



**Sanam Real Estate Company K.S.C.P
and its Subsidiary
State of Kuwait**

Interim Condensed Consolidated Financial Information
For the nine months period ended
30 September 2021 (Unaudited)
With Review Report



**Sanam Real Estate Company K.S.C.P
and its Subsidiary
State of Kuwait**

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For the nine months period ended
30 September 2021 (Unaudited)**

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ص.ب: ٢٦٨٨٨ - الصفاة ١٣١٢٩ الكويت

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عضو في أتش أل بي الدولية - المجموعة المالية العالمية

لشركات المحاسبة والمستشارون الماليون

Kuwait, 10 November 2021

Review Report on the interim condensed consolidated financial information

**M/s. Chairman and Board of Directors
Sanam Real Estate Company and Its Subsidiary
Kuwaiti Public Shareholding Company (K.P.S.C)
State of Kuwait**

Introduction

We have reviewed the accompanying Interim Condensed Consolidated statement of financial position of Sanam Real Estate Company – (“Parent Company”) and Its Subsidiary (collectively referred to as “the Group”) Kuwaiti Public Shareholding Company (K.P.S.C) - as of September 30, 2021 and the related statements of profit or loss and other comprehensive income, changes in equity and cash flows for nine-month period then ended. The Parent Company’s management is responsible for the preparation and presentation of these interim condensed consolidated financial information in accordance with the International Accounting Standards 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 person 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 of 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 cause us to believe that the accompanying Interim Condensed Consolidated financial information is not prepared, in all material respect, in accordance with International Accounting Standards 34, “Interim Financial Report”.

Other matters

The consolidated financial statements for the year ended December 31, 2020 and the interim condensed consolidated financial information for the nine-month period ended September 30, 2020, respectively were audited and reviewed by another auditor who expressed an unqualified opinion and an unqualified conclusion on 23 March 2021 and 20 October 202, respectively.

Report on review of other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of accounts of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any material violation of the Companies Law No. 1 of 2016, the Executive regulations or of the Memorandum of Incorporation and Articles of Association of the Parent Company as amended or the provisions of Law No 7 of 2010 concerning the Capital Markets Authority and its related regulations during have occurred during the nine month period ended 30 September 2021, that might have had a material effect on the business of the Group or on its consolidated financial position.

Adel Mohammed Al-Sanea
License no. (86) A
Kuwaiti Accountant Office for Auditing



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**Sanam Real Estate Company K.S.C.P
and its Subsidiary
State of Kuwait**

Interim condensed consolidated statement financial position as of 30 September 2021 (Unaudited)

		30 Septemebr 2021 (Unaudited) KD	31 December 2020 (Audited) KD	30 Septemebr 2020 (Unaudited) KD
Assets	Notes			
Non-current assets				
Property and equipment		1,397	1,743	1,909
Right of utilization of the land	3	2,515,030	2,616,898	2,651,231
Investment properties	4	3,141,498	3,141,498	2,700,000
Investment in real estate portfolio	5	1,256,687	1,209,249	-
financial assets at fair value through other comprehensive income	6	-	498,834	-
Total non-current assets		6,914,612	7,468,222	5,353,140
Current assets				
Cash and cash equivalents	7	33,753	558,272	10,457
Trading properties		-	-	1,797,411
Financial assets at fair value through profit or loss	8	3,286,675	2,781,961	3,754,642
Other debit balances		5,928	2,303	5,698
Total current assets		3,326,356	3,342,536	5,568,208
Total assets		10,240,968	10,810,758	10,921,348
Equity and liabilities				
Equity				
Share capital	9	12,218,500	12,218,500	12,218,500
Share premium		184,196	184,196	184,196
Treasury shares	10	(184,196)	(184,196)	(184,196)
Treasury shares sales profit reserve		23,215	23,215	23,215
Accumulated losses		(2,821,901)	(3,205,359)	(3,087,814)
Total equity		9,419,814	9,036,356	9,153,901
Liabilities				
Non- current liabilities				
Provision for end of service benefits		42,336	40,583	50,553
Current Liabilities				
Due to banks	11	704,895	1,672,919	1,650,339
Payables and other credit balances		73,923	60,900	66,555
Total current liabilities		778,818	1,733,819	1,716,894
Total liabilities		821,154	1,774,402	1,767,447
Total equity and liabilities		10,240,968	10,810,758	10,921,348

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

Mansour Abdullah Abu Obaid
Chairman of the Board of Directors

Ali Abdulaziz Al-Nemash
Vice Chairman and Acting Chief Executive Officer



**Sanam Real Estate Company K.S.C.P
and its Subsidiary
State of Kuwait**

**Interim condensed consolidated statement of profit or loss for the nine months period ended
at 30 September 2021 (Unaudited)**

	Notes	Three months period ended 30 September		Nine months period ended 30 September	
		2021 (Unaudited) KD	2020 (Unaudited) KD	2021 (Unaudited) KD	2020 (Unaudited) KD
Revenue					
Rental income		30,000	44,880	112,353	78,750
Dividends from financial assets at fair value through profit or loss		8,766	8,273	58,921	60,268
Change in fair value of financial assets at fair value through profit or loss		142,850	124,961	353,371	(188,320)
Realized profits from the sale of real estate portfolios		-	-	47,438	-
Profit (loss) from the sale of financial assets at fair value through profit or loss		10,068	(10,656)	82,178	(71,148)
Other interest income		2,751	5,054	9,404	20,134
		<u>194,435</u>	<u>172,512</u>	<u>663,665</u>	<u>(100,316)</u>
Expenses and other charges					
Staff costs		(13,334)	(17,112)	(48,461)	(54,701)
General and administrative expenses		(14,952)	(19,479)	(48,440)	(35,805)
Amortization expenses	3	(34,333)	(34,333)	(102,999)	(102,999)
Portfolio's fees		(6,290)	(6,163)	(18,578)	(18,201)
Real estate maintenance expenses		(3,367)	(14,351)	(13,689)	(55,481)
Depreciation expenses		(184)	(228)	(550)	(566)
Finance expenses		(7,125)	(16,300)	(35,656)	(50,981)
		<u>(79,585)</u>	<u>(107,966)</u>	<u>(268,373)</u>	<u>(318,734)</u>
Profit / (Loss) for the period before National Labor Support Tax and Zakat		114,850	64,546	395,292	(419,050)
National Labor Support Tax	13	(8,453)	-	(8,453)	-
Zakat	14	(3,381)	-	(3,381)	-
Net profit / (loss) for the period		103,016	64,546	383,458	(419,050)
Earnings / (Loss) per share (Fils)	15	0.85	0.53	3.16	(3.45)

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

**Sanam Real Estate Company K.S.C.P
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Interim consolidated statement of other comprehensive income for the nine months period ended at 30 September 2021 (Unaudited)

	Three months period ended 30 September		Nine months period ended 30 September	
	2021 (Unaudited)	2020 (Unaudited)	2021 (Unaudited)	2020 (Unaudited)
	KD	KD	KD	KD
Net profit / (loss) for the period	103,016	64,546	383,458	(419,050)
Income / Other comprehensive (loss)				
: -	-	-	-	-
Total income / Other comprehensive (loss)	103,016	64,546	383,458	(419,050)

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

Sanam Real Estate Company K.S.C.P
and its Subsidiary
State of Kuwait



Interim consolidated statement of changes in Equity for the nine months period ended at 30 September 2021 (Unaudited)

	Share capital KD	Share premium KD	Treasury Shares KD	Treasury shares sales profit reserve KD	losses Accumulated KD	Total KD
Balance at 1 January 2020 (Audited)	12,218,500	184,196	(184,196)	23,215	(2,668,764)	9,572,951
Total other comprehensive loss	-	-	-	-	(419,050)	(419,050)
Balance at 30 September 2020 (Unaudited)	12,218,500	184,196	(184,196)	23,215	(3,087,814)	9,153,901
Balance at 1 January 2020 (Audited)	12,218,500	184,196	(184,196)	23,215	(3,205,359)	9,036,356
Total other comprehensive	-	-	-	-	383,458	383,458
Balance at 30 September 2021 (Unaudited)	12,218,500	184,196	(184,196)	23,215	(2,821,901)	9,419,814

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

**Interim statement consolidated of cash flows for the nine months period ended
at 30 September 2021 (Unaudited)**

	Nine months period ended 30 September	
	2021 (Unaudited)	2020 (Unaudited)
	KD	KD
Cash flows from Operating Activities:		
Net profit / (loss) for the period	383,458	(419,050)
Adjustments:		
Dividends from financial assets at fair value through profit or loss	(58,921)	(60,268)
Change in the fair value of financial assets at fair value through profit or loss statement	(353,371)	188,320
Realized profits from the sale of real estate portfolios	(47,438)	-
(Gains)/losses from the sale of financial assets at fair value through profit or loss	(82,178)	71,148
Amortization expenses	102,999	102,999
Finance costs	35,656	50,981
Depreciation	550	(611)
	<u>(19,245)</u>	<u>(66,481)</u>
Changes in working capital items:		
Other debit balances	(3,625)	6,457
Payables and other credit balances	13,023	(24,466)
Provision for end of service benefits	1,753	1,101
Net cash flows resulting from operating activities	<u>(8,094)</u>	<u>(83,389)</u>
Cash flow from investment activities		
Purchase property and equipment	(204)	-
Investment properties	-	(2,700,000)
Purchase of financial assets at fair value through profit or loss	(504,714)	457,496
Financial assets at fair value through profit or loss	435,549	-
Additions right of utilization	(1,131)	-
Dividends received	58,921	60,268
Proceeds from sale of financial assets at fair value through other comprehensive income	498,834	-
Net cash flows used in investing activities	<u>487,255</u>	<u>(2,182,236)</u>
Cash flow from financing activities		
Due to bank	(968,024)	1,650,339
Finance costs paid	(35,656)	(50,981)
Net cash flows used in financing activities	<u>(1,003,680)</u>	<u>1,599,358</u>
Net decrease in cash and cash equivalents	<u>(524,519)</u>	<u>(666,267)</u>
Cash and cash equivalents at the beginning of the period	558,272	676,724
Cash and cash equivalents at end of period	<u>33,753</u>	<u>10,457</u>

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

Notes to the interim condensed consolidated financial information (Unaudited)

1. INCORPORATION AND ACTIVITIES

- Sanam real estate company – K.S.C.P (Parent Company) was incorporated in the State of Kuwait on Feb. 23, 1982 according to the commercial companies Law No. 15 for the year 1960 as amended.
- On April 2, 2008, the capital has been registered in the commercial register to be increased to 12,218,500 KD.
- **Parent Company' activities :**
 - To purchase and sale of land and real estate, manage, rent, lease, purchase and sale of shares, bonds and other securities of companies having similar objects to the account of the company executing the same individually or jointly with others having similar objects directly or through others in or outside Kuwait and to acquire these entities or to join it.
 - "Utilization of the monetary surplus available with the company by investing them in portfolios to be run by companies and specialized financial institutions". "Preparing studies and representing consultants in all real estate aspects, preparing real estate exhibitions which are related to the company projects, doing real estate auctions according to ministry systems. Acquiring trading markets and complexes, run it, and contribution in policing basic structure for the regions and housing, trading and industrial projects using building, operating, transfer (the B.O.T system) as well as run it.
- **The address of the parent company**
 - P.O.Box 491, Souk Dakely -Kuwait.
 - The shares of the Parent Company have been listed in Kuwait Stock Exchange on 28/12/2004.

The issuance of interim condensed consolidated financial information

The interim condensed consolidated financial information were authorized for issue by the board of directors on 10 November 2021.

2. SIGNIFICANT ACCOUNTING POLICIES:

The interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard No. 34: Interim Financial Reporting. This interim condensed consolidated financial information does not include all the information and disclosures required to prepare complete financial statements in accordance with International Financial Reporting Standards and should therefore be read in conjunction with the annual consolidated financial statements of the Group for the year ended December 31, 2020. In the opinion of management, all adjustments consisting of recurring accruals are included the ordinary course of business that is necessary for a fair presentation of the financial information.

The financial results for the nine-month period ending 30 September 2021 are not necessarily indicative of the expected results for the financial year ending December 31, 2021.

The interim condensed consolidated financial information is presented in Kuwaiti Dinars, which is the Group's functional and presentation currency.

The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those used in the preparation of the consolidated financial statements for the year ended December 31, 2020. Certain amendments and interpretations are effective for the first time on January 1, 2021, but without having an impact on the interim financial information Combined Intensive.

Notes to the interim condensed consolidated financial information (Unaudited)

New and revised standards applied by the group

The accounting policies applied in the preparation of the interim condensed consolidated financial information are similar to those followed in the preparation of the Group's annual consolidated financial statements for the previous year ended December 31, 2020, except for the application of new standards which are effective from January 1, 2021. The Group has not early adopted any standard or interpretation or other amendment issued but not yet effective. Several amendments and interpretations are effective for the first time in 2021, but they do not have an impact on the interim condensed consolidated financial information of the Group.

Standard Interest Rate Reform - Phase 2: Amendments to IFRS 9, IAS 39, IFRS (7), IFRS (4) and IFRS 16.

The amendments provide temporary exemptions related to the effects on financial reporting as a result of replacing the (EIBOR) rate offered between banks with an interest rate that is virtually risk-free.

The amendments include the following practical justifications:

- Practical justifications for future periods when they become effective. A practical justification that entails making contractual changes or changes to cash flows that are directly required for the reform process, and which are treated as changes in the variable interest rate, equivalent to the movement in the market interest rate.
- Allow changes to be made in accordance with the EIBOR rate reform requirements to hedging ratings and hedging instruments without discontinuing the hedging relationship.
- Provide temporary relief to companies from meeting requirements that are separately identified when an instrument that is virtually free of interest is classified as a hedge of the risk component.

These amendments did not have any impact on the group's interim condensed consolidated financial information. The group intends to use

• BASIS OF CONSOLIDATION

Subsidiaries are those enterprise controlled by the parent company or posses either 50% of more from the voting shares. Control is exist when the parent company has the power , directly or indirectly, to govern the financial and operating policies of the subsidiary to obtain benefits form its activities. The financial statement of the subsidiary company is included the consolidated financial statements from the date of that control effectively commences until the date that control effectively ceases. Minority interest from the subsidiary equity and operation are presented in a separate item in the balance sheet. Any mutual balances or transactions and unrealised gains are eliminated on consolidation.

The consolidated financial statement are prepared using uniform accounting policies for like transactions and other evenets in similar circumstances.

The consolidated financial statements for the year include the financial statements of the parent company and its subsidiary - Fanan Real Estate Company - KSC Public Fanan Real Estate Company was incorporated as a limited liability company on March 1, 2006 under a contract notarized No. 1282 leather one with a capital of 8,250,000 Kuwaiti dinars. I have been dated January 3, 2010 to transfer legal entity KSC Public under contract to convert a legal entity of a limited liability company into a joint stock company Public under contract number 480 is guaranteed under the skin of 1 in with a capital of 1,000,000 Kuwaiti dinars.). The ratio of ownership of the company on the financial statements accounted for 99.96%, and therefore is not shown minority rights in the data for the diminutive lineage.

Subsidiary Company: -

Company Name	ownership percentage	Country of incorporation	Company Headquarters
Fanan Real Estate Company - Closed Kuwaiti Shareholding Company	99.67%	Kuwait	Kuwait - Al Qibla - Al Sour Street - Munther Tower - Mezzanine Office No.2



**Sanam Real Estate Company K.S.C.P
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Notes to the interim condensed consolidated financial information (Unaudited)

3. Right of utilization of the land

	30 September 2021 (Unaudited) KD	31 December 2020 (Audited) KD	30 September 2020 (Unaudited) KD
<u>Cost</u>			
Balance at the beginning of the period / year / period	4,251,521	4,251,521	4,251,521
Additions during the period / year / period	1,131	-	-
	<u>4,252,652</u>	<u>4,251,521</u>	<u>4,251,521</u>
<u>Accumulated Amortization</u>			
Balance at the beginning of the period / year / period	(1,634,623)	(1,497,291)	(1,497,291)
Additions during the period / year / period	(102,999)	(137,332)	(102,999)
	<u>(1,737,622)</u>	<u>(1,634,623)</u>	<u>(1,600,290)</u>
<u>Net Book Value</u>	<u>2,515,030</u>	<u>2,616,898</u>	<u>2,651,231</u>

This item represents the amortized cost of the right to exploit a land in the Jadaf area with a BOT system in the United Arab Emirates - Dubai. The company has calculated amortization of the usufruct cost according to the expected benefit period of the land, which is estimated at thirty years, starting from September 9, 2009. The land was assessed by an accredited independent assessor. In the United Arab Emirates, the valuation amounted to 49,300,000 UAE dirhams, equivalent to 4,070,849 Kuwaiti dinars as on December 17, 2020.

4. Investment properties

	30 September 2021 (Unaudited) KD	31 December 2020 (Audited) KD	30 September 2020 (Unaudited) KD
Balance at the beginning of the period / year / period	3,141,498	2,741,130	2,700,000
Transfer from trading properties	-	481,841	-
Change in fair value	-	(81,473)	-
Balance	<u>3,141,498</u>	<u>3,141,498</u>	<u>2,700,000</u>

- This item is represented in the value of an investment property in Bneid Al-Qar in the State of Kuwait with a value of KD 2,580,000. The company owns a document of ownership of the property in the name of the company and the mentioned value according to the lower valuation approved on 31/12/2020. It also represents the value of a villa in the Jumeirah area in the United Arab Emirates with a value of KD 561,498 and the mentioned value according to the approved valuation on 31 December 2020.



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Notes to the interim condensed consolidated financial information (Unaudited)

5. Investment in real estate portfolio

	30 September 2021 (Unaudited) KD	31 December 2020 (Audited) KD	30 September 2020 (Unaudited) KD
Balance at the beginning of the period / year / period	1,209,249	1,271,522	-
Additions	1,256,687	-	-
Disposals	(1,209,249)	-	-
Change in fair value	-	(62,273)	-
(*) Balance	1,256,687	1,209,249	-

(*) This item represents the value of a land in the Kingdom of Saudi Arabia - Riyadh City - Sheikh Jaber Street, with an area of (4,717) square meters. During the period, the company purchased the land in exchange for selling its share in the real estate company's portfolio No. (60077) in the Kingdom of Saudi Arabia, and a profit of KD 47,438 was achieved from this sale.

6. Financial assets at fair value through other comprehensive income

- This item represents the value of an investment in bonds in the United Real Estate Company for a period of five years, the rate of return on investment is 2.5% above the discount rate announced by the Central Bank of Kuwait. The return is distributed every three months, and this investment has been classified according to Standard (9) for financial instruments Listed at amortized cost. During the period, the company sold these bonds at cost price and therefore the sale did not result in any profit as on 30 September 2021.

7. Cash and cash equivalents

	30 September 2021 (Unaudited) KD	31 December 2020 (Audited) KD	30 September 2020 (Unaudited) KD
Cash on hand and current accounts at the Bank	16,021	11,924	10,457
Cash on portfolio	17,732	546,348	-
Total	33,753	558,272	10,457



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Notes to the interim condensed consolidated financial information (Unaudited)

8. Financial assets at fair value through profit or loss

	30 September 2021 (Unaudited) KD	31 December 2020 (Audited) KD	30 September 2020 (Unaudited) KD
Balance period/year	2,781,961	2,845,153	3,419,403
Change in fair value	353,371	(87,906)	(188,320)
Net cash movement on the wallet unquoted shares	126,629 24,714	- 24,714	- 24,714
Invest in bonds	-	-	498,845
Total	3,286,675	2,781,961	3,754,642

Certain investment of the above mentioned portfolios are managed by related parties with an amount of KD 3,261,961 (KD 3,231,083 as at 30 September 2020) mortgaged for a local bank against an overdraft of KD 1,750,000 at a interest rate of 2.5% above the discount rate declared by the Bank Central Kuwait.

9. Share capital

The authorized and paid up share capital of the parent company amounting to KD 12,218,500 consists of 122,185,000 shares of 100 fils each.

10. Treasury shares

	30 September 2021 (Unaudited) KD	31 December 2020 (Audited) KD	30 September 2020 (Unaudited) KD
Number of treasury shares	872,600	872,600	872,600
Cost of treasury shares	(184,196)	(184,196)	(184,196)
Percentage of treasury shares	%0.71	%0.71	%0.71
Market value of treasury shares	60,209	30,105	30,541

11. Due to bank

This item represents the balance of credit facilities granted to the company by a local bank interest rate of 2.5% above the rate declared discount by the Central Bank of Kuwait, said that the facilities granted to guarantee mortgage portfolio and financial own company, which is managed by the Wafra International mentioned in Note (8) financial assets at fair value through through profit or loss .

Notes to the interim condensed consolidated financial information (Unaudited)

12. Contribution to Kuwait Foundation for the Advancement

The share of the Kuwait Foundation for the Advancement of Sciences is calculated at 1% of the profit of the parent company after deducting the parent company's share of the profits of subsidiary and associate joint stock companies and transferred to the legal reserve. The share of the Kuwait Foundation for the Advancement of Sciences was not calculated for the financial period ending on 30 September 2021, due to the accumulated losses of the parent company.

13. National Labor Support Tax

The company calculates the National Labor Support Tax in accordance with Law No. 19 of 2000 and the decision of the Minister of Finance No. 26 of 2000 and No. 5 in 2004 and No. 24/2006, so as to support national employment and encourage them to work at a rate of 2.5% of the profit for the taxable year, after the deduction of the compensation and dividend listed investee companies by the company.

14. Zakat

Is calculated Zakat at 1% of the profit of the parent company after deducting its share of the parent company of the Kuwaiti shareholding companies subsidiaries and affiliates are subject to the same law the profits as well as the share of Zakat paid by Kuwaiti shareholding subsidiaries are subject to the same law, cash dividends received from Kuwaiti companies are subject to the same law to contribute according Law No. 46 of 2006 and the Ministerial Decree No. 58 of 2007, the executive and its implementing rules.

15. Earnings / (Loss) per share – (Fils)

	Three months period ended 30 September		Nine months period ended 30 September	
	2021 (Unaudited)	2020 (Unaudited)	2021 (Unaudited)	2020 (Unaudited)
	KD	KD	KD	KD
Net profit / (loss) for the period	103,016	64,546	383,458	(419,050)
Weighted average number of shares	121,312,400	121,312,400	121,312,400	121,312,400
Earnings / (Loss) per share (Fils)	0.85	0.53	3.16	(3.45)

16. Shareholders' General Assembly

The Board of Directors has proposed to the Ordinary General Assembly of the shareholders of the company not to distribute dividends for the financial year ending 31/12/2020, and the Ordinary General Assembly of the shareholders of the company approved this proposal at a date later than the date of the financial statements in its session held on April 21, 2021.

Notes to the interim condensed consolidated financial information (Unaudited)

17. Related parties' transactions

Related parties represent associates, major shareholders, directors and key management personnel of the Group and companies over which they control, joint control or significant influence. Pricing policies and terms of these transactions are approved by the Group's management. Amounts and balances due from/to related parties are interest free and have no fixed payment date.

The following is a statement of the balances resulting from those transactions during the period/year.

	30 September 2021 (Unaudited)	31 December 2020 (Audited)	30 September 2020 (Unaudited)
Transactions included in the interim condensed consolidated statement of financial position: -	KD	KD	KD
financial assets at fair value through profit or loss	<u>3,261,961</u>	<u>2,757,247</u>	<u>3,231,083</u>
Cash and cash equivalents	<u>17,732</u>	<u>546,348</u>	<u>-</u>
Transactions included in the interim condensed consolidated statement of profit or loss: -			
Fees portfolios	<u>(18,578)</u>	<u>(24,779)</u>	<u>(18,201)</u>
Reward key management personnel: -			
Short-term salaries and benefits	<u>(43,060)</u>	<u>(58,643)</u>	<u>(48,667)</u>
End of service benefits	<u>(1,753)</u>	<u>(5,134)</u>	<u>(5,507)</u>

Notes to the interim condensed consolidated financial information (Unaudited)

18. Segment informations

- The Parent Company and its subsidiary operate in two major geographical sectors: Kuwait and some Gulf Arab countries.
- Organize parent company and its subsidiaries in its two main sections in order to be able to manage its various business segments. For the purposes of segment information has organized a management company's activities in the sectors of the business sector are project management, real estate development and financial sector investments.
- The information includes the results of the sectorial sector and sector revenues and expenses and assets and liabilities related to the sector as follows :-

	Investments		Real estate		distributed Not		Total	
	Nine-month period ended 30		Nine-month period ended 30		Nine-month period ended 30		Nine-month period ended 30	
	2021	2020	2021	2020	2021	2020	2021	2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	KD	KD	KD	KD	KD	KD	KD	KD
Revenues	503,874	(179,066)	159,791	78,750	-	-	663,665	(100,316)
Net profit / (loss)	485,296	(197,267)	43,103	(79,730)	(144,931)	(142,053)	383,458	(419,050)
Total assets	3,320,428	5,562,510	6,913,215	5,351,231	7,325	7,607	10,240,968	10,921,348
Total liabilities	-	-	704,895	1,650,339	116,259	117,108	822,583	1,767,447
Net	3,320,428	5,562,510	6,208,320	3,700,892	(108,934)	(109,501)	9,418,385	9,153,901



**Sanam Real Estate Company K.S.C.P
and its Subsidiary
State of Kuwait**

Notes to the interim condensed consolidated financial information (Unaudited)

19. Effects of COVID-19

The outbreak of Coronavirus ("COVID-19") pandemic and related global responses have caused material disruptions to businesses around the world, leading to an economic slowdown. Global and local equity markets have experienced significant volatility and weakness. While governments and central banks have reacted with various financial packages and reliefs designed to stabilise economic conditions, the duration and extent of the impact of the COVID-19 outbreak, as well as the effectiveness of government and central bank responses, remains unclear at this time. Management of the Group is actively monitoring the effects COVID-19 may have on its business operations. However, it believes reliable information is not available at this time to quantify the effects of COVID-19 on this interim condensed consolidated financial information.