

**UNITED PROJECTS COMPANY FOR  
AVIATION SERVICES K.S.C.P. AND ITS SUBSIDIARIES**

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

**30 JUNE 2025**



## **REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF UNITED PROJECTS COMPANY FOR AVIATION SERVICES K.S.C.P.**

### ***Introduction***

We have reviewed the accompanying interim condensed consolidated statement of financial position of United Project Company For Aviation Services K.S.C.P. (the “Parent Company”) and its subsidiaries (collectively, the “Group”) as at 30 June 2025, and the related interim condensed consolidated statement of income and interim condensed consolidated statement of comprehensive income for the three-month and six-month periods then ended, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six-month period then ended. The management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard IAS 34: *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

### ***Scope of Review***

We conducted our review in accordance with International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently, it 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.

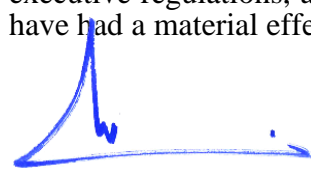
### ***Conclusion***

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 months period ended 30 June 2025 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 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 months period ended 30 June 2025 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

EY  
AL AIBAN, AL OSAIMI & PARTNERS

12 August 2025  
Kuwait

United Projects Company For Aviation Services K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

(UNAUDITED)

For the period ended 30 June 2025

		<i>Three months ended</i>		<i>Six months ended</i>	
		<i>30 June</i>		<i>30 June</i>	
	<i>Notes</i>	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
		<b>KD</b>	<b>KD</b>	<b>KD</b>	<b>KD</b>
Revenues		<b>1,290,662</b>	2,184,674	<b>3,290,093</b>	4,421,554
Operating costs		<b>(202,112)</b>	(304,735)	<b>(418,337)</b>	(603,146)
<b>GROSS PROFIT</b>		<b>1,088,550</b>	1,879,939	<b>2,871,756</b>	3,818,408
General and administrative expenses		<b>(346,299)</b>	(545,642)	<b>(693,670)</b>	(1,006,836)
Salaries and employee benefits		<b>(325,178)</b>	(319,879)	<b>(664,516)</b>	(649,736)
Share of results of associates		-	(370,677)	-	(791,839)
Other income		<b>242,306</b>	3,210	<b>275,506</b>	6,440
<b>Profit before interest, taxation, depreciation and amortisation ("EBITDA")</b>		<b>659,379</b>	646,951	<b>1,789,076</b>	1,376,437
Depreciation		<b>(1,017)</b>	(322)	<b>(1,987)</b>	(518)
Amortisation		<b>(409,541)</b>	(84)	<b>(819,081)</b>	(82,080)
<b>Profit before interest and taxation ("EBIT")</b>		<b>248,821</b>	646,545	<b>968,008</b>	1,293,839
Interest income		<b>91,339</b>	59,896	<b>169,524</b>	115,929
Finance cost		<b>(323,373)</b>	(10,365)	<b>(636,469)</b>	(33,424)
<b>Profit before taxation</b>		<b>16,787</b>	696,076	<b>501,063</b>	1,376,344
Taxation	10	<b>377</b>	(31,586)	<b>(4,175)</b>	(62,998)
<b>PROFIT FOR THE PERIOD</b>		<b>17,164</b>	664,490	<b>496,888</b>	1,313,346
<b>BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY</b>	4	<b>(0.24) Fils</b>	1.77 Fils	<b>0.94 Fils</b>	3.4 Fils
<b>Attributable to:</b>					
Equity holders of the Parent Company		<b>(91,133)</b>	668,065	<b>356,465</b>	1,284,953
Non-controlling interests		<b>108,297</b>	(3,575)	<b>140,423</b>	28,393
		<b>17,164</b>	664,490	<b>496,888</b>	1,313,346

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

United Projects Company For Aviation Services K.S.C.P. and its Subsidiaries

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**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**

For the period ended 30 June 2025

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>KD</b>	<b>KD</b>	<b>KD</b>	<b>KD</b>
<b>Profit for the period</b>	<b>17,164</b>	664,490	<b>496,888</b>	1,313,346
<b>Other comprehensive income:</b>				
<i>Other comprehensive (loss) income that may be reclassified to profit or loss in subsequent periods:</i>				
Foreign currency translation adjustment	-	(9,961)	-	(5,829)
Share of other comprehensive loss of associate	-	(44,848)	-	(61,361)
<b>Other comprehensive income for the period</b>	<b>-</b>	(54,809)	<b>-</b>	(67,190)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>17,164</b>	609,681	<b>496,888</b>	1,246,156
<b>Attributable to:</b>				
Equity holders of the Parent Company	<b>(91,133)</b>	613,256	<b>356,465</b>	1,217,763
Non-controlling interests	<b>108,297</b>	(3,575)	<b>140,423</b>	28,393
	<b>17,164</b>	609,681	<b>496,888</b>	1,246,156

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

United Projects Company For Aviation Services K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2025

		30 June 2025 KD	(Audited) 31 December 2024 KD	30 June 2024 KD
<b>ASSETS</b>	<i>Notes</i>			
<b>Non-current assets</b>				
Property and equipment		137,819	112,564	3,441
Intangible assets	5	21,990,757	22,650,155	-
Investment in an associate		-	-	1,083,739
Loan to an associate	6, 13	220,517,482	248,530,607	235,837,551
		<u>242,646,058</u>	<u>271,293,326</u>	<u>236,924,731</u>
<b>Current assets</b>				
Accounts receivable and other assets		1,803,562	1,889,669	2,200,276
Cash and cash equivalents		11,033,858	9,660,825	8,197,661
		<u>12,837,420</u>	<u>11,550,494</u>	<u>10,397,937</u>
<b>TOTAL ASSETS</b>		<u>255,483,478</u>	<u>282,843,820</u>	<u>247,322,668</u>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	7	38,250,000	38,250,000	38,250,000
Share premium		48,605,000	48,605,000	48,605,000
Statutory reserve		7,416,960	7,416,960	7,317,263
Treasury shares	8	(1,544,594)	(1,544,594)	(1,544,594)
Other reserve		(111,480)	(111,480)	(27,381)
Foreign currency translation reserve		56,401	56,401	41,810
Retained earnings		13,348,399	12,991,934	13,419,650
<b>Equity attributable to holders of the Parent Company</b>		<u>106,020,686</u>	<u>105,664,221</u>	<u>106,061,748</u>
Non-controlling interests		1,280,268	1,139,845	1,099,696
<b>Total equity</b>		<u>107,300,954</u>	<u>106,804,066</u>	<u>107,161,444</u>
<b>Non-current liabilities</b>				
Accounts payable and other liabilities	9	22,323,664	22,242,974	827,366
Employees' end of service benefits		788,780	771,392	894,637
		<u>23,112,444</u>	<u>23,014,366</u>	<u>1,722,003</u>
<b>Current liabilities</b>				
Accounts payable and other liabilities	9	8,278,648	8,220,831	6,327,720
Loan from a related party	6	116,791,432	144,804,557	132,111,501
		<u>125,070,080</u>	<u>153,025,388</u>	<u>138,439,221</u>
<b>Total liabilities</b>		<u>148,182,524</u>	<u>176,039,754</u>	<u>140,161,224</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>255,483,478</u>	<u>282,843,820</u>	<u>247,322,668</u>

Tarek Ibrahim Mohammad Al Mousa  
Chairman

Hamad Adnan Eisa malallah  
CEO & Vice Chairman

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

United Projects Company For Aviation Services K.S.C.P. and its Subsidiaries

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
(UNAUDITED)

For the period ended 30 June 2025

Note	<i>Six months ended</i> <i>30 June</i>	
	<i>2025</i> <i>KD</i>	<i>2024</i> <i>KD</i>
<b>OPERATING ACTIVITIES</b>		
Profit for the period before tax	<b>501,063</b>	1,376,344
<i>Adjustments for:</i>		
Depreciation	<b>1,987</b>	518
Amortisation	<b>819,081</b>	82,080
Provision for employees' end of service benefits	<b>69,701</b>	41,507
Interest income	<b>(169,524)</b>	(115,929)
Share of results of an associate	-	791,839
Allowances for expected credit losses, net	-	40,843
Finance cost	<b>636,469</b>	33,424
	<b>1,858,777</b>	2,250,626
<i>Working capital changes:</i>		
Accounts receivable and other assets	<b>94,603</b>	(123,246)
Accounts payable and other liabilities	<b>(451,558)</b>	(670,152)
Cash flows from operations	<b>1,501,822</b>	1,457,228
Employees' end of service benefits paid	<b>(52,313)</b>	(6,237)
Taxes paid	<b>(210,262)</b>	(70,052)
Net cash flows from operating activities	<b>1,239,247</b>	1,380,939
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	<b>(27,242)</b>	(3,356)
Repayment of (additions to) loan to an associate	<b>28,013,125</b>	(20,605,430)
Interest income received	<b>161,028</b>	104,714
Net cash flows from (used in) investing activities	<b>28,146,911</b>	(20,504,072)
<b>FINANCING ACTIVITIES</b>		
(Repayment of) proceeds from loan from a related party	<b>(28,013,125)</b>	20,605,430
Net cash flows (used in) from financing activities	<b>(28,013,125)</b>	20,605,430
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>1,373,033</b>	1,482,297
Cash and cash equivalents as at 1 January	<b>9,660,825</b>	6,715,364
<b>CASH AND CASH EQUIVALENTS AS AT 30 JUNE</b>	<b>11,033,858</b>	8,197,661
<b>Non-cash items excluded from the consolidated statement of cash flows:</b>		
Derecognition of intangible assets	<b>(612,117)</b>	-
Derecognition of lease liabilities (adjusted with accounts payable and other liabilities)	<b>(606,515)</b>	-

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

United Projects Company For Aviation Services K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 June 2025

	<i>Attributable to equity holders of the Parent Company</i>									
	<i>Share capital KD</i>	<i>Share premium KD</i>	<i>Statutory reserve KD</i>	<i>Treasury shares KD</i>	<i>Other reserve KD</i>	<i>Foreign currency translation reserve KD</i>	<i>Retained earnings KD</i>	<i>Sub-total KD</i>	<i>Non-controlling interests KD</i>	<i>Total KD</i>
As at 1 January 2025	38,250,000	48,605,000	7,416,960	(1,544,594)	(111,480)	56,401	12,991,934	105,664,221	1,139,845	106,804,066
Profit for the period	-	-	-	-	-	-	356,465	356,465	140,423	496,888
Total comprehensive income for the period	-	-	-	-	-	-	356,465	356,465	140,423	496,888
<b>As at 30 June 2025</b>	<b>38,250,000</b>	<b>48,605,000</b>	<b>7,416,960</b>	<b>(1,544,594)</b>	<b>(111,480)</b>	<b>56,401</b>	<b>13,348,399</b>	<b>106,020,686</b>	<b>1,280,268</b>	<b>107,300,954</b>

	<i>Attributable to equity holders of the Parent Company</i>									
	<i>Share capital KD</i>	<i>Share premium KD</i>	<i>Statutory reserve KD</i>	<i>Treasury shares KD</i>	<i>Other reserve KD</i>	<i>Foreign currency translation reserve KD</i>	<i>Retained earnings KD</i>	<i>Sub-total KD</i>	<i>Non-controlling interests KD</i>	<i>Total KD</i>
As at 1 January 2024	38,250,000	48,605,000	7,317,263	(1,544,594)	33,980	47,639	12,134,697	104,843,985	1,071,303	105,915,288
Profit for the period	-	-	-	-	-	-	1,284,953	1,284,953	28,393	1,313,346
Other comprehensive loss for the period	-	-	-	-	(61,361)	(5,829)	-	(67,190)	-	(67,190)
Total comprehensive (loss) income for the period	-	-	-	-	(61,361)	(5,829)	1,284,953	1,217,763	28,393	1,246,156
<b>As at 30 June 2024</b>	<b>38,250,000</b>	<b>48,605,000</b>	<b>7,317,263</b>	<b>(1,544,594)</b>	<b>(27,381)</b>	<b>41,810</b>	<b>13,419,650</b>	<b>106,061,748</b>	<b>1,099,696</b>	<b>107,161,444</b>

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

# United Projects Company For Aviation Services K.S.C.P. and its Subsidiaries

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

As at and for the period ended 30 June 2025

### 1 CORPORATE INFORMATION

The interim condensed consolidated financial information of United Projects Company for Aviation Services K.S.C.P. (the “Parent Company”) and its subsidiaries (collectively the “Group”) for the period ended 30 June 2025 were authorised for issue by the Board of Directors on 12 August 2025.

The consolidated financial statements of the Group for the year ended 31 December 2024 were approved by the shareholders at the AGM held on 19 May 2025.

The Parent Company was established as a Kuwaiti Shareholding Company on 4 December 2000 and its registered address is Kuwait International Airport, P.O. Box 27068, Safat 13131, Kuwait. The main objectives of the Parent Company are:

- ▶ Providing airplane ground and cleaning services and supply of water and other airplane supplies;
- ▶ Leasing out airplanes;
- ▶ Tourism, travel and cargo shipment services;
- ▶ Managing projects;
- ▶ Investing surplus funds in investment portfolios managed by specialised institutions;
- ▶ The right to participate with other firms, which operate in the same field or those, which would assist in achieving its objectives in Kuwait or abroad, and to purchase those firms or participate in their equity.
- ▶ Management and development of real estate activities including real estate consultancy services;
- ▶ General trading of construction materials, equipment and real estate;
- ▶ To own, lease and rent out land and real estate properties;
- ▶ Sharing in executing the infrastructure for the housing, trading and industrial projects and manage real estate facilities under BOT regulations.

The Parent Company is listed on Boursa Kuwait and is a subsidiary of PWC Aviation Services Company K.S.C. (Closed) (“Intermediate Parent Company”), which is a subsidiary of Agility Public Warehousing Company K.S.C.P. (“Ultimate Parent Company”), which is also listed on Boursa Kuwait.

### 2 BASIS OF PREPARATION

The interim condensed consolidated financial information of the Group has been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

The interim condensed consolidated financial information does not contain all information and disclosures required for full consolidated financial statements prepared in accordance with IFRS and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024. In the opinion of management, all adjustments considered necessary for a fair presentation have been included in the interim condensed consolidated financial information. Operating results for the interim period are not necessarily indicative of the results that may be expected for the year ending 31 December 2025.

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

### 3 CHANGES TO THE GROUP’S ACCOUNTING POLICIES

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 2024, except for the adoption of amendments to a standard effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

# United Projects Company For Aviation Services 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 2025

### 3 CHANGES TO THE GROUP'S ACCOUNTING POLICIES (continued)

#### Lack of exchangeability - Amendments to IAS 21

The amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information. The amendments did not have a material impact on the Group's interim condensed consolidated financial information.

### 4 BASIC AND DILUTED (LOSS) EARNINGS PER SHARE

Basic and diluted (loss) earnings per share is calculated by dividing the (loss) profit for the period attributable to equity holders of the Parent Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is calculated by dividing the (loss) profit 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 earnings per share are identical.

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>KD</b>	<b>KD</b>	<b>KD</b>	<b>KD</b>
(Loss) profit for the period attributable to equity holders of the Parent Company	<b>(91,133)</b>	668,065	<b>356,465</b>	1,284,953
	<b>Shares</b>	<b>Shares</b>	<b>Shares</b>	<b>Shares</b>
Weighted average number of paid up shares	<b>382,500,000</b>	382,500,000	<b>382,500,000</b>	382,500,000
Less: Weighted average number of treasury shares	<b>(4,824,307)</b>	(4,824,307)	<b>(4,824,307)</b>	(4,824,307)
Weighted average number of ordinary shares outstanding during the period	<b>377,675,693</b>	377,675,693	<b>377,675,693</b>	377,675,693
Basic and diluted (loss) earnings per share	<b>(0.24) Fils</b>	1.77 Fils	<b>0.94 Fils</b>	3.4 Fils

### 5 INTANGIBLE ASSETS

#### Messila Beach Project

On 18 July 2024, the Group entered into an arrangement with Touristic Enterprises Company ("TEC") (the "Grantor") to operate the pre-existing gardens, parks and recreation centers located in Messila beach (the "Project"). The project is fully developed and built by the TEC. The contract term is for 17 years, and the project will be handed back to the Grantor at the end of the term. The project was handed over the Group on 4 September 2024.

As at 30 June 2025, intangible assets include KD 21,990,757 (31 December 2024: KD 22,650,155 and 30 June 2024: Nil) relating to this arrangement and lease liabilities of KD 23,509,029 (31 December 2024: KD 22,935,204 and 30 June 2024: Nil) included in accounts payable and other liabilities, which represents the minimum fixed payments that will be paid by the Group to the Grantor over the term of the arrangement, discounted at a rate of 5%.

The Ultimate Parent Company has provided guarantees amounting to KD 3,283,200 (2024: Nil) for Messila Beach Project on behalf of the Group. (Note 13)

#### Sheikh Saa'd Terminal

The Group had an agreement to operate a Built-Operate-Transfer (BOT) project for the construction of Sheikh Saa'd Terminal (the "terminal"). On 10 February 2022, the Group received a proposal with an extension until 27 September 2023, followed by another proposal received on 18 September 2023 to extend the contract until 27 December 2023. On November 30, 2023, the contract was further extended until 14 May 2024. On 23 March 2025, the Group received further annual extension until 14 May 2027.

# United Projects Company For Aviation Services 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 2025

### 5 INTANGIBLE ASSETS (continued)

#### *Sheikh Saa'd Terminal (continued)*

However, during the period on 13 July 2025, the extension was revoked by the DGCA and currently the Group is in process of handing over of the terminal to DGCA. Accordingly, the Group has reversed the previously recognized intangible assets and the related lease liabilities of KD 612,117 and KD 606,515, respectively, resulting in loss on derecognition of KD 5,602.

#### *Commercial complex of Kuwait International Airport*

The Group had an agreement to operate a Built-Operate-Transfer (BOT) project for the construction of the car park and commercial complex of Kuwait International Airport. This was built on a leasehold land from the government of the State of Kuwait for 20 years which expired in May 2023. On 27 March 2024, the Group has signed the contract extension of the project with Directorate General of Civil Aviation of Kuwait ("DGCA") until 17 May 2024. On 1 May 2024, the Group received a letter from DGCA to continue operating the contract until 18 May 2025. The Group has handed over the project to DGCA on 19 May 2025.

#### *Kuwait Airways Terminal-4 Parking project*

On 25 November 2018, the Group entered into a service concession arrangement with Directorate General of Civil Aviation of Kuwait (the "Grantor") to operate a pre-existing parking and related facilities at the new Kuwait Airways dedicated Terminal 4 ("Facilities").

Under the terms of the agreement, the Group will operate and make facilities available to the public for a period of five years, starting from 9 February 2019. As of 8 February 2024, the contract period of 5 years has been completed and the Parent Company has handed over the project to the Grantor.

As at 30 June 2025, intangible assets include Nil (31 December 2024: Nil and 30 June 2024: Nil ) relating to this arrangement and liability of KD 1,515,430 (31 December 2024: KD 1,515,430 and 30 June 2024: KD 1,515,430) which represents the minimum fixed payments that will be paid by the Group to the Grantor over the term of the concession arrangement, discounted at a rate of 6%. Lease liabilities for the period from August 2020 to September 2022 have not been settled as the Parent Company is in discussions with DGCA, to be granted a waiver of rent, as the operations were impacted by the pandemic.

On 7 January 2025, Incheon International Airport Corporation ("Incheon"), the primary contractor from whom this project was sub-contracted by the Group, filed a legal case against the Parent Company, claiming KD 1,515,430 being due lease rentals as well as delay fines. Incheon has requested to appoint an expert to review the details of the case. The first hearing of 18 March 2025 was postponed to 27 May 2025. The case has now been transferred to the Expert Department, and a session was scheduled for 29 July 2025 to determine the timeline for discussions with the expert. The next court session is scheduled for 30 Sep 2025 to receive expert report.

### 6 RELATED PARTY TRANSACTIONS AND BALANCES

These represents transactions with related parties, i.e. major shareholders, associate, 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.

Transactions and balances with related parties are as follows:

			<i>Six months ended 30 June</i>	
	<i>Ultimate Parent Company KD</i>	<i>Other related parties KD</i>	<i>2025 KD</i>	<i>2024 KD</i>
<b><i>Interim condensed consolidated statement of income:</i></b>				
Revenues	-	<b>41,150</b>	<b>41,150</b>	49,510
Other income	-	<b>60,000</b>	<b>60,000</b>	-
Operating costs	-	<b>(405,008)</b>	<b>(405,008)</b>	(448,738)
General and administrative expenses	-	<b>(79,172)</b>	<b>(79,172)</b>	(57,393)
Finance cost	<b>(40,447)</b>	-	<b>(40,447)</b>	(19,364)

# United Projects Company For Aviation Services 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 2025

### 6 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

	<i>Ultimate Parent Company KD</i>	<i>Intermediate Parent Company KD</i>	<i>Other related parties KD</i>	<i>30 June 2025 KD</i>	<i>(Audited) 31 December 2024 KD</i>	<i>30 June 2024 KD</i>
<b><i>Interim condensed consolidated statement of financial position:</i></b>						
Investment in an associate <sup>1</sup>	-	-	-	-	-	1,083,739
Loan to an associate <sup>2</sup>	-	-	<b>220,517,482</b>	<b>220,517,482</b>	248,530,607	235,837,551
Amounts due from a related party (included in accounts receivable and other assets)	-	-	<b>30,703</b>	<b>30,703</b>	8,491	133,763
Amounts due to related parties (Included in accounts payable and other liabilities)	<b>(1,007,683)</b>	-	<b>(94,321)</b>	<b>(1,102,004)</b>	(1,135,722)	(1,056,044)
Loan from a related party <sup>3</sup>		<b>(116,791,432)</b>	-	<b>(116,791,432)</b>	(144,804,557)	(132,111,501)

Amounts due to related parties are interest free and are payable on demand. Other related parties include entities under common control, except for loan to an associate.

<sup>1</sup> The Group's investment in the associate was reduced to nil in the prior year. As the Group's share of losses has exceeded the carrying amount of the investment, no further share of the associate's results has been recognised.

<sup>2</sup> Loan to an associate represents amounts advanced by a subsidiary of the Group towards the construction and development of a commercial mall in UAE ("Project"). This amount bears compounded annual interest rates as per the loan agreement and carries with it the option, at the sole discretion of the Parent Company, to be converted to equity in the Project on completion of construction subject to the Project achieving certain operational targets. The Group has contributed KD 6,580,301 (31 December 2024: KD 6,580,301 and 30 June 2024: KD 6,580,301) in the equity of the Project. The Ultimate Parent Company has also invested in the equity of this Project.

The Parent Company has suspended interest income for the period ended 30 June 2025 of KD 15,199,784 (31 December 2024: KD 30,092,851 and 30 June 2024: KD 13,899,274). The interest is suspended temporarily, and the Parent Company retains the right to reinstate it in the future.

During the period, the associate has repaid KD 28,013,125 to the Group.

<sup>3</sup> Loan from the Intermediate Parent Company carries no interest and is payable on demand. On 13 June 2023, the Parent Company and Intermediate Parent Company signed a convertible loan agreement ('agreement') amounting to KD 125 million. The agreement has been revised to have a limit of KD 160 million as per the addendum signed on 8 August 2024. Subsequent to the reporting period, the agreement has been amended and the maturity of the loan has been extended until 8 August 2026. The utilized portion of the loan as of 30 June 2025 amounts to KD 116.79 million and the unutilized portion of the loan amounting to KD 43.21 million. The agreement grants the Intermediate Parent Company an option to convert the debt into new ordinary shares in the Parent Company in accordance with the terms of the agreement. The completion and execution of the conversion option of the existing debt, once exercised, will be subject to the approval of the relevant regulatory authorities and to the approval of Extra-ordinary General Meeting ('EGM') of the shareholders of the Parent Company.

The Ultimate Parent Company has provided guarantees amounting to KD 3,283,200 (31 December 2024: KD 3,283,200 and 30 June 2024: KD Nil) for a Messila Beach Project on behalf of Group (Note 12).

# United Projects Company For Aviation Services 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 2025

### 6 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

#### Compensation of 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 remuneration of key management personnel during the period was as follows:

	<i>Six months ended 30 June</i>	
	<b>2025</b>	<b>2024</b>
	<b>KD</b>	<b>KD</b>
Short-term benefits	<b>150,393</b>	202,295
Employees' end of service benefits	<b>33,869</b>	14,956
	<b>184,262</b>	217,251

### 7 SHARE CAPITAL

	<i>30 June 2025 KD</i>	<i>(Audited) 31 December 2024 KD</i>	<i>30 June 2024 KD</i>
Issued and paid up share capital of 382,500,000 shares of 100 fils each (31 December 2024: 382,500,000 shares of 100 fils each and 30 June 2024: 382,500,000 shares of 100 fils each)	<b>38,250,000</b>	38,250,000	38,250,000

	<i>30 June 2025 Shares</i>	<i>(Audited) 31 December 2024 Shares</i>	<i>30 June 2024 Shares</i>
<b>Authorised shares</b>			
Ordinary shares of 100 fils each	<b>1,132,500,000</b>	1,132,500,000	1,132,500,000
<b>Ordinary shares issued and fully paid</b>	<b>382,500,000</b>	382,500,000	382,500,000

### 8 TREASURY SHARES

	<i>30 June 2025</i>	<i>(Audited) 31 December 2024</i>	<i>30 June 2024</i>
Number of treasury shares (shares)	<b>4,824,307</b>	4,824,307	4,824,307
Percentage of issued shares (%)	<b>1%</b>	1%	1%
Market value (KD)	<b>709,173</b>	747,768	873,200
Cost (KD)	<b>1,544,594</b>	1,544,594	1,544,594

Reserves equivalent to the cost of the treasury shares held are not available for distribution.

# United Projects Company For Aviation Services 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 2025

### 9 ACCOUNTS PAYABLE AND OTHER LIABILITIES

	<b>30 June 2025 KD</b>	<i>(Audited)</i> <b>31 December 2024 KD</b>	<b>30 June 2024 KD</b>
Lease liabilities	<b>25,024,459</b>	24,450,634	1,515,430
Accounts payable	<b>1,091,700</b>	1,037,228	1,003,274
Amounts due to related parties (Note 6)	<b>1,102,004</b>	1,135,722	1,056,044
Accrued expenses	<b>1,339,560</b>	1,617,495	1,369,569
KFAS payable	<b>4,175</b>	15,988	20,495
Contract liabilities	<b>532,579</b>	783,035	714,582
Provision for staff leave	<b>96,689</b>	100,906	139,424
Tenant refundable deposits	<b>1,411,146</b>	1,322,797	1,336,268
	<b>30,602,312</b>	30,463,805	7,155,086
	<b>30 June 2025 KD</b>	<i>(Audited)</i> <b>31 December 2024 KD</b>	<b>30 June 2024 KD</b>
<b>Classified as:</b>			
Non-current liabilities	<b>22,323,664</b>	22,242,974	827,366
Current liabilities	<b>8,278,648</b>	8,220,831	6,327,720
	<b>30,602,312</b>	30,463,805	7,155,086

### 10 TAXATION

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<b>2025 KD</b>	<b>2024 KD</b>	<b>2025 KD</b>	<b>2024 KD</b>
National labour support tax ("NLST")	-	17,564	-	35,370
Contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS")	<b>(377)</b>	6,997	<b>4,175</b>	13,480
Zakat	-	7,025	-	14,148
	<b>(377)</b>	31,586	<b>4,175</b>	62,998

### 11 OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised in two operating segments: i) Investments: consists of investing in the Project (Note 6) and surplus funds in investment portfolios. ii) Service operations: consists of managing projects and providing airplane ground and cleaning services and other service facilities.

# United Projects Company For Aviation Services 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 2025

### 11 OPERATING SEGMENT INFORMATION (continued)

	<i>Investments</i>		<i>Services operations</i>		<i>Total</i>	
	<i>Six months ended</i>		<i>Six months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>		<i>30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
<b><i>Interim condensed consolidated statement of income:</i></b>						
Segment revenue	<b>169,524</b>	115,929	<b>3,565,599</b>	4,427,994	<b>3,735,123</b>	4,543,923
Segment profit (loss)	<b>129,077</b>	(696,033)	<b>371,986</b>	2,072,377	<b>501,063</b>	1,376,344
Unallocated expenses					<b>(4,175)</b>	(62,998)
Profit for the period					<b>496,888</b>	1,313,346
<b><i>Other information:</i></b>						
Share of results of associates	-	(791,839)	-	-	-	(791,839)
Depreciation and amortization	-	-	<b>(821,068)</b>	(82,598)	<b>(821,068)</b>	(82,598)

	<i>Investments</i>			<i>Services operations</i>			<i>Total</i>		
	<i>30 June</i>	<i>(Audited)</i>	<i>30 June</i>	<i>30 June</i>	<i>(Audited)</i>	<i>30 June</i>	<i>30 June</i>	<i>(Audited)</i>	<i>30 June</i>
	<i>2025</i>	<i>31 December</i>	<i>2024</i>	<i>2025</i>	<i>31 December</i>	<i>2024</i>	<i>2025</i>	<i>31 December</i>	<i>2024</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
<b><i>Interim condensed consolidated statement of financial position:</i></b>									
Assets	<b>230,211,118</b>	253,813,358	243,279,084	<b>25,272,360</b>	29,030,462	4,043,584	<b>255,483,478</b>	282,843,820	247,322,668
Liabilities	<b>116,791,432</b>	144,804,557	132,111,501	<b>31,391,092</b>	31,235,197	8,049,723	<b>148,182,524</b>	176,039,754	140,161,224
Additions to property and equipment	-	-	-	<b>27,242</b>	113,721	3,356	<b>27,242</b>	113,721	3,356
Investment in an associate	-	-	1,083,739	-	-	-	-	-	1,083,739

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2025

**12 CONTINGENCIES**

As at 30 June 2025, the Group had contingent liabilities, amounting to KD 304,154 (31 December 2024: KD 642,554 and 30 June 2024: KD 558,758), in respect of bank guarantees arising in normal course of business from which it is anticipated that no material liabilities will arise.

The Ultimate Parent Company has provided guarantees amounting to KD 3,283,200 (31 December 2024: KD 3,283,200 and 30 June 2024: Nil) for a Messila Beach Project on behalf of the Group (Note 5).

**13 FAIR VALUE OF FINANCIAL INSTRUMENTS**

Financial instruments comprise of financial assets and financial liabilities.

Financial assets consist of accounts receivables and other assets, cash and cash equivalents and loan to an associate. Financial liabilities consist of loans and borrowings, accounts payables and other liabilities excluding rent received in advance. Management assessed that the carrying value of financial instruments at amortised cost is not significantly different from their fair values as most of these assets and liabilities are of short-term maturity or are re-priced immediately based on market movement in interest rates.

Loan to an associate is classified as Level 3.

The following table shows a reconciliation of the opening and closing amount of level 3 financial assets which are recorded at fair value.

	<i>30 June 2025 KD</i>	<i>(Audited) 31 December 2024 KD</i>	<i>30 June 2024 KD</i>
At the beginning of the period / year	<b>248,530,607</b>	215,232,121	215,232,121
(Repayments) Addition to contribution	<b>(28,013,125)</b>	33,298,486	20,605,430
<b>At the end of the period / year</b>	<b>220,517,482</b>	248,530,607	235,837,551