



# الصالحية

Date: 08/08/2024

Ref.: Ib/14/2024

To: Boursa Kuwait Co.

Dear Sirs,

**Subject: Results of the BOD meeting of Salhia Real Estate Company**

With reference to the above subject, we are pleased to inform you that the Board of Directors of Salhia Real Estate Company held its meeting on Thursday 08/08/2024, at 1:00 PM and approved the Interim Condensed Consolidated Financial Information for the financial period ended 30/06/2024.

As per Boursa Kuwait decision that classified Salhia Real Estate Company under the "Premier Market" category, it was decided to hold the quarterly Analysts/Investors Conference for Q2.2024 via live Webcast at 1:00 p.m. (according to local time) on Wednesday 14/08/2024. Interested parties should reach out through the following email [IR@salhia.com](mailto:IR@salhia.com)

Best regards,

**Ghazi F. Alnafisi**  
Chairman

غازي فهد النفيسي  
رئيس مجلس الإدارة

\*Copy to the Capital Markets Authority.

Attachments: -

- Financial Results Form.
- Approved Financial Statements.
- Approved Auditor's Report.



\*نسخة للسادة/ هيئة أسواق المال

المرفقات:-

- نموذج نتائج البيانات المالية.
- نسخة من البيانات المالية المعتمدة.
- نسخة من تقرير مراقب الحسابات المعتمد



Financial Results Form  
Kuwaiti Company (KWD)

نموذج نتائج البيانات المالية  
للشركات الكويتية (د.ك.)

Company Name  
Salhia Real Estate Co. (K.S.C.P)

اسم الشركة

شركة الصالحية العقارية (ش.م.ك.ع.)

Second quarter results Ended on  
2024-06-30

نتائج الربع الثاني المنتهي في

Board of Directors Meeting Date  
2024-08-08

تاريخ اجتماع مجلس الإدارة

Required Documents  
Approved financial statements.  
Approved auditor's report  
This form shall not be deemed to be complete unless the documents mentioned above are provided

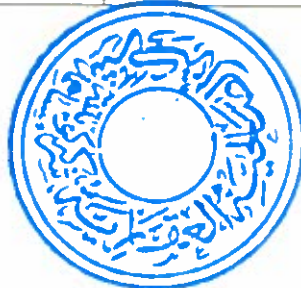
المستندات الواجب إرفاقها بالنموذج

نسخة من البيانات المالية المعتمدة

نسخة من تقرير مراقب الحسابات المعتمد

لا يعتبر هذا النموذج مكتملاً ما لم يتم إرفاق هذه المستندات

| التغيير (%) | فترة الستة اشهر المقارنة               | فترة الستة اشهر الحالية                        | البيان   |
|-------------|--|--|--|
| Change (%)  | Six Month Comparative Period           | Six Month Current Period                       | Statement  |
|             | 2023-06-30                             | 2024-06-30                                     |  |
| % (30)      | 7,208,910                              | 5,056,612                                      | صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم<br>Net Profit (Loss) represents the amount attributable to the owners of the parent Company |
| % (30)      | 12.54                                  | 8.81   | ربحية (خسارة) السهم الأساسية والمخفضة<br>Basic & Diluted Earnings per Share  |
| % 102       | 7,535,191                              | 15,203,459                                     | الموجودات المتداولة<br>Current Assets  |
| % 20        | 436,365,705                            | 523,169,699                                    | إجمالي الموجودات<br>Total Assets   |
| % 18        | 27,847,105                             | 32,911,931                                     | المطلوبات المتداولة<br>Current Liabilities   |
| % 30        | 265,754,234                            | 346,639,901                                    | إجمالي المطلوبات<br>Total Liabilities  |
| % 3.5       | 170,457,148                            | 176,401,605                                    | إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم<br>Total Equity attributable to the owners of the Parent Company                            |
| % 11        | 20,054,665                             | 22,268,097                                     | إجمالي الإيرادات التشغيلية<br>Total Operating Revenue  |
| % 18        | 14,552,976                             | 17,237,487                                     | صافي الربح (الخسارة) التشغيلية<br>Net Operating Profit (Loss)  |
| —           | خسائر متراكمة<br>No Accumulated losses | لا توجد خسائر متراكمة<br>No Accumulated losses | الخسائر المتراكمة / رأس المال المدفوع<br>Accumulated Loss / Paid-Up Share Capital  |





| التغيير (%) | الربع الثاني المقارن              | الربع الثاني الحالي           | البيان   |
|-------------|-----------------------------------|-------------------------------|--|
| Change (%)  | Second quarter Comparative Period | Second quarter Current Period | Statement  |
|             | 2023-06-30                        | 2024-06-30                    |  |
| % (37)      | 3,450,054                         | 2,190,296                     | صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم<br>Net Profit (Loss) represents the amount attributable to the owners of the parent Company |
| % (37)      | 6.03                              | 3.82                          | ربحية (خسارة) السهم الأساسية والمخففة<br>Basic & Diluted Earnings per Share  |
| % 8         | 10,250,435                        | 11,112,085                    | إجمالي الإيرادات التشغيلية<br>Total Operating Revenue  |
| % 16        | 7,632,782                         | 8,827,819                     | صافي الربح (الخسارة) التشغيلية<br>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)  |
|---|---|
| <ul style="list-style-type: none"><li>• Increase in depreciation and amortization.</li><li>• Increase in finance cost.</li><li>• Extra ordinary gains from recovery of insurance claim for the previous year.</li></ul> | <ul style="list-style-type: none"><li>• ارتفاع الاستهلاك والإطفاء.</li><li>• ارتفاع تكاليف التمويل.</li><li>• أرباح غير اعتيادية من استرداد مطالبات تأمين خاصة بالعام السابق.</li></ul> |

|   |   |  |
|---|---|--|
| Total Revenue realized from dealing with related parties (value, KWD) | 0 | بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.) |
|---|---|--|

|  |         |  |
|--|---------|--|
| Total Expenditures incurred from dealing with related parties (value, KWD) | 357,950 | بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.) |
|--|---------|--|



محمود

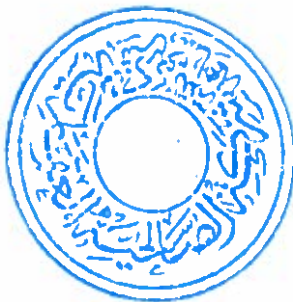


| Auditor Opinion |                       |                                     | رأي مراقب الحسابات |
|-----------------|-----------------------|-------------------------------------|--------------------|
| 1.              | Unqualified Opinion   | <input checked="" type="checkbox"/> | 1. رأي غير متحفظ   |
| 2.              | Qualified Opinion     | <input type="checkbox"/>            | 2. رأي متحفظ       |
| 3.              | Disclaimer of Opinion | <input type="checkbox"/>            | 3. عدم إبداء الرأي |
| 4.              | Adverse Opinion       | <input type="checkbox"/>            | 4. 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

|                 |  |
|-----------------|--|
| لا يوجد<br>None | نص رأي مراقب الحسابات كما ورد في التقرير                           |
| لا يوجد<br>None | شرح تفصيلي بالحالة التي استدعت مراقب الحسابات لإبداء الرأي         |
| لا يوجد<br>None | الخطوات التي سنقوم بها الشركة لمعالجة ما ورد في رأي مراقب الحسابات |
| لا يوجد<br>None | الجدول الزممي لتنفيذ الخطوات لمعالجة ما ورد في رأي مراقب الحسابات  |





| Corporate Actions |                 | امتدحاقات الأسم (الإجراوات المؤسسية) |                                     |
|-------------------|-----------------|--------------------------------------|-------------------------------------|
| النسبة            | القيمة          |                                      |                                     |
|                   | لا يوجد<br>None |                                      | توزعات نقدية<br>Cash Dividends      |
|                   | لا يوجد<br>None |                                      | توزعات أسهم منحة<br>Bonus Share     |
|                   | لا يوجد<br>None |                                      | توزعات أخرى<br>Other Dividend       |
|                   | لا يوجد<br>None |                                      | عدم توزع أرباح<br>No Dividends      |
|                   | لا يوجد<br>None | علاوة الإصدار<br>Issue Premium       | زيادة رأس المال<br>Capital Increase |
|                   | لا يوجد<br>None |                                      | تخفيض رأس المال<br>Capital Decrease |

| ختم الشركة<br>Company Seal | التوقيع<br>Signature | المسمى الوظيفي<br>Title | الاسم<br>Name    |
|----------------------------|----------------------|-------------------------|------------------|
|                            |                      | رئيس مجلس الإدارة       | غازي فهد النفيسي |

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

### **Report on the Interim Condensed Consolidated Financial Information**

#### ***Introduction***

We have reviewed the accompanying interim condensed consolidated statement of financial position of Salhia Real Estate Company K.S.C.P. (the “Parent Company”) and its subsidiaries (collectively the “Group”) as at 30 June 2024, and the related interim condensed consolidated statement of profit or loss and interim condensed consolidated statement of comprehensive income for the three-month and six-month periods then ended, and the related interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then end. The management of the Parent Company is responsible for the preparation and fair presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34: Interim Financial Reporting (“IAS 34”). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

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

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

#### ***Conclusion***

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



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

**Report on Other Legal and Regulatory Requirements**

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended, and its executive regulations, as amended, or of the Parent Company’s Memorandum of Incorporation and Articles of Association, as amended, during the six-month period ended 30 June 2024 that might have had a material effect on the business of the Parent Company or on its financial position.

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any material violations of the provisions of Law No. 7 of 2010 concerning establishment of Capital Market Authority “CMA” and organization of security activity and its executive regulations, as amended, during the six-month period ended 30 June 2024 that might have had a material effect on the business of the Parent Company or on its financial position.

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BADER A. AL-ABDULJADER  
LICENCE NO. 207-A  
EY  
(AL AIBAN, AL OSAIMI & PARTNERS)

8 August 2024  
Kuwait

Salhia Real Estate Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
(UNAUDITED)

For the period ended 30 June 2024

|   | <i>Three months ended</i> |             | <i>Six months ended</i> |             |
|---|---------------------------|-------------|-------------------------|-------------|
|   | <i>30 June</i>            |             | <i>30 June</i>          |             |
|   | <b>2024</b>               | 2023        | <b>2024</b>             | 2023        |
| <i>Note</i>   | <b>KD</b>                 | <i>KD</i>   | <b>KD</b>               | <i>KD</i>   |
| Revenue   | <b>11,112,085</b>         | 10,250,435  | <b>22,268,097</b>       | 20,054,665  |
| Operating costs   | <b>(2,284,266)</b>        | (2,617,653) | <b>(5,030,610)</b>      | (5,501,689) |
| <b>Gross profit</b>   | <b>8,827,819</b>          | 7,632,782   | <b>17,237,487</b>       | 14,552,976  |
| Share of joint venture's results, net of tax  | <b>318,985</b>            | 519,212     | <b>1,549,157</b>        | 297,643     |
| General and administrative expenses   | <b>(851,424)</b>          | (1,310,814) | <b>(2,266,164)</b>      | (2,558,608) |
| Depreciation and amortization   | <b>(2,025,280)</b>        | (1,774,787) | <b>(3,962,743)</b>      | (3,241,328) |
| Sales and marketing expenses  | <b>(110,084)</b>          | (123,881)   | <b>(320,577)</b>        | (308,542)   |
| Dividends income  | <b>63,756</b>             | 58,415      | <b>80,634</b>           | 58,415      |
| Recovery of insurance claims  | -                         | -           | -                       | 750,000     |
| Other income, net   | <b>(60,181)</b>           | (7,482)     | <b>87,329</b>           | 222,631     |
| Finance costs   | <b>(3,852,573)</b>        | (1,321,012) | <b>(7,071,288)</b>      | (2,186,313) |
| <b>PROFIT BEFORE PROVISION FOR CONTRIBUTION TO KUWAIT FOUNDATION FOR THE ADVANCEMENT OF SCIENCES ("KFAS"), NATIONAL LABOUR SUPPORT TAX ("NLST") AND ZAKAT</b> | <b>2,311,018</b>          | 3,672,433   | <b>5,333,835</b>        | 7,586,874   |
| KFAS  | <b>(22,935)</b>           | (36,126)    | <b>(52,949)</b>         | (75,486)    |
| NLST  | <b>(57,338)</b>           | (90,316)    | <b>(132,372)</b>        | (188,715)   |
| Zakat   | <b>(22,935)</b>           | (36,126)    | <b>(52,949)</b>         | (75,486)    |
| <b>PROFIT FOR THE PERIOD</b>  | <b>2,207,810</b>          | 3,509,865   | <b>5,095,565</b>        | 7,247,187   |
| <b>Attributable to:</b>   |                           |             |                         |             |
| Equity holders of the Parent Company  | <b>2,190,296</b>          | 3,450,054   | <b>5,056,612</b>        | 7,208,910   |
| Non-controlling interests   | <b>17,514</b>             | 59,811      | <b>38,953</b>           | 38,277      |
|   | <b>2,207,810</b>          | 3,509,865   | <b>5,095,565</b>        | 7,247,187   |
| <b>BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT COMPANY</b>  | <b>3.82 fils</b>          | 6.03 fils   | <b>8.81 fils</b>        | 12.54 fils  |

The attached notes 1 to 13 form an integral part of the interim condensed consolidated financial information.



Salhia Real Estate Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 June 2024

|  | <i>Three months ended</i> |             | <i>Six months ended</i> |             |
|--|---------------------------|-------------|-------------------------|-------------|
|  | <i>30 June</i>            |             | <i>30 June</i>          |             |
|  | <i>2024</i>               | <i>2023</i> | <i>2024</i>             | <i>2023</i> |
|  | <i>KD</i>                 | <i>KD</i>   | <i>KD</i>               | <i>KD</i>   |
| <b>Profit for the period</b>   | <b>2,207,810</b>          | 3,509,865   | <b>5,095,565</b>        | 7,247,187   |
| <b>Other comprehensive (loss) income</b>   |                           |             |                         |             |
| <i>Items that may be reclassified to interim condensed consolidated statement of profit or loss in subsequent periods:</i>                                     |                           |             |                         |             |
| Exchange differences on translation of foreign operations  | <b>(310,014)</b>          | (587,223)   | <b>(1,507,668)</b>      | (213,998)   |
| <b>Net other comprehensive loss that may be reclassified to interim condensed consolidated statement of profit or loss in subsequent periods</b>               | <b>(310,014)</b>          | (587,223)   | <b>(1,507,668)</b>      | (213,998)   |
| <i>Items that will not be reclassified to interim condensed consolidated statement of profit or loss in subsequent periods:</i>                                |                           |             |                         |             |
| Changes in the fair value of equity instruments at fair value through other comprehensive income   | <b>36,759</b>             | (136,345)   | <b>54,196</b>           | (304,258)   |
| <b>Net other comprehensive income (loss) that will not be reclassified to interim condensed consolidated statement of profit or loss in subsequent periods</b> | <b>36,759</b>             | (136,345)   | <b>54,196</b>           | (304,258)   |
| <b>Other comprehensive loss for the period</b>   | <b>(273,255)</b>          | (723,568)   | <b>(1,453,472)</b>      | (518,256)   |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>   | <b>1,934,555</b>          | 2,786,297   | <b>3,642,093</b>        | 6,728,931   |
| <b>Attributable to:</b>  |                           |             |                         |             |
| Equity holders of the Parent Company   | <b>1,952,208</b>          | 2,659,809   | <b>3,681,667</b>        | 6,628,016   |
| Non-controlling interests  | <b>(17,653)</b>           | 126,488     | <b>(39,574)</b>         | 100,915     |
|  | <b>1,934,555</b>          | 2,786,297   | <b>3,642,093</b>        | 6,728,931   |

The attached notes 1 to 13 form an integral part of the interim condensed consolidated financial information.

Salhia Real Estate Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2024

|  |   | 30 June<br>2024<br>KD | (Audited)<br>31 December<br>2023<br>KD | 30 June<br>2023<br>KD |
|--|---|-----------------------|--|-----------------------|
| <b>ASSETS</b>  |   |                       |  |                       |
| Cash on hand and at banks  | 4 | 5,432,709             | 6,192,906                              | 7,076,884             |
| Inventories  |   | 199,564               | 202,205                                | 215,148               |
| Accounts receivable and other assets                               |   | 10,283,074            | 24,933,379                             | 6,585,118             |
| Financial assets at fair value through other comprehensive income  | 5 | 6,922,406             | 6,868,210                              | 6,180,407             |
| Investment in a joint venture                                      |   | 10,444,998            | 9,802,678                              | 12,679,136            |
| Investment properties  | 6 | 435,878,780           | 360,996,365                            | 358,327,752           |
| Property and equipment   |   | 54,008,168            | 49,126,804                             | 45,301,260            |
| <b>TOTAL ASSETS</b>  |   | <b>523,169,699</b>    | <b>458,122,547</b>                     | <b>436,365,705</b>    |
| <b>LIABILITIES AND EQUITY</b>                                      |   |                       |  |                       |
| <b>LIABILITIES</b>   |   |                       |  |                       |
| Due to banks and financial institution                             | 4 | 14,235,600            | 14,303,492                             | 6,776,389             |
| Accounts payable and other liabilities                             |   | 37,679,057            | 40,236,266                             | 39,607,250            |
| Commercial financing   | 7 | 21,358,160            | 18,203,880                             | 14,688,600            |
| Islamic financing  | 7 | 273,367,084           | 205,500,804                            | 204,681,995           |
| <b>TOTAL LIABILITIES</b>   |   | <b>346,639,901</b>    | <b>278,244,442</b>                     | <b>265,754,234</b>    |
| <b>EQUITY</b>  |   |                       |  |                       |
| Share capital  | 8 | 59,354,144            | 56,527,756                             | 56,527,756            |
| Share premium  |   | 35,055,163            | 35,055,163                             | 35,055,163            |
| Treasury shares  | 9 | (7,142,472)           | (8,086,553)                            | (5,931,332)           |
| Treasury shares reserve  |   | 6,118,701             | 5,848,303                              | 5,708,079             |
| Statutory reserve  |   | 30,280,511            | 30,280,511                             | 30,280,511            |
| Voluntary reserve  |   | 20,489,290            | 20,489,290                             | 20,489,290            |
| Retained earnings  |   | 45,495,691            | 51,470,346                             | 42,668,466            |
| Fair value reserve   |   | 13,825                | (40,371)                               | (728,175)             |
| Foreign currency translation reserve                               |   | (13,263,248)          | (11,834,107)                           | (13,612,610)          |
| <b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY</b> |   | <b>176,401,605</b>    | <b>179,710,338</b>                     | <b>170,457,148</b>    |
| Non-controlling interests  |   | 128,193               | 167,767                                | 154,323               |
| <b>TOTAL EQUITY</b>  |   | <b>176,529,798</b>    | <b>179,878,105</b>                     | <b>170,611,471</b>    |
| <b>TOTAL LIABILITIES AND EQUITY</b>                                |   | <b>523,169,699</b>    | <b>458,122,547</b>                     | <b>436,365,705</b>    |



Ghazi Fahad Alnafisi  
Chairman

The attached notes 1 to 13 form an integral part of the interim condensed consolidated financial information.