

**National International Holding Company K.S.C.P.
And its subsidiaries
State of Kuwait**

**Interim Condensed Consolidated Financial Information
And Review Report
For the three months period ended 31 March 2022
(Unaudited)**

National International Holding Company K.S.C.P.
And its subsidiaries
State of Kuwait

Interim Condensed Consolidated Financial Information
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National International Holding Company K.S.C.P.

State of Kuwait

Report on Review of Interim Condensed Consolidated Financial Information to the Board of Directors

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of National International Holding Company K.S.C.P. (the "Parent Company") and its subsidiaries (together referred to as "the Group") as at 31 March 2022, and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the three months period then ended. The Parent Company's management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard No. (34) "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with International Accounting Standard No. (34) "Interim Financial Reporting".

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 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, the executive regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, during the three months period ended 31 March 2022 that might have had a material effect on the business of the Group or on its consolidated financial position.

We further report that, during the course of our review, we have not become aware of any material violations of the provisions of Law No. 7 of 2010, concerning the Capital Markets Authority and its related regulations, as amended, during the three-month period ended 31 March 2022, that might have had a material effect on the business of the Group or on its consolidated financial position.



Talal Y. Al-Muzaini

Licence No. 209 A

Deloitte & Touche, Al-Wazzan & Co.

Kuwait, 11 May 2022

National International Holding Company K.S.C.P.
And its subsidiaries
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Interim Condensed Consolidated Statement of Financial Position as at 31 March 2022
(Unaudited)

(All amounts are in Kuwaiti Dinar)

	Notes	31 March 2022	31 December 2021 (Audited)	31 March 2021
Assets				
Cash and cash equivalents	4	830,248	1,529,660	372,553
Accounts receivable and other assets	5	3,028,437	2,488,044	3,457,203
Inventories		721,887	617,060	628,413
Investments at fair value through profit or loss	6	5,933,038	5,196,535	2,713,899
Investments at fair value through OCI	7	17,407,719	17,445,254	13,382,341
Investments in debt instruments at amortized cost	8	9,428,809	9,292,453	8,550,656
Investment in associates	9	13,725,295	13,639,644	12,539,811
Investment properties		864,409	953,788	1,599,908
Property and equipment		4,699,284	4,708,819	4,381,332
Total assets		56,639,126	55,871,257	47,626,116
Liabilities and equity				
Liabilities				
Bank facilities	10	3,084,458	2,708,533	2,677,200
Accounts payable and other liabilities	11	5,577,210	5,951,720	2,885,057
Total liabilities		8,661,668	8,660,253	5,562,257
Equity				
Share capital		22,772,138	22,772,138	22,772,138
Share premium		2,813,184	2,813,184	2,813,184
Statutory reserve		1,322,233	1,322,233	1,136,639
Fair value reserve		11,208,984	11,253,231	10,785,930
Treasury shares	12	(1,539,404)	(1,539,404)	(1,906,792)
Treasury shares reserve		490,638	490,638	318,561
Group's share in associates' reserves		(325,998)	(328,110)	155,488
Retained earnings		2,882,168	2,002,419	454,677
Equity attributable to the shareholders of the Parent Company		39,623,943	38,786,329	36,529,825
Non-controlling interests		8,353,515	8,424,675	5,534,034
Total equity		47,977,458	47,211,004	42,063,859
Total liabilities and equity		56,639,126	55,871,257	47,626,116

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



Abdul Wahab Mohamed Al-Wazzan
Chairman

Mamdouh Abdul Ghani El Sherbiny
Chief Executive Officer

National International Holding Company K.S.C.P.

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**Interim Condensed Consolidated Statement of Income for the three months ended 31 March 2022
(Unaudited)***(All amounts are in Kuwaiti Dinar)*

	Notes	Three months ended	
		31 March	
		2022	2021
Revenues			
Net investment income	13	1,012,217	84,009
Share of results from associates		83,539	53,284
Profit from operating activities		901,046	860,853
Net loss from selling investment properties		(6,253)	-
Other income		10,527	5,767
		<u>2,001,076</u>	<u>1,003,913</u>
Expenses			
Cost of sales from operating activities		717,505	564,553
Other expenses		352,820	322,286
Finance costs		34,031	35,276
		<u>1,104,356</u>	<u>922,115</u>
Profit for the period before deductions		896,720	81,798
Contribution to KFAS		(8,207)	(6)
National Labour Support Tax		(23,383)	(1,828)
Zakat		(8,782)	-
Net profit for the period		<u>856,348</u>	<u>79,964</u>
Attributable to:			
Shareholders of the Parent Company		879,749	52,033
Non-controlling interests		(23,401)	27,931
		<u>856,348</u>	<u>79,964</u>
Basic and diluted earnings per share (fils)	14	<u>4.28</u>	<u>0.25</u>

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

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**Interim Condensed Consolidated Statement of Comprehensive Income for the three months ended 31 March 2022
(Unaudited)**

(All amounts are in Kuwaiti Dinar)

	Three months ended	
	31 March	
	2022	2021
Net profit for the period	<u>856,348</u>	<u>79,964</u>
Other comprehensive income items:		
<i>Items that are or may be reclassified subsequently to the interim condensed consolidated statement of income:</i>		
Group's share in associates' reserves	<u>(81,427)</u>	<u>(4,122)</u>
<i>Items that will not be reclassified subsequently to interim condensed consolidated statement of income:</i>		
Change in fair value of equity investments at fair value through other comprehensive income	<u>(92,006)</u>	<u>(631,349)</u>
Group's share in associates' reserves	<u>83,539</u>	<u>-</u>
	<u>(8,467)</u>	<u>(631,349)</u>
Total other comprehensive loss items	<u>(89,894)</u>	<u>(635,471)</u>
Total comprehensive income/ (loss) for the period	<u>766,454</u>	<u>(555,507)</u>
Attributable to:		
Shareholders of the Parent Company	<u>798,987</u>	<u>(432,053)</u>
Non-controlling interests	<u>(32,533)</u>	<u>(123,454)</u>
	<u>766,454</u>	<u>(555,507)</u>

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

**Interim Condensed Consolidated Statement of Changes in Equity for the three months ended 31 March 2022
(Unaudited)**

(All amounts are in Kuwaiti Dinar)

	Equity attributable to the shareholders of the Parent Company							Non-controlling interests	Total equity		
	Share capital	Share premium	Statutory reserve	Fair value reserve	Treasury shares	Treasury shares reserve	Group's share in associates' reserves			Retained earnings	Total
Balance as at 1 January 2021	22,772,138	2,813,184	1,136,639	11,265,894	(1,906,792)	318,561	159,610	402,644	36,961,878	5,657,488	42,619,366
Net profit for the period	-	-	-	-	-	-	-	52,033	52,033	27,931	79,964
Other comprehensive income items	-	-	-	(479,964)	-	-	(4,122)	-	(484,086)	(151,385)	(635,471)
Balance as at 31 March 2021	22,772,138	2,813,184	1,136,639	10,785,930	(1,906,792)	318,561	155,488	454,677	36,529,825	5,534,034	42,063,859
Balance as at 1 January 2022	22,772,138	2,813,184	1,322,233	11,253,231	(1,539,404)	490,638	(328,110)	2,002,419	38,786,329	8,424,675	47,211,004
Net profit for the period	-	-	-	-	-	-	-	879,749	879,749	(23,401)	856,348
Other comprehensive income items	-	-	-	(44,247)	-	-	2,112	-	(42,135)	(47,759)	(89,894)
Balance as at 31 March 2022	22,772,138	2,813,184	1,322,233	11,208,984	(1,539,404)	490,638	(325,998)	2,882,168	39,623,943	8,353,515	47,977,458

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

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**Interim Condensed Consolidated Statement of Cash Flows for the three months ended 31 March 2022
(Unaudited)***(All amounts are in Kuwaiti Dinar)*

	Note	Three months ended 31 March	
		2022	2021
Cash flow from operating activities			
Net profit for the period		856,348	79,964
<i>Adjustments:</i>			
Net investment income		(1,012,217)	(84,009)
Share of results from associates		(83,539)	(53,284)
Depreciation and amortization		127	113,268
Provision for employees' end of service benefits		38,584	30,153
Finance costs		34,031	35,276
Operating (losses) / profits before changes in working capital		(166,666)	121,368
Accounts receivable and other assets		(540,393)	81,447
Financial assets at fair value through profit or loss		(28,660)	83,919
Inventories		(104,827)	20,222
Accounts payable and other liabilities		(375,798)	(200,909)
Employees' end of service benefits - paid		-	(10,864)
Net cash (used in) / generated from operating activities		(1,216,344)	95,183
Cash flow from investing activities			
Purchase of property and equipment		-	(7,542)
Proceeds from the sale of property and equipment		9,408	-
Dividends received		168,018	84,009
Net cash generated from investing activities		177,426	76,467
Cash flow from financing activities			
Net changes in bank facilities		375,925	(25,158)
Finance costs paid		(34,031)	(55,062)
Cash dividends paid		(2,388)	(322,828)
Net cash generated from/ (use in) financing activities		339,506	(403,048)
Decrease in cash and cash equivalents		(699,412)	(231,398)
Cash and cash equivalents at the beginning of the period		1,529,660	603,951
Cash and cash equivalents at the end of the period	4	830,248	372,553

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

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**Notes to the Interim Condensed Consolidated Financial Information for the three months ended 31 March 2022
(Unaudited)***(All amounts are in Kuwaiti Dinar unless otherwise stated)***1. Incorporation and activities**

The Parent Company is a Kuwaiti Public Shareholding Company registered and incorporated in Kuwait on 14 January 1979 whose shares are listed on the Kuwait Stock Exchange and the Dubai Financial Market. The Parent Company is engaged in investing activities in both local and international markets as set forth in Article No. 5 of the Parent Company's Articles of Association. The Parent Company is regulated by the Capital Market Authority ("CMA").

The registered office of the Parent Company is located at Al –Raya Tower 2, Floor 45, Abdulaziz Al-Saqer Street, P.O. Box 25825 Safat Kuwait.

The interim condensed consolidated financial information includes the financial statements of the Parent Company and its subsidiaries, together referred to as "the Group" as follows:

Company Name	Country of incorporation	Principal activity	Equity interest (%)		
			31 March 2022	31 December 2021 (Audited)	31 March 2021
Al Ola National Real Estate Company <i>sole proprietorship</i>	Kuwait	Real estate activities	100	100	100
Al Ghad Project Management Company <i>sole proprietorship</i>	Kuwait	Real estate projects management	100	100	100
Al Ghad International General Trading W.L.L.	Kuwait	General Trading	100	100	100
Asoul Sukuk Musharaka for General Trading W.L.L.	Kuwait	General Trading	100	100	100
Smart Wood for General Trading Company W.L.L.	Kuwait	General Trading	54.8	54.8	76
Al Ahlia Chemicals Company K.S.C.C. (Note 10)	Kuwait	Manufacturing	62.6	62.6	62.6

The Group has pledged 48.46% of the share of Al Ahlia Chemicals Company against credit facilities granted by a local bank.

The shareholders' general assembly has not been held up to date and therefore the consolidated financial statements for the year ended on 31 December 2021 have not been approved.

This interim condensed consolidated financial information was approved for issuance by the Board of Directors in the meeting held on 11 May 2022.

2. Basis of preparation and significant accounting policies**2.1 Basis of preparation**

This interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard No. (34), "Interim Financial Reporting".

The interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements in accordance with International Financial Reporting Standards.

In the management's opinion, all necessary adjustments, including recurring accruals have been included in the interim condensed consolidated financial information for fair presentation. The operating results for the period ended 31 March 2022 are not necessarily indicative of results that may be expected for the year ending 31 December 2022. For further information, refer to the consolidated financial statements and its related notes for the year ended 31 December 2021.

2.2 Significant accounting policies

The accounting policies used in the preparation of these interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2021, except for the adoption of the amendments revised IFRS which are effective for annual reporting period starting from 1 January 2022 and did not result in any material impact on the accounting policies, financial position or performance of the Group.

The Group has not applied any standards, interpretations or amendments that have been issued but not yet effective.

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IFRS 9 Financial Instruments – Fees in the ‘10 per cent’ test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other’s behalf. There is no similar amendment proposed for IAS 39 Financial Instruments: Recognition and Measurement. These amendments had no material impact on the interim condensed consolidated financial information of the Group as there were no significant modifications of the Group’s financial instruments during the period.

Other amendments to IFRSs which are effective for annual accounting period starting from 1 January 2022 did not have any material impact on the accounting policies, financial position or performance of the Group.

3. Fair value measurement

The fair values of financial assets and financial liabilities are determined as follows:

- Level one: Quoted prices in active markets for identical financial instruments.
- Level two: Quoted prices in an active market for similar instruments. Quoted prices for identical assets or liabilities in market that are not active. Inputs other than quoted prices that are observable for assets and liabilities.
- Level three: Inputs for the asset or liabilities that are not based on observable market data.

Fair value of the Group’s financial assets that are measured at fair value on a recurring basis, the table below gives information about how the fair values of the financial assets are determined:

Financial assets	Fair value as at			Fair value hierarchy	Valuation technique(s) and Key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	31/3/2022	31/12/2021	31/3/2021				
<u>Investments at fair value through profit or loss</u>							
Quoted shares	3,169,148	2,432,248	669	1	Bid prices	-	-
Unquoted shares	2,763,890	2,764,287	2,713,230	3	i) Peer market price to book value of similar companies in the same industry ii) Discounted future cash flows	i) Peer market value factor and discount for lack of market availability ii) Discount rate and growth rate	i) Changes in market multiple and discount rate will result change in fair values ii) The higher the discount rate, the lower the fair value
<u>Investments at fair value through OCI</u>							
Local and foreign equity securities – Unquoted	17,407,719	17,445,254	13,382,341	3	i) Peer market price to book value of similar companies in the same industry ii) Discounted future cash flows	i) Peer market price to book value factor and discount for lack of market availability ii) Discount rate and growth rate	i) Changes in market multiple and discount rate will result change in fair values ii) The higher the discount rate, the lower the fair value

The following table shows a reconciliation of the opening and closing amount of level 3:

	Unquoted investments		
	31 March 2022	31 December 2021 (Audited)	31 March 2021
Balance as at beginning period/ year	20,209,541	16,726,920	16,726,920
Additions	-	405,154	-
Change in fair value during the period/ year	(37,932)	3,077,467	(631,349)
Balance as at ending period/ year	20,171,609	20,209,541	16,095,571

The fair values of financial assets and financial liabilities that are not measured at fair value on a recurring basis approximately equals their carrying values as on the date of the interim condensed consolidated financial information.

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**Notes to the Interim Condensed Consolidated Financial Information for the three months ended 31 March 2022
(Unaudited)***(All amounts are in Kuwaiti Dinar unless otherwise stated)***4. Cash and cash equivalents**

	31 March 2022	31 December 2021 (Audited)	31 March 2021
Cash at banks and financial institutions	830,130	1,429,428	365,321
Cash at clearing company	-	100,115	-
Cash on hand	118	117	7,232
	<u>830,248</u>	<u>1,529,660</u>	<u>372,553</u>

5. Accounts receivable and other assets

	31 March 2022	31 December 2021 (Audited)	31 March 2021
Trade receivables	1,767,703	1,742,210	1,853,288
Due from selling of investment properties (*)	600,000	600,000	1,663,256
Advanced paid to acquire an investment (**)	200,000	150,000	-
Other receivables	713,179	248,279	193,104
	<u>3,280,882</u>	<u>2,740,489</u>	<u>3,709,648</u>
Expected credit losses	(252,445)	(252,445)	(252,445)
	<u>3,028,437</u>	<u>2,488,044</u>	<u>3,457,203</u>

- (*) During the previous year the Group collected an amount of KD 1,250,000 from the balance due from selling of investment properties and the remaining amount of KD 600,000 was rescheduled to 1 June 2022.
- (**) During the previous year the Group's management has signed acquisition contract of 26% ownership in a Kuwaiti company with a value amount to KD 300,000 out of which KD 50,000 during three months ended 31 March 2022 (KD 150,000 during year ended 31 December 2021) has been paid in advance. The management is currently in process of transferring the ownership of such investment in the name of the group.

6. Investments at fair value through profit or loss

	31 March 2022	31 December 2021 (Audited)	31 March 2021
Quoted shares	3,169,148	2,432,248	669
Unquoted shares	2,763,890	2,764,287	2,713,230
	<u>5,933,038</u>	<u>5,196,535</u>	<u>2,713,899</u>

- Fair value hierarchy disclosures for investments are provided in Note 3.
- Investments at fair value through profit or loss include securities with fair value of KD 2,763,890 as at 31 March 2022 (KD 2,764,287 - 31 December 2021, KD 2,713,230 - 31 March 2021) pledged as collateral against credit facilities granted by a local bank (Note 10).

7. Investments at fair value through OCI

	31 March 2022	31 December 2021 (Audited)	31 March 2021
Unquoted Foreign equity securities	13,069,075	13,106,610	12,131,715
Unquoted local equity securities	4,338,644	4,338,644	1,250,626
	<u>17,407,719</u>	<u>17,445,254</u>	<u>13,382,341</u>

Fair value hierarchy disclosures for investments are provided in Note 3.

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Notes to the Interim Condensed Consolidated Financial Information for the three months ended 31 March 2022 (Unaudited)*(All amounts are in Kuwaiti Dinar unless otherwise stated)***8. Investments in debt instruments at amortized cost**

- During previous year, the Group acquired credit impaired debt instruments (sukuk) for contractual amount of KD 10.5M.
- The Group's management expects to obtain future cash flows during 2022 amounted by KD 9,850,000. The present value of expected cash flows of the acquired debt instruments is estimated based on discount rate of 6%.
- Interest income amounted KD 136,396 has been recorded during the current period (Nil-31 March 2021).

9. Investment in associates

Company's name	Country of incorporation	Ownership percentage (%)	31 March 2022	31 December 2021 (Audited)	31 March 2021
Coast Development and Investment Company	Kuwait	31.65	6,695,785	6,695,785	5,931,167
Specialties Group Holding Company	Kuwait	31.54	7,029,510	6,943,859	6,608,644
			<u>13,725,295</u>	<u>13,639,644</u>	<u>12,539,811</u>

The movement over investment in associates summarized as below:

	31 March 2022	31 December 2021 (Audited)	31 March 2021
Opening balance	13,639,644	12,490,649	12,490,649
Share of results	83,539	1,636,715	53,284
Share of other comprehensive (losses)/ income	2,112	(487,720)	(4,122)
	<u>13,725,295</u>	<u>13,639,644</u>	<u>12,539,811</u>

- Investment above are accounted for using equity method in this interim condensed consolidated financial information.
- The Group's share in the results and other comprehensive losses of the associates is calculated based on the most recent available financial statements as of 31 December 2021 for Coast Development and Investment Company and unaudited financial information for Specialties Group Holding Company for the period ended 31 March 2022.

The fair value based on quoted price (level 1) for the investment in an associates as below:

	30 September 2021	31 December 2020 (Audited)	30 September 2020
Coast Development and Investment Company	15,455,199	15,308,007	7,215,000
Specialties Group Holding Company	7,375,500	6,187,500	3,623,400

The Group stake of 98% of its owned shares of Specialties Group Holding Company are pledged against credit facilities granted by a local bank (Note 10).

10. Bank facilities

	31 March 2022	31 December 2021 (Audited)	31 March 2021
Bank overdraft	808,479	651,828	749,495
Wakala and murabha payable	2,275,979	2,056,705	1,927,705
	<u>3,084,458</u>	<u>2,708,533</u>	<u>2,677,200</u>

- The average interest rate on wakala and murabha payable is 3.5% - 4.5% as of 31 March 2022 - 31 December & 31 March 2021.
- The bank facilities are granted to the Group against the following assets:

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	31 March 2022	31 December 2021 (Audited)	31 March 2021
Investments in an associate (Note 8)	6,888,920	6,804,982	6,522,450
Investments at fair value through profit or loss (Note 6)	2,763,890	2,764,287	2,713,230
Property and equipment	4,259,728	4,259,728	4,005,000
	<u>13,912,538</u>	<u>13,828,997</u>	<u>13,240,680</u>

In addition to that, the Group has pledged 48.46% of the shares of Al Ahlia Chemical Company “the Subsidiary” of the Group (Note 1).

11. Accounts payable and other liabilities

	31 March 2022	31 December 2021 (Audited)	31 March 2021
Trade payables	703,017	808,711	783,239
Employees’ end of service benefits	910,137	871,553	786,311
Accrued expenses	490,973	684,657	619,928
Dividends payables	206,041	208,429	263,551
Lease liability	222,411	236,672	100,858
Advances received	27,842	26,361	32,831
Other liabilities	3,016,789	3,115,337	298,339
	<u>5,577,210</u>	<u>5,951,720</u>	<u>2,885,057</u>

12. Treasury shares

	31 March 2022	31 December 2021 (Audited)	31 March 2021
Number of shares	13,818,717	13,818,717	17,419,717
Percentage of issued shares (%)	6	6	8
Market value (KD)	1,934,620	2,086,626	1,257,704

The Parent Company is required to retain reserves and retained earnings equivalent to the cost of treasury shares value throughout the period, in which they are held by the Parent Company, in accordance with the instructions of the relevant regulatory authorities. These shares are not pledged.

During previous year the Group signed a liquidity agreement on liquidity provision, with a market maker (Liquidity Provider). The Liquidity provider’s role is the provision of liquidity for the issuer’s securities listed in Dubai Financial Market.

13. Net Investment income

	Three months ended 31 March	
	2022	2021
<u>Investments at fair value through profit or loss</u>		
Realized gain from selling investments	284,568	-
Change in fair value	423,275	-
Dividends income	168,018	84,009
	<u>875,861</u>	<u>84,009</u>
<u>Investments in debt instruments at amortized cost</u>		
Interest income	136,356	-
	<u>1,012,217</u>	<u>84,009</u>

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Notes to the Interim Condensed Consolidated Financial Information for the three months ended 31 March 2022 (Unaudited)*(All amounts are in Kuwaiti Dinar unless otherwise stated)***14. Basic and diluted earnings per share**

Basic earnings per share are calculated by dividing the profit for the period by the weighted average number of ordinary shares outstanding during the period (excluding treasury shares). Diluted earnings per share is calculated by dividing the profit for the period by the weighted average number of ordinary shares outstanding during the period (excluding treasury shares) plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. As at 31 March, the Parent Company has no outstanding dilutive potential ordinary shares.

The information necessary to calculate basic and diluted earnings per share for the three months period ended 31 March is as follows:

	Three months ended 31 March	
	2022	2021
Profit for the period	879,749	52,033
Weighted average number of outstanding ordinary shares	205,328,917	210,301,658
Earnings per share (fils)	4.28	0.25

15. Related party transactions

These represent transactions with related parties that include major shareholders, directors, executive officers and key management personnel of the Group, close members of their families and companies of which they are principal owners or over which they are able to exercise control or significant influence entered into by the Group in the ordinary course of business. The Parent Company's management approves pricing policies and terms of these transactions.

Balances and transactions included in the interim condensed consolidated financial information are as follows:

	Three months ended 31 March	
	2022	2021
Key management compensation:		
Salaries and other short term benefits	65,050	52,750
Employees' end of service benefits	14,020	14,019
Balances a raising from such transactions		
Accrued expenses	94,022	94,022
Employees' end of service benefits	372,622	358,602
Board committee remuneration	50,000	-

16. Segment information

The Group is organized into business units based on their products and services, and has two reportable operating segments as follows:

- Financial investing activities comprise participation in financial and real estate funds and managing the Group's liquidity requirements;
- Real estate investing activities comprise investing and trading in real estate and construction or development of real estate for the purpose of sale in the ordinary course of business and other related real estate services; and
- Industrial activities comprise manufacturing and selling of chemical products.

National International Holding Company K.S.C.P.

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**Notes to the Interim Condensed Consolidated Financial Information for the three months ended 31 March 2022
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The segment reporting information is as follows:

	Period ended 31 March 2022				
	Industrial activities	Real estate investing activities	Financial investing activities	Unallocated	Total
Segments revenues	901,046	(6,253)	1,095,756	10,527	2,001,076
Segments expenses	(892,828)	-	(251,900)	-	(1,144,728)
Total segments' results	8,218	(6,253)	843,856	10,527	856,348
Segments assets	9,279,856	864,409	46,494,861	-	56,639,126
Segment liabilities	3,084,458	-	5,577,210	-	8,661,668

	Period ended 31 March 2021				
	Industrial activities	Real estate investing activities	Financial investing activities	Unallocated	Total
Segments revenues	860,853	-	137,293	5,767	1,003,913
Segments expenses	(731,424)	-	(190,691)	(1,834)	(923,949)
Total segments' results	129,429	-	(53,398)	3,933	79,964
Segments assets	8,375,207	1,599,908	37,651,001	-	47,626,116
Segment liabilities	2,336,161	-	3,226,096	-	5,562,257

17. Cash dividends

On 29 March 2022, the Parent Company's Board of Directors propose cash dividends of 5% (5 fils per share), bonus shares dividends of 3% for the year ended 31 December 2021 and propose Board of Directors' remuneration for the Parent Company's Board of Directors of KD 50,000 for the year ended 31 December 2021. These proposals are subject to the approval of shareholders at the general assembly meeting.

18. Commitments and contingent liabilities

	31 March 2022	31 December 2021 (Audited)	31 March 2021
Letters of guarantee	356,295	293,317	293,317
Letters of credit and acceptance	291,317	150,837	26,787
	647,612	444,154	320,104

19. Legal cases

During the previous years, Court of First Instance issued its judgement to annul the acquisition contract "The Contract" relating to a subsidiary owned by 62.6% as at 31 December 2021, and nullify the share capital increase made during 2016. Also, this judgement nullified the call for holding the extraordinary general assembly meeting for the same Company during 2019 and all relevant resolutions concerning the share capital increase.

Subsequently, Court of Appeal issued its judgment to nullify Court of First Instance's judgment relating to the request of the Contract annulment and refer the case to the Plenary Court - Capital Markets Circuit. Also, the Court ruled to reject the request concerning nullification of "the share capital increase during 2016 and a call for holding the Company's extraordinary general assembly meeting during 2019". However, this judgment has been challenged by cassation and no hearing session is scheduled till present. During the previous year, another lawsuit was filed for nullifying the general assembly meeting held on 21 June 2021, known this appeal was suspended till disposition of the above-mentioned cassation.

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**Notes to the Interim Condensed Consolidated Financial Information for the three months ended 31 March 2022
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The Plenary Court - Capital Markets Circuit issued an initial judgment to consider the lawsuit as null and void. However, this judgment has been challenged as Court of Appeal issued its judgment to remand the lawsuit to Court of First Instance. During the current year, Court of First Instance issued its judgment to reject the Plaintiff's request concerning annulment of the Contract.

Based on the attorney's opinion, the request for annulling the acquisition Contract is likely to have no impact since the Contract was not executed. Also, it is likely to uphold the judgment issued by Court of Appeal when challenged before Court of Cassation.

The net carrying amount of investment in the subsidiary is amounting to KD 4.5 million approximately as at the date of interim condensed consolidated financial information.

20. Impact of Covid-19

The future dynamics of the COVID-19 pandemic remain uncertain due to its evolving nature (new ongoing waves of infection, new restrictions, new variants, vaccination efficacy and rollouts). The full extent of the impact of the crisis in the region and related policy and support measures is still not fully known.

The Group has performed an assessment of COVID-19 implications on the financial results of the Group, in light of the available guidance of IFRS, and incorporated the outcome in interim condensed consolidated financial information and explained the changes related to the critical judgement and estimates for the period ended 31 March 2022.

Further, management is aware that any further disruptions due to the emerging new covid variants could negatively impact the consolidated financial position, performance and cash flows of the Group in the future. Management continues to closely monitor the market trends, its industry reports and cash flows to minimize any negative impact on the Group.