

**COAST INVESTMENT & DEVELOPMENT  
COMPANY K.S.C.P. AND ITS SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL INFORMATION (UNAUDITED)**

**30 SEPTEMBER 2023**



## **REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF COAST INVESTMENT & DEVELOPMENT 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 Coast Investment & Development Company K.S.C.P. (the “Parent Company”) and its subsidiaries (collectively, the “Group”) as at 30 September 2023, and the related interim condensed consolidated statement of profit or loss and interim condensed consolidated statement of comprehensive income for the three-month and nine-month periods then ended, and the related interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the nine-month period then ended. Management of the Parent Company is responsible for the preparation and 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 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 IAS 34.

### **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 nine-month period ended 30 September 2023 that might have had a material effect on the business of the Parent Company or on its financial position.

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF COAST INVESTMENT & DEVELOPMENT COMPANY K.S.C.P. (continued)**

**Report on Other Legal and Regulatory Requirements (continued)**

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 the Capital Markets Authority and its related regulations during the nine-month period ended 30 September 2023 that might have had a material effect on the business of the Parent Company or on its financial position.



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WALEED A. AL OSAIMI  
LICENCE NO. 68 A  
EY  
AL AIBAN, AL OSAIMI & PARTNERS

24 October 2023  
Kuwait

Coast Investment & Development Company K.S.C.P. and its Subsidiaries  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**(UNAUDITED)**

For the period ended 30 September 2023

	<i>Notes</i>	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
		<i>2023 KD</i>	<i>2022 KD</i>	<i>2023 KD</i>	<i>2022 KD</i>
<b>INCOME</b>					
Net investment income (loss)	3	<b>41,313</b>	82,078	<b>(2,963)</b>	639,124
Management fees	11	<b>76,553</b>	111,960	<b>246,784</b>	424,196
Other income		<b>2,706</b>	13,452	<b>6,559</b>	16,339
Share of results of associates	5	<b>564,356</b>	98,872	<b>49,017</b>	541,657
Net foreign exchange differences		<b>(48,245)</b>	(117,412)	<b>(1,229)</b>	(223,679)
		<b>636,683</b>	188,950	<b>298,168</b>	1,397,637
<b>EXPENSES</b>					
Staff costs		<b>(168,017)</b>	(201,963)	<b>(603,069)</b>	(691,331)
General and administrative expenses		<b>(81,430)</b>	(63,615)	<b>(217,839)</b>	(221,797)
Depreciation expense		<b>(1,846)</b>	(1,066)	<b>(8,013)</b>	(8,023)
		<b>(251,293)</b>	(266,644)	<b>(828,921)</b>	(921,151)
<b>PROFIT (LOSS) FOR THE PERIOD BEFORE TAX</b>					
		<b>385,390</b>	(77,694)	<b>(530,753)</b>	476,486
National Labour Support tax (NLST)		-	1,483	-	(11,523)
Zakat		-	677	-	(3,050)
KFAS		-	1,365	-	-
<b>PROFIT (LOSS) FOR THE PERIOD</b>					
		<b>385,390</b>	(74,169)	<b>(530,753)</b>	461,913
<b>BASIC AND DILUTED EARNINGS (LOSS) PER SHARE</b>					
	4	<b>0.83 Fils</b>	(0.16) Fils	<b>(1.14) Fils</b>	0.99 Fils

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

Coast Investment & Development Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 September 2023

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2023	2022	2023	2022
		KD	KD	KD	KD
<b>PROFIT (LOSS) FOR THE PERIOD</b>		<b>385,390</b>	(74,169)	<b>(530,753)</b>	461,913
<b>Other comprehensive loss:</b>					
<i>Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:</i>					
Share of other comprehensive loss of associates	5	(243,677)	(542,036)	(232,786)	(1,487,928)
Exchange differences on translation of foreign operations	5	(422,821)	(1,110,524)	(6,925)	(2,135,180)
<b>Other comprehensive loss that may be reclassified to profit or loss in subsequent periods</b>		<b>(666,498)</b>	(1,652,560)	<b>(239,711)</b>	(3,623,108)
<i>Other comprehensive income (loss) that will not be reclassified profit or loss in subsequent periods:</i>					
Net (loss) gain on equity instruments designated at FVOCI	12	(2,729)	170,298	(9,843)	152,150
Share of other comprehensive income (loss) of associates	5	165,398	(235,489)	165,398	1,236,307
<b>Other comprehensive income (loss) that will not be reclassified to profit or loss in subsequent periods</b>		<b>162,669</b>	(65,191)	<b>155,555</b>	1,388,457
<b>Other comprehensive loss for the period</b>		<b>(503,829)</b>	(1,717,751)	<b>(84,156)</b>	(2,234,651)
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>		<b>(118,439)</b>	(1,791,920)	<b>(614,909)</b>	(1,772,738)
<b>Attributable to:</b>					
Equity holders of the Parent Company		(118,439)	(1,791,657)	(614,909)	(1,772,738)
Non-controlling interests		-	(263)	-	-
		<b>(118,439)</b>	(1,791,920)	<b>(614,909)</b>	(1,772,738)

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

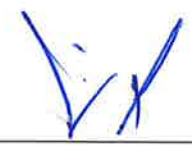
Coast Investment & Development Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
(UNAUDITED)

As at 30 September 2023

		(Audited)	
	30 September 2023	31 December 2022	30 September 2022
	Notes	KD	KD
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment		1,082,490	1,056,626
Investment in associates	5	29,857,804	30,887,436
Financial assets at fair value through profit or loss	12	7,489,291	11,949,913
Financial assets at fair value through other comprehensive income	12	66,204	98,547
Other assets		1,267,791	1,690,309
		<u>39,763,580</u>	<u>45,682,831</u>
<b>Current assets</b>			
Financial assets at fair value through profit or loss	12	1,257,205	-
Other assets		722,198	1,551,479
Term deposits		-	-
Cash and cash equivalents		6,278,078	3,664,366
		<u>8,257,481</u>	<u>5,215,845</u>
<b>TOTAL ASSETS</b>		<u><u>48,021,061</u></u>	<u><u>50,898,676</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	6	46,502,690	46,502,690
Statutory reserve		533,379	679,114
Voluntary reserve		-	679,114
Other reserve		847,961	682,563
Foreign currency translation reserve		(211,319)	28,392
Fair value reserve		(847,179)	(814,836)
(Accumulated losses) retained earnings		(508,253)	1,500,221
<b>Equity attributable to equity holders of the Parent Company</b>		<u>46,317,279</u>	<u>49,257,258</u>
Non-controlling interests		-	-
<b>Total equity</b>		<u><u>46,317,279</u></u>	<u><u>49,257,258</u></u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Employees' end of service benefits		225,464	273,616
<b>Current liabilities</b>			
Other liabilities		1,478,318	1,367,802
<b>Total liabilities</b>		<u>1,703,782</u>	<u>1,641,418</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>48,021,061</u></u>	<u><u>50,898,676</u></u>

  
Basim A M Allothman  
Chairman

  
Asaad Ahmad Al-Banwan  
Vice Chairman & CEO

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

Coast Investment & Development Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 September 2023

	Attributable to equity holders of the Parent Company							Sub-total KD	Non- controlling interests KD	Total equity KD
	Share capital KD	Statutory reserve KD	Voluntary reserve KD	Other reserve KD	Foreign currency translation reserve KD	Fair value reserve KD	Retained earnings (accumulated losses) KD			
<b>As at 1 January 2023 (Audited)</b>	<b>46,502,690</b>	<b>679,114</b>	<b>679,114</b>	<b>682,563</b>	<b>28,392</b>	<b>(814,836)</b>	<b>1,500,221</b>	<b>49,257,258</b>	-	<b>49,257,258</b>
Loss for the period	-	-	-	-	-	-	(530,753)	(530,753)	-	(530,753)
Other comprehensive income (loss) for the period	-	-	-	165,398	(239,711)	(9,843)	-	(84,156)	-	(84,156)
Total comprehensive income (loss) for the period	-	-	-	165,398	(239,711)	(9,843)	(530,753)	(614,909)	-	(614,909)
Transfer of reserve on redemption of equity investments designated at FVOCI to retained earnings	-	-	-	-	-	(22,500)	22,500	-	-	-
Dividends (Note 7)	-	(145,735)	(679,114)	-	-	-	(1,500,221)	(2,325,070)	-	(2,325,070)
<b>As at 30 September 2023</b>	<b>46,502,690</b>	<b>533,379</b>	<b>-</b>	<b>847,961</b>	<b>(211,319)</b>	<b>(847,179)</b>	<b>(508,253)</b>	<b>46,317,279</b>	<b>-</b>	<b>46,317,279</b>
As at 1 January 2022 (Audited)	46,502,690	417,657	417,657	(721,198)	2,138,391	(2,480,253)	3,084,181	49,359,125	18,906	49,378,031
Profit for the period	-	-	-	-	-	-	461,913	461,913	-	461,913
Other comprehensive income (loss) for the period	-	-	-	1,236,307	(3,623,108)	152,150	-	(2,234,651)	-	(2,234,651)
Total comprehensive income (loss) for the period	-	-	-	1,236,307	(3,623,108)	152,150	461,913	(1,772,738)	-	(1,772,738)
Transfer of reserve on redemption of equity investments designated at FVOCI to retained earnings	-	-	-	-	-	1,192,020	(1,192,020)	-	-	-
Dividends (Note 7)	-	-	-	-	-	-	(2,325,135)	(2,325,135)	-	(2,325,135)
Net movements in non-controlling interests	-	-	-	-	-	-	-	-	(18,906)	(18,906)
As at 30 September 2022	46,502,690	417,657	417,657	515,109	(1,484,717)	(1,136,083)	28,939	45,261,252	-	45,261,252

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

**Coast Investment & Development Company K.S.C.P. and its Subsidiaries**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**(UNAUDITED)**  
For the period ended 30 September 2023

	<i>Nine months ended</i>	
	<i>30 September</i>	
<i>Notes</i>	<b>2023</b>	<b>2022</b>
	<b>KD</b>	<b>KD</b>
<b>OPERATING ACTIVITIES</b>		
(Loss) profit before tax	<b>(530,753)</b>	476,486
<i>Adjustments to reconcile (loss) profit before tax to net cash flows:</i>		
Share of results of associates	5 <b>(49,017)</b>	(541,657)
Realised gain on sale of financial assets at FVPL	3 <b>(32,057)</b>	(163,771)
Unrealised loss on financial assets at FVPL, net	3 <b>367,400</b>	1,204,822
Interest income	3 <b>(176,194)</b>	(52,104)
Dividends income	3 <b>(156,186)</b>	(1,628,071)
Gain on liquidation of subsidiaries	-	(13,452)
Net foreign exchange differences	<b>1,229</b>	223,679
Depreciation expense	<b>8,013</b>	8,023
Provision for employees' end of service benefits	<b>48,925</b>	74,621
	<b>(518,640)</b>	(411,424)
<i>Changes in working capital:</i>		
Financial assets at FVPL	<b>2,868,074</b>	219,776
Other assets	<b>1,398,316</b>	(14,513)
Other liabilities	<b>52,508</b>	(191,809)
	<b>3,800,258</b>	(397,970)
Cash flows from (used in) operations	<b>3,800,258</b>	(397,970)
Employees' end of service benefits paid	<b>(97,077)</b>	(78,432)
Taxes paid	-	(176,241)
Dividends income received	<b>156,186</b>	941,165
	<b>3,859,367</b>	288,522
<b>Net cash flows from operating activities</b>	<b>3,859,367</b>	288,522
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	<b>(33,877)</b>	(2,088)
Proceeds from dissolution of subsidiaries	-	13,452
Proceeds from capital redemption of financial assets at FVOCI	12 <b>22,500</b>	515,180
Dividends received from an associate	5 <b>232,806</b>	117,042
Capital redemption from an associate	5 <b>687,783</b>	-
Withdrawal of term deposits	-	(591,046)
Interest income received	<b>112,195</b>	40,265
	<b>1,021,407</b>	92,805
<b>Net cash flows from investing activities</b>	<b>1,021,407</b>	92,805
<b>FINANCING ACTIVITIES</b>		
Dividends paid	7 <b>(2,267,062)</b>	(2,230,715)
	<b>(2,267,062)</b>	(2,230,715)
<b>Net cash flows used in financing activities</b>	<b>(2,267,062)</b>	(2,230,715)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		
Net foreign exchange differences	-	(17,924)
Cash and cash equivalents as at 1 January	<b>3,664,366</b>	2,839,581
	<b>6,278,078</b>	972,269
<b>CASH AND CASH EQUIVALENTS AS AT 30 SEPTEMBER</b>	<b>6,278,078</b>	972,269

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.



# Coast Investment & Development Company K.S.C.P. and its Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2023

### 1 CORPORATE AND GROUP INFORMATION

The interim condensed consolidated financial information of Coast Investment & Development Company K.S.C.P. (the "Parent Company") and its subsidiaries (collectively, the "Group") for the nine month period end 30 September 2023 was authorised for issue in accordance with a resolution of the Board of Directors on 24 October 2023.

The consolidated financial statements for the year ended 31 December 2022 were approved by the shareholders at the Annual General Assembly meeting ("AGM") held on 16 May 2023. Dividends declared and paid by the Group for the year then ended are provided in Note 7.

The Parent Company is a public shareholding company incorporated on 29 July 1975, whose shares are publicly traded on Boursa Kuwait. The Parent Company is engaged in various types of investment management activities such as private equity, asset management and real estate investments in local and international markets. The Parent Company is regulated by the Capital Markets Authority ("CMA").

On 21 November 2021, the Parent Company was delisted from the list of the investment's companies registered with the Central Bank of Kuwait ("CBK") as a finance company ("financing activities") based on the Minister of Finance resolution No. 55 for 2021. The shareholders at the extraordinary general assembly meeting ("EGM") held on 1 September 2022 approved amendment of Article (5) of the Parent Company's Memorandum of Incorporation and Articles (4) of the Parent Company's Article of Association with respect to the primary objectives of the Parent Company. This includes the cancelation the finance activity which the Parent Company has been carrying on in accordance with the provisions of Law No. 32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the organisation of banking business, and its related regulations. The amendment was authenticated in the commercial register of the Parent Company on 14 September 2022 under registration number 19086.

The activities are carried out in accordance with the Parent Company's Articles of Association. The principal activities of the Parent Company are, as follows:

- ▶ Investing in the field of trading and projects for the account of the Parent Company.
- ▶ Investing in real estate field through selling, buying and owning for the account of the Parent Company as well as investing in real estate funds for the account of the Parent Company.
- ▶ Investing in processes of management, development, construction, reconstruction and housing as well as all developmental processes in any field for the account of the Parent Company.
- ▶ Carrying out all business related to securities, including buying and selling shares and bonds of companies, governmental and semi-governmental bodies for the account of the Parent Company.
- ▶ Acting as an investment advisor.
- ▶ Acting as an unregistered security broker in the stock exchange.
- ▶ Acting as an investment portfolio manager.
- ▶ Carrying out all financial transactions such as borrowing, guarantees and issuing bonds of all kinds, with or without guarantee, in the local and international markets.
- ▶ Carrying out structuring, consulting works and buying and selling assets related to securitization operations for the account of the Parent Company or for the account of others.
- ▶ Acting as a collective investment scheme manager.

The Parent Company may have an interest in or participate in any manner with entities that carry on business activities similar to its own or which may assist the Parent Company in achieving its objectives inside Kuwait or abroad and it has the right to buy or affiliate with these bodies.

The interim condensed consolidated financial information of the Group include:

Name of subsidiary	Country of incorporation	Effective equity interest			Principal activities
		30 September 2023	(Audited) 31 December 2022	30 September 2022	
<b>Directly held</b>					
Coast Investments Limited ("CIL")*	BVI	-	-	100%	Investment services
Coast Holding Corporation ("CHC")*	USA	-	-	-	Investment services
<b>Indirectly held through CHC</b>					
Winters Estate LLC ("Winters")*	USA	-	-	-	Real estate services

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2023

**1 CORPORATE AND GROUP INFORMATION (continued)**

\* During the prior year, the Group liquidated CIL, CHC (and its indirectly held subsidiary Winters - dormant subsidiaries), which were not considered as separate major line of business or geographical area of operations for the Group.

**2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES**

**2.1 Basis of preparation**

The interim condensed consolidated financial information for the nine months ended 30 September 2023 has been prepared in accordance with IAS 34 *Interim Financial Reporting*.

The interim condensed consolidated financial information is presented in Kuwaiti Dinars ("KD"), which is also the functional currency of the Group.

The Group has prepared the interim condensed consolidated financial information on the basis that it will continue to operate as a going concern. The management considers that there are no material uncertainties that may cast doubt significant over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2022.

**2.2 New standards, interpretations and amendments adopted by the Group**

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2022, except for the adoption of new standards effective as of 1 January 2023. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

**Definition of Accounting Estimates - Amendments to IAS 8**

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, and changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Group's interim condensed consolidated financial information.

**Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2**

The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments had no impact on the Group's interim condensed consolidated financial information, but are expected to affect the accounting policy disclosures in the Group's annual consolidated financial statements.

Several amendments and interpretations apply for the first time in 2023, but do not have an impact on the interim condensed consolidated financial information of the Group.

# Coast Investment & Development Company K.S.C.P. and its Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2023

### 3 NET INVESTMENT INCOME (LOSS)

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<b>2023</b>	2022	<b>2023</b>	2022
	<b>KD</b>	<b>KD</b>	<b>KD</b>	<b>KD</b>
Realised gain on sale of financial assets at FVPL	<b>30,004</b>	65,098	<b>32,057</b>	163,771
Unrealised loss on sale of financial assets at FVPL, net*	<b>(152,449)</b>	(687,437)	<b>(367,400)</b>	(1,204,822)
Interest income*	<b>58,325</b>	17,511	<b>176,194</b>	52,104
Dividends income*	<b>105,433</b>	686,906	<b>156,186</b>	1,628,071
	<b>41,313</b>	82,078	<b>(2,963)</b>	639,124

\* This includes transactions with related parties amounting to loss of KD 282,851 (30 September 2022: gain of KD 576,176) (Note 8).

### 4 EARNINGS (LOSS) PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit (loss) for the period attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is calculated by dividing the profit (loss) for the period attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. As there are no dilutive instruments outstanding, basic and diluted EPS are identical.

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<b>2023</b>	2022	<b>2023</b>	2022
Profit (loss) for the period attributable to equity holders of the Parent Company (KD)	<b>385,390</b>	(74,169)	<b>(530,753)</b>	461,913
Weighted average number of shares outstanding during the period (shares)*	<b>465,026,902</b>	465,026,902	<b>465,026,902</b>	465,026,902
<b>Basic and diluted EPS (Fils)</b>	<b>0.83 Fils</b>	(0.16) Fils	<b>(1.14) Fils</b>	0.99 Fils

\* The weighted average number of shares takes into account the weighted average effect of changes in treasury shares during the year.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these interim condensed consolidated financial information.

# Coast Investment & Development Company K.S.C.P. and its Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL

### INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2023

#### 5 INVESTMENT IN ASSOCIATES

Set out below are the associates of the Group as at the reporting date:

Company	Country of incorporation	Principal activities	% equity interest			Carrying amount		
			30	(Audited)	30	(Audited)		
			September	31 December	September	30 September	31 December	30 September
			2023	2022	2022	2023	2022	2022
			KD	KD	KD	KD	KD	KD
Rico GmbH Kuwaiti German Holding Company K.S.C. (Closed)	Germany	Manufacturing	23.73	23.73	23.73	2,395,134	2,512,859	2,234,969
("KGH")*	Kuwait	Investment	23.49	23.49	23.49	13,494,080	14,284,548	12,830,326
Weinig International A.G. ("Weinig")*	Germany	Manufacturing	12.37	12.37	12.37	13,968,590	14,090,029	12,273,806
						<u>29,857,804</u>	<u>30,887,436</u>	<u>27,339,101</u>

\* KGH has a direct ownership of 52% in Weinig.

#### Reconciliation to carrying amounts:

	30 September	(Audited)	30 September
	2023	31 December	2022
	KD	2022	2022
		KD	KD
As at 1 January	30,887,436	29,283,363	29,283,363
Share of results	49,017	1,953,848	541,657
Share of other comprehensive loss that may be reclassified profit or loss in subsequent periods	(232,786)	(844,240)	(1,487,928)
Share of other comprehensive income that will not be reclassified to profit or loss in subsequent periods	165,398	1,403,761	1,236,307
Dividends	(316,553)	(117,043)	(117,042)
Redemption	(687,783)	-	-
Exchange differences	(6,925)	(792,253)	(2,117,256)
<b>As at end of the period/year</b>	<u><b>29,857,804</b></u>	<u>30,887,436</u>	<u>27,339,101</u>

#### 6 SHARE CAPITAL

The authorised, issued and paid-up capital of the Parent Company is KD 46,502,690 (31 December 2022: KD 46,502,690 and 30 September 2022: KD 46,502,690) that consist of 465,026,902 (31 December 2022: 465,026,902 and 30 September 2022: 465,026,902) shares of 100 fils per share, which are fully paid in cash.

#### 7 DIVIDENDS AND ANNUAL GENERAL ASSEMBLY MEETING

On 16 May 2023, the shareholders approved in the AGM the distribution of cash dividends of 5 fils per share to the shareholders registered on 20 June 2023 aggregating to KD 2,325,070 for the year ended 31 December 2022 (2021: 2,325,135). The dividends were recorded in the interim condensed consolidation financial information as a liability are were paid subsequently.

#### 8 RELATED PARTY DISCLOSURES

Related parties represent major shareholders, subsidiaries, associates, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Parent Company's management.

# Coast Investment & Development Company K.S.C.P. and its Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2023

### 8 RELATED PARTY DISCLOSURES (continued)

The following table provides the total amount of transactions that have been entered into with related parties during the nine-month period ended 30 September 2023 and 2022, as well as balances with related parties as at 30 September 2023, 31 December 2022 and 30 September 2022:

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
<b><i>Included in the interim condensed consolidated statement of profit or loss:</i></b>				
Management fees (Note 11)	<b>43,264</b>	95,384	<b>184,241</b>	371,352
Unrealised loss on sale of financial assets at FVPL, net (Note 3)	<b>(28,731)</b>	(266,111)	<b>(331,856)</b>	(337,254)
Interest income (Note 3)	<b>16,407</b>	4,247	<b>49,005</b>	11,839
Dividends income (Note 3)	-	-	-	901,591
			<i>(Audited)</i>	<i>30</i>
	<i>Associates</i>	<i>Others</i>	<i>30 September</i>	<i>31 December</i>
	<i>KD</i>	<i>KD</i>	<i>2023</i>	<i>2022</i>
			<i>KD</i>	<i>KD</i>
<b><i>Statement of interim condensed consolidated financial position:</i></b>				
Promissory notes (under other assets)*	<b>1,179,445</b>	-	<b>1,179,445</b>	1,602,735
Accrued management fees (under other assets)	-	<b>43,264</b>	<b>43,264</b>	90,228
Investment in a managed fund	-	<b>4,217,525</b>	<b>4,217,525</b>	8,544,144
Other liabilities	-	-	-	170,000

\* Promissory notes represent a financing arrangement to an associate for the purpose of financing its operations and earn interest at 1.5% (31 December 2022: 1.5% and 30 September 2022: 1.32%) above 3-months EURIBOR, per annum.

#### Key management personnel:

Key management personnel comprise of the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Group.

The aggregate value of transactions and outstanding balances related to key management personnel were as follows:

	<i>Transaction values for the</i>				<i>Balances outstanding as at</i>		
	<i>Three months ended</i>		<i>Nine months ended</i>		<i>30</i>	<i>(Audited)</i>	<i>30</i>
	<i>30 September</i>		<i>30 September</i>		<i>September</i>	<i>31 December</i>	<i>September</i>
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>	<i>2022</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
<b><i>Key management personnel compensation</i></b>							
Salaries and other short-term benefits	<b>46,411</b>	34,432	<b>135,613</b>	143,414	<b>42,808</b>	37,165	33,157
End of service benefits	<b>3,825</b>	3,897	<b>12,268</b>	11,975	<b>66,383</b>	54,473	50,840
	<b>50,236</b>	38,329	<b>147,881</b>	155,389	<b>109,191</b>	91,638	83,997

### 9 SEGMENT INFORMATION

The Group's operating segments are determined based on the reports reviewed by the decision makers that are used for strategic decisions. These segments are strategic business units that offer different products and services. They are managed separately since the nature of the products and services; class of customers and marketing strategies of these segments are different.

Coast Investment & Development Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2023

**9 SEGMENT INFORMATION (continued)**

The Group is primarily engaged in investment activities, the following tables present information regarding the Group's geographical segments:

	<b>For the nine months ended 30 September 2023 (unaudited)</b>			
	<i>Kuwait and GCC KD</i>	<i>Europe KD</i>	<i>USA KD</i>	<i>Total KD</i>
Total income	<b>301,577</b>	<b>(3,409)</b>	-	<b>298,168</b>
Share of results of associates	<b>34,609</b>	<b>14,408</b>	-	<b>49,017</b>
Depreciation expense	<b>(8,013)</b>	-	-	<b>(8,013)</b>
Loss for the period	<b>(527,344)</b>	<b>(3,409)</b>	-	<b>(530,753)</b>
	<b>For the nine months ended 30 September 2022 (unaudited)</b>			
	<i>Kuwait and GCC KD</i>	<i>Europe KD</i>	<i>USA KD</i>	<i>Total KD</i>
Total income	1,266,265	117,920	13,452	1,397,637
Share of results of associates	155,921	385,736	-	541,657
Depreciation expense	(8,023)	-	-	(8,023)
Profit for the period	330,541	117,920	13,452	461,913
	<i>Kuwait and GCC KD</i>	<i>Europe KD</i>	<i>USA KD</i>	<i>Total KD</i>
<b>As at 30 September 2023 (Unaudited)</b>				
Total assets	<b>27,145,268</b>	<b>20,803,075</b>	<b>72,718</b>	<b>48,021,061</b>
Total liabilities	<b>1,703,782</b>	-	-	<b>1,703,782</b>
<b>Other disclosures:</b>				
Investment in associates	<b>13,494,080</b>	<b>16,363,724</b>	-	<b>29,857,804</b>
<b>As at 31 December 2022 (Audited)</b>				
Total assets	29,295,336	21,533,836	69,504	50,898,676
Total liabilities	1,641,418	-	-	1,641,418
<b>Other disclosures:</b>				
Investment in associates	14,284,548	16,602,888	-	30,887,436
<b>As at 30 September 2022 (Unaudited)</b>				
Total assets	27,602,869	19,023,050	70,526	46,696,445
Total liabilities	1,435,193	-	-	1,435,193
<b>Other disclosures:</b>				
Investment in associates	12,830,326	14,508,775	-	27,339,101

# Coast Investment & Development Company K.S.C.P. and its Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL

### INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2023

#### 10 CAPITAL COMMITMENTS

As at the reporting date, the Group had capital commitments of Nil (31 December 2022: KD 19,519 and 30 September 2022: KD 17,822) in respect of uncalled capital in certain private equity funds classified as financial assets at FVTPL.

#### 11 FIDUCIARY ASSETS

The Group manages number of investments in a fiduciary capacity. The client assets have no recourse to the general assets of the Group and the Group has no recourse to the assets under management. Accordingly, assets under management are not included in the interim condensed consolidated financial information, as they are not assets of the Group. As at 30 September 2023, portfolio and funds under management amounted to KD 68,923,334 (31 December 2022: KD 88,404,917 and 30 September 2022: KD 88,313,943).

Income earned from fiduciary assets amounted to KD 246,784 for the nine months ended 30 September 2023 (30 September 2022: KD 424,196) out of which an amount of KD 184,241 (30 September 2022: KD 371,352) was earned from related parties (Note 8).

#### 12 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

##### *Fair value hierarchy*

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

- ▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For instruments that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

Set out below is the fair values of financial assets measured at fair value on a recurring basis as at 30 September 2023, 31 December 2022 and 30 September 2022:

	<b>Fair value measurement using</b>			
	<i>Total</i>	<i>Quoted prices in active markets (Level 1)</i>	<i>Significant observable inputs (Level 2)</i>	<i>Significant unobservable inputs (Level 3)</i>
<i>30 September 2023</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
<b>Financial assets at FVPL*:</b>				
Open-ended fund	4,217,525	-	4,217,525	-
Private equity funds	3,264,157	-	-	3,264,157
Quoted equity securities	1,257,205	1,257,205	-	-
Unquoted equity securities	7,609	-	-	7,609
	<u>8,746,496</u>	<u>1,257,205</u>	<u>4,217,525</u>	<u>3,271,766</u>
<b>Financial assets at FVOCI:</b>				
Unquoted equity securities	66,204	-	-	66,204
<b>Investment securities (at fair value)</b>	<u><u>8,812,700</u></u>	<u><u>1,257,205</u></u>	<u><u>4,217,525</u></u>	<u><u>3,337,970</u></u>

Coast Investment & Development Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2023

12 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

*Fair value hierarchy (continued)*

	Fair value measurement using			
	<i>Total</i>	<i>Quoted prices in active markets (Level 1)</i>	<i>Significant observable inputs (Level 2)</i>	<i>Significant unobservable inputs (Level 3)</i>
<i>31 December 2022 (Audited)</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Financial assets at FVPL*:				
Open-ended fund	8,544,144	-	8,544,144	-
Private equity funds	3,397,717	-	-	3,397,717
Unquoted equity securities	8,052	-	-	8,052
	<u>11,949,913</u>	<u>-</u>	<u>8,544,144</u>	<u>3,405,769</u>
Financial assets at FVOCI:				
Unquoted equity securities	98,547	-	-	98,547
Investment securities (at fair value)	<u>12,048,460</u>	<u>-</u>	<u>8,544,144</u>	<u>3,504,316</u>

	Fair value measurement using			
	<i>Total</i>	<i>Quoted prices in active markets (Level 1)</i>	<i>Significant observable inputs (Level 2)</i>	<i>Significant unobservable inputs (Level 3)</i>
<i>30 September 2022</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Financial assets at FVPL*:				
Open-ended fund	8,547,994	-	8,547,994	-
Private equity funds	3,131,742	-	-	3,131,742
Quoted equity securities	764,000	764,000	-	-
Unquoted equity securities	8,052	-	-	8,052
	<u>12,451,788</u>	<u>764,000</u>	<u>8,547,994</u>	<u>3,139,794</u>
Financial assets at FVOCI:				
Unquoted equity securities	141,972	-	-	141,972
Investment securities (at fair value)	<u>12,593,760</u>	<u>764,000</u>	<u>8,547,994</u>	<u>3,281,766</u>

\* Financial assets at FVPL are presented in the interim condensed consolidated statement of financial position as follows:

	<i>(Audited)</i>		
	<i>30 September 2023</i>	<i>31 December 2022</i>	<i>30 September 2022</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>
Non-current	<b>7,489,291</b>	11,949,913	11,687,788
Current	<b>1,257,205</b>	-	764,000
	<u><b>8,746,496</b></u>	<u>11,949,913</u>	<u>12,451,788</u>



Coast Investment & Development Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2023

12 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

*Reconciliation of recurring fair value measurements categorised within Level 3 of the fair value hierarchy:*

	<i>30 September 2023</i>		
	<i>Financial assets at FVTPL KD</i>	<i>Financial assets at FVOCI KD</i>	<i>Total KD</i>
As at 1 January 2023	3,405,769	98,547	3,504,316
Remeasurement recognised in profit or loss	(31,484)	-	(31,484)
Remeasurement recognised in OCI	-	(9,843)	(9,843)
Sales	(102,519)	-	(102,519)
Redemptions	-	(22,500)	(22,500)
<b>As at 30 September 2023</b>	<b>3,271,766</b>	<b>66,204</b>	<b>3,337,970</b>
	<i>31 December 2022 (Audited)</i>		
	<i>Financial assets at FVTPL KD</i>	<i>Financial assets at FVOCI KD</i>	<i>Total KD</i>
As at 1 January 2022	4,119,494	505,002	4,624,496
Remeasurement recognised in profit or loss	(608,862)	-	(608,862)
Remeasurement recognised in OCI	-	362,880	362,880
Sales	(104,863)	(769,335)	(874,198)
<b>As at 31 December 2022 (Audited)</b>	<b>3,405,769</b>	<b>98,547</b>	<b>3,504,316</b>
	<i>30 September 2022</i>		
	<i>Financial assets at FVPL KD</i>	<i>Financial assets at FVOCI KD</i>	<i>Total KD</i>
As at 1 January 2022	4,119,494	505,002	4,624,496
Remeasurement recognised in profit or loss	(874,837)	-	(874,837)
Remeasurement recognised in OCI	-	152,150	152,150
Sales	(104,863)	(515,180)	(620,043)
<b>As at 30 September 2022</b>	<b>3,139,794</b>	<b>141,972</b>	<b>3,281,766</b>

The valuation techniques and inputs used in this interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2022.

The fair value of financial instruments classified as level 3 are, in certain circumstances, measured using valuation techniques that incorporate assumptions that are not evidenced by the prices from observable current market transactions in the same instrument and are not based on observable market data. The Group employs valuation techniques, depending on the instrument type and available market data. For example, in the absence of active market, an investment's fair value is estimated on the basis of an analysis of the investee's financial position and results, risk profile and other factors. Favourable and unfavourable changes in the value of financial instruments are determined on the basis of changes in the value of the instruments as a result of varying the levels of the unobservable parameters, quantification of which is judgmental. The management assessed that the impact on profit or loss or other comprehensive income would be immaterial if the relevant risk variables used to fair value the financial instruments classified as Level 3 were altered by 5 percent.

For other financial assets and financial liabilities carried at amortised cost, the carrying value is not significantly different from their fair value as most of these assets and liabilities are of short-term maturity or are re-priced immediately based on market movement in interest rates.

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