foreign currency translation reserve KD	(Accumulated losses) KD	Sub-Total KD	Non- Controlling interest KD	Total equity KD
Equity at 1 January 2019	31,024,591	(1,837,185)	(20,387,678)	8,799,728	4,663,712	13,463,440
Net (loss) profit for the year	---	---	(2,585,275)	(2,585,275)	23,001	(2,562,274)
Other comprehensive income for the year	---	1,313,185	---	1,313,185	---	1,313,185
Total comprehensive income (loss) for the year	---	1,313,185	(2,585,275)	(1,272,090)	23,001	(1,249,089)
Effect of derecognition of subsidiaries (Note 6)	---	---	---	---	(4,675,627)	(4,675,627)
Equity at 31 December 2019	31,024,591	(524,000)	(22,972,953)	7,527,638	11,086	7,538,724
Equity at 1 January 2020	31,024,591	(524,000)	(22,972,953)	7,527,638	11,086	7,538,724
Net (loss) for the year	---	---	(202,527)	(202,527)	(537)	(203,064)
Other comprehensive income for the year	---	81,087	---	81,087	---	81,087
Total comprehensive income (loss) for the year	---	81,087	(202,527)	(121,440)	(537)	(121,977)
Equity at 31 December 2020	31,024,591	(442,913)	(23,175,480)	7,406,198	10,549	7,416,747

The accompanying notes form an integral part of these consolidated financial statements
(4)



Al Mal Investment Company K.P.S.C. and its subsidiaries
State of Kuwait

Consolidated statement of cash flows
For the year ended 31 December 2020

Statement (E)

	2020 KD	2019 KD
Cash flows from operating activities:		
Net (loss) for the year	(203,064)	(2,562,274)
Adjustments:		
Change in fair value of investment properties	3,275	9,946
Share of results of an associates	(164,561)	(1,498,952)
Impairment of investment in an associates	---	31,504
Net investments (loss) profit	(152,263)	927,078
Derecognition of foreign currency translation differences	---	1,020,329
Foreign exchange (loss)/gain	(566)	724
Impairment of advances	---	916,249
Impairment of Investments at fair value through statement of other comprehensive income	287,433	---
Provision for expected credit losses	47,934	241,183
Finance costs	5,139	77,846
Depreciation	---	2,537
Provision for employees' end of service benefits	8,605	71,807
(Increase) decrease in accounts receivable and other debit balances	(82,815)	12,349
Increase (decrease) in accounts payables and other credit balances	71,831	(53,059)
Employees' end of service benefits paid	(55,020)	(187,933)
	<u>(234,072)</u>	<u>(990,666)</u>
Cash flow from Investing Activities :		
Purchases of investment at fair value through statement of income	(3,863)	---
Proceeds from sale of investment at fair value through statement of income	222,214	1,891,328
Purchase of investment properties	---	(31,717)
Dividend income received	17,181	32,637
Interest income received	6,434	8,447
Net cash flows generated from investing activities	<u>241,966</u>	<u>1,900,695</u>
Financing Activities:		
Net movement in murabaha payables	---	29,970
Finance costs paid	(5,139)	(47,417)
Net cash flows (used in) financing activities	<u>(5,139)</u>	<u>(17,447)</u>
Foreign currency translation differences	61	91,660
Net increase in cash and cash equivalents	2,816	984,242
Cash and cash equivalents of derecognised subsidiaries	---	(1,503,189)
Cash and cash equivalents at the beginning of the year-statement(A)	<u>330,298</u>	<u>849,245</u>
Cash and cash equivalents at the end of the year-statement(A)	<u><u>333,114</u></u>	<u><u>330,298</u></u>

The accompanying notes form an integral part of these consolidated financial statements

Notes to consolidated financial statement
As of 31 December 2020

1- Incorporation and objectives

Al Mal Investment Company K.P.S.C. (the "Parent Company") is a public Kuwaiti shareholding company registered in the State of Kuwait. The Parent Company was incorporated on 2 January 1980 as per the Memorandum of Incorporation, as amended, under the Commercial Companies Law No. 15 of 1960 and amendments thereto. The Parent Company is listed on Bursa Kuwait.

The Parent Company is regulated and supervised by the Central Bank of Kuwait ("CBK") for financing activities and the Capital Markets Authority ("CMA") as an investment company.

The consolidated financial statements include the financial statements of the Parent Company and its subsidiaries (together referred to as the "Group") (Note 7).

The registered address of the Parent Company is P.O. Box 26308, Safat 13124, State of Kuwait. The objectives of the Parent Company are:

- 1) Investment in various economic sectors through participating in establishing specialized companies or purchasing securities or shares in those companies;
- i) Act as investment trustees and manage different investment portfolios for others; and
- ii) Act as intermediary in borrowing operations in return for commission;

The Parent Company has the right to participate and subscribe, in any way with other firms which operate in the same field or those which would assist in achieving its objectives in Kuwait and abroad and to purchase those firms or participate in their equity.

These consolidated financial statements of the Group for the year ended 31 December 2020 were authorized for issue in accordance with a resolution of the Board of Directors of the Parent Company on December 6, 2021.

2. Fundamental accounting concept going concern

The Group incurred a loss of KD 203,064 (2019: KD 2,562,274) for the year ended 31 December 2020 and, as of that date, the accumulated losses has reached an amount of KD 23,175,480 (2019: KD 22,972,953). Further, the Group's current liabilities exceeded its current assets by KD 1,897,683 (2019: KD 1,610,021).

Management of the Group has been evaluating various strategies to improve the operating performance, financial position and adequacy of the Group's financial resources to enable the Group to continue to operate as a going concern. Therefore, the consolidated financial statements have been prepared under the going concern concept .

If the Group is unable to continue in operational existence for the foreseeable future, it may be unable to discharge its liabilities in the normal course of business. Accordingly, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the consolidated statement of financial position. In addition, the Group may have to reclassify non-current assets and liabilities as current assets and liabilities respectively. No such adjustments have been made to the consolidated financial statements.

3- Basis of preparation

These consolidated financial statements have been prepared under the historical cost convention except for financial assets at fair value through profit or loss ("FVPL"), Investments at fair value through other comprehensive income ("FVOCI") and investment properties that are measured at fair value.

The consolidated financial statements have been presented in Kuwaiti Dinars ("KD"), which is also the functional currency of the Parent Company.

Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") and the IFRS interpretations Committee applicable to companies reporting under IFRSs as issued by the International Accounting Standards Board ("IASB"), and applicable requirements of the Companies' Law No. 1 of 2016, its Executive Regulations, as amended (the "Companies' Law"), and the regulations of the Government of Kuwait for financial services institutions regulated by the Central Bank of Kuwait ("CBK") and the Capital Markets Authority ("CMA").

These regulations require adoption of all IFRSs as issued by IASB except for the measurement and disclosure requirements of expected credit losses ("ECL") on credit facilities under IFRS 9: Financial Instruments. Accordingly, the provision for expected credit losses on credit facilities is the higher of ECL under IFRS 9, determined in accordance with the CBK guidelines, and the provisions required by the CBK rules on classification of credit facilities and calculation of their provisions.

4-Application of new and revised international financial reporting standards ("IFRSs")

New standards, interpretations and amendments effective from 1 January 2019

The accounting policies applied by the Group are consistent with those used in the previous year except for the changes due to implementation of the following new and amended International Financial Reporting Standards as of 1 January 2019:

IFRS 16 – Leases

IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognize most leases on the balance sheet using single recognition and measurement approach.

Lessor accounting under IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 does not have an impact for leases where the Group is the lessor.

Upon adoption of IFRS 16, the Group applied a single recognition and measurement approach using the modified retrospective approach for all leases where the Group is the lessee except for short-term and lease of low-value assets. Accordingly, the comparative information is not restated and the cumulative effect of initially applying the standard is recognized as an adjustment to the opening balance of accumulated losses (or other component of equity, as appropriate) at the date of initial application.

a) New standards, interpretations and amendments effective from 1 January 2019 (Continued)

IFRS 16 – Leases

The Group elected to use the transition practical expedient to not reassess whether contracts contain lease at the date of application (i.e. 1 January 2019). Instead, the Group applied the standard only to the contracts that were previously identified as leases applying IAS 17 and IFRIC 4. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

Impact on Lessee Accounting

Former operating leases:

IFRS 16 changes how the Group accounts for leases previously classified as operating leases under IAS 17, which were off-balance sheet. Applying IFRS 16, for all leases (except as noted below), the Group:

- A) Recognizes right of use assets and lease liabilities in the consolidated statement of financial position, initially measured at the present value of future lease payments;
- B) Recognizes amortization of right of use assets and interest on lease liabilities in the consolidated statement of profit or loss; and
- c) Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest charges (presented within operating activities) in the consolidated statement of cash flows.

Lease incentives (e.g. free rent period) are recognized as part of the measurement of the right of use assets and lease liabilities whereas under IAS 17 they resulted in the recognition of a lease incentive liability, amortized as a reduction of rental expense on a straight-line basis.

Under IFRS 16, right of use assets is tested for impairment in accordance with IAS 36 "Impairment of Assets". This replaces the previous requirement to recognize a provision for onerous lease contracts. For short-term leases (lease term of 12 months or less) and leases of low-value assets, the Group has opted to recognize a lease expense on a straight-line basis as permitted by IFRS 16. This expense is presented within general and administrative expenses in the consolidated statement of profit or loss.

Former finance leases:

The main difference between IFRS 16 and IAS 17 with respect to assets formerly held under a finance lease is the measurement of residual value guarantees provided by a lessee to a lessor. IFRS 16 requires that the Group recognizes as part of its lease liabilities only the amount expected to be payable under a residual value guarantee, rather than the maximum amount guaranteed as required by IAS 17. This change did not have an effect on the Group's consolidated financial statements.

Impact on Lessor Accounting

IFRS 16 does not change substantially how a lessor accounts for leases. Under IFRS 16, a lessor continues to classify leases as either finance leases or operating leases and account for those two types of leases differently. However, IFRS 16 has changed and expanded the disclosures required, in particular regarding how a lessor manages the risks arising from its residual interest in leased assets.

Under IFRS 16, an intermediate lessor accounts for the head lease and the sublease as two separate contracts. The intermediate lessor is required to classify the sublease as finance or operating lease by reference to the right of use asset arising from the head lease (and not by reference to the underlying asset as was the case under IAS 17).

Financial impact of initial application of IFRS 16

Adoption of IFRS 16 at 1 January 2019 did not have a material impact on the Group's consolidated financial statements as the Group's leases have a lease term of 12 months or less from the date of initial application of IFRS 16 and does not contain a purchase option.

Amendments to IFRS 9: Prepayment features with negative compensation

The amendments should be applied retrospectively and are effective from 1 January 2019, with earlier application permitted. Under IFRS 9, a debt instrument can be measured at amortized cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to IFRS 9 clarify that a Investments passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

These amendments had no material impact on the consolidated financial statements.

Amendments to IAS 28: Long-term interests in associates and joint ventures

The amendments should be applied retrospectively and are effective from 1 January 2019, with early application permitted. The amendments clarify that an entity applies IFRS 9 to long-term interests in an associate or joint venture to which the equity method is not applied but that, in substance, form part of the net investment in the associate or joint venture (long-term interests). This clarification is relevant because it implies that the expected credit loss model in IFRS 9 applies to such long-term interests.

The amendments also clarified that, in applying IFRS 9, an entity does not take account of any losses of the associate or joint venture, or any impairment losses on the net investment, recognized as adjustments to the net investment in the associate or joint venture that arise from applying IAS 28: Investments in Associates and Joint Ventures.

These amendments had no material impact on the consolidated financial statements.

Annual Improvements to IFRSs 2015 – 2017 Cycle (issued in December 2017)

IFRS 3 – Business Combinations

The amendments apply to business combinations for which the acquisition date is on or after the first annual reporting period beginning on or after 1 January 2019, with early application permitted. The amendments clarify that, obtaining control of a business that is a joint operation is a business combination achieved in stages, including premeasuring previously held interests in the assets and liabilities of the joint operation at fair value. In doing so, the acquirer premeasures its entire previously held interest in the joint operation.

IFRS 11 – Joint Arrangements

The amendments apply to transactions in which it obtains joint control on or after the first annual reporting period beginning on or after 1 January 2019, with early application permitted. A party that participates in, but does not have joint control of, a joint operation might obtain joint control of the joint operation in which the activity of the joint operation constitutes a business as defined in IFRS 3. The amendments clarify that the previously held interests in that joint operation are not premeasured.

IAS 23 – Borrowing Costs

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 January 2019, with early application permitted. The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

Since the Group's current practice is in line with these amendments, the Group had no material impact on its consolidated financial statements.

A) Standards and interpretations issued but not effective

The following new and amended IASB Standards have been issued but are not yet effective, and have not been early adopted by the Group:

IFRS 17 – Insurance Contracts

This standard will be effective for annual periods beginning on or after 1 January 2023 and replaces IFRS 4 - Insurance Contracts. The new standard applies to all types of insurance contracts, regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (Variable fee approach).
- A simplified approach (premium allocation approach) mainly for short duration contracts.

Early application is permitted, provided an entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17.

This standard is not expected to have any impact to the Group.

Definition of a Business (Amendments to IFRS 3)

The amendments in definition of a business in IFRS 3 (Business combinations) are changes to Appendix A Defined terms, the application guidance, and the illustrative examples of IFRS 3 only. They:

- Clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs;
- Narrow the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs;
- Add guidance and illustrative examples to help entities assess whether a substantive process has been acquired;
- Remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs; and
- Add an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

These amendments are effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2020.

This amendment is not expected to have any material impact to the Group.

Amendments to IAS 1 and IAS 8: Definition of Material

The IASB has made amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors which use a consistent definition of material throughout International Financial Reporting Standards and the Conceptual Framework for Financial Reporting clarify when information is material and incorporate some of the guidance in IAS 1 about immaterial information.

In particular, the amendments clarify:

- That the reference to obscuring information addresses situations in which the effect is similar to omitting or misstating that information, and that an entity assesses materiality in the context of the financial statements as a whole, and
- The meaning of 'primary users of general purpose financial statements' to whom those financial statements are directed, by defining them as 'existing and potential investors, lenders and other creditors' that must rely on general purpose financial statements for much of the financial information they need.

These amendments are effective for annual reporting period beginning on or after 1 January 2020. This amendment is not expected to have any material impact to the Group.

Revised Conceptual Framework for Financial Reporting

The IASB has issued a revised Conceptual Framework which will be used in standard-setting decisions with immediate effect. Key changes include:

- Increasing the prominence of stewardship in the objective of financial reporting.
- Reinstating prudence as a component of neutrality.
- Defining a reporting entity, which may be a legal entity, or a portion of an entity.
- Revising the definitions of an asset and a liability.
- Removing the probability threshold for recognition and adding guidance on derecognition.
- Adding guidance on different measurement basis, and
- Stating that profit or loss is the primary performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled where this enhances the relevance or faithful representation of the financial statements.

No changes will be made to any of the current accounting standards. However, entities that rely on the Framework in determining their accounting policies for transactions, events or conditions that are not otherwise dealt with under the accounting standards will need to apply the revised Framework from 1 January 2020. These entities will need to consider whether their accounting policies are still appropriate under the revised Framework.

5-Summary of significant accounting policies

5-1 Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period or;
- Cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period or;
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- The Group classifies all other liabilities as non-current.

5-2 Basis of consolidation

The consolidated financial statements comprise the Parent Company and its subsidiaries (together referred to as the "Group") (Note 7). All subsidiaries have a reporting date of 31 December.

Subsidiaries are those enterprises controlled by the Parent Company. Control exists when the Parent Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. The Parent Company controls an investee if all of three of the following elements are present:

- Power over the investee;
- Exposure to variable returns or obtains rights from involvement with the investee; and
- Ability of the investor to use its power to affect the investee returns.

When the Parent Company does not have majority voting rights in the investee, the Parent Company takes into consideration facts and other factors in assessing the control, which include:

- Contractual arrangement between the Parent Company and other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Parent Company's voting rights;
- Other potential voting rights.

The financial statements of subsidiaries acquired or disposed are included in the consolidated financial statements from the date the control effectively commences until the date that control effectively ceases.

The financial statements of the subsidiaries are consolidated on a line-by-line basis by adding together alike items of assets, liabilities, revenues and expenses. All inter-company balances and transactions, including unrealized profits or losses arising from inter-company transactions, are fully eliminated. Consolidated financial statements are prepared using uniform accounting policies for similar transactions and other events which accrue in similar conditions.

The financial statements of the subsidiaries are prepared for the same date or within three months of the reporting period of the Parent Company, using consistent accounting policies.

Adjustments are made to bring into line any dissimilar accounting policies that may exist between the subsidiaries' financial year date and the Parent Company's financial year date.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of amount of those interests at the date of original business combination and the non-controlling entity's share of changes in equity since the date of the combination. Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or investments. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable IFRSs).

De-facto control exists in situations where the Parent Company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the Parent Company considers all relevant facts and circumstances, including:

- The size of the Parent Company's voting rights relative to both the size and dispersion of other parties who hold voting rights.
- Substantive potential voting rights held by the Parent Company and by other parties.
- Other contractual arrangements.
- Historic patterns in voting attendance.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

5-3 Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquire and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognized in profit and loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except deferred tax assets or liabilities, liabilities or equity instruments related to share based payment arrangements and assets that are classified as held for sale in which cases they are accounted for in accordance with the related IFRS.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquire, and the fair value of the acquirer's previously held equity interest in the acquire over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquire and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit and loss as a bargain purchase gain.

Non-controlling interests may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquirer's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquire is remeasured to fair value at the acquisition date (the date when the Group obtains control) and the resulting gain or loss, if any, is recognized in profit and loss. Amounts arising from interests in the acquire prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to the consolidated statement of profit or loss where such treatment would be appropriate if that interest were disposed off.

5-4 Financial instruments

The Group classifies its financial instruments as financial assets and financial liabilities. Financial assets and financial liabilities are recognized when the Group becomes a party of the contractual provisions of such instruments.

Financial assets and financial liabilities carried in the consolidated statement of financial position include cash and cash equivalents, investments at fair value through profit or loss, accounts receivable and other debit balances (excluding advances), other financial assets, financial asset at fair value through other comprehensive income ("FVOCI"), accounts payable and other credit balances, murabaha payables and bonds payable.

5-4-1 Financial assets

Recognition, initial measurement and derecognition

To determine their classification and measurement category, IFRS 9 requires all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics.

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objectives and in order to generate contractual cash flows. That is, whether the Group's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'Sell' business model and measured at FVPL. The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios.

Purchases and sales of those financial assets are recognized on trade-date – the date on which the Group commits to purchase or sell the asset. With the exception of accounts receivable that do not contain a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Accounts receivable that do not contain a significant financing component are measured at the transaction price.

A financial asset is derecognized either when: the contractual rights to receive the cash flows from the financial asset have expired; or the Group has transferred its rights to receive cash flows from the financial asset and either (a) has transferred substantially all the risks and rewards of ownership of the financial asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the financial asset, but has transferred control of the financial asset. Where the Group has retained control, it shall continue to recognize the financial asset to the extent of its continuing involvement in the financial asset.

Classification of financial assets

Financial assets are classified in the consolidated financial statements into the following categories upon initial recognition:

- Financial assets at amortised cost;
- Investment at fair value through statement of income; and
- Investment at fair value through other comprehensive income.

Subsequent measurement

Financial assets at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- It is held within a business model whose objective is to hold assets to collect contractual cashflows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets carried at amortized cost are subsequently measured at amortised cost using the effective interest rate method adjusted for impairment losses if any. Gains and losses are recognized in consolidated statement of profit or loss when the asset is derecognized, modified or impaired. Financial assets carried at amortized cost consist of cash and cash equivalents, accounts receivable and other debit balances (excluding advances) and other financial assets.

Effective interest/profit rate method ("EIR")

The EIR method is a method of calculating the amortised cost of a financial asset. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank balances and cash with portfolio managers. Bank balances and cash with portfolio managers that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Investments of FVPL

The Group classifies financial assets as Investments at FVPL when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there evidence of a recent pattern of short-term profit is taking. Financial assets at FVPL are recorded and measured in the consolidated statement of financial position at fair value.

Gain or loss on disposal, interest income and dividends are recorded in consolidated statement of profit or loss according to the terms of the contract, or when the right to payment has been established.

The financial assets at FVPL are represented in investments in quoted and unquoted securities, mutual funds and investment portfolios

Accounts receivable

Accounts receivable are amounts due from customers for services performed in the ordinary course of business and recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

Due from related parties and other debit balances

These amounts generally arise from transactions outside the usual operating activities of the Group and are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method, less provision for impairment.

Other Investments

Other Investments represent bonds, which are carried at amortized cost.

Investments at fair value through other comprehensive income

Upon initial recognition, the Group may elect to classify irrevocably some of its Investments at FVOCI when they meet the definition of Equity under IAS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by- instrument basis.

Gains and losses on these Investments are never recycled to consolidated statement of profit or loss. Dividends are recognized in the consolidated statement of profit or loss when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in the consolidated statement of comprehensive income. Investments at FVOCI are not subject to an impairment assessment. Upon disposal, cumulative gains or losses are reclassified from cumulative changes in fair value to retained earnings in the consolidated statement of changes in equity.

The investment at FVOCI as at 31 December 2020 represents unquoted security.

Impairment of Investments

The Group recognizes a provision for expected credit losses (ECLs) for Investments measured at amortized cost.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest/profit rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For accounts receivable and other debit balances (excluding advances), the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. Accordingly, the Group does not track changes in credit risk and assesses impairment on a collective basis. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the customers and the economic environment. Exposures were segmented based on common credit characteristics such as credit risk grade, geographic region and industry, delinquency status and age of relationship where applicable.

- For cash and cash equivalents for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, the Group's policy to measure ECLs on such instruments on a 12-month basis.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

For related party balances, the Group has applied a forward looking approach wherein recognition of credit losses is no longer dependent on the Group first identifying a credit loss event. Instead the Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, the Group applies a three stage assessment to measuring ECL as follows:

- Stage 1 - financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk; and
- Stage 2 - (not credit impaired) - financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low.
- Stage 3* - (credit impaired) - Investments that have objective evidence of impairment at the reporting date and assessed as credit impaired when one or more events have a detrimental impact on the estimated future cash flows have occurred.

*12-month expected credit losses' are recognized for Stage 1 while 'lifetime expected credit losses' are recognized for Stage 2.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument. ECLs for investments measured at amortized cost are deducted from the gross carrying amount of the assets and charged to consolidated statement of profit or loss.

5-4-2 Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and in case of loans and borrowings, plus directly attributable transactions costs.

The Group's financial liabilities include accounts payable and other credit balances, murabaha payables and bonds payable.

Subsequent measurement

Accounts payable

Accounts payable are obligation to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are recognized initially at fair value, net of directly attributable transaction costs and subsequently measured at amortized cost using the effective interest/profit rate method. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non - current liabilities.

Murabaha payables

Murabaha payables represent amounts due on a deferred settlement basis for assets purchased under murabaha arrangements. Murabaha payables are stated at the gross amount of the payable, net of deferred profit payable. Effective interest/profit rate is expensed on a time apportionment basis taking account of the profit rate attributable and the balance outstanding.

Bonds payable

Bonds payable are obligations to repay a principal amount on maturity at a future date and pay interest/profit rate semiannually. Bonds payable are recognized initially at fair value, net of directly attributable transaction costs and subsequently measured at amortized cost using the effective interest/profit rate method. Bonds payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non - current liabilities.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the consolidated statement of profit or loss.

5.4.2. Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

5-5 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in the consolidated statement of profit or loss in the period in which they arise. Fair values are determined based on an annual evaluation performed by accredited and registered independent external real estate valuers with relevant experience in the market in which the property is situated. The valuation reflects market conditions at the reporting date. Changes in the fair values of investment properties are included in the consolidated statement of profit or loss.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the consolidated statement of profit or loss in the period of derecognition.

Transfers are made to (or from) investment properties only when there is a change in use. For a transfer from investment properties to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property and equipment up to the date of change in use.

5-6 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and any impairment losses. Cost includes the purchase price and directly associated costs of bringing the asset to a working condition for its intended use. Maintenance and repairs, replacements and improvements of minor importance are expensed as incurred. In situations, where it is clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditure is capitalized.

Depreciation is calculated based on estimated useful life of the applicable assets on a straight line basis. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The assets' residual values, useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Gains or losses on disposals are determined by the difference between the sales proceeds and the carrying amount of the asset and is recognized in the consolidated statement of profit or loss.

5-7 Impairment of non-financial assets

At each consolidated financial position date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where a reasonable and consistent basis of allocation can be identified, group assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount and the impairment loss is recognized immediately in the consolidated statement of profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the consolidated statement of profit or loss.

5-8 Investment in associates

An associate is an entity over which the Group has significant influence that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5: Current Assets Held for Sale and Discontinued Operations.

Under the equity method, investment in associates is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associates. When the Group's share of losses of an associate exceeds the Group's interest in that associate, the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognized at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognized immediately in consolidated statement of profit or loss.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a Group entity transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

The associate's financial statements are prepared either to the Parent Company's consolidated financial position date or to a date not earlier than three months of the Parent Company's consolidated financial position date. Amounts reported in the financial statements of associates have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group. Where practicable, adjustments are made for the effect of significant transactions or other events that occurred between the financial position date of the associates and the Parent Company's consolidated financial position date.

5-9 Employees' end of service benefits

The Group provides end of service benefits to its employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period in accordance with relevant labour law and the employees' contracts. The expected costs of these benefits are accrued over the period of employment. This liability, which is unfunded, represents the amount payable to each employee as a result of termination on the consolidated financial position date.

With respect to its Kuwaiti national employees, the Group also makes contributions to the Public Institution for Social Security ("PIFS") calculated as a percentage of the employees' salaries. The Group's social security obligations are limited to these contributions, which are expensed when due.

5-10 Provisions

A provision is recognised in the consolidated statement of financial position when the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

5-11 Contingent assets and contingent liabilities

Contingent assets are not recognized in the consolidated financial statements, but are disclosed when an inflow of economic benefits is probable.

Contingent liabilities are not recognized in the consolidated financial statements, but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

5-12 Leases

The Group has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4. The details of accounting policies under IAS 17 and IFRIC 4 are disclosed separately.

Policy applicable from 1 January 2019 under IFRS 16

This policy is applied to contracts entered into, on or after 1 January 2019.

The Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from the lease is accounted for on a straight-line basis over the lease terms and is included in the consolidated statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

The Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognizes a right of use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee. When a contract is or contains a lease, the Group recognizes right of use assets and lease liabilities at the commencement date of the lease (i.e., the date the underlying asset is available for use)

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Policy applicable before 1 January 2019 under IAS 17 and IFRIC 4

Lease contracts, in which the Group holds a significant portion of risks and rewards related to ownership and in which the Group is the lessor, are classified as operating lease contracts. Amounts received under operating lease contracts, less any incentives provided to customers, are recognized as income in the consolidated statement of profit or loss on a straight-line basis over the lease contract period.

Where the Group is the lessee - operating lease:

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated statement of profit or loss on a straight-line basis over the period of the lease.

Where the Group is the lessee - finance lease:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. Finance leases are capitalized at the lease's commencement at the lower of the fair value of the asset leased and the present value of minimum lease payments.

5-13 Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognizes revenue when it transfers control of a product or service to a customer. The Group follows a 5-step process:

- Identifying the contract with a customer.
- Identifying the performance obligations.
- Determining the transaction price.
- Allocating the transaction price to the performance obligations.
- Recognizing revenue when/as performance obligation(s) are satisfied.

The total transaction price for a contract is allocated among the various performance obligations based on their relative stand-alone selling prices. The transaction price for a contract excludes any amounts collected on behalf of third parties.

IFRS 15 requires entities to exercise judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

Revenue is recognized either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised services to its customers.

The Group transfers control of a service over time (rather than at a point in time) when any of the following criteria are met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.
- The Group's performance creates or enhances an asset (e.g., work in process) that the customer controls as the asset is created or enhanced.

The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Control is transferred at a point in time if none of the criteria for a service to be transferred over time is met.

The Group considers the following factors in determining whether control of an asset has been transferred:

- The Group has a present right to payment for the services
- The customer has legal title to the services.
- The Group has transferred the services.
- The customer has the significant risks and rewards of ownership of the services.
- The customer has accepted the services.

The Group's revenue arises from:

Management and consultancy fee income

Revenue from asset management and consultancy services are recognized over time using the output method since the customer receives and consumes the benefits provided by the Group's performance as the Group performs.

Communication services

Revenue from communication services is recognized over time using the output method since the customer receives and consumes the benefits provided by the Group's performance as the Group performs.

Rental income

Income from leasing investment properties is recognized on a straight line basis over the contract duration.

Dividend income

Dividend income is recognized when the right to receive payment is established.

Interest/yield income

Interest/yield income is recognized using the effective interest/profit rate method.

5-14 Finance costs

Finance costs primarily comprise interest on the Group's financing. Finance costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other finance costs are expensed in the period in which they are incurred and are recognized in the consolidated statement of profit or loss in the period in which they are incurred.

5-15 Foreign currencies

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in 'Kuwaiti Dinars' (KD).

Transactions and balances

Foreign currency transactions are translated to Kuwaiti Dinars using the exchange rates prevailing at the dates of the transactions. Monetary items in foreign currencies are re-translated at the dates of the consolidated statement of financial position. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of profit or loss.

Group companies

The results and financial position of all the Group entities that have a functional currency different from the presentation currency (except for companies which are operated in countries with very high inflation rates) are translated into the presentation currency as follows:

- Assets and liabilities for each reporting date presented are translated at the closing rate at their reporting date.
- Income and expenses for each statement of profit or loss are translated at average exchange rates; and
- All resulting exchange differences are recognized as a separate component of other comprehensive income.

In the application of the Group's accounting policies, the management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

6-Significant accounting judgments and estimation uncertainty

Significant management judgments

In the process of applying the Group's accounting policies, management has made the following significant judgments, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Classification of financial instruments

On acquisition of a financial asset, the Group decides whether it should be classified as "at fair value through profit or loss", "at fair value through other comprehensive income" or "at amortised cost". IFRS 9 requires all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the Group's business model for managing the assets of the instrument's contractual cash flow characteristics. The Group follows the guidance of IFRS 9 on classifying its financial assets as explained in Note 5.

Classification of properties

Upon acquisition of a property, the management classifies the properties into either property and equipment or investment property, based on the intention of the management for the use of the property.

The property is classified as investment properties when the intention to earn rentals from property or hold the property for capital appreciation or if the intention is not determined by Group.

The Group classifies property as property under development if it is acquired with the intention of development.

The Group classifies properties as property and equipment if they are purchased to be used in production, services, or for administrative purposes, and are expected to be used during more than one period.

Principal versus agent considerations

The Group enters into contracts to render services to its customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. The Group determined that it is a principal in all its contracts with its customers.

- The Group controls the promised services before the Group transfers the services to the customer.
- The Group satisfies the performance obligations by itself and does not engage another party in satisfying its performance obligations in its contracts with customers.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the consolidated financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment of non-financial assets

The Group reviews its non-financial assets on a continuous basis to determine whether a provision for impairment should be recorded in the consolidated statement of profit or loss. In particular, considerable judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of provisions required.

Fair value measurement and valuation techniques

Some of the Group's assets are measured at fair value for financial reporting purposes. The Group's management determines the appropriate valuation techniques and input for fair value measurement. In estimating the fair value of an asset, the management uses market observable data to the extent it is available. In case no market observable data are available, the Group shall assign an external qualified valuer to carry out the valuation process. Information about valuation techniques and inputs used in determining the fair value of various assets are disclosed in Note 24.

Impairment of investment in associates

After application of the equity method, the Group determines whether it is necessary to recognise any impairment loss on the Group's investment in its associated companies, at each reporting date based on existence of any objective evidence that the investment in the associate is impaired. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the impairment in the consolidated statement of profit or loss.

Provision for expected credit losses of accounts receivable

The Group uses a provision matrix to calculate ECLs for accounts receivable. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geographical region, services type, customer and type). The provision matrix is initially based on the Group's historical observed default rates.

The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information.

For instance, if forecast economic conditions (i.e., gross domestic products) are expected to deteriorate over the next year which can lead to an increase in number of defaults, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECL on the Group's accounts receivable is disclosed in Note 23.

6-Subsidiaries

<u>Name of the subsidiary</u>	<u>Country of incorporation</u>	<u>Voting rights and equity interest</u>		<u>Principal activity</u>
		<u>2020</u> (%)	<u>2019</u> (%)	
Trasul Telecom Company K.S.C. (Closed)	Kuwait	96.69%	96.69%	Communication services
Al Mal International for Project Management Company W.L.L.	Kuwait	80%	80%	Real estate project management
*Al Mal Qatari Holding Company K.S.C. (Closed)	Kuwait	97.50%	97.50%	Real estate project management
Saudi Al Mal Company W.L.L.	Kingdom of Saudi Arabia	100%	100%	Investment activities
*Quick Facilities Management L.L.C.	United Arab Emirates	100%	100%	Financial Management services
Takharaj Financial and Administrative Consulting Company K.S.C. (Closed)	Kuwait	99%	99%	Consulting services

Certain subsidiaries' shares are held through letters of assignment in favor of the Parent Company.

*There is a dispute between the Company and the General Authority for Zakat and Income regarding the Zakat assessment for the previous years since its establishment to date, with total amounts estimated by the Zakat Authority amount of 20,874,790 Saudi riyals. The provision for Zakat and tax calculated above may not match the value of Zakat and tax according to the forms submitted to the Authority.

Disposal of subsidiaries

**During the year ended 31 December 2019, the Group lost control over its former subsidiaries, First Al-Mal Real Estate K.S.C. (Closed) and Diyar Al-Kuwait Real Estate Company K.S.C. (Closed) ("Diyar") through the swap of assets agreement (the "swap"). The swap involves exchange of 76.56% of the former subsidiary First Al-Mal Real Estate K.S.C. (Closed) which in turn owns 20% of Diyar, in exchange of 40% equity interest in Armila Capital Limited, a company incorporated and registered in England and Wales (Note 12).

Following is the consequence of the swap of assets agreement signed on 10 March 2019:

- The Group ceased consolidating Diyar however, classified its retained interest of 40.25% amounting to KD 4,244,966 as investment in an associate due to loss of control and retention of significant influence through representation in the Board of Directors (Note 12).
- The Group ceased consolidating First Al-Mal Real Estate K.S.C. (Closed) as it disposed the 76.56% direct equity interest in addition to 14.14% indirect equity interest held by a former subsidiary (Diyar).

- The Group recognized the 40% equity interest in Armila Capital Limited as an investment in associate amounting to KD 1,141,741 (Note 11).
The transfer of ownership of the disposed shares in First Al-Mal Real Estate K.S.C. (Closed) is still in process till date of the issuance of the consolidated financial statements
- As at October 14, 2021, the Board of Directors of Al Mal Qatari Holding terminated the previous swap contract, and First Al Mal Real Estate Company will be consolidated again starting from October 14, 2021 (note 25).

The carrying amount of the net assets equals the consideration. No profit or loss resulted from derecognition of the subsidiaries.

	<u>10 March 2019</u>
	KD
ASSETS	
Cash and cash equivalents	1,503,189
Investments at fair value through profit or loss ("FVPL")	418,496
Accounts receivable and other debit balances	157,511
Investment properties	11,971,929
Property and equipment	<u>47,778</u>
	<u>14,098,903</u>

7-Cash and cash equivalent

	<u>2019 KD</u>	<u>2020 KD</u>
Cash on hand and bank balances	326,979	322,651
Cash with portfolio managers	6,135	7,647
	<u>333,114</u>	<u>330,298</u>

8-Investments at fair value through statement of income

	<u>2019 KD</u>	<u>2020 KD</u>
Quoted securities	72,909	98,965
*Unquoted securities	689,237	833,888
Investment funds	522,989	436,671
Investment portfolios	22,467	27,781
	<u>1,307,602</u>	<u>1,397,305</u>

The movement in Investments at fair value through profit or loss ("FVPL") during the year is as follows:

	<u>2019 KD</u>	<u>2020 KD</u>
Balance at beginning of the year	1,397,305	4,262,226
Additions	3,863	---
Transfers from investment in associates	---	89,565
Disposals	(271,654)	1,923,976)
Effect of derecognition of a subsidiary	---	418,496)
Change in fair value	178,088	612,014)
Balance at end of the year	<u>1,307,602</u>	<u>1,397,305</u>

During the year ended 31 December 2020, the Group sold certain investment at fair value through statement of income amounted to KD 49,440 (2019: KD 32,648) Note (15).

Valuation techniques of investment at fair value through statement of income are disclosed in Note 21.

9-Accounts receivables and other debit balances

	<u>2019</u> KD	<u>2020</u> KD
*Refundable development expenses	17,808,246	17,808,246
Less: provision for expected credit losses	(16,040,318)	(16,040,318)
	<u>1,767,928</u>	<u>1,767,928</u>
**Advances	1,189,703	1,189,703
Less: impairment in value	(1,189,703)	(1,189,703)
	<u>---</u>	<u>---</u>
Accounts receivable	68,866	68,866
Less: provision for expected credit losses	(68,866)	(68,866)
	<u>---</u>	<u>---</u>
Due from related parties (Note 17)	600,198	588,562
Less: provision for expected credit losses	(59,899)	(16,574)
	<u>540,299</u>	<u>571,988</u>
Staff receivables	---	75,040
Other debit balances	620,130	637,736
Less: provision for expected credit losses	(264,218)	(259,609)
	<u>355,912</u>	<u>453,167</u>
	<u>2,664,139</u>	<u>2,793,083</u>

Movement in the provision for expected credit losses is as follows:

	<u>2019</u> KD	<u>2020</u> KD
Balance at beginning of the year	16,385,367	16,144,184
Additions during the year	47,934	241,183
Balance at end of the year	<u>16,433,301</u>	<u>16,385,367</u>

*Refundable development expenses represent development costs incurred for developing "Prince Musaed Abdul Aziz Bin Musaed" economic city in the Kingdom of Saudi Arabia (the "Project"), under the development agreement signed between the Parent Company, and the Economic Cities Authority-Kingdom of Saudi Arabia ("ECA"). During the year ended 31 December 2014, ECA announced the termination of the development agreement and the assignment of the project to Governmental parties. As a result, during the year ended 31 December 2016, the Parent Company filed a legal case against ECA to recover the refundable development expenses. Management believes that, based on the terms and conditions of the development agreement and consultations with legal advisors, the refundable development expenses are reimbursable in full. However, management applied the guidelines of the Central Bank of Kuwait and recorded a provision to the extent of the refundable development expenses less certain direct dues to ECA related to the project amounting to KD 1,767,928 as at 30 September 2020 (December 31, 2019, September 30, 2019: KD 1,767,928).

- On 25 June 2019, a first instance judgment has been issued by the Administrative Court of Jeddah rejecting the legal case and obliging the Parent Company to settle Saudi Riyal 22,500,000 (equivalent to KD 1.82 million at 31 December 2019) to ECA. On 17 October 2019, the Group appealed the judgment to the Administrative Court of Appeal in Makkah.
- On 23 January 2020, the Administrative Court of Appeal in Makkah has confirmed the first instance judgment issued by the Administrative Court of Jeddah.
- On 3 March 2020, the Parent Company filed an objection to the Supreme Court. The objection is pending before the Supreme Court as at the issuance date of these consolidated financial statements.
- On June 24, 2021, the Court set a date for the hearing on August 18, 2021 and The session has been postponed to December 8, 2021.

**Advances include an amount of KD 1,022,769 (2019: KD 1,022,769) paid in prior years towards purchase of properties in the Syrian Arab Republic. During the year ended 31 December 2020.

10-Investment at fair value through other comprehensive income

	2019 KD	2020 KD
	2,874,328	2,874,328
Unquoted security	(287,433)	---
Provision for cumulative impairment in value *	2,586,895	2,874,328

The movement during the year is as follows:

	2019 KD	2020 KD
Impairment loss in value *	(287,433)	---
Balance at end of the year	(287,433)	---

- This represents the Group's investment in Zone Advanced General Trading Company W.L.L. ("Zone"), a former associate, that has been reclassified from investment in associates upon loss of significant influence during the year ended 31 December 2019 (Note 11 (c)).

- Valuation techniques of investments at fair value through other comprehensive income are disclosed in Note 21.

11-Investment in an associates

Name of the associate	Voting rights and equity interest		Carrying value	
	2020 %	2019 %	2020 %	2019 %
*Diyar Al-Kuwait Real Estate Company K.S.C. (Closed) (a)	%40.25	%40.25	6,015,344	5,904,414
**Armila Capital Limited (b)	%40	%40	1,143,124	1,089,636
***MAC SA, Stock Brokerage Company	%48	%48	340,627	258,892
			<u>7,499,095</u>	<u>7,252,942</u>

*The share of results of this associate has been recorded based on audited financial statements for the year ended 31 December 2020.

**The share of results of these associates has been recorded based on financial information prepared by management of the associates as at 30 June 2020 adjusted for any material transactions for the period from 1 July 2020 to 31 December 2020.

***The share of results of these associates has been recorded based on financial information prepared by management of the associates as at 30 September 2020 adjusted for any material transactions for the period from 1 October 2020 to 31 December 2020.

Investment in associates is measured using the equity method.

The movement in investment in associates during the year is as follows:

	2019 KD	2020 KD
Balance at beginning of the year	7,252,942	3,482,172
Additions during the year (Note (a) and (b))	---	5,386,707
Share of results of associates	164,561	1,498,952
Reclassified investments at fair value through other comprehensive income (c)	---	(2,874,328)
Reclassified to investments at fair value through statement of income(d)	---	(346,903)
Share of results of associates from other comprehensive income	83,011	68,510
Impairment of investment in associate	---	(31,504)
Foreign currency translation differences	(1,419)	69,336
Balance at end of the year	<u>7,499,095</u>	<u>7,252,942</u>

(a) During the year ended 31 December 2019, the Group lost control over its former subsidiary Diyar Al-Kuwait Real Estate Company K.S.C. (Closed) ("Diyar") through a swap of assets agreement however, retained significant influence in Diyar through representation in the Board of Directors (Note 7).

(b) During the year ended 31 December 2019, the Group acquired 40% equity interest in Armila Capital Limited through a swap of assets agreement (Note 6).

(c) During the year, the Group's investment in Zone Advanced General Trading Company W.L.L. ("Zone"), a former associate, has been reclassified from investment in associates to financial asset at fair value through other comprehensive income ("FVOCI") at its carrying value amounted to KD 2,874,328(Note 10)

(d) During the year, the Group's investment in United Insurance Company ("UIC"), a former associate, has been reclassified from investment in associates to Investments at fair value through profit or loss ("FVPL") as a result of loss of significant influence over this former associates as the Group no longer has representation in the Board of Directors of this former associate (Note 8).

The investment in UIC has been reclassified at fair value on the date of reclassification based on a fair valuation carried out by an external valuer.

Associate's financial position:

	2019 KD	2020 KD
Total assets	23,947,772	23,330,801
Total liabilities	(1,067,898)	(1,055,356)
	22,879,874	22,275,445
Less: non-controlling interests	(9,056,189)	(8,727,365)
Net assets	<u>13,823,685</u>	<u>13,548,080</u>
Group's share of the associate's net assets	5,564,033	5,453,102
Goodwill	451,312	451,312
Carrying amount	<u>6,015,345</u>	<u>5,904,414</u>

Associate's income and results:

Income*	388,725	6,203,108
Expenses and other charges	(173,522)	(2,198,011)
Profit	<u>215,203</u>	<u>4,005,097</u>
Other comprehensive income	206,239	186,119
Group's share of results of the associate	27,919	1,590,938
Group's share of other comprehensive income of the associate	83,011	68,510

The summarized financial information in respect of the Group's significant associates is set out below:

(i) Diyar Al-Kuwait Real Estate Company K.S.C. (Closed)

*On 31 December 2019, Diyar Al-Kuwait Real Estate Company K.S.C. (Closed) ("Diyar") acquired 50.82% equity interest in Egyptian Saudi Company for Touristic and Real Estate Investment S.A.E. ("ESTRICO"), a real estate company incorporated and registered in the Arab Republic of Egypt at a purchase consideration of KD 2,111,415.

Diyar's books of accounts at the date of acquisition of ESTRICO are summarized below:

(ii) Armila Capital Limited

Associate's financial position:

	2019 KD	2020 KD
Total assets	535,908	413,197
Total liabilities	(198,534)	(249,108)
Net assets	337,374	164,089
Group's share of net assets	134,950	65,636
Goodwill	1,055,504	1,055,504
*Less: impairment recognised	(31,504)	(31,504)
Carrying amount	1,158,950	1,089,636

Associate's revenues and results:

	2019 KD	2020 KD
Revenues	405,262	240,994
Profit (loss) for the year	154,284	(57,436)
Group's share of results of the associate	61,713	(22,652)

12-Account payables and other credit balances

	2019 KD	2020 KD
Accounts payable	218,725	91,986
Due to contractors*	1,812,891	1,812,891
Payables for purchase of investments	3,197,979	3,194,990
Accrued expenses	54,760	68,040
Professional fees payable	837,949	838,191
Other payables	80,234	124,609
	6,202,538	6,130,707

*Due to contractors include an amount of KD 1,767,928 (2019: KD 1,767,928) relating to the project and legal dispute described in Note 9.

13-Bonds payable

	2019 KD	2020 KD
Bonds payable	900,000	900,000

During prior years, the Group reached settlement agreements with bondholders for outstanding bonds amounting to KD 11,088,000. As a result of these agreements, a foreign subsidiary of the Group purchased approximately 92.5% of the issued bond.

- On 26 November 2014, the bondholder of KD 900,000 (Kuwait Investment Authority ("KIA")) had previously filed a legal case against the Parent Company to recover the full face value of the bonds and outstanding coupons.
- On 24 January 2019, The Court of First Instance rejected KIA's claim and obliged the Parent Company to pay the outstanding coupon amount of KD 46,762 and the litigation fees. The judgment has been appealed by KIA.
- On 22 May 2019, the Court of Appeal rejected the appeal filed by KIA and approved the judgment of the Court of First Instance. KIA appealed the judgment with the Court of Cassation.

- On 31 October 2019, the Court of Cassation rejected the appeal and obliged the Parent Company to pay the outstanding coupon amount of KD 46,762 and the litigation fees of KD 13,953. The judgment has been executed during December 2019.
- On 17 October 2019, the bondholders agreed to extend the due date of the issued bonds to 18 November 2022.

14-Capital

The authorized, issued and fully paid-up share capital is KD 31,024,591 (December 31, 2019: KD 31,024,591 and 30 September 2020 KD 31,024,591) divided into 310,245,910 shares (December 31, 2019: 310,245,910 shares and September 30, 2020 310,245,910 shares) of 100 fils each. All shares are paid in cash.

15-Net investments profit (loss)

	<u>2019</u> KD	<u>2020</u> KD
Change in fair value of investments at fair value through statement of income	178,088	(612,014)
(Loss) on sale of investments at fair value through statement of income	(49,440)	(32,648)
Loss on reclassification of investment in associates to financial assets at fair value through statement of income	---	(323,500)
Interest income	6,434	8,447
Dividend income	17,181	32,637
	<u>152,263</u>	<u>(927,078)</u>

16-General and administrative expenses

	<u>2019</u> KD	<u>2020</u> KD
Staff costs	182,042	618,346
Rent	28,435	105,421
Professional fees	59,020	145,083
Subscriptions	25,511	97,499
Depreciation	---	2,537
Others	23,747	160,659
	<u>318,755</u>	<u>1,129,545</u>

17-Related Parties balances and transactions

Related parties represent major shareholders, directors and key management personnel, their close family members and entities controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management. Balances and transactions with related parties are as follows:

	<u>2019</u> KD	<u>2020</u> KD
Consolidated statement of financial position:		
Due from related parties (included in accounts receivable and other debit balances) (Note 9)	433,247	433,247
Zone Advanced General Trading Company W.L.L.	69,458	57,822
Diyar Al-Kuwait Real Estate Company K.S.C. (Closed)	97,493	97,493
Armila Capital Limited	600,198	588,562
Less: provision for expected credit losses (Note 9)	(59,899)	(16,574)
Due to related parties (included in accounts payable and other credit balances) (Note 14)	<u>540,299</u>	<u>571,988</u>

Amounts due from related parties are non-interest bearing and are receivable on demand.

	2019 KD	2020 KD
Consolidated statement of income:		
Management and consultancy fee income	---	74,156
Key management compensation		
Salaries and other short-term benefits	16,564	111,460
End of service benefits	1,440	9,344
*Committees' fees and other allowances	---	30,000

*Committees' fees and other allowances are subject to the approval of the Annual General Assembly of the shareholders'.

18-Basic and Diluted (loss) per share attributable to the equity holders of the parent company

Basic and diluted (loss) per share attributable to the equity holders of the Parent Company is calculated by dividing the loss for the year attributable to equity holders of the Parent Company by the weighted average number of shares outstanding during the year.

	2019 KD	2020 KD
Loss for the year attributable to the equity holders of the Parent Company (KD)	(202,527)	(2,585,275)
Weighted average number of shares outstanding (shares)	310,245,910	310,245,910
Basic and diluted loss per share attributable to the equity holders of the Parent Company (fills)	(0.65)	(8.33)

19-Annual general assembly meeting

The Annual General Assembly Meetings of the shareholders held on 17 September 2020 approved the following:

- The consolidated financial statements of the Group for the financial year ended 31 December 2019.
- Furthermore, an auditor has been appointed to audit the consolidated financial statements for the year ended December 31, 2020 by the Parent Company's Board of Directors. This appointment was approved at the annual general assembly of shareholders of the parent company held on September 5, 2021.

20-Segmental information

The Group identifies its operating segments based on internal management reporting information that is regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Parent Company's Chief Executive Officer is the Group's chief operating decision maker and has grouped the Group's operations into the following operating segments.

Real estate	Represents real estate management and lease activities.
Asset management	Represents management of different investment portfolios for others.
Communication services	Represents communication services and operations.
Investments	Represents establishing or purchasing specialised companies or securities in those companies.

The following is an analysis of the Group's revenue and results by operating segment:

31 December 2020					
	Real estates KD	Investment s KD	Finance KD	Undistribut ed KD	Total KD
Net (loss) income segment	(3,275)	310,390	6,434	142,648	456,197
Expenses and others	---	(330,758)	(5,139)	(323,364)	(659,261)
Segment result	(3,275)	(20,368)	1,295	(180,716)	(203,064)
Segment assets and liabilities					
Segment assets	39,635	13,326,802	---	1,163,043	14,529,480
Segment liabilities	---	6,182,534	930,199	---	7,112,733
31 December 2019					
	Real estates KD	Investmen ts KD	Finance KD	Undistribute d KD	Total KD
Net (loss) income segment	131,177	(488,406)	8,447	151,331	(197,451)
Expenses and others	---	---	(77,846)	(2,286,977)	(2,364,823)
Segment result	131,177	(488,406)	(69,399)	(2,135,646)	(2,562,274)
Segment assets and liabilities					
Segment assets	42,910	11,623,575	---	3,123,381	14,789,866
	---	4,094,990	---	3,156,152	7,251,142

21-Financial risk and capital management

Credit risk:

The Group's activities expose it to variety of financial risks: e.g. market risk (i.e. interest/profit rate risk, foreign currency risk and equity price risk), credit risk and liquidity risk. The Group's management policies for reducing each of the risks are discussed below. The Group does not use derivative financial instruments based on future speculations

Receivables:

The Company applies the simplified model in IFRS 9 to achieve expected credit losses over the life of the instrument for all trade receivables since these items do not have a material financing factor. In measuring expected credit losses, receivables were assessed on a group basis respectively and were classified based on common credit risk characteristics and maturity period.

Trade receivables (ie derecognition) are written off when there is no reasonable prospect of recovery. The default in 365 days from the date of the invoice and the inability to make an alternative payment arrangement - among other things, is an indication of an unreasonable expectation of recovery and is therefore considered to be a decline in the value of the credit.

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within established limits.

Foreign currency risk:

The Group has set policies for the management of foreign exchange risk which require each company in the Group to manage the foreign risk against its currency of operation. The Group tracks and manages these risks by:

- Monitoring the changes in foreign currency exchange rates on a regular basis.
- Setting up tide limits for dealing in foreign currencies for the basic objectives of the Group's activities.

The carrying amounts of the Group's foreign currency denominated net monetary assets/ (liabilities) at the reporting date are as follows:

	2020 KD	2019 KD
United States Dollars ("USD")	(172,394)	(80,655)
Saudi Riyal ("SAR")	(1,841,051)	(2,457,927)
Great Britain Pound ("GBP")	82,793	101,152

The effect of a 5% strengthening in value of the currency rate against the KD from levels applicable at 31 December, with all other variables held constant on the consolidated statement of profit or loss is shown below:

	2020 KD	2019 KD
United States Dollars ("USD")	(8,620)	(4,033)
Saudi Riyal ("SAR")	(92,053)	(122,896)
Great Britain Pound ("GBP")	4,140	5,058

The effect of decrease in the value of the currency rate is expected to be equal and opposite to the effect of the increases shown above.

Equity price risk:

Equity price risk is the risk that the value of financial instruments will fluctuate as a result of changes in equity prices. The equity price risk exposure arises from the Group's investment in equity securities classified as Investments at fair value through profit or loss ("FVPL") and financial asset at fair value through other comprehensive income ("FVOCI"). The Group manages this risk by diversifying its investments on the basis of the pre-determined asset allocations across various categories, continuous appraisal of market conditions and trends and management estimate of long and short term changes in fair value.

The following table demonstrates the sensitivity of the changes in fair value to reasonably possible changes in equity prices, with all other variables held constant. The estimated change in equity prices is determined at (\pm) 5% (2019: (\pm) 5%).

	Effect on loss for the year and equity	
	2020 KD	2019 KD
Investments at fair value through statement of income	65,380	69,865

	Effect on other comprehensive income	
	2020 KD	2019 KD
Investments at fair value through statement of income	129,345	143,716

Liquidity risk:

Liquidity risk is the risk that the Group will be unable to meet its liabilities when they fall due. To limit this risk, management has arranged diversified funding sources, manages assets with liquidity in mind, and monitors liquidity on a daily basis.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below analyses the Group's non-derivative financial liabilities based on the remaining period at the consolidated financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

31 December 2020

	<u>Less than 3 months</u>	<u>3 to 12 months</u>	<u>1 to 2 year</u>	<u>Total KD</u>
Accounts payable and other credit balances	---	6,202,538	---	6,202,538
Bonds payable	---	---	900,000	900,000
Unquoted securities	---	6,202,538	900,000	7,102,538

31 December 2019

	<u>Less than 3 months</u>	<u>3 to 12 months</u>	<u>1 to 2 year</u>	<u>Total KD</u>
Accounts payable and other credit balances	137,439	5,993,268	---	6,130,707
Bonds payable	---	---	900,000	900,000
Unquoted securities	137,439	5,993,268	900,000	7,030,707

Fair value estimation:

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: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs are unobservable inputs for the asset or liability.

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

The investments measured at fair value in the consolidated statement of financial position are grouped into the fair value hierarchy as follows:

31 December 2020

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total KD</u>
Investments at fair value through statement of income				
Quoted securities	72,909	---	---	72,909
Unquoted securities	---	586,051	103,185	689,236
Mutual funds	---	522,990	---	522,990
Investment portfolios	---	22,467	---	22,467
	<u>72,909</u>	<u>1,131,508</u>	<u>103,185</u>	<u>1,307,602</u>
Investments at fair value through other comprehensive income				
Unquoted security	---	---	2,586,895	2,586,895
	---	---	<u>2,586,895</u>	<u>2,586,895</u>

31 December 2019

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total KD</u>
Investments at fair value through statement of income				
Quoted securities	98,965	---	---	98,965
Unquoted securities	---	---	833,888	833,888
Mutual funds	---	308,047	128,624	436,671
Investment portfolios	---	---	27,781	27,781
	<u>98,965</u>	<u>308,047</u>	<u>990,293</u>	<u>1,397,305</u>
Investments at fair value through other comprehensive income				
Unquoted security	---	---	2,874,328	2,874,328
	<u>98,965</u>	<u>308,047</u>	<u>3,864,621</u>	<u>4,271,633</u>

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

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

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

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

22-Fiduciary assets

The Group manages mutual funds and portfolios on behalf of third parties, and maintains securities in fiduciary accounts which are not reflected in the Group's consolidated financial statements. Assets under management at 31 December 2020 amounted to KD 4,481,804 (2019: KD 4,826,648).

23-Significant event

The significant event represents the spread of the Novel Coronavirus ("COVID-19") that has affected the global markets as well as Kuwait market which may have impact on the Company's net assets and results.

The Company's Management will take into consideration the effects of Novel Coronavirus on the Company's net assets and results. A reliable estimate of the impact cannot be made as of the date of the issuance of the interim condensed financial information. The outcome and implication are still unknown as it depends on the magnitude and duration of these events.

24-Comparative figures

Certain comparative information has been reclassified to conform to the current year's presentation. Such reclassification did not affect previously reported consolidated profit or loss, consolidated equity or opening balances of the earliest comparative year presented and accordingly a third consolidated statement of financial position is not presented.

25-Subsequents events

A-The new board of directors of one of Al Mal's subsidiary companies – Al Mal Qatar Holding Company (KSCC) – which is 97.5% owned by Al Mal Investment Company, at its meeting held on October 14, 2021, cancelled the asset swap agreement contract that was previously approved by the Board of Directors. The old management between Al Mal Qatar Holding Company (KSCC) and the Kuwaiti European Holding Company (KSC) on March 10, 2019. Accordingly, the necessary and legal measures will be taken in this regard.

B- On November 9, 2021, a judgment of the first degree was issued by the Court of First Instance in Kuwait obligating the parent company to pay the accrued amount of 181,528 KD to the Ministry of Finance for the value of KFAS for the fiscal year 2015, the group appealed this ruling to the Administrative Court in Kuwait.

C- On November 10, 2021, a judgment of the first degree was issued by the Court of First Instance in Kuwait to cancelled the share contract dated January 15, 2007 and obligate the parent company to pay an amount of KD 2,436,500 to Abdul-Hussein Ali Hussein Khaja. The group appealed this ruling to the Administrative Court in Kuwait.

