

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

**Interim Condensed Consolidated Financial Information
And Review Report
For the six months period ended 30 June 2021
(Unaudited)**

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

Interim Condensed Consolidated Financial Information
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(Unaudited)

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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 30 June 2021, and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the six 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 six months period ended 30 June 2021 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 six-month period ended 30 June 2021, 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, 10 August 2021

National International Holding Company K.S.C.P.
And its subsidiaries
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Interim Condensed Consolidated Statement of Financial Position as at 30 June 2021
(Unaudited)

(All amounts are in Kuwaiti Dinar)

	Notes	30 June 2021	31 December 2020 (Audited)	30 June 2020
Assets				
Cash and cash equivalents	4	555,148	603,951	656,204
Accounts receivable and other assets		3,542,899	3,538,650	1,763,086
Inventories		638,722	648,635	893,595
Investments at fair value through profit or loss	5	2,713,899	2,713,809	3,004,091
Investments at fair value through OCI	6	13,341,847	14,013,690	14,169,853
Investments in debt instruments at amortized cost	7	8,550,656	8,550,656	8,550,656
Investment in associates	8	12,212,229	12,490,649	13,816,768
Investment properties	9	1,433,576	1,599,908	3,973,848
Property and equipment		4,727,201	4,487,058	4,408,189
Total assets		47,716,177	48,647,006	51,236,290
Liabilities and equity				
Liabilities				
Bank facilities	10	2,802,272	2,702,358	2,812,882
Accounts payable and other liabilities	11	3,127,599	3,325,282	3,847,032
Total liabilities		5,929,871	6,027,640	6,659,914
Equity				
Share capital		22,772,138	22,772,138	21,687,750
Share premium		2,813,184	2,813,184	2,813,184
Statutory reserve		1,136,639	1,136,639	1,136,639
Fair value reserve		10,720,180	11,265,894	11,348,156
Treasury shares	12	(1,870,748)	(1,906,792)	(1,906,792)
Treasury shares reserve		315,569	318,561	318,561
Associates' reserves		(172,007)	159,610	(315,601)
Retained earnings		468,174	402,644	3,821,966
Equity attributable to the shareholders of the Parent Company		36,183,129	36,961,878	38,903,863
Non-controlling interests		5,603,177	5,657,488	5,672,513
Total equity		41,786,306	42,619,366	44,576,376
Total liabilities and equity		47,716,177	48,647,006	51,236,290

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 six months ended 30 June 2021
(Unaudited)***(All amounts are in Kuwaiti Dinar)*

	Notes	Three months ended		Six months ended	
		30 June		30 June	
		2021	2020	2021	2020
Revenues					
Net investment income	13	-	-	84,009	368,847
Share of results from associates		(87)	(504,837)	53,197	(1,400,322)
Profit from operating activities		257,787	74,252	554,087	280,259
Net loss from investment properties	9	(24,034)	-	(24,034)	-
Other income		144,794	21,972	150,561	33,450
		<u>378,460</u>	<u>(408,613)</u>	<u>817,820</u>	<u>(717,766)</u>
Expenses					
Other expenses		283,627	260,915	605,913	606,976
Finance costs		37,843	56,155	73,119	106,406
		<u>321,470</u>	<u>317,070</u>	<u>679,032</u>	<u>713,382</u>
Profit/ (loss) for the period before deductions					
		56,990	(725,683)	138,788	(1,431,148)
Contribution to KFAS		(6)	-	-	-
National Labour Support Tax		1,377	-	3,205	-
Zakat		442	-	442	-
		<u>55,177</u>	<u>(725,683)</u>	<u>135,141</u>	<u>(1,431,148)</u>
Profit/ (loss) for the period					
Attributable to:					
Shareholders of the Parent Company		22,069	(674,067)	74,102	(1,387,368)
Non-controlling interests		33,108	(51,616)	61,039	(43,780)
		<u>55,177</u>	<u>(725,683)</u>	<u>135,141</u>	<u>(1,431,148)</u>
Basic and diluted earnings/ (losses) per share					
(fils)	14	<u>0.10</u>	<u>(3.37)</u>	<u>0.35</u>	<u>(6.93)</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 six months ended 30 June 2021
(Unaudited)***(All amounts are in Kuwaiti Dinar)*

	Three months ended		Six months ended	
	30 June		30 June	
	2021	2020	2021	2020
Profit/ (loss) for the period	<u>55,177</u>	<u>(725,683)</u>	<u>135,141</u>	<u>(1,431,148)</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>(322,903)</u>	<u>30,113</u>	<u>(327,025)</u>	<u>212,152</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>(38,287)</u>	<u>294,847</u>	<u>(669,636)</u>	<u>177,008</u>
Group's share in associates' reserves	<u>(4,592)</u>	<u>1,794</u>	<u>(4,592)</u>	<u>(51,256)</u>
	<u>(42,879)</u>	<u>296,641</u>	<u>(674,228)</u>	<u>125,752</u>
Total other comprehensive income items	<u>(365,782)</u>	<u>326,754</u>	<u>(1,001,253)</u>	<u>337,904</u>
Total comprehensive loss for the period	<u>(310,605)</u>	<u>(398,929)</u>	<u>(866,112)</u>	<u>(1,093,244)</u>
Attributable to:				
Shareholders of the Parent Company	<u>(379,748)</u>	<u>(400,754)</u>	<u>(811,801)</u>	<u>(1,139,306)</u>
Non-controlling interests	<u>69,143</u>	<u>1,825</u>	<u>(54,311)</u>	<u>46,062</u>
	<u>(310,605)</u>	<u>(398,929)</u>	<u>(866,112)</u>	<u>(1,093,244)</u>

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

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Interim Condensed Consolidated Statement of Changes in Equity for the six months ended 30 June 2021
(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	Treasury shares	Treasury shares reserve	Associates' reserves	Retained earnings		
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	
Profit for the period	-	-	-	-	-	-	-	74,102	74,102	61,039	135,141	
Other comprehensive income items for the period	-	-	-	(554,286)	-	-	(331,617)	-	(885,903)	(115,350)	(1,001,253)	
Sale of financial assets at FVTOCI	-	-	-	8,572	-	-	-	(8,572)	-	-	-	
Sale of treasury shares	-	-	-	-	36,044	(2,992)	-	-	33,052	-	33,052	
Balance as at 30 June 2021	22,772,138	2,813,184	1,136,639	10,720,180	(1,870,748)	315,569	(172,007)	468,174	36,183,129	5,603,177	41,786,306	
Balance as at 1 January 2020	21,687,750	2,813,184	1,136,639	11,260,990	(1,906,792)	318,561	(476,497)	5,209,334	40,043,169	5,626,451	45,669,620	
Loss for the period	-	-	-	-	-	-	-	(1,387,368)	(1,387,368)	(43,780)	(1,431,148)	
Other comprehensive income items for the period	-	-	-	87,166	-	-	160,896	-	248,062	89,842	337,904	
Balance as at 30 June 2020	21,687,750	2,813,184	1,136,639	11,348,156	(1,906,792)	318,561	(315,601)	3,821,966	38,903,863	5,672,513	44,576,376	

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 six months ended 30 June 2021
(Unaudited)***(All amounts are in Kuwaiti Dinar)*

	Notes	Six months ended 30 June	
		2021	2020
Cash flow from operating activities			
Profit/ (loss) for the period		135,141	(1,431,148)
<i>Adjustments:</i>			
Share of results from associates		(53,197)	1,400,322
Depreciation and amortization		149,367	87,259
Net loss from investment properties		24,034	-
Provision for employees' end of service benefits		59,952	35,205
Reversal of credit losses provision		(78,000)	-
Finance costs		73,119	106,406
Operating profits before changes in working capital		310,416	198,044
Accounts receivable and other assets		73,751	259,532
Investments at fair value through profit or loss		(90)	-
Inventories		9,913	(167,885)
Accounts payable and other liabilities		(79,393)	(5,625)
Employees' end of service benefits- Paid		(11,164)	(4,672)
Net cash generated from operating activities		303,433	279,394
Cash flow from investing activities			
Proceeds from sale of investment at FVTOCI		2,207	-
Proceeds from sale of investment properties		142,298	-
Purchase of property and equipment		(232,451)	(212,762)
Net cash used in investing activities		(87,946)	(212,762)
Cash flow from financing activities			
Net changes in bank facilities		99,914	(379,599)
Finance costs paid		(72,093)	(106,406)
Cash dividends paid		(325,163)	(3,962)
Proceeds from sale of treasury shares		33,052	-
Net cash used in financing activities		(264,290)	(489,967)
Net change in cash and cash equivalents		(48,803)	(423,335)
Cash and cash equivalents at the beginning of the period		603,951	1,079,539
Cash and cash equivalents at the end of the period	4	555,148	656,204

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 six months ended 30 June 2021
(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 information of the Parent Company and its subsidiaries, together referred to as "the Group" as follows:

Company Name	Country of incorporation	Principal activity	Equity interest (%)		
			30 June 2021	31 December 2020 (Audited)	30 June 2020
Al Oula 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	76	76	76
Ahlia Chemicals Company K.S.C.C. (note 18)	Kuwait	Manufacturing	62.6	62.6	62.6

The Group has pledged 48.46% of Ahlia Chemicals Company's shares against credit facilities granted by a local bank.

On 26 April 2021, the General Assembly meeting of the Parent Company held and approved the consolidated financial statements for the year ended 31 December 2020, and approved not to distribute cash dividends and not to pay Board of Directors' remunerations for the same year.

This interim condensed consolidated financial information was approved for issuance by the Board of Directors in the meeting held on 10 August 2021.

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 30 June 2021 are not necessarily indicative of results that may be expected for the year ending 31 December 2021. For further information, refer to the consolidated financial statements and its related notes for the year ended 31 December 2020.

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 2020, except for the adoption of the amendments and revised IFRS which are effective as of 1 January 2021 and did not have any impact on the interim condensed consolidated financial information of the Group.

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**Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2021
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(All amounts are in Kuwaiti Dinar unless otherwise stated)

3. Fair value measurement

The fair value 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 value 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
	30/6/21	31/12/20	30/6/20				
<u>Investments at fair value through profit or loss</u>							
Quoted shares	669	579	1,351	1	Bid prices	Nil	Nil
Unquoted shares	2,713,230	2,713,230	3,002,740	3	Discounted future cash flows	Discount rate and growth rate	The higher the discount rate, the lower the fair value
<u>Investments at fair value through OCI</u>							
Local and foreign equity securities - Unquoted	13,341,847	14,013,690	14,169,853	3	i) Market multiplier for relevant sectors ii) Discounted future cash flows iii) Net book value	i) Comparable market price 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		
	30 June 2021	31 December 2020 (Audited)	30 June 2020
Balance as at beginning period/ year	16,726,920	16,995,585	16,995,585
Change in fair value during the period/ year	(669,636)	(268,665)	177,008
Net disposal	(2,207)	-	-
Balance as at ending period/ year	16,055,077	16,726,920	17,172,593

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

4. Cash and cash equivalents

	30 June 2021	31 December 2020 (Audited)	30 June 2020
Cash at banks and portfolios	554,389	603,692	655,214
Cash on hand	759	259	990
	555,148	603,951	656,204

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(All amounts are in Kuwaiti Dinar unless otherwise stated)

5. Investments at fair value through profit or loss

	30 June 2021	31 December 2020 (Audited)	30 June 2020
Quoted shares	669	579	1,351
Unquoted shares	2,713,230	2,713,230	3,002,740
	<u>2,713,899</u>	<u>2,713,809</u>	<u>3,004,091</u>

- Fair value hierarchy disclosures for investments are provided in Note 3.
- Investments at unquoted shares pledged as collateral against credit facilities granted by a local bank as at 30 June 2021, 31 December 2020, and 30 June 2020 (Note 10).

6. Investments at fair value through OCI

	30 June 2021	31 December 2020 (Audited)	30 June 2020
Unquoted Foreign securities	12,292,990	12,763,064	13,088,113
Unquoted local securities	1,048,857	1,250,626	1,081,740
	<u>13,341,847</u>	<u>14,013,690</u>	<u>14,169,853</u>

- Fair value hierarchy disclosures for investments are provided in Note 3.
- During the current period, the Group disposed certain investments. The fair value of the disposed investments at the date of derecognition was KD 2,207. Accordingly, the Group transferred the related cumulative reserve of KD 8,572 (loss) to the retained earnings upon disposal date.

7. Investments in debt instruments at amortized cost

- During the previous years, 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 amounted by KD 9,590,000 during 2022. The present value of expected cash flows of the acquired debt instruments is estimated based on discount rate of 6%.

8. Investment in associates

Company's name	Country of incorporation	Ownership percentage (%)	30 June 2021	31 December 2020 (Audited)	30 June 2020
Coast Development and Investment Company					
Coast Development and Investment Company	Kuwait	31.65	5,458,959	5,931,167	7,145,528
Specialties Group Holding Company	Kuwait	31.54	6,753,270	6,559,482	6,671,240
			<u>12,212,229</u>	<u>12,490,649</u>	<u>13,816,768</u>

The movement over investment in associates summarized as below:

	30 June 2021	31 December 2020 (Audited)	30 June 2020
Opening balance	12,490,649	15,056,194	15,056,194
Share of results	53,197	(3,201,652)	(1,400,322)
Share of reserves	(331,617)	636,107	160,896
	<u>12,212,229</u>	<u>12,490,649</u>	<u>13,816,768</u>

- All investments 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 reviewed financial information as of 31 March 2021 and 30 June 2021 for Coast Development and Investment Company and Specialties Group Holding Company, respectively.

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**Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2021
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- The fair value based on quoted price (level 1) for the investment in Coast Development and Investment Company and Specialties Group Holding Company is KD 13,727,000 (KD 8,935,500 – 31 December 2020, KD 5,772,000 – 30 June 2020) and KD 5,296,500 (KD 3,865,950 – 31 December 2020, KD 3,015,000 – 30 June 2020) as at 30 June 2021 respectively.
- 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).

9. Investment properties

	30 June 2021	31 December 2020 (Audited)	30 June 2020
Opening balance	1,599,908	4,042,191	4,042,191
Disposals	(166,332)	(2,100,000)	-
Change in fair value	-	(342,283)	(68,343)
	<u>1,433,576</u>	<u>1,599,908</u>	<u>3,973,848</u>

- During the current period, the Group disposed investment properties which resulted loss on sale amounted to KD 24,034 in the interim condensed consolidated statement of income.

10. Bank facilities

	30 June 2021	31 December 2020 (Audited)	30 June 2020
Bank overdraft	735,567	734,653	711,743
Wakala and Murabha payable	2,066,705	1,967,705	2,101,139
	<u>2,802,272</u>	<u>2,702,358</u>	<u>2,812,882</u>

- The average interest rate on Wakala and Murabaha payable is 3.5% - 4.5% as of 30 June 2021 (3.5% - 4.5% - 31 December 2020, 5.6% - 30 June 2020).
- The bank facilities are granted to the Group against the following assets:

	30 June 2021	31 December 2020 (Audited)	30 June 2020
Investments in an associate (Note 8)	6,640,716	6,428,292	6,270,966
Investments at fair value through profit or loss (Note 5)	2,713,230	2,713,230	3,002,740
Property and equipment	4,005,000	4,005,000	3,466,781
	<u>13,358,946</u>	<u>13,146,522</u>	<u>12,740,487</u>

- In addition to the pledge of the above assets, 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

	30 June 2021	31 December 2020 (Audited)	30 June 2020
Trade payables	895,457	726,634	942,103
Employees' end of service benefits	815,810	767,022	679,901
Accrued expenses	552,791	746,608	647,284
Dividends payables	261,216	586,379	605,302
Lease liability	249,874	114,371	132,844
Advances received	50,316	35,948	114,070
Other liabilities	302,135	348,320	725,528
	<u>3,127,599</u>	<u>3,325,282</u>	<u>3,847,032</u>

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Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2021**(Unaudited)***(All amounts are in Kuwaiti Dinar unless otherwise stated)***12. Treasury shares**

	30 June 2021	31 December 2020 (Audited)	30 June 2020
Number of shares	17,090,717	17,419,717	16,590,207
Percentage of issued shares (%)	7.5	8	8
Market value (KD)	1,828,707	1,376,158	1,144,724

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

13. Net investment income

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
<i>Investments at fair value through profit or loss</i>				
Dividends income	-	-	84,009	252,027
<i>Investments at fair value through OCI</i>				
Dividend income	-	-	-	116,820
	-	-	84,009	368,847

14. Basic and diluted earnings/ (losses) per share

Basic earnings/ (losses) per share are calculated by dividing the profit/ (loss) for the period by the weighted average number of ordinary shares outstanding during the period (excluding treasury shares). Diluted earnings/ (losses) per share is calculated by dividing the profit/ (loss) 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 30 June, the Parent Company has no outstanding dilutive potential ordinary shares.

The information necessary to calculate basic and diluted earnings/ (losses) per share for the six months period ended 30 June is as follows:

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
Profit/ (loss) for the period	22,069	(674,067)	74,102	(1,387,368)
Weighted average number of outstanding ordinary shares (share)	210,351,021	200,287,293	210,326,476	200,287,293
Earnings/ (losses) per share (fils)	0.10	(3.37)	0.35	(6.93)

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 statement of financial information are as follows:

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
Key management compensation:				
Salaries and other short term benefits	53,700	22,900	106,450	80,600
Employees' end of service benefits	13,974	11,988	27,993	23,913
Board committee remuneration	2,400	-	2,400	-
	70,074	34,888	136,843	104,513

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

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**Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2021
(Unaudited)***(All amounts are in Kuwaiti Dinar unless otherwise stated)***16. Segment information**

The Group is organized into business units based on their products and services, and has three 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.

The segment reporting information is as follows:

	Period ended 30 June 2021				
	Industrial activities	Real estate investing activities	Financial investing activities	Unallocated	Total
Segments revenues	554,087	(24,034)	137,203	150,564	817,820
Segments expenses	(337,442)	-	(341,590)	(3,647)	(682,679)
Total segments' results	216,645	(24,034)	(204,387)	146,917	135,141
Segments assets	8,431,366	1,433,577	37,851,234	-	47,716,177
Segment liabilities	2,566,422	-	3,363,449	-	5,929,871
	Period ended 30 June 2020				
	Industrial activities	Real estate investing activities	Financial investing activities	Unallocated	Total
Segments revenues	280,259	22,970	(1,031,475)	10,480	(717,766)
Segments expenses	(364,571)	(4,614)	(256,313)	(87,884)	(713,382)
Total segments' results	(84,312)	18,356	(1,287,788)	(77,404)	(1,431,148)
Segments assets	8,370,869	3,973,848	38,891,573	-	51,236,290
Segment liabilities	2,797,301	-	3,862,613	-	6,659,914

17. Commitments and contingent liabilities

	30 June 2021	31 December 2020 (Audited)	30 June 2020
Letters of guarantee	293,317	293,317	281,317
Letters of credit and acceptance	42,679	10,563	67,226

18. Legal cases

During prior year, a first instance court has issued a judgement nullifying a contract for acquisition of a subsidiary by the Group where it owns 62.6%, and the capital increase during 2016. Furthermore, the judgement nullified the process to call the extraordinary general assembly meeting for the same company during 2019 and the related decisions including the capital increase.

Subsequently, the Court of Appeal issued its judgment to annul the first instance court verdict with respect to nullifying the contract for acquisition of the subsidiary and transferred the case to the Plenary Court at Capital Markets Circle. Also, the Court ruled to reject the request to nullify the capital increase during 2016 and request to nullify the process to call the extraordinary general assembly meeting for the same company during 2019, the appellant appeals against it to the Court of Cassation and no date was identified yet. During the current period another case was filed in order to nullify the general assembly meeting held on 21 June 2020 which has been suspended till the finalization of the appeal mentioned above.

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**Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2021
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Also, the Plenary Court at Capital Markets Circle issue a first instance to consider the lawsuit as if it were not, and an appeal has been initiated by the appellant and a session is scheduled on 14 October 2021.

Based on the lawyer opinion, the request to nullify the acquisition contract is likely to have no impact since the contract has not been executed, and it is also likely that the judgment issued by the Court of Appeal will be upheld in the appeals against it at the Court of Cassation.

The net carrying value of the investment in subsidiary amounted to KD 4.02 million approximately as at the date of the interim condensed consolidated financial information.

19. Impact of COVID-19

The Coronavirus (COVID-19) pandemic continues to spread rapidly across several global geographic regions, causing major disruptions to business and economic activities and resulting in fundamental uncertainties regarding the global economic environment. Financial and monetary authorities around the world have taken intensive measures that have been allocated to alleviate the dire consequences of this pandemic.

Other effects

The Group has considered the potential impact of fluctuations in current economic conditions when determining the amount recorded for the Group's financial and non-financial assets. These reported amounts represent management's best assessments based on observable information. Nevertheless, the markets remain volatile and the carrying value of the assets is still sensitive to fluctuations in the market. The vulnerability of this uncertain economic environment to a large extent is still a matter of estimation accordingly, the Group will continue to reassess its position and related influence on a regular basis.

Going concern

The Group has performed an assessment of whether it is a going concern in the light of current economic conditions and all available information about future risks and uncertainties. The projections have been prepared covering the Group's future performance, capital and liquidity. The impact of COVID-19 may continue to evolve, but at the present time the projections show that Group has sufficient resources to continue in operational existence and its going concern position remains largely unaffected and unchanged. As a result, this interim condensed consolidated financial information has been appropriately prepared on a going concern basis.