



Date: 20/02/2024

ALG/CO/08/2024 إشارة:

التاريخ: 2024/02/20

Dear Bursa Kuwait Company

السادة/ شركة بورصة الكويت المحترمين

Greeting,

تحية طيبة وبعد،

Subject: Outcomes of the Board of Directors Meeting of Ali Alghanim Sons Automotive Co.

الموضوع: نتائج اجتماع مجلس إدارة شركة أولاد علي الغانم للسيارات

With reference to the above subject, and according to requirements of module ten (Disclosure and Transparency) of the Executive Bylaws of law No.7 of 2010 regarding the establishment of the Capital Markets Authority and the regulating securities activities and its amendments, we would like to attach the Appendix No. (10) "Disclosure of Material Information" regarding to the outcomes of the Board of Directors Meeting.

بالإشارة إلى الموضوع أعلاه، ووفقاً لمتطلبات الكتاب العاشر (الإفصاح والشفافية) من اللائحة التنفيذية للقانون رقم 7 لسنة 2010 بشأن إنشاء هيئة أسواق المال وتنظيم نشاط الأوراق المالية وتعديلاته، نود أن نرفق لكم الملحق رقم (10) "الإفصاح عن المعلومات الجوهرية" بشأن نتائج إجتماع مجلس إدارة الشركة.

Pursuant of the Bursa Kuwait Rules Book requirements issued under resolution No (1) of 2018, we are pleased to announce that the Analyst/Investors Conference will be held on Thursday 22/02/2024 at 2:00 pm Kuwait local time, and it will take place via a live webcast.

وعملاً بقواعد البورصة الصادرة بموجب القرار رقم (1) لسنة 2018، يسرنا الإعلان عن موعد مؤتمر المحللين/المستثمرين والذي تقرر انعقاده يوم الخميس الموافق 2024/02/22 في تمام الساعة 02:00 ظهراً بتوقيت دولة الكويت والذي سيعقد عن طريق بث مباشر على شبكة الإنترنت.

Interested parties are welcome to contact us through the following email, to provide them with the invitation and details to participate in the conference.

وعلى الأطراف المهتمة التواصل معنا على البريد الإلكتروني التالي ليتم إرسال الدعوات وتفاصيل المشاركة بالمؤتمر.

investors@alg.com.kw

investors@alg.com.kw

Sincerely,

وتفضلوا بقبول فائق التحية والإحترام،

Yousef Abdullah Al Qatami يوسف عبدالله القطامي
Vice Chairman نائب رئيس مجلس الإدارة
& CEO والرئيس التنفيذي



www.alg.com.kw

نموذج الإفصاح عن المعلومات الجوهرية

Disclosure of Material Information Form

Date:	20/02/2024	التاريخ:
Name of The Listed Company:	Ali Alghanim Sons Automotive Co. (K.S.C.P) - ALG	اسم الشركة المدرجة:
		شركة أولاد علي الغانم للسيارات (ش.م.ك.ع) - الغانم
Material Information		المعلومات الجوهرية
<p>We would like to inform you that the Board of Directors of Ali Alghanim Sons Automotive Company met on Tuesday, 20/02/2024, at 01:00 PM. The board made the following decisions:</p> <ul style="list-style-type: none"> • Approved the consolidated financial statements for the year ended 31/12/2023. • Approved the distribution of cash dividends to the company's shareholders by 35% of the share nominal value at rate of 35 fils per share for the six months ended 31/12/2023. <p>Note that these recommendations subject to approval of the Ordinary General Assembly.</p>		<p>نود إفادتكم بأن مجلس إدارة شركة أولاد علي الغانم للسيارات قد اجتمع يوم الثلاثاء الموافق 2024/02/20 في تمام الساعة 01:00 ظهراً، وقد اتخذ المجلس القرارات التالية:</p> <ul style="list-style-type: none"> • اعتماد البيانات المالية المجمعة للسنة المالية المنتهية في 2023/12/31. • الموافقة على توزيع أرباح نقدية على مساهمي الشركة بواقع 35% من القيمة الاسمية للسهم أي ما يعادل 35 فلس للسهم الواحد عن الستة أشهر المنتهية في 2023/12/31. <p>علماً بأن تلك التوصيات تخضع لموافقة الجمعية العامة العادية للمساهمين.</p>
Significant effect of the material information on the financial position of the company		أثر المعلومات الجوهرية على المركز المالي للشركة
Attached The Financial Result Form for the year ended 31/12/2023		مرفق نموذج نتائج البيانات المالية للسنة المنتهية في 2023/12/31



مرفق

Financial Results Form
Kuwaiti Company (KWD)

نموذج نتائج البيانات المالية
للشركات الكويتية (د.ك.)

Company Name	اسم الشركة
Ali Alghanim Sons Automotive Company K.S.C.P.	شركة أولاد علي الغانم للسيارات ش.م.ك.ع.

Financial Year Ended on	2023-12-31	نتائج السنة المالية المنتهية في
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Board of Directors Meeting Date	2024-02-20	تاريخ اجتماع مجلس الإدارة
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Required Documents	المستندات الواجب إرفاقها بالنموذج
Approved financial statements. Approved auditor's report This form shall not be deemed to be complete unless the documents mentioned above are provided	نسخة من البيانات المالية المعتمدة نسخة من تقرير مراقب الحسابات المعتمد لا يعتبر هذا النموذج مكتملاً ما لم يتم وإرفاق هذه المستندات

التغيير (%)	السنة المقارنة	السنة الحالية	البيان
Change (%)	Comparative Year	Current Year	Statement
	2022-12-31	2023-12-31	
52.27%	18,704,850	28,481,450	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
53.47%	67.72	103.93	ربحية (خسارة) السهم الأساسية والمخففة Basic & Diluted Earnings per Share
21.62%	81,655,951	99,312,747	الموجودات المتداولة Current Assets
18.66%	188,078,762	223,182,468	إجمالي الموجودات Total Assets
3.21%	77,002,603	79,476,184	المطلوبات المتداولة Current Liabilities
20.61%	108,412,508	130,753,646	إجمالي المطلوبات Total Liabilities
13.11%	72,963,961	82,531,375	إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم Total Equity attributable to the owners of the Parent Company
39.04%	190,914,523	265,438,122	إجمالي الإيرادات التشغيلية Total Operating Revenue
44.41%	23,615,602	34,103,377	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)
Not Applicable	لا يوجد خسائر متراكمة No Accumulated Losses	لا يوجد خسائر متراكمة No Accumulated Losses	الخسائر المتراكمة / رأس المال المدفوع Accumulated Loss / Paid-Up Share Capital

التغيير (%)	الربع الرابع المقارن	الربع الرابع الحالي	البيان
Change (%)	Fourth quarter Comparative Year	Fourth quarter Current Year	Statement
	2022-12-31	2023-12-31	
48.88%	5,072,857	7,552,616	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
48.97%	18.5	27.56	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
32.71%	50,950,097	67,614,633	إجمالي الإيرادات التشغيلية Total Operating Revenue
36.84%	6,394,374	8,750,210	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)

• Not Applicable for first Quarter

• لا ينطبق على الربع الأول

Increase/Decrease in Net Profit (Loss) is due to	سبب ارتفاع/انخفاض صافي الربح (الخسارة)
Increase in Net profit is mainly due to volume increase from vehicles.	تعود الزيادة في صافي الأرباح بشكل رئيسي إلى زيادة حجم مبيعات السيارات

Total Revenue realized from dealing with related parties (value, KWD)	1,601,561	بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
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Total Expenditures incurred from dealing with related parties (value, KWD)	25,226	بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
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Auditor Opinion		رأي مراقب الحسابات
1. Unqualified Opinion	<input checked="" type="checkbox"/>	1. رأي غير متحفظ
2. Qualified Opinion	<input type="checkbox"/>	2. رأي متحفظ
3. Disclaimer of Opinion	<input type="checkbox"/>	3. عدم إبداء الرأي
4. Adverse Opinion	<input type="checkbox"/>	4. رأي معاكس

In the event of selecting item No. 2, 3 or 4, the following table must be filled out, and this form is not considered complete unless it is filled.

بحال اختيار بند رقم 2 أو 3 أو 4 يجب تعبئة الجدول التالي، ولا يعتبر هذا النموذج مكتملاً ما لم يتم تعبئته

لا ينطبق Not Applicable	نص رأي مراقب الحسابات كما ورد في التقرير
لا ينطبق Not Applicable	شرح تفصيلي بالحالة التي استدعت مراقب الحسابات لإبداء الرأي
لا ينطبق Not Applicable	الخطوات التي ستقوم بها الشركة لمعالجة ما ورد في رأي مراقب الحسابات
لا ينطبق Not Applicable	الجدول الزمني لتنفيذ الخطوات لمعالجة ما ورد في رأي مراقب الحسابات

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Corporate Actions		استحقاقات الأسهم (الإجراءات المؤسسية)	
النسبة	القيمة		
35%	35 Fils Per Share	توزيعات نقدية	Cash Dividends
—	لا ينطبق / Not Applicable	توزيعات أسهم منحة	Bonus Share
—	لا ينطبق / Not Applicable	توزيعات أخرى	Other Dividend
—	لا ينطبق / Not Applicable	عدم توزيع أرباح	No Dividends
—	لا ينطبق / Not Applicable	زيادة رأس المال	Capital Increase
—	لا ينطبق / Not Applicable	تخفيض رأس المال	Capital Decrease

ختم الشركة Company Seal	التوقيع Signature	المسمى الوظيفي Title	الاسم Name
		Chairman	Eng Fahad Ali Mohammed Thunayan Alghanim



INDEPENDENT AUDITOR’S REPORT TO THE SHAREHOLDERS OF ALI AL-GHANIM SONS AUTOMOTIVE COMPANY K.S.C.P.

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Ali Al-Ghanim Sons Automotive Company K.S.C.P. (the “Parent Company”) and its subsidiaries (collectively, the “Group”), which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

**INDEPENDENT AUDITOR’S REPORT TO THE SHAREHOLDERS OF
ALI AL-GHANIM SONS AUTOMOTIVE COMPANY K.S.C.P. (continued)**

Report on the Audit of Consolidated Financial Statements (continued)

Key Audit Matters (continued)

<i>Existence and valuation of inventories</i>	
Key audit matter	How the key audit matter was addressed in the audit
<p>As at 31 December 2023, the Group held inventories of KD 63,292,109 net of an allowance of KD 3,157,385, representing 28% of total assets.</p> <p>Inventories mainly consist of motor vehicles and spare parts on-hand and in-transit at year-end and are valued at the lower of cost and net realisable value. Management determines the level of obsolescence of inventories by considering their nature, aging profile and sales expectations using historic trends and other qualitative factors. At each reporting date, the cost of inventories is reduced where inventories are forecasted to be sold at below cost.</p> <p>Judgment is required to identify obsolete and slow-moving inventories and assess the appropriate level of allowance for such inventories, which may be sold below cost as a result of a reduction in consumer demand. Such judgments include management's expectations for future sales and inventory liquidation plans. Estimation process of the allowance is disclosed in Note 2.6.2 to the consolidated financial statements.</p> <p>We considered the existence and valuation of inventories as a key audit matter given the relative size of the balance in the consolidated statement of financial position and the significant judgments and key assumptions applied by management in determining the allowance and the level of inventories write down required based on Net Realisable Value (NRV) assessment.</p>	<p>Our audit procedures included, among others, the following:</p> <ul style="list-style-type: none"> ▶ We attended the physical inventory count at year-end for all significant locations, observed the count procedures and, for a sample of inventory, performed test counts to assess the existence and condition of inventory on-hand. ▶ For Goods in Transit (“GIT”), we tested a sample of the cost incurred to supporting evidence such as external purchase invoices, shipping documents and receipt of inventory after the cut-off date. ▶ We reviewed the basis for the allowance by understanding and challenging the key assumptions used. In doing so, we understood the aging profile of the inventory, identification of obsolete and slow-moving inventories and the process for identifying specific problem inventory. Furthermore, we recalculated the expected allowance based on the above key assumptions to assess the mathematical accuracy of the calculation. ▶ We assessed the appropriateness of management estimation of NRV by tracing inventory items in the listing, on a sample basis, to sales during and subsequent to the reporting period. ▶ We also considered the adequacy of the Group’s accounting policies and disclosures relating to inventory and related allowances in Notes 2 and 13 to the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ALI AL-GHANIM SONS AUTOMOTIVE COMPANY K.S.C.P (continued)

Report on the Audit of Consolidated Financial Statements (continued)

Other information included in the Group's 2023 Annual Report

Management is responsible for the other information. The other information consists of the information included in the Group's 2023 Annual Report, other than the consolidated financial statements and our auditor's report thereon. We obtained the report of the Parent Company's Board of Directors, prior to the date of our auditor's report, and we expect to obtain the remaining sections of the Annual Report after the date of our auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
ALI AL-GHANIM SONS AUTOMOTIVE COMPANY K.S.C.P. (continued)**

Report on the Audit of Consolidated Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
ALI AL-GHANIM SONS AUTOMOTIVE COMPANY K.S.C.P. (continued)**

Report on the Audit of Consolidated Financial Statements (continued)

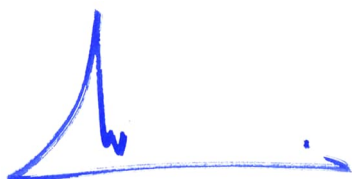
Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Furthermore, in our opinion proper books of account have been kept by the Parent Company and the consolidated financial statements, together with the contents of the report of the Parent Company's Board of Directors relating to these consolidated financial statements, are in accordance therewith. We further report that we obtained all the information and explanations that we required for the purpose of our audit and that the consolidated financial statements incorporate all information that is required by the Companies Law No. 1 of 2016, as amended, and its executive regulations, as amended, and by the Parent Company's Memorandum of Incorporation, and Articles of Association that an inventory count was duly carried out and that, to the best of our knowledge and belief, no 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, have occurred during the year ended 31 December 2023, 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 audit, we have not become aware of any violations of the provisions of Law No 7 of 2010 concerning the Capital Markets Authority and its related regulations during the year ended 31 December 2023 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

20 February 2024
Kuwait

Ali Al-Ghanim Sons Automotive Company K.S.C.P. and its Subsidiaries

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2023

	<i>Notes</i>	2023 <i>KD</i>	2022 <i>KD</i>
CONTINUING OPERATIONS			
Revenue from contracts with customers	3	258,627,009	183,872,171
Vehicle lease income		4,158,347	4,186,882
Revenue		262,785,356	188,059,053
Cost of sales and services rendered		(198,691,552)	(144,450,454)
GROSS PROFIT		64,093,804	43,608,599
Other income, net	4	2,652,766	2,855,470
Share of results of equity-accounted investees	11	3,510,835	(678,436)
Selling and distribution expenses		(19,518,581)	(12,813,171)
Administrative expenses		(13,124,612)	(10,035,296)
Finance costs		(2,014,962)	(1,144,824)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		35,599,250	21,792,342
Taxation	6	(2,270,506)	(1,009,150)
Directors' remuneration	21	(85,000)	(35,000)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	5	33,243,744	20,748,192
DISCONTINUED OPERATIONS			
Loss after tax for the year from discontinued operations	31	-	(1,492,826)
PROFIT FOR THE YEAR		33,243,744	19,255,366
Attributable to:			
Equity holders of the Parent Company		28,481,450	18,704,850
Non-controlling interests		4,762,294	550,516
		33,243,744	19,255,366
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT COMPANY (FILS)			
	7	103.93	67.72
BASIC AND DILUTED EARNINGS PER SHARE FOR CONTINUING OPERATIONS ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT COMPANY (FILS)			
	7	103.93	70.69

The attached notes 1 to 31 form part of these consolidated financial statements.

Ali Al-Ghanim Sons Automotive Company K.S.C.P. and its Subsidiaries

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023

	<i>Notes</i>	2023 KD	2022 KD
PROFIT FOR THE YEAR		33,243,744	19,255,366
Other comprehensive (loss) income			
<i>Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:</i>			
Cash flow hedges – effective portion of changes in fair value		539,674	(232,447)
Cost of hedging reserve – changes in fair value		(117,382)	(654,982)
Cost of hedging reserve – amortised to profit or loss		228,239	574,190
Net gain (loss) on cash flow hedges		650,531	(313,239)
Net exchange differences on translation of foreign operations		(1,581,087)	(897,339)
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods		(930,556)	(1,210,578)
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</i>			
Net gain on equity instruments designated at fair value through other comprehensive income	12	143,500	37,842
Revaluation of lands	8	-	11,369,000
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods		143,500	11,406,842
Other comprehensive (loss) income for the year		(787,056)	10,196,264
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		32,456,688	29,451,630
Attributable to:			
Equity holders of the Parent Company		28,481,294	28,831,639
Non-controlling interests		3,975,394	619,991
		32,456,688	29,451,630

The attached notes 1 to 31 form part of these consolidated financial statements.

Ali Al-Ghanim Sons Automotive Company K.S.C.P. and its Subsidiaries

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	Notes	2023 KD	2022 KD
ASSETS			
Non-current assets			
Property, plant and equipment	8	109,949,266	101,715,627
Intangible assets	9	75,989	223,291
Medium-term receivables	10	972,529	952,820
Investment in equity-accounted investees	11	12,262,937	3,065,573
Financial assets at fair value through other comprehensive income	12	609,000	465,500
		<u>123,869,721</u>	<u>106,422,811</u>
Current assets			
Inventories	13	63,292,109	52,345,292
Accounts receivable and prepayments	14	8,851,965	9,556,026
Receivables from related parties	21	6,688,528	3,846,370
Cash and short-term deposits	15	20,480,145	15,908,263
		<u>99,312,747</u>	<u>81,655,951</u>
TOTAL ASSETS		<u><u>223,182,468</u></u>	<u><u>188,078,762</u></u>
EQUITY AND LIABILITIES			
Equity			
Share capital	16	27,750,000	27,750,000
Statutory reserve	16	7,676,188	4,676,367
Treasury shares	17	(3,011,204)	(2,954,654)
Treasury shares reserve	17	5,139	5,139
Asset revaluation surplus	16	31,508,181	31,508,181
Cash flow hedge reserve	16	-	(591,721)
Cost of hedging reserve	16	-	(110,857)
Fair value reserve	16	134,283	(9,217)
Foreign currency translation reserve	16	(1,159,994)	(365,807)
Other reserves		1,196,343	1,196,343
Retained earnings		18,432,439	11,860,187
Equity attributable to equity holders of the Parent Company		<u>82,531,375</u>	<u>72,963,961</u>
Non-controlling interests		9,897,447	6,702,293
Total equity		<u>92,428,822</u>	<u>79,666,254</u>
Non-current liabilities			
Islamic finance payables	18	29,048,163	13,981,281
Employees' end of service benefits	19	5,845,787	5,451,636
Accounts payable and accruals	20	16,383,512	11,976,988
		<u>51,277,462</u>	<u>31,409,905</u>
Current liabilities			
Islamic finance payables	18	4,459,073	2,623,038
Accounts payable and accruals	20	65,336,472	70,069,985
Payables to related parties	21	9,680,639	4,309,580
		<u>79,476,184</u>	<u>77,002,603</u>
Total liabilities		<u>130,753,646</u>	<u>108,412,508</u>
TOTAL EQUITY AND LIABILITIES		<u><u>223,182,468</u></u>	<u><u>188,078,762</u></u>



Eng. Fahad Ali Mohammed Thunayan Alghanim
Chairman

The attached notes 1 to 31 form part of these consolidated financial statements.

Ali Al-Ghanim Sons Automotive Company K.S.C.P. and its Subsidiaries

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	<i>Notes</i>	2023 <i>KD</i>	2022 <i>KD</i>
OPERATING ACTIVITIES			
Profit from continuing operations before tax and directors' remuneration		35,599,250	21,792,342
Loss from discontinued operations		-	(1,492,826)
Profit before tax		35,599,250	20,299,516
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Gain on disposal of property, plant and equipment		(44,295)	(45,287)
Gain on derecognition of right-of-use assets		(1,333)	(18,362)
Depreciation of property, plant and equipment and right-of-use assets	8	7,676,067	6,809,603
Impairment loss on property, plant and equipment & intangible assets	8 & 9	-	84,632
Amortisation of intangible assets	9	180,566	69,557
Share of results of equity-accounted investees	11	(3,510,835)	678,436
Other movements in equity-accounted investees	11	944,194	-
Loss on de-recognition of a subsidiary	31	-	1,847,540
Charge of provision for obsolete and slow-moving inventories	13	824,928	65,234
Allowance for expected credit losses on trade receivables	14	526,307	59,601
Provision for employees' end of service benefits	19	726,227	1,000,148
Finance costs on loans and borrowings		1,788,968	944,573
Dividend income		(26,250)	-
Interest expense on lease liabilities	20	225,994	200,251
		44,909,788	31,995,442
<i>Working capital changes:</i>			
Inventories		(12,775,808)	(27,402,649)
Medium-term receivables		(19,709)	426,995
Accounts receivable and prepayments		1,156,706	(1,951,118)
Receivables from related parties		(290,029)	236,386
Payables to related parties		65,927	-
Accounts payable and accruals		(3,413,944)	29,266,230
Cash flows from operations		29,632,931	32,571,286
Employees' end of service benefits paid	19	(332,076)	(261,269)
Taxes paid		(1,022,693)	(501,289)
Net cash flows from operating activities		28,278,162	31,808,728
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	8	(11,430,430)	(2,834,767)
Proceeds from disposal of property, plant and equipment		379,781	368,729
Net movement in term deposits	15	1,000,000	(1,000,000)
Net payments made towards investment in equity accounted investees		(4,605,000)	(5,330,650)
Net movement in receivables from related parties		(6,303,385)	(3,745,437)
Purchase of financial assets at fair value through other comprehensive income		-	(427,658)
Dividend income received		26,250	-
Additions to intangible assets	9	(33,144)	(45,959)
Net cash flows used in investing activities		(20,965,928)	(13,015,742)
FINANCING ACTIVITIES			
Proceeds from Islamic finance payables	18	37,030,000	13,200,000
Repayment of Islamic finance payables	18	(20,127,083)	(18,827,316)
Dividends paid to non-controlling interests		(780,240)	(380,339)
Net movement in payables to related parties		5,305,132	(277,785)
Purchase of treasury shares	17	(56,550)	(3,554,412)
Proceeds from sale of treasury shares	17	-	604,897
Dividends paid to equity holders of the Parent Company		(18,934,222)	(10,879,489)
Finance costs paid		(1,788,968)	(944,573)
Payment of lease liabilities	20	(2,522,768)	(1,806,523)
Net cash flows used in financing activities		(1,874,699)	(22,865,540)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		5,437,535	(4,072,554)
Cash and cash equivalents at 1 January		14,908,263	19,068,429
Net foreign exchange difference		134,347	(87,612)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	15	20,480,145	14,908,263

The attached notes 1 to 31 form part of these consolidated financial statements.

Ali Al-Ghanim Sons Automotive Company K.S.C.P. and its Subsidiaries

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended 31 December 2023

Non-cash items excluded from the consolidated statement of cash flows:

	<i>Notes</i>	2023 KD	2022 KD
Effective portion of gain on hedging instruments (adjusted with accounts receivable and prepayments)		-	1,249,704
Additions to lease liabilities (adjusted with accounts payables and accruals)	20	4,403,202	3,158,502
Additions to right-of-use assets (adjusted with additions to property, plant and equipment)	8	(4,403,202)	(3,158,502)
Transfer of property, plant and equipment from inventories (net) - (adjusted with property, plant and equipment)	8	1,055,865	225,564
Transfer of property, plant and equipment to inventories (net) - (adjusted with inventories)	8	(1,055,865)	(225,564)
Gain on derecognition of leases (adjusted with accounts payables and accruals)		1,333	18,362
Derecognition of right-of-use assets (adjusted with property, plant and equipment)	8	216,127	116,051
Derecognition of lease liabilities (adjusted with accounts payable and accruals)	20	(217,460)	(134,413)
Additions to investment in equity accounted investees (adjusted with receivables from related parties)		(3,751,256)	-
Net movement in receivables from related parties (adjusted with investment in equity-accounted investees)	11	3,751,256	-
Transfer of property, plant and equipment to finance lease receivable - (adjusted with property, plant and equipment)	8	440,487	-

The attached notes 1 to 31 form part of these consolidated financial statements.