

**THE ENERGY HOUSE HOLDING COMPANY
K.S.C.P. AND ITS SUBSIDIARIES**

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

30 JUNE 2024



REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF THE ENERGY HOUSE HOLDING COMPANY K.S.C.P.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of The Energy House Holding Company K.S.C.P. (“the Parent Company”) and its subsidiaries (collectively, the “Group”) as at 30 June 2024, and the related interim condensed consolidated statement of profit or loss and the interim condensed consolidated statement of comprehensive income for the three-month and six-month periods then ended, and the related interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cashflows for the six-month period then ended. Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

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

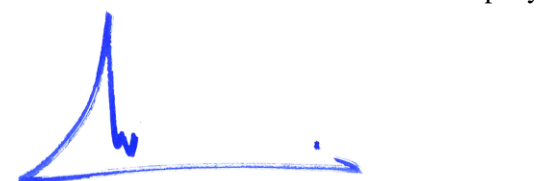
Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with IAS 34.

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended, and its executive regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, during the six-month period ended 30 June 2024 that might have had a material effect on the business of the Parent Company or on its financial position.

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any material violations of the provisions of Law No. 7 of 2010 concerning establishment of Capital Markets Authority “CMA” and organization of security activity and its executive regulations, as amended, during the six-month period ended 30 June 2024 that might have had a material effect on the business of the Parent Company or on its financial position.



BADER A. AL-ABDULJADER

LICENCE NO. 207 A

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AL AIBAN, AL OSAIMI & PARTNERS

6 August 2024

Kuwait

The Energy House Holding Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2024

		30 June 2024 KD	(Audited) 31 December 2023 KD	30 June 2023 KD
ASSETS				
Non-current assets				
Property and equipment		6	91	332
Right-of-use assets		3,553	14,227	24,901
Financial assets at fair value through profit or loss	3	1,313,985	1,307,295	2,685,928
		<u>1,317,544</u>	<u>1,321,613</u>	<u>2,711,161</u>
Current assets				
Trade and other receivables		192,911	274,546	227,719
Cash and cash equivalents	4	2,866,129	3,136,413	3,449,326
		<u>3,059,040</u>	<u>3,410,959</u>	<u>3,677,045</u>
TOTAL ASSETS		<u><u>4,376,584</u></u>	<u><u>4,732,572</u></u>	<u><u>6,388,206</u></u>
EQUITY AND LIABILITIES				
Equity				
Share capital		4,533,293	4,533,293	4,533,293
Other reserves		(700,997)	(700,997)	(700,997)
Foreign currency translation reserve		619,216	611,638	548,522
Accumulated losses		(1,588,103)	(1,369,621)	(300,715)
Equity attributable to equity holders of the Parent Company		<u>2,863,409</u>	<u>3,074,313</u>	<u>4,080,103</u>
Non-controlling interests		(162,686)	(158,369)	(199,442)
Total equity		<u>2,700,723</u>	<u>2,915,944</u>	<u>3,880,661</u>
Liabilities				
Non-current liabilities				
Employees' end of service benefits		91,880	82,178	74,084
Lease liabilities		1,939	13,345	21,912
		<u>93,819</u>	<u>95,523</u>	<u>95,996</u>
Current liabilities				
Trade and other payables		1,515,972	1,634,524	2,315,984
Distributions payable	5	64,120	84,631	91,159
Lease liabilities		1,950	1,950	4,406
		<u>1,582,042</u>	<u>1,721,105</u>	<u>2,411,549</u>
Total liabilities		<u>1,675,861</u>	<u>1,816,628</u>	<u>2,507,545</u>
TOTAL EQUITY AND LIABILITIES		<u><u>4,376,584</u></u>	<u><u>4,732,572</u></u>	<u><u>6,388,206</u></u>


Ahmad Abdulaziz Yaqoub Alnafisi
Vice-Chairman


Hamad A. Al-Qahtani
Chief Executive Officer

The attached notes from 1 to 10 form an integral part of this interim condensed consolidated financial information.

The Energy House Holding Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
(UNAUDITED)

For the period ended 30 June 2024

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
<i>Note</i>	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
REVENUE FROM OPERATIONS				
Services revenue	217	106	323	195
Services costs	(8,788)	(28,578)	(18,361)	(98,285)
GROSS LOSS	(8,571)	(28,472)	(18,038)	(98,090)
Other income	600	71,183	1,200	360,850
Profit from wakala deposits and other assets	27,744	30,911	66,092	84,308
Unrealised gain (loss) on financial assets at fair value through profit or loss	2,384	(5,338)	5,525	(375,052)
Staff costs	(78,718)	(78,402)	(162,988)	(176,747)
General and administrative expenses	(62,940)	(89,334)	(116,190)	(227,096)
Finance costs	(99)	(500)	(294)	(5,551)
Net foreign exchange differences	(6,049)	4,596	1,050	247
LOSS BEFORE TAX	(125,649)	(95,356)	(223,643)	(437,131)
National Labour Support Tax (NLST)	-	-	-	-
Zakat	-	-	-	-
LOSS FOR THE PERIOD	(125,649)	(95,356)	(223,643)	(437,131)
Attributable to:				
Equity holders of the Parent Company	(122,856)	(94,545)	(218,482)	(445,733)
Non-controlling interests	(2,793)	(811)	(5,161)	8,602
	(125,649)	(95,356)	(223,643)	(437,131)
BASIC AND DILUTED LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	(2.71) fils	(2.09) fils	(4.82) fils	(9.83) fils

The attached notes from 1 to 10 form an integral part of this interim condensed consolidated financial information.

The Energy House Holding Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME (UNAUDITED)

For the period ended 30 June 2024

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
LOSS FOR THE PERIOD	(125,649)	(95,356)	(223,643)	(437,131)
Other comprehensive income (loss):				
<i>Other comprehensive income (loss) that may be reclassified to profit or loss in subsequent periods:</i>				
Net exchange differences on translation of foreign operations	25,103	(93,239)	8,422	(150,098)
Net other comprehensive income (loss) that may be reclassified to profit or loss in subsequent periods	25,103	(93,239)	8,422	(150,098)
Total other comprehensive income (loss) for the period	25,103	(93,239)	8,422	(150,098)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(100,546)	(188,595)	(215,221)	(587,229)
Attributable to:				
Equity holders of the Parent Company	(99,153)	(180,866)	(210,904)	(584,778)
Non-controlling interests	(1,393)	(7,729)	(4,317)	(2,451)
	(100,546)	(188,595)	(215,221)	(587,229)

The attached notes from 1 to 10 form an integral part of this interim condensed consolidated financial information.

The Energy House Holding Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 June 2024

	<i>Attributable to the equity holders of the Parent Company</i>						
	<i>Share capital KD</i>	<i>Other reserves KD</i>	<i>Foreign currency translation reserve KD</i>	<i>Accumulated losses KD</i>	<i>Sub-total KD</i>	<i>Non-controlling interests KD</i>	<i>Total equity KD</i>
As at 1 January 2024 (<i>Audited</i>)	4,533,293	(700,997)	611,638	(1,369,621)	3,074,313	(158,369)	2,915,944
Loss for the period	-	-	-	(218,482)	(218,482)	(5,161)	(223,643)
Other comprehensive income for the period	-	-	7,578	-	7,578	844	8,422
Total comprehensive income (loss) for the period	-	-	7,578	(218,482)	(210,904)	(4,317)	(215,221)
At 30 June 2024	4,533,293	(700,997)	619,216	(1,588,103)	2,863,409	(162,686)	2,700,723

	<i>Share capital KD</i>	<i>Other reserves KD</i>	<i>Foreign currency translation reserve KD</i>	<i>Retained earnings (Accumulated losses) KD</i>	<i>Sub-total KD</i>	<i>Non-controlling interests KD</i>	<i>Total equity KD</i>
As at 1 January 2023 (<i>Audited</i>)	4,533,293	(700,997)	687,567	145,018	4,664,881	(196,991)	4,467,890
(Loss) profit for the period	-	-	-	(445,733)	(445,733)	8,602	(437,131)
Other comprehensive loss for the period	-	-	(139,045)	-	(139,045)	(11,053)	(150,098)
Total comprehensive loss for the period	-	-	(139,045)	(445,733)	(584,778)	(2,451)	(587,229)
At 30 June 2023	4,533,293	(700,997)	548,522	(300,715)	4,080,103	(199,442)	3,880,661

The attached notes from 1 to 10 form an integral part of this interim condensed consolidated financial information.

The Energy House Holding Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)

For the period ended 30 June 2024

	Note	Six months ended 30 June	
		2024 KD	2023 KD
OPERATING ACTIVITIES			
Loss for the period before tax		(223,643)	(437,131)
<i>Adjustments to reconcile loss before tax to net cash flows:</i>			
Profit from wakala deposits and other assets		(66,092)	(84,308)
Unrealised (gain) loss on financial assets at fair value through profit or loss		(5,525)	375,052
Provision for employees' end of service benefits		7,776	10,737
Depreciation of property and equipment		85	504
Depreciation of right-of-use assets		10,674	13,842
Gain on derecognition of lease liabilities		-	(33,058)
Finance costs		294	5,551
Net foreign exchange differences		(1,050)	(247)
		(277,481)	(149,058)
<i>Working capital changes:</i>			
Trade and other receivables		69,078	3,038,356
Trade and other payables		(118,552)	(492,120)
Cash flows (used in) from operations		(326,955)	2,397,178
Employees' end of service benefits paid		-	(20,658)
Net cash flows (used in) from operating activities		(326,955)	2,376,520
INVESTING ACTIVITIES			
Profit received from wakala deposits and other assets		79,699	96,535
Net movement in restricted bank balances and deposits		4,177	(11)
Net cash flows from investing activities		83,876	96,524
FINANCING ACTIVITIES			
Distributions paid to equity holders on reduction of share capital		(20,511)	(15,908,841)
Payment of lease liabilities		(11,700)	(11,700)
Net cash flows used in financing activities		(32,211)	(15,920,541)
Effect of foreign currency translation		9,183	(169,357)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(266,107)	(13,616,854)
Cash and cash equivalents at 1 January	4	3,132,236	17,061,999
CASH AND CASH EQUIVALENTS AT 30 JUNE	4	2,866,129	3,445,145

The attached notes from 1 to 10 form an integral part of this interim condensed consolidated financial information.

The Energy House Holding Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

1 CORPORATE INFORMATION

The interim condensed consolidated financial information of The Energy House Holding Company K.S.C.P. (the “Parent Company”) and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2024 was authorised for issue in accordance with a resolution of the board of directors of the Parent Company on 6 August 2024.

The consolidated financial statements of the Group for the year ended 31 December 2023 were approved in the annual general assembly meeting (AGM) of the shareholders of the Parent Company held on 16 May 2024. No dividends were declared for the year ended 31 December 2023.

The Energy House Holding Company K.S.C.P. (the “Parent Company”) is a Kuwaiti shareholding company registered and incorporated in the State of Kuwait under commercial registration no. 68770 dated 30 July 1996. The Company’s shares were listed on Boursa Kuwait on 23 May 2005.

The shareholders of the Parent Company at ordinary general assembly meeting held on 15 December 2022 approved the resolution for the voluntary delisting of the Parent Company from Boursa Kuwait. However, on 20 April 2023, the Board of Commissioners of the Capital Markets Authority rejected the Parent Company’s request to delist from Boursa Kuwait.

Subsequently, the shareholders of the Parent Company at the ordinary general assembly meeting held on 2 October 2023, approved for the second time, the resolution for the voluntary delisting of the Parent Company from Boursa Kuwait. However, the regulatory approvals from the Capital Markets Authority to proceed with the delisting is still pending as at the date of authorisation of this interim condensed consolidated financial information.

The Parent Company’s head office is located at Al-Enmaa Tower, Mirqab, 14th floor, Kuwait City and its registered postal address is P.O. Box 21909, Safat 13080, State of Kuwait.

The Parent Company’s principal activities are, as follows:

- ▶ Ownership of shares of Kuwaiti or foreign shareholding companies or companies with limited liability, or establishing, managing, lending and sponsoring such companies;
- ▶ Financing and sponsoring entities in which the Company has an ownership interest of not less than 20%;
- ▶ Owning industrial rights such as patents, industrial trademarks, sponsoring foreign companies or any other related industrial rights and leasing such as rights for the benefit of the Company inside or outside the State of Kuwait;
- ▶ Owing portables and real-estates to promote its activities in permissible limits according to the law; and
- ▶ Utilising available financial surplus of the Company by investing them in portfolios managed by specialized companies.

The Group carries out its activities in accordance with Islamic Shari’a principles as approved by the Group’s Fatwa and Shari’a Supervisory Board.

The Parent Company is a subsidiary of Development Enterprise Holding Company K.S.C. (Closed) (“DEH”) (the “Intermediary Parent Company”), a subsidiary of Kuwait Finance House K.S.C.P. (the “Ultimate Parent Company”).

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

2.1. Basis of preparation

The interim condensed consolidated financial information for the six months ended 30 June 2024 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The Group has prepared the interim condensed consolidated financial information on the basis that it will continue to operate as a going concern. The Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The interim condensed consolidated financial information is presented in Kuwaiti Dinars (“KD”) which is the functional currency of the Parent Company.

The Energy House Holding Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (continued)

2.1. Basis of preparation (continued)

The interim condensed consolidated financial information do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2023.

Several amendments and interpretations apply for the first time in 2024, but do not have an impact on the interim condensed consolidated financial information of the Group.

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

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The transition rules clarify that an entity is not required to provide the disclosures in any interim periods in the year of initial application of the amendments. Thus, the amendments had no impact on the Group's interim condensed consolidated financial information.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

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

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

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

The Energy House Holding Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

3 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June	<i>(Audited)</i>	
	2024	<i>31 December</i>	30 June
	KD	<i>2023</i>	2023
		<i>KD</i>	<i>KD</i>
Closed-ended private equity fund	1,022,495	1,021,330	2,405,597
Open-ended fund	291,490	285,965	280,331
	1,313,985	1,307,295	2,685,928

Fair value hierarchy for determining the fair value of the financial instruments and the valuation techniques are detailed in Note 7.

4 CASH AND CASH EQUIVALENTS

For the purpose of the interim condensed consolidated statement of cash flows, cash and cash equivalents comprise the following:

	30 June	<i>(Audited)</i>	
	2024	<i>31 December</i>	30 June
	KD	<i>2023</i>	2023
		<i>KD</i>	<i>KD</i>
Bank balances and cash	332,191	402,913	538,676
Wakala deposits	2,533,938	2,733,500	2,910,650
Cash and cash equivalents in the interim condensed consolidated statement of financial position	2,866,129	3,136,413	3,449,326
Restricted bank balances	-	(4,177)	(4,181)
Cash and cash equivalents in the interim condensed consolidated statement of cash flows	2,866,129	3,132,236	3,445,145

Restricted bank balances of KD Nil (31 December 2023: KD 4,177 and 30 June 2023: KD 4,181) represent margin deposits secured against bank facilities and are not available for day-to-day use by the Group.

The Energy House Holding Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

5 RELATED PARTY DISCLOSURES

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

The following table provides the total amount of transactions that have been entered into with related parties during the six months ended 30 June 2024 and 2023, as well as balances with related parties as at 30 June 2024, 31 December 2023 and 30 June 2023:

	<i>Ultimate Parent Company KD</i>	<i>Intermediary Parent Company KD</i>	<i>Other related parties KD</i>	<i>30 June 2024 KD</i>	<i>(Audited) 31 December 2023 KD</i>	<i>30 June 2023 KD</i>
<i>Interim condensed consolidated statement of financial position</i>						
Cash and cash equivalents	675,021	-	-	675,021	686,173	855,342
Distribution payable *	-	-	64,120	64,120	84,631	-

* Distribution payable represents amount payable to shareholders in cash on account of capital reduction.

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2024 KD</i>	<i>2023 KD</i>	<i>2024 KD</i>	<i>2023 KD</i>
<i>Interim condensed consolidated statement of profit or loss:</i>				
Finance income ("Ultimate Parent Company")	5,214	112	18,219	1,230

Transactions with key management personnel

Key management personnel comprise of the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Group. The aggregate value of transactions and outstanding balances related to key management personnel were as follows.

	<i>Transaction values for the three months ended</i>		<i>Transaction values for the six months ended</i>	
	<i>30 June 2024 KD</i>	<i>30 June 2023 KD</i>	<i>30 June 2024 KD</i>	<i>30 June 2023 KD</i>
Salaries and other short-term benefits	32,245	29,942	64,966	62,750
Employees end of service benefits	3,135	2,538	5,824	4,272
	35,380	32,480	70,790	67,022
	<i>Balance outstanding as at</i>			
	<i>30 June 2024 KD</i>	<i>31 December 2023 KD</i>	<i>30 June 2023 KD</i>	
		<i>(Audited)</i>		
Salaries and other short-term benefits	52,875	52,875	-	
Employees end of service benefits	40,079	34,255	28,895	
	92,954	87,130	28,895	

The Board of Directors at the meeting held on 21 March 2024 did not propose any directors' remuneration for the year ended 31 December 2023.

The Energy House Holding Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

6 LOSS PER SHARE

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

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	2024	2023	2024	2023
Loss for the period attributable to equity holders of the Parent Company (KD)	(122,856)	(94,545)	(218,482)	(445,733)
Weighted average number of outstanding shares	45,332,930	45,332,930	45,332,930	45,332,930
Basic and diluted loss per share attributable to equity holders of the Parent Company (fils)	(2.71)	(2.09)	(4.82)	(9.83)

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

7 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value hierarchy

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

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

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

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

The Energy House Holding Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

7 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

Set out below is the fair values of financial assets measured at fair value on a recurring basis as at 30 June 2024, 31 December 2023 and 30 June 2023:

	<i>Fair value measurement using</i>			<i>Total KD</i>
	<i>Quoted prices in active markets (Level 1) KD</i>	<i>Significant observable inputs (Level 2) KD</i>	<i>Significant unobservable inputs (Level 3) KD</i>	
30 June 2024				
<i>Financial assets at FVTPL</i>				
- Open-ended fund	-	291,490	-	291,490
- Closed ended private equity fund	-	-	1,022,495	1,022,495
	-	291,490	1,022,495	1,313,985
31 December 2023 (Audited)				
<i>Financial assets at FVTPL</i>				
- Open-ended fund	-	285,965	-	285,965
- Closed ended private equity fund	-	-	1,021,330	1,021,330
	-	285,965	1,021,330	1,307,295
30 June 2023				
<i>Financial assets at FVTPL</i>				
- Open-ended fund	-	280,331	-	280,331
- Closed-ended private equity fund	-	-	2,405,597	2,405,597
Investment securities (at fair value)	-	280,331	2,405,597	2,685,928

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

	<i>Unquoted private equity fund</i>		
	<i>30 June 2024 KD</i>	<i>31 December 2023 KD (Audited)</i>	<i>30 June 2023 KD</i>
As at 1 January	1,021,330	2,779,603	2,779,603
Remeasurement recognised in profit or loss	-	(1,764,755)	(380,556)
Foreign currency translation adjustment	1,165	6,482	6,550
At the end of the period/ year	1,022,495	1,021,330	2,405,597

The valuation techniques and inputs used in this interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023.

The Energy House Holding Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

7 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

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

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

8 CAPITAL COMMITMENTS

	<i>30 June</i> <i>2024</i> <i>KD</i>	<i>(Audited)</i> <i>31 December</i> <i>2023</i> <i>KD</i>	<i>30 June</i> <i>2023</i> <i>KD</i>
Uncalled capital call – (private equity fund)	<u>439,400</u>	<u>438,899</u>	<u>439,328</u>

9 LEGAL DISPUTE

A subsidiary of the Group was on an ongoing dispute with their joint operations partner for breach of the terms and conditions of the profit-sharing agreement. Further, the joint operations partner had also filed a notice of breach against the subsidiary relating to the ownership of the equipment involved in the joint operations. These cases were under arbitration with the London Court of International Arbitration (LCIA).

On 1 September 2021, the LCIA issued a final verdict whereby it ordered the joint operations partner to pay the subsidiary an amount of USD 1,004,418 along with simple interest at the rate of 2.24% p.a. from the date of the verdict. Further, it ordered the subsidiary to pay USD 188,336 along with simple interest at the rate of 2.24% p.a. to the joint operations partner and also confirmed that the ownership of the equipment involved in the joint operations resides with the joint operations partner. The Group in consultation with its legal counsel is currently considering various options of final settlement with the joint operations partner, based on the above verdict issued by the LCIA.

The Energy House Holding Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

10 SEGMENT INFORMATION

i) Primary segment information:

For management purposes, the Group is organised into two operating segments based on business units as follows:

- ▶ **Energy** : Exploration, drilling, development and production of oil and gas, alternate and renewable sources of energy, licensing and other activities related to the energy sector; and
- ▶ **Others** : Investment and other related services.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

The following table present revenue and results information of the Group's operating segments for the six months period ended 30 June 2024 and 30 June 2023, respectively:

	<i>Six months ended 30 June 2024</i>		
	<i>Energy KD</i>	<i>Others KD</i>	<i>Total KD</i>
Segment income	323	-	323
Segment results	(278,030)	54,387	(223,643)
<i>Other disclosures:</i>			
Finance costs	-	(294)	(294)
Unrealised gain on financial assets at fair value through profit or loss	-	5,525	5,525
	<i>Six months ended 30 June 2023</i>		
	<i>Energy KD</i>	<i>Others KD</i>	<i>Total KD</i>
Segment income	195	-	195
Segment results	(146,624)	(290,507)	(437,131)
<i>Other disclosures:</i>			
Finance costs	(4,508)	(1,043)	(5,551)
Unrealised loss on financial assets at fair value through profit or loss	-	(375,052)	(375,052)

The Energy House Holding Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

10 SEGMENT INFORMATION (continued)

The following table presents assets and liabilities information for the Group's operating segments as at 30 June 2024, 31 December 2023 and 30 June 2023 respectively:

	<i>Energy KD</i>	<i>Others KD</i>	<i>Total KD</i>
<i>As at 30 June 2024</i>			
Segment assets	692,400	3,684,184	4,376,584
Segment liabilities	1,159,113	516,748	1,675,861
<i>As at 31 December 2023 (Audited)</i>			
Segment assets	854,520	3,878,052	4,732,572
Segment liabilities	1,243,276	573,352	1,816,628
<i>As at 30 June 2023</i>			
Segment assets	1,001,439	5,386,767	6,388,206
Segment liabilities	1,929,191	578,354	2,507,545

ii) Secondary segment information:

For management purposes, the Group is divided into three main geographical segments that are: a) State of Kuwait, b) Middle East and North Africa (MENA) and c) outside MENA, where the Group performs its main activities in the energy sector and contracting.

	<i>30 June 2024</i>				<i>30 June 2023</i>			
	<i>Kuwait KD</i>	<i>MENA KD</i>	<i>Outside MENA KD</i>	<i>Total KD</i>	<i>Kuwait KD</i>	<i>MENA KD</i>	<i>Outside MENA KD</i>	<i>Total KD</i>
Segment income	-	323	-	323	-	195	-	195
Segment results	(155,026)	(68,586)	(31)	(223,643)	(171,460)	114,865	(380,536)	(437,131)

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