

**Dar Al-Thuraya Real Estate Co. K.S.C. (Public)**  
**and its subsidiaries**  
**State of Kuwait**

**Interim condensed consolidated financial**  
**information (unaudited)**  
and review report for the six month period ended 30 June 2017

**Dar Al-Thuraya Real Estate Co. K.S.C. (Public)**  
**and its subsidiaries**  
**State of Kuwait**

**Interim condensed consolidated financial information (unaudited)**  
and review report for the six month period ended 30 June 2017

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<b>Contents</b>	<b>Page</b>
Review report	1
Interim condensed consolidated statement of financial position (unaudited)	2
Interim condensed consolidated statement of income (unaudited)	3
Interim condensed consolidated statement of comprehensive income (unaudited)	4
Interim condensed consolidated statement of changes in equity (unaudited)	5
Interim condensed consolidated statement of cash flows (unaudited)	6
Notes to the interim condensed consolidated financial information (unaudited)	7-14



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**Independent auditors' report on review of interim condensed consolidated financial information to the Board of Directors of Dar Al-Thuraya Real Estate Company K.S.C. (Public) State of Kuwait**

*Introduction*

We have reviewed the accompanying interim condensed consolidated financial information of Dar Al-Thuraya Real Estate Co. K.S.C. (Public) ("The Parent Company") and its subsidiaries (together referred to as "the Group") which comprise the interim condensed consolidated statement of financial position as at 30 June 2017, and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the six month period then ended. The preparation and fair presentation of this interim condensed consolidated financial information is the responsibility of the Parent Company's management in accordance with IAS 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 the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditors of the Entity". A review of interim condensed consolidated financial information consists primarily of making inquiries, 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 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 nothing has come to our attention indicating any violations during the six month period ended 30 June 2017, of Companies Law No. 1 of 2016, and its executive regulations, except what is mentioned in note 11 on the interim condensed consolidated financial information, or of the Parent Company's memorandum of incorporation and articles of association, as amended, have occurred during the six month period ended 30 June 2017, that might have had a material effect on the business of the Group or on its interim condensed consolidated financial position.

  
Qais M. Al Nisf  
Licence No. 38 – A  
BDO Al Nisf & Partners

Kuwait: 10 August 2017

  
Yahya Abdullah Al-Fodari  
Licence No. 83 "A"  
Member of the Kuwait Association of  
Accountants and Auditors



**Dar Al-Thuraya Real Estate Co. K.S.C. (Public)**  
**and its subsidiaries**  
**State of Kuwait**

**Interim condensed consolidated statement of financial position (unaudited)**  
**As at 30 June 2017**

		<b>30 June</b>	<b>31 December</b>	<b>30 June</b>
		<b>2017</b>	<b>2016</b>	<b>2016</b>
	<b>Notes</b>	<b>KD</b>	<b>(audited)</b>	<b>KD</b>
		<b>KD</b>	<b>KD</b>	<b>KD</b>
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment		6,908,456	7,020,014	6,983,903
Right of use		110,000	110,000	170,000
Intangible assets		462,425	507,460	-
Investment properties	4	14,441,341	15,211,800	16,611,119
Available for sale investments		3,173	3,173	5,000
Due from related parties	5	196,088	196,088	376,383
		<u>22,121,483</u>	<u>23,048,535</u>	<u>24,146,405</u>
<b>Current assets</b>				
Inventories		362,188	378,559	319,178
Trade and other receivables	6	1,443,680	1,272,651	2,574,307
Cash and bank balances	7	240,177	235,351	215,405
		<u>2,046,045</u>	<u>1,886,561</u>	<u>3,108,890</u>
<b>Total assets</b>		<u>24,167,528</u>	<u>24,935,096</u>	<u>27,255,295</u>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital		14,650,000	14,650,000	14,650,000
Statutory reserve		866,845	866,845	866,845
Voluntary reserve		866,845	866,845	866,845
Change in fair value reserve		(467)	(467)	-
Revaluation surplus reserve		109,832	109,832	169,823
(Accumulated losses)/retained earnings		(1,665,690)	(1,565,566)	847,448
<b>Equity attributable to equity holders of the Parent Company</b>		<u>14,827,365</u>	<u>14,927,489</u>	<u>17,400,961</u>
Non-controlling interests		23,505	26,481	41,150
<b>Total equity</b>		<u>14,850,870</u>	<u>14,953,970</u>	<u>17,442,111</u>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Employees' end of service benefit		523,487	384,435	264,761
Due to related parties	5	7,283,826	8,764,930	9,170,454
		<u>7,807,313</u>	<u>9,149,365</u>	<u>9,435,215</u>
<b>Current liabilities</b>				
Ijara payables	8	753,091	-	-
Other Payables		756,254	831,761	377,969
<b>Total liabilities</b>		<u>9,316,658</u>	<u>9,981,126</u>	<u>9,813,184</u>
<b>Total equity and liabilities</b>		<u>24,167,528</u>	<u>24,935,096</u>	<u>27,255,295</u>

The notes on pages 7 to 14 form an integral part of this interim condensed consolidated financial information.

Adel Mohammed Hamoud Al Hudaib  
Chairman

Ahmad Abdurazzaq Albahr  
Vice Chairman

**Dar Al-Thuraya Real Estate Co. K.S.C. (Public)**  
**and its subsidiaries**  
**State of Kuwait**

**Interim condensed consolidated statement of income (unaudited)**  
For the six month period ended 30 June 2017

	Notes	Three months ended 30 June		Six months ended 30 June	
		2017	2016	2017	2016
		KD	KD	KD	KD
Sales		392,197	178,710	609,507	395,424
Cost of sales		(366,443)	(122,142)	(388,400)	(141,012)
<b>Gross profit</b>		<b>25,754</b>	<b>56,568</b>	<b>221,107</b>	<b>254,412</b>
Net rental income	9	253,253	295,476	536,391	606,082
Profits from saving accounts		-	35	-	219
Unrealised profit on investment at fair value through statement of income		-	233,962	-	-
Realized losses on sale of investment at fair value through statement of income		-	(229,224)	-	(229,224)
Losses on foreign currency translation		-	(3,101)	-	(10,653)
Other revenue		59,850	11,078	62,752	11,221
General and administrative expenses		(502,126)	(192,199)	(760,383)	(506,070)
Finance costs		(3,091)	-	(3,091)	-
Depreciation and amortization		(117,036)	(41,172)	(159,876)	(86,148)
<b>(Loss) / profit for the period before contribution to KFAS, NLST and Zakat</b>		<b>(283,396)</b>	<b>131,423</b>	<b>(103,100)</b>	<b>39,839</b>
Contribution to Kuwait Foundation for the Advancement of Sciences		-	(324)	-	(324)
National Labour Support Tax (NLST)		4,738	(1,364)	-	(1,364)
Zakat		1,796	(545)	-	(545)
<b>Net (loss) / profit for the period</b>		<b>(276,862)</b>	<b>129,190</b>	<b>(103,100)</b>	<b>37,606</b>
<b>Attributable to:</b>					
Shareholders of the Parent Company		(273,210)	127,301	(100,124)	33,800
Non-controlling interests		(3,652)	1,889	(2,976)	3,806
<b>Net (loss) / profit for the period</b>		<b>(276,862)</b>	<b>129,190</b>	<b>(103,100)</b>	<b>37,606</b>
<b>Basic and diluted earnings / (loss) per share for the period attributable to the Parent Company's shareholders ( fils)</b>	10	<b>(1.87)</b>	<b>0.87</b>	<b>(0.68)</b>	<b>0.23</b>

The notes on pages 7 to 14 form an integral part of this interim condensed consolidated financial information.

**Dar Al-Thuraya Real Estate Co. K.S.C. (Public)**  
**and its subsidiaries**  
**State of Kuwait**

**Interim condensed consolidated statement of comprehensive income (unaudited)**  
For the six month period ended 30 June 2017

	<b>Three months ended</b>		<b>Six months ended</b>	
	<b>30 June</b>		<b>30 June</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>KD</b>	<b>KD</b>	<b>KD</b>	<b>KD</b>
<b>Net (loss)/profit for the period</b>	<u>(276,862)</u>	<u>129,190</u>	<u>(103,100)</u>	<u>37,606</u>
<b>Other comprehensive income items:</b>				
<i>Items that may be reclassified subsequently to the interim condensed consolidated statement of income:</i>				
Foreign currency translation reserve	-	-	-	-
<b>Total other comprehensive income</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive (loss)/income for the period</b>	<u>(276,862)</u>	<u>129,190</u>	<u>(103,100)</u>	<u>37,606</u>
<b>Attributable to:</b>				
Shareholders of the Parent Company	(273,210)	127,301	(100,124)	33,800
Non-controlling interests	<u>(3,652)</u>	<u>1,889</u>	<u>(2,976)</u>	<u>3,806</u>
	<u>(276,862)</u>	<u>129,190</u>	<u>(103,100)</u>	<u>37,606</u>

The notes on pages 7 to 14 form an integral part of this interim condensed consolidated financial information.



**Dar Al-Thuraya Real Estate Co. K.S.C. (Public)**  
and its subsidiaries  
State of Kuwait

**Interim condensed consolidated statement of changes in equity (unaudited)**  
For the six month period ended 30 June 2017

	Share capital KD	Statutory reserve KD	Voluntary reserve KD	Change in fair value reserve KD	Revaluation surplus reserve KD	(Accumulated losses) / retained earnings KD	Equity attributable to equity holders of the Parent Company KD	Non-controlling interests KD	Total equity KD
At 1 January 2017	14,650,000	866,845	866,845	(467)	109,832	(1,565,566)	14,927,489	26,481	14,953,970
Net loss for the period	-	-	-	-	-	(100,124)	(100,124)	(2,976)	(103,100)
Total comprehensive loss for the period	-	-	-	-	-	(100,124)	(100,124)	(2,976)	(103,100)
At 30 June 2017	14,650,000	866,845	866,845	(467)	109,832	(1,665,690)	14,827,365	23,505	14,850,870
At 1 January 2016	14,650,000	866,845	866,845	-	169,823	813,648	17,367,161	37,344	17,404,505
Net profit for the period	-	-	-	-	-	33,800	33,800	3,806	37,606
Total comprehensive income for the period	-	-	-	-	-	33,800	33,800	3,806	37,606
At 30 June 2016	14,650,000	866,845	866,845	-	169,823	847,448	17,400,961	41,150	17,442,111

The notes on pages 7 to 14 form an integral part of this interim condensed consolidated financial information.

**Dar Al-Thuraya Real Estate Co. K.S.C. (Public)**  
**and its subsidiaries**  
**State of Kuwait**

**Interim condensed consolidated statement of cash flows (unaudited)**  
For the six month period ended 30 June 2017

	Notes	Six months ended 30 June	
		2017	2016
		KD	KD
<b>Operating activities</b>			
Net (loss)/profit for the period		(103,100)	37,606
<i>Adjustment for:</i>			
Profits from saving accounts		-	(219)
Realized losses on sale of investment at fair value through statement of income		-	229,224
Gains on sale of property, plant and equipment		(10,180)	-
Depreciation and amortization		159,876	86,148
Foreign currency translation profit		-	10,653
Finance costs		3,091	-
Employees' end of service benefit		167,395	29,522
		217,082	392,934
<i>Changes in working capital:</i>			
Due (from)/to related parties - net		(701,104)	(241,222)
Inventories		16,371	1,986
Trade and other receivables		(171,029)	(257,550)
Other Payables		(75,507)	6,891
<b>Cash used in operations</b>		(714,187)	(96,961)
Payment of employees' end of service indemnity		(28,343)	(11,010)
<b>Net cash flows used in operating activities</b>		(742,530)	(107,971)
<b>Investing activities</b>			
Paid for the acquisition of property, plant and equipment		(34,123)	(28,227)
Paid for purchase of investment properties	4	(9,541)	(45,970)
Proceeds from sale of property, plant and equipment		41,020	-
Received profits from saving accounts		-	219
<b>Net cash flows used in investment activities</b>		(2,644)	(73,978)
<b>Financing activities</b>			
Proceeds from Ijara payables	8	753,091	-
Finance costs paid		(3,091)	-
<b>Net cash from financing activities</b>		750,000	-
Net increase/(decrease) in cash and bank balances		4,826	(181,949)
Cash and bank balances at the beginning of the period		235,351	397,354
<b>Cash and bank balances at the end of the period</b>	7	240,177	215,405

The Group has the following non-cash transactions during the period which are not presented in the statement of interim condensed consolidated statement of cash flows.

Non cash transactions		Six months ended 30 June	
		2017	2016
		KD	KD
Transfer of an investment property to a related party for settlement of a debt	4	780,000	-
Sale of investment at fair value through statement of income		-	1,388,027

The notes on pages 7 to 14 form an integral part of this interim condensed consolidated financial information.



**Dar Al-Thuraya Real Estate Co. K.S.C. (Public)**  
**and its subsidiaries**  
**State of Kuwait**

**Notes to the interim condensed consolidated financial information (unaudited)**  
**For the six month period ended 30 June 2017**

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**1. General information**

Dar Al-Thuraya Real Estate Company K.S.C. ("the Parent Company") was incorporated on 5 September 2004 in accordance with Kuwait Companies Law.

The Parent Company is principally engaged in the following activities in compliance with the Islamic Shari'a as follows:

- Acquisition, sale, purchase, development of real estates and land in favor of the Parent Company in the State of Kuwait and abroad, Further, management of third party properties without violating law.
- Acquisition, sale, purchase the shares and bonds of real estate companies only in favor of the Parent Company in Kuwait and abroad.
- Preparing studies and providing consultancy in the real estate sector in all its types.
- Maintenance activities including civil, mechanical, electrical, elevators, and air conditioning maintenance.
- Organizing real estate exhibitions related to the Parent Company's real estate projects.
- Organizing real estate tenders.
- Acquisition and management of commercial and residential complexes.
- Utilizing the financial surpluses of the Parent Company by investing them in portfolios managed by specialized companies and entities.
- Direct contribution in the infrastructure of areas.
- Direct contribution in the infrastructure of residential, commercial and industrial areas and projects through (B.O.T) system and management of real estate facilities under the same system.

The Parent Company may practice the above activities inside the State of Kuwait and abroad either in its own name or by proxy. The Parent Company may have interests or participate in any suitable way with entities that engage in similar business activities or that may help the Company achieve its objectives inside Kuwait and abroad. It may also incorporate, purchase and/or participate in incorporation of such entities or affiliate them.

The Parent Company's shares were listed on the Kuwait Stock Exchange on 18 August 2009.

The address of the Parent Company's registered office is P.O. Box, 1376, Safat 13014, State of Kuwait.

The condensed consolidated interim financial information includes the financial statements of the Parent Company and its subsidiaries (together referred to as "the Group") (note 3).

The Parent Company is a subsidiary of Al-Madar Finance and Investment Company K.S.C., a Company listed in the Kuwait Stock Exchange.

The interim condensed consolidated financial information of Dar Al-Thuraya Real Estate Co. K.S.C. (Public) and its subsidiaries ("the Group") for the six-month period ended 30 June 2017 were authorized for issue by the Parent Company's board of directors on 10 August 2017.

**Dar Al-Thuraya Real Estate Co. K.S.C. (Public)**  
**and its subsidiaries**  
**State of Kuwait**

**Notes to the interim condensed consolidated financial information (unaudited)**  
**For the six month period ended 30 June 2017**

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**2. Basis of preparation**

The condensed consolidated interim financial information has been prepared in accordance with the International Accounting Standard 34, Interim Financial Reporting". The interim condensed consolidated financial information does not include all the information and disclosures required for complete annual consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS). In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for fair presentation have been included.

Operating results for the six month period ended 30 June 2017 are not necessarily indicative of the results that may be expected for the financial year ended 31 December 2017. For further information, refer to the annual audited consolidated financial statements of the Group for the year ended 31 December 2016.

This interim condensed consolidated financial information is presented in Kuwaiti Dinars ("KD") which is the functional and presentation currency of the Parent Company.

The accounting policies used in the preparation of this interim condensed consolidated financial information for the current interim financial period are consistent with those used in the preparation of the consolidated financial statements for the year ended 31 December 2016, except for the adoption of the following new standards and amendments effective as of 1 January 2017. The nature and the effect of these changes are disclosed below. Although these new standards and amendments will be applied for the first time in 2017, they do not have a material impact on the annual consolidated financial statements of the Group or the interim condensed consolidated financial information of the Group.

**New standards and amendments effective from 1 January 2017**

*Amendments to IAS 7 Statement of cash flows: Disclosure initiative*

The amendments require entities to provide disclosures about changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). On initial application of the amendment, entities are not required to provide comparative information for preceding periods. The Group is not required to provide additional disclosures in its interim condensed consolidated financial statements, but will disclose additional information in its annual consolidated financial statements for the year ended 31 December 2017.

*Amendments to IAS 12 – Recognition of Deferred Tax Assets for Unrealized Losses*

The amendments clarify that the Group needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

The amendments require Group to apply them retrospectively. However on initial application thereof, the change in the opening equity of the earliest comparative period may be recognised in the opening retained earnings (or in another component of equity as appropriate) without allocating the change between opening retained earnings and other components of equity. It is required that in case such relief is applied, this fact must be disclosed.

**Annual Improvements 2014-2016 Cycle**

Amendments to IFRS 12 Disclosure of interests in Other Entities: Clarification of the scope of disclosure requirements in IFRS 12

The amendments clarify that the disclosure requirements in IFRS 12, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale.

**Dar Al-Thuraya Real Estate Co. K.S.C. (Public)**  
**and its subsidiaries**  
**State of Kuwait**

**Notes to the interim condensed consolidated financial information (unaudited)**  
For the six month period ended 30 June 2017

**3. Subsidiaries**

The details of subsidiaries are as follows:

Name of the Company	Country of incorporation	Legal entity	Percentage of holding			Activity
			30 June 2017	31 December 2016 (audited)	30 June 2016	
Al-Thuraya Star Company	Kuwait	W.L.L.	99%	99%	99%	General Trading and Contracting
Kuwait Building Real Estate Company	Kuwait	K.S.C. (Closed)	96%	96%	96%	Real estate
Pack & Move Holding	Kuwait	K.S.C. (Holding)	99.88%	99.88%	99.88%	Holding
Golden Madar Real Estate Company	Kuwait	W.L.L.	98%	98%	98%	Real estate

During the period, the Group has consolidated the interim financial information for the six-month period ended 30 June 2017 for Althuraya Star Co. W.L.L., Mabani Real Estate Company K.S.C. (Closed), Pack & Move Holding K.S.C. (Holding) and Golden Madar Real Estate Company W.L.L. based on financial information prepared by the management of these companies as at 30 June 2017.

**4. Investment properties**

	30 June 2017	31 December 2016 (audited)	30 June 2016
	KD	KD	KD
<b>Investment properties</b>			
Balance at beginning of the period/year/period	13,224,999	14,312,999	14,312,999
Transferred to a related party	(780,000)	-	-
Change in fair value	-	(1,088,000)	-
Balance at the end of the period/year/period	12,444,999	13,224,999	14,312,999
<b>Projects in progress</b>			
Balance at beginning of the period/year/period	1,986,801	2,252,150	2,252,150
Additions	9,541	75,487	45,970
Change in fair value	-	(340,836)	-
Balance at the end of the period/year/period	1,996,342	1,986,801	2,298,120
	14,441,341	15,211,800	16,611,119

- The transferred amount represents a plot in Al Rai area assigned to a related party in return for settlement of part of the debt payable to them from Pack & Move Holding Company K.S.C. (Closed) - ("subsidiary").
- An Ijara contract, with a promise for purchase by a local bank, for one of the investment properties of the Group during the period.



**Dar Al-Thuraya Real Estate Co. K.S.C. (Public)**  
**and its subsidiaries**  
**State of Kuwait**

**Notes to the interim condensed consolidated financial information (unaudited)**  
**For the six month period ended 30 June 2017**

**5. Related party transactions**

Related parties comprise of the Group's shareholders who are members of the Board of Directors, key management personnel, and subsidiaries in which the Parent Company has representatives in their board. In the ordinary course of business, all related party significant transactions during the period ended 30 June 2017 are carried out at terms approved by the Group's management. Balances and transactions between the Parent Company and its subsidiaries, which are related parties of the Group, have been eliminated on consolidation and are not disclosed in this note.

Balances due from/to related parties and related party transaction are as follows:

	<u>30 June 2017</u>	<u>31 December</u> <u>2016 (audited)</u>	<u>30 June 2016</u>
	KD	KD	KD
<b>Interim condensed consolidated statement of financial position:</b>			
Due from related parties	196,088	196,088	376,383
Due to related parties	<u>7,283,826</u>	<u>8,764,930</u>	<u>9,170,454</u>

	<u>Three months ended</u> <u>30 June</u>		<u>Six months ended</u> <u>30 June</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	KD	KD	KD	KD
<b>Interim condensed consolidated statement of income:</b>				
Senior management benefits and salaries	107,121	63,488	185,759	126,847

**6. Trade and other receivables**

	<u>30 June 2017</u>	<u>31 December</u> <u>2016 (audited)</u>	<u>30 June 2016</u>
	KD	KD	KD
Trade receivables	634,323	642,993	572,944
Provision for doubtful debts	<u>(60,815)</u>	<u>(60,815)</u>	<u>(60,815)</u>
	573,508	582,178	512,129
Accrued rentals	709,378	636,454	539,993
Less: provision for accrued rentals	<u>(145,000)</u>	<u>(145,000)</u>	<u>(100,000)</u>
	564,378	491,454	439,993
Investment sale receivables	-	-	1,388,027
Project prepayments	34,044	32,060	34,918
Staff receivables	13,323	14,124	14,352
Prepaid expenses	121,478	54,985	115,089
Refundable deposits	68,746	68,746	35,965
Other receivables	<u>68,203</u>	<u>29,104</u>	<u>33,834</u>
	<u>1,443,680</u>	<u>1,272,651</u>	<u>2,574,307</u>

**Dar Al-Thuraya Real Estate Co. K.S.C. (Public)**  
**and its subsidiaries**  
**State of Kuwait**

**Notes to the interim condensed consolidated financial information (unaudited)**  
**For the six month period ended 30 June 2017**

**7. Cash and bank balances**

	<b>30 June 2017</b>	<b>31 December 2016 (audited)</b>	<b>30 June 2016</b>
	<b>KD</b>	<b>KD</b>	<b>KD</b>
Bank balances	207,616	217,838	194,267
Cash on hand	32,561	17,513	21,138
	<u>240,177</u>	<u>235,351</u>	<u>215,405</u>

Bank balances represent unrestricted current and saving accounts.

The average effective yield rate on the savings accounts as at 30 June 2017 was 0.65% per annum (31 December 2016: 0.94% per annum, and 30 June 2016: 0.73%).

**8. Ijara payables**

	<b>30 June 2016</b>	<b>31 December 2016 (audited)</b>	<b>30 June 2017</b>
	<b>KD</b>	<b>KD</b>	<b>KD</b>
Ijara payables	793,275	-	-
Future finance costs	(40,184)	-	-
	<u>753,091</u>	<u>-</u>	<u>-</u>

Ijara payables represent facilities contract granted by Kuwait Finance House in return for lease contract concluded with the bank related to utilization right for one of the investment properties, with a promise for purchase. The facility is paid at KD 793,275 as deferred rental value matures at end of the contract period on 3 June 2018. The effective yield rate is 5.77% per annum (31 December 2016: nil & 30 June 2016: nil).

**9. Net rental income**

	<b>Three months ended 30 June</b>		<b>Six months ended 30 June</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>KD</b>	<b>KD</b>	<b>KD</b>	<b>KD</b>
Rental income	289,640	361,755	608,045	717,020
Rental costs	(36,387)	(66,279)	(71,654)	(110,938)
	<u>253,253</u>	<u>295,476</u>	<u>536,391</u>	<u>606,082</u>

**Dar Al-Thuraya Real Estate Co. K.S.C. (Public)**  
**and its subsidiaries**  
**State of Kuwait**

**Notes to the interim condensed consolidated financial information (unaudited)**  
For the six month period ended 30 June 2017

**10. Basic and diluted (loss)/earnings per share for the period attributable to the Parent Company's shareholders (fils)**

Basic and diluted (loss) / earnings per share is computed by dividing net (loss) / profit for the period attributable to the Parent Company's shareholders by the weighted average number of ordinary shares outstanding during the period.

	<b>Three months ended 30 June</b>		<b>Six months ended 30 June</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
Net (loss)/profit for the period attributable to the shareholders of the Parent Company (KD)	<u>(273,210)</u>	<u>127,301</u>	<u>(100,124)</u>	<u>33,800</u>
Weighted average number of outstanding shares during the period (share)	<u>146,500,000</u>	<u>146,500,000</u>	<u>146,500,000</u>	<u>146,500,000</u>
Net basic and diluted (loss)/earnings per share for the period attributable to the Parent Company's shareholders (fils)	<u>(1.87)</u>	<u>0.87</u>	<u>(0.68)</u>	<u>0.23</u>

**11. General assembly of shareholders**

The annual ordinary general assembly of the shareholders for the year ended 31 December 2016 has not been held until the date of preparing this interim condensed consolidated financial information. Consequently, the consolidated financial statements for the year then ended were not approved by the general assembly of Parent Company's shareholders. The consolidated financial statements for the year ended 31 December 2016 do not include any adjustments that could have been necessary if the consolidated financial statements for the year then ended have been approved by the general assembly of the Parent Company's shareholders.

Due to the failure to convene the Annual General Meeting of the shareholders of the Parent Company until the date of preparation of the interim condensed consolidated financial information, the auditor has been appointed for review of interim condensed consolidated financial information by the board of directors. Such appointment is subject to approval of the annual ordinary general assembly of Parent Company's shareholders when held.



**Dar Al-Thuraya Real Estate Co. K.S.C. (Public)**  
**and its subsidiaries**  
**State of Kuwait**

**Notes to the interim condensed consolidated financial information (unaudited)**  
For the six month period ended 30 June 2017

**12. Segmental information**

The management has grouped the Group's products and services into the following operating segments under IFRS 8 as follows:

*Operating Segments*

The Group has determined the following three major business segments for internal reporting purposes:

- Investment properties sector.
- Financial investment sector.
- Trading and contracting sector.

Financial information about business segments for the period ended 30 June is as follows:

	<u>Investment properties</u> KD	<u>Financial investments</u> KD	<u>Trading and contracting</u> KD	<u>Total</u> KD
<b>2017</b>				
Total revenue	608,045	-	672,259	1,280,304
Segment results	475,045	-	(578,145)	(103,100)
Segment assets	20,423,665	243,350	3,500,513	24,167,528
Segment liabilities	6,530,735	753,091	2,032,832	9,316,658
<b>2016</b>				
Total revenue	717,020	(239,658)	406,645	884,007
Segment results	(9,152)	(239,658)	286,416	37,606
Segment assets	24,205,015	1,608,432	1,441,848	27,255,295
Segment liabilities	9,170,454	-	642,730	9,813,184

**13. Fair value disclosures**

The fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, Grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

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

**Dar Al-Thuraya Real Estate Co. K.S.C. (Public)**  
**and its subsidiaries**  
**State of Kuwait**

**Notes to the interim condensed consolidated financial information (unaudited)**  
For the six month period ended 30 June 2017

**13. Fair value disclosures (continued)**

<b>30 June 2017</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
	<b>KD</b>	<b>KD</b>	<b>KD</b>
<b>Non-financial assets:</b>			
Investment properties	-	14,441,341	14,441,341
<b>Financial assets:</b>			
Available for sale investments	2,467	-	2,467
	<u>2,467</u>	<u>14,441,341</u>	<u>14,443,808</u>
 <b>31 December 2016 (audited)</b>	 <b>Level 1</b>	 <b>Level 2</b>	 <b>Total</b>
	<b>KD</b>	<b>KD</b>	<b>KD</b>
<b>Non-financial assets:</b>			
Investment properties	-	15,211,800	15,211,800
<b>Financial assets:</b>			
Available for sale investments	2,467	-	2,467
	<u>2,467</u>	<u>15,211,800</u>	<u>15,214,267</u>
 <b>30 June 2016</b>	 <b>Level 1</b>	 <b>Level 2</b>	 <b>Total</b>
	<b>KD</b>	<b>KD</b>	<b>KD</b>
<b>Non-financial assets:</b>			
Investment properties	-	16,611,119	16,611,119
	<u>-</u>	<u>16,611,119</u>	<u>16,611,119</u>