

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

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

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

Interim Condensed Consolidated Financial Information
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(Unaudited)

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

State of Kuwait

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

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of National International Holding Company K.S.C.P. (the "Parent Company") and its subsidiaries (together referred to as "the Group") as at 30 September 2021, and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the nine months period then ended. The Parent Company's management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard No. (34) "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

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

Conclusion

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

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, the executive regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, during the nine months period ended 30 September 2021 that might have had a material effect on the business of the Group or on its consolidated financial position.

We further report that, during the course of our review, we have not become aware of any material violations of the provisions of Law No. 7 of 2010, concerning the Capital Markets Authority and its related regulations, as amended, during the 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.



Talal Y. Al-Muzaini

Licence No. 209 A

Deloitte & Touche, Al-Wazzan & Co.

Kuwait, 26 October 2021

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

(All amounts are in Kuwaiti Dinar)

	Notes	30 September 2021	31 December 2020 (Audited)	30 September 2020
Assets				
Cash and cash equivalents	4	3,724,228	603,951	436,953
Accounts receivable and other assets	5	2,446,562	3,538,650	1,698,243
Inventories		723,278	648,635	745,221
Investments at fair value through profit or loss	6	3,257,266	2,713,809	3,003,190
Investments at fair value through OCI	7	13,130,103	14,013,690	14,126,890
Investments in debt instruments at amortized cost	8	9,158,069	8,550,656	8,550,656
Investment in associates	9	12,980,478	12,490,649	14,360,020
Investment properties	10	1,282,442	1,599,908	3,815,732
Property and equipment		4,697,183	4,487,058	4,465,065
Total assets		51,399,609	48,647,006	51,201,970
Liabilities and equity				
Liabilities				
Bank facilities	11	2,833,339	2,702,358	2,678,169
Accounts payable and other liabilities	12	5,808,069	3,325,282	3,556,851
Total liabilities		8,641,408	6,027,640	6,235,020
Equity				
Share capital		22,772,138	22,772,138	22,772,138
Share premium		2,813,184	2,813,184	2,813,184
Statutory reserve		1,136,639	1,136,639	1,136,639
Fair value reserve		10,579,446	11,265,894	11,369,527
Treasury shares	13	(1,870,748)	(1,906,792)	(1,906,792)
Treasury shares reserve		315,569	318,561	318,561
Associates' reserves		(4,697)	159,610	(102,356)
Retained earnings		1,508,241	402,644	2,902,821
Equity attributable to the shareholders of the Parent Company		37,249,772	36,961,878	39,303,722
Non-controlling interests		5,508,429	5,657,488	5,663,228
Total equity		42,758,201	42,619,366	44,966,950
Total liabilities and equity		51,399,609	48,647,006	51,201,970

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


Abdul Wahab Mohamed Al-Wazzan
Chairman


Mamdouh Abdul Ghani El Sherbiny
Chief Executive Officer

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

And its subsidiaries

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**Interim Condensed Consolidated Statement of Income for the nine months ended 30 September 2021
(Unaudited)***(All amounts are in Kuwaiti Dinar)*

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2021	2020	2021	2020
Revenues					
Investment income	14	613,779	17,672	697,788	386,519
Share of results from associates	9	600,939	330,007	654,136	(1,070,315)
Revenue from operating activities		560,081	950,152	2,228,791	2,301,506
Net loss from investment properties	10	(4,447)	(158,116)	(28,481)	(158,116)
Other income		8,198	43,582	158,759	77,032
		<u>1,778,550</u>	<u>1,183,297</u>	<u>3,710,993</u>	<u>1,536,626</u>
Expenses					
Cost of operating activities		380,380	632,488	1,495,003	1,703,583
Other expenses		310,558	315,005	916,471	921,981
Finance costs		37,098	15,512	110,217	121,918
		<u>728,036</u>	<u>963,005</u>	<u>2,521,691</u>	<u>2,747,482</u>
Profit/ (loss) for the period before deductions		<u>1,050,514</u>	<u>220,292</u>	<u>1,189,302</u>	<u>(1,210,856)</u>
Contribution to KFAS		5,108	-	5,108	-
National Labour Support Tax		25,587	-	28,792	-
Zakat		3,490	-	3,932	-
Profit/ (loss) for the period		<u>1,016,329</u>	<u>220,292</u>	<u>1,151,470</u>	<u>(1,210,856)</u>
Attributable to:					
Shareholders of the Parent Company		1,040,067	165,243	1,114,169	(1,222,125)
Non-controlling interests		<u>(23,738)</u>	<u>55,049</u>	<u>37,301</u>	<u>11,269</u>
		<u>1,016,329</u>	<u>220,292</u>	<u>1,151,470</u>	<u>(1,210,856)</u>
Basic and diluted earnings/ (losses) per share (fils)	15	<u>4.94</u>	<u>0.79</u>	<u>5.29</u>	<u>(5.81)</u>

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

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Interim Condensed Consolidated Statement of Comprehensive Income for the nine months ended 30 September 2021**(Unaudited)***(All amounts are in Kuwaiti Dinar)*

	Three months ended		Nine months ended	
	30 September		30 September	
	2021	2020	2021	2020
Profit/ (loss) for the period	<u>1,016,329</u>	<u>220,292</u>	<u>1,151,470</u>	<u>(1,210,856)</u>
Other comprehensive income items:				
<i><u>Items that are or may be reclassified subsequently to the interim condensed consolidated statement of income:</u></i>				
Group's share in associates' reserves	<u>28,801</u>	<u>207,213</u>	<u>(298,224)</u>	<u>419,365</u>
<i><u>Items that will not be reclassified subsequently to interim condensed consolidated statement of income:</u></i>				
Change in fair value of equity investments at fair value through other comprehensive income	<u>(211,744)</u>	<u>(42,963)</u>	<u>(881,380)</u>	<u>134,045</u>
Group's share in associates' reserves	<u>138,509</u>	<u>6,032</u>	<u>133,917</u>	<u>(45,224)</u>
	<u>(73,235)</u>	<u>(36,931)</u>	<u>(747,463)</u>	<u>88,821</u>
Total other comprehensive (loss) / income items	<u>(44,434)</u>	<u>170,282</u>	<u>(1,045,687)</u>	<u>508,186</u>
Total comprehensive income / loss for the period	<u>971,895</u>	<u>390,574</u>	<u>105,783</u>	<u>(702,670)</u>
Attributable to:				
Shareholders of the Parent Company	<u>1,066,643</u>	<u>399,859</u>	<u>254,842</u>	<u>(739,447)</u>
Non-controlling interests	<u>(94,748)</u>	<u>(9,285)</u>	<u>(149,059)</u>	<u>36,777</u>
	<u>971,895</u>	<u>390,574</u>	<u>105,783</u>	<u>(702,670)</u>

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

National International Holding Company K.S.C.P.
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Interim Condensed Consolidated Statement of Changes in Equity for the nine months ended 30 September 2021
(Unaudited)

(All amounts are in Kuwaiti Dinar)

	Equity attributable to the shareholders of the Parent Company						Non-controlling interests	Total equity
	Share capital	Share premium	Statutory reserve	Fair value reserve	Treasury shares	Treasury shares reserve	Associates' reserves	Retained earnings
Balance as at 1 January 2021	22,772,138	2,813,184	1,136,639	11,265,894	(1,906,792)	318,561	159,610	402,644
Profit for the period	-	-	-	-	-	-	-	1,114,169
Other comprehensive losses items for the period	-	-	-	(695,020)	-	-	(164,307)	-
Sale of financial assets at FVTOCI	-	-	-	8,572	-	-	-	(8,572)
Sale of treasury shares	-	-	-	-	36,044	(2,992)	-	-
Balance as at 30 September 2021	22,772,138	2,813,184	1,136,639	10,579,446	(1,870,748)	315,569	(4,697)	1,508,241
Balance as at 1 January 2020	21,687,750	2,813,184	1,136,639	11,260,990	(1,906,792)	318,561	(476,497)	5,209,334
Loss for the period	-	-	-	-	-	-	-	(1,222,125)
Other comprehensive income items for the period	-	-	-	108,537	-	-	374,141	-
Bonus shares	1,084,388	-	-	-	-	-	-	(1,084,388)
Balance as at 30 September 2020	22,772,138	2,813,184	1,136,639	11,369,527	(1,906,792)	318,561	(102,356)	2,902,821
								39,303,722
								5,663,228
								44,966,950

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

**Interim Condensed Consolidated Statement of Cash Flows for the nine months ended 30 September 2021
(Unaudited)**

(All amounts are in Kuwaiti Dinar)

	Notes	Nine months ended 30 September	
		2021	2020
Cash flow from operating activities			
Profit/ (loss) for the period		1,151,470	(1,210,856)
<i>Adjustments:</i>			
Share of results from associates		(654,136)	1,070,315
Depreciation and amortization		149,902	187,962
Net loss from investment properties		28,481	158,116
Provision for employees' end of service benefits		100,300	86,929
Sukuk interest income		(607,413)	-
Reversal of credit losses provision		(78,000)	-
Finance costs		110,217	121,918
Operating profits before changes in working capital		200,821	414,384
Accounts receivable and other assets		1,170,088	324,375
Investments at fair value through profit or loss		(543,457)	901
Inventories		(74,643)	(19,511)
Accounts payable and other liabilities		2,578,875	(311,760)
Employees' end of service benefits- Paid		(26,097)	(7,424)
Net cash generated from operating activities		3,305,587	400,965
Cash flow from investing activities			
Proceeds from sale of investment at FVTOCI		2,207	-
Proceeds from sale of investment properties		288,985	-
Purchase of property and equipment		(202,968)	(370,341)
Net cash generated from / (used in) investing activities		88,224	(370,341)
Cash flow from financing activities			
Net changes in bank facilities		130,981	(514,312)
Finance costs paid		(109,191)	(149,511)
Cash dividends paid		(328,376)	-
Proceeds from sale of treasury shares		33,052	(9,387)
Net cash used in financing activities		(273,534)	(673,210)
Net change in cash and cash equivalents		3,120,277	(642,586)
Cash and cash equivalents at the beginning of the period		603,951	1,079,539
Cash and cash equivalents at the end of the period	4	3,724,228	436,953

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

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Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2021 (Unaudited)*(All amounts are in Kuwaiti Dinar unless otherwise stated)***1. Incorporation and activities**

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

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

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

Company Name	Country of incorporation	Principal activity	Equity interest (%)		
			30 September 2021	31 December 2020 (Audited)	30 September 2020
Al Oula National Real Estate Company <i>sole proprietorship</i>	Kuwait	Real estate activities	100	100	100
Al Ghad Project Management Company <i>sole proprietorship</i>	Kuwait	Real estate projects management	100	100	100
Al Ghad International General Trading W.L.L.	Kuwait	General Trading	100	100	100
Asoul Sukuk Musharaka for General Trading W.L.L.	Kuwait	General Trading	100	100	100
Smart Wood for General Trading Company W.L.L.	Kuwait	General Trading	76	76	76
Ahlia Chemicals Company K.S.C.C. (Note 11)	Kuwait	Manufacturing	62.6	62.6	62.6

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

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

This interim condensed consolidated financial information was approved for issuance by the Board of Directors in the meeting held on 26 October 2021.

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

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

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

In the management's opinion, all necessary adjustments, including recurring accruals have been included in the interim condensed consolidated financial information for fair presentation. The operating results for the period ended 30 September 2021 are not necessarily indicative of results that may be expected for the year ending 31 December 2021. For further information, refer to the consolidated financial statements and its related notes for the year ended 31 December 2020.

2.2 Significant accounting policies

The accounting policies used in the preparation of these interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2020, except for the adoption of the amendments and revised IFRS which are effective as of 1 January 2021 and did not have any impact on the interim condensed consolidated financial information of the Group.

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Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2021 (Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

3. Fair value measurement

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

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

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

Financial assets	Fair value as at			Fair value hierarchy	Valuation technique(s) and Key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	30/9/21	31/12/20	30/9/20				
<u>Investments at fair value through profit or loss</u>							
Quoted shares	544,036	579	450	1	Bid prices	Nil	Nil
Unquoted shares	2,713,230	2,713,230	3,002,740	3	Discounted future cash flows	Discount rate and growth rate	The higher the discount rate, the lower the fair value
<u>Investments at fair value through OCI</u>							
Local and foreign equity securities - Unquoted	13,130,103	14,013,690	14,126,890	3	i) Market multiplier for relevant sectors ii) Discounted future cash flows iii) Net book value	i) Comparable market price ii) Discount rate and growth rate	i) Changes in market multiple and discount rate will result change in fair values ii) The higher the discount rate, the lower the fair value

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

	Unquoted investments		
	30 September 2021	31 December 2020 (Audited)	30 September 2020
Balance as at beginning period/ year	16,726,920	16,995,585	16,995,585
Change in fair value during the period/ year	(881,380)	(268,665)	134,045
Net disposal	(2,207)	-	-
Balance as at ending period/ year	<u>15,843,333</u>	<u>16,726,920</u>	<u>17,129,630</u>

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

4. Cash and cash equivalents

	30 September 2021	31 December 2020 (Audited)	30 September 2020
Cash at banks and portfolios	3,148,761	603,692	1,243
Cash at clearing company	574,708	-	-
Cash on hand	759	259	435,710
	<u>3,724,228</u>	<u>603,951</u>	<u>436,953</u>

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Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2021 (Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

5. Accounts receivable and other assets

	30 September 2021	31 December 2020 (Audited)	30 September 2020
Trade receivables	1,847,608	1,738,964	1,764,648
Expected credit losses	(330,445)	(330,445)	(312,445)
	1,517,163	1,408,519	1,452,203
Due from selling investment properties	600,000	1,850,000	-
Paid under acquisition of investment	50,000	-	-
Other receivables	279,399	280,131	246,040
	2,446,562	3,538,650	1,698,243

- During the period, the Group signed a contract to acquire 26% from a W.L.L company with a consideration of KD 300,000 and paid an advance of KD 50,000. The Company are in the process of transferring the ownership and completing the procedures during subsequent period.

6. Investments at fair value through profit or loss

	30 September 2021	31 December 2020 (Audited)	30 September 2020
Quoted shares	544,036	579	450
Unquoted shares	2,713,230	2,713,230	3,002,740
	3,257,266	2,713,809	3,003,190

- Fair value hierarchy disclosures for investments are provided in Note 3.
- Investments at unquoted shares pledged as collateral against credit facilities granted by a local bank as at 30 September 2021, 31 December 2020, and 30 September 2020 (Note 11).

7. Investments at fair value through OCI

	30 September 2021	31 December 2020 (Audited)	30 September 2020
Unquoted Foreign securities	12,002,087	12,763,064	12,830,133
Unquoted local securities	1,128,016	1,250,626	1,296,757
	13,130,103	14,013,690	14,126,890

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

8. Investments in debt instruments at amortized cost

- During the previous years, the Group acquired credit impaired debt instruments (sukuk) for contractual amount of KD 10.5M. The Group's management expects to obtain future cash flows amounted by KD 9,590,000 during 2022. The present value of expected cash flows of the acquired debt instruments is estimated based on discount rate of 6%.
- Interest income amounted KD 607,413 has been recorded during the period ended 30 September 2021 (Nil-30 September 2020).

9. Investment in associates

Company's name	Country of incorporation	Ownership percentage (%)	30 September 2021	31 December 2020 (Audited)	30 September 2020
Coast Development and Investment Company	Kuwait	31.65	6,115,940	5,931,167	7,519,245
Specialties Group Holding Company	Kuwait	31.54	6,864,538	6,559,482	6,840,775
			12,980,478	12,490,649	14,360,020

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

The movement over investment in associates summarized as below:

	30 September 2021	31 December 2020 (Audited)	30 September 2020
Opening balance	12,490,649	15,056,194	15,056,194
Share of results	654,136	(3,201,652)	(1,070,315)
Share of reserves	(164,307)	636,107	374,141
Ending Balance	<u>12,980,478</u>	<u>12,490,649</u>	<u>14,360,020</u>

- All investments above are accounted for using equity method in this interim condensed consolidated financial information.
- The Group's share in the results and other comprehensive losses of the associates is calculated based on the most recent available reviewed financial information as of 30 June 2021 and 30 September 2021 for Coast Development and Investment Company and Specialties Group Holding Company, respectively.
- The fair value based on quoted price (level 1) for the investment in Coast Development and Investment Company and Specialties Group Holding Company is KD 21,830,000 as at 30 September 2021 (KD 8,935,500 – 31 December 2020, KD 6,068,000 – 30 September 2020) and KD 7,029,000 as at 30 September 2021 (KD 3,865,950 – 31 December 2020, KD 2,700,000 – 30 September 2020) as at 30 September 2021 respectively.
- The Group stake of 98% of its owned shares of Specialties Group Holding Company are pledged against credit facilities granted by a local bank (Note 11).

10. Investment properties

	30 September 2021	31 December 2020 (Audited)	30 September 2020
Opening balance	1,599,908	4,042,191	4,042,191
Disposals	(317,466)	(2,100,000)	-
Change in fair value	-	(342,283)	(226,459)
	<u>1,282,442</u>	<u>1,599,908</u>	<u>3,815,732</u>

- During the current period, the Group disposed investment properties which resulted loss on sale amounted to KD 28,481 in the interim condensed consolidated statement of income.

11. Bank facilities

	30 September 2021	31 December 2020 (Audited)	30 September 2020
Bank overdraft	734,634	734,653	710,464
Wakala and Murabha payable	<u>2,098,705</u>	<u>1,967,705</u>	<u>1,967,705</u>
	<u>2,833,339</u>	<u>2,702,358</u>	<u>2,678,169</u>

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

	30 September 2021	31 December 2020 (Audited)	30 September 2020
Investments in an associate (Note 9)	6,750,129	6,428,292	6,430,329
Investments at fair value through profit or loss (Note 6)	2,713,198	2,713,230	3,002,740
Property and equipment	<u>4,005,000</u>	<u>4,005,000</u>	<u>3,753,981</u>
	<u>13,468,327</u>	<u>13,146,522</u>	<u>13,187,050</u>

- In addition to the pledge of the above assets, the Group has pledged 48.46% of the shares of Al Ahlia Chemical Company "the Subsidiary" of the Group (note 1).

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Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2021 (Unaudited)*(All amounts are in Kuwaiti Dinar unless otherwise stated)***12. Accounts payable and other liabilities**

	30 September 2021	31 December 2020 (Audited)	30 September 2020
Trade payables and other	3,623,662	726,634	870,279
Employees' end of service benefits	841,225	767,022	728,873
Accrued expenses	477,904	746,608	822,502
Dividends payables	258,003	586,379	599,878
Lease liability	243,318	114,371	283,514
Advances received	23,594	35,948	-
Other liabilities	340,363	348,320	251,805
	<u>5,808,069</u>	<u>3,325,282</u>	<u>3,556,851</u>

13. Treasury shares

	30 September 2021	31 December 2020 (Audited)	30 September 2020
Number of shares	17,090,717	17,419,717	17,419,717
Percentage of issued shares (%)	7.5	8	8
Market value (KD)	2,580,698	1,376,158	1,027,763

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

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

14. Investment income

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
<i><u>Investments at fair value through profit or loss</u></i>				
Dividends income	-	-	84,009	252,027
Change in fair value	6,366	(134)	6,366	(134)
Realized gain on sale	-	(217)	-	(217)
	<u>6,366</u>	<u>(351)</u>	<u>90,375</u>	<u>251,676</u>
<i><u>Investments at fair value through OCI</u></i>				
Dividend income	-	18,023	-	134,843
<i><u>Investments in debt instruments at amortized cost</u></i>				
Interest income	607,413	-	607,413	-
	<u>613,779</u>	<u>17,672</u>	<u>697,788</u>	<u>386,519</u>

Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2021 (Unaudited)*(All amounts are in Kuwaiti Dinar unless otherwise stated)***15. Basic and diluted earnings/ (loss) per share**

Basic earnings/ (loss) per share are calculated by dividing the profit/ (loss) for the period by the weighted average number of ordinary shares outstanding during the period (excluding treasury shares). Diluted earnings/ (loss) per share is calculated by dividing the profit/ (loss) for the period by the weighted average number of ordinary shares outstanding during the period (excluding treasury shares) plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. As at 30 September, the Parent Company has no outstanding dilutive potential ordinary shares.

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

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Profit/ (loss) for the period	1,040,067	165,243	1,114,169	(1,222,125)
Weighted average number of outstanding ordinary shares (share)	210,630,658	210,301,658	210,428,984	210,301,658
Earnings/ (loss) per share (fils)	4.94	0.79	5.29	(5.81)

16. Related party transactions

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

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

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Key management compensation:				
Salaries and other short term benefits	58,325	67,560	164,775	148,160
Employees' end of service benefits	14,018	15,255	42,011	39,168
Board committee remuneration	-	-	2,400	-
	72,343	82,815	209,186	187,328

17. Segment information

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

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

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

And its subsidiaries

State of Kuwait

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

The segment reporting information is as follows:

	Period ended 30 September 2021				
	Industrial activities	Real estate investing activities	Financial investing activities	Unallocated	Total
Segments revenues	2,228,791	(28,481)	1,351,924	158,759	3,710,993
Segments expenses	(2,019,384)	-	(540,139)	-	(2,559,523)
Total segments' results	209,407	(28,481)	811,785	158,759	1,151,470
Segments assets	8,362,791	1,282,442	41,754,376	-	51,399,609
Segment liabilities	2,537,748	-	6,103,660	-	8,641,408

	Period ended 30 September 2020				
	Industrial activities	Real estate investing activities	Financial investing activities	Unallocated	Total
Segments revenues	2,301,506	(158,116)	(606,764)	-	1,536,626
Segments expenses	(1,703,583)	(9,504)	(1,034,395)	-	(2,747,482)
Total segments' results	597,923	(167,620)	(1,641,159)	-	(1,210,856)
Segments assets	8,316,413	3,815,732	39,069,825	-	51,201,970
Segment liabilities	2,596,200	(26,369)	3,665,189	-	6,235,020

18. Commitments and contingent liabilities

	30 September 2021	31 December 2020 (Audited)	30 September 2020
Letters of guarantee	291,317	293,317	293,317
Letters of credit and acceptance	342,003	10,563	6,042

19. Legal cases

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

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

Also, the Plenary Court at Capital Markets Circle issue a first instance to consider the lawsuit as if it were not, and an appeal has been initiated by the appellant and a session is scheduled on 28 October 2021.

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

The net carrying value of the investment in subsidiary amounted to KD 4 million approximately as at the date of the interim condensed consolidated financial information.

**Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2021
(Unaudited)**

(All amounts are in Kuwaiti Dinar unless otherwise stated)

20. Impact of COVID-19

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

Other effects

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

Going concern

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