

**Jazeera Airways K.S.C.P.
Kuwait**

**Condensed Consolidated Interim Financial Information (Unaudited)
and
Independent Auditor's Review Report
30 June 2025**

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REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF JAZEERA AIRWAYS K.S.C.P.

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Jazeera Airways K.S.C.P. (the "Parent Company") and its subsidiaries (together called "the Group") as at 30 June 2025, and the related condensed consolidated statements of profit or loss, profit or loss and other comprehensive income for the three-month and six-month periods, changes in equity and cash flows for the six-month period then ended. Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 - Interim Financial Reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 - Interim Financial Reporting.

Report on other Legal and Regulatory Requirements

Based on our review, the interim 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 material violations of the Companies Law No. 1 of 2016, as amended, and its Executive Regulations or of the Memorandum of Incorporation and Articles of Association, as amended, of the Parent Company, during the six-month 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 material violations of the provisions of Law No. 7 of 2010, concerning the Capital Markets Authority and its related regulations, as amended, during the six-month period ended 30 June 2025, that might have had a material effect on the business of the Parent Company or on its financial position.



Ali B. Al-Wazzan
License No. 246A
Deloitte & Touche - Al-Wazzan & Co.

Kuwait
11 August 2025

Condensed Consolidated Statement of Financial Position (Unaudited)
as at 30 June 2025

		Kuwaiti Dinars		
	Note	30 June 2025 (Unaudited)	31 December 2024 (Audited)	30 June 2024 (Unaudited)
ASSETS				
Non-current assets				
Property and equipment	3	135,674,371	141,162,832	76,167,050
Right to use asset	4	112,374,143	119,908,939	134,376,757
Advance for maintenance		3,101,117	2,282,771	10,458,607
Security deposits		266,290	265,696	922,571
		<u>251,415,921</u>	<u>263,620,238</u>	<u>221,924,985</u>
Current assets				
Inventories		9,950,722	7,977,209	6,159,619
Security deposits		261,900	98,618	195,080
Trade and other receivables		15,429,931	16,376,798	26,265,107
Cash and bank balances	5	54,468,617	48,413,833	43,970,990
		<u>80,111,170</u>	<u>72,866,458</u>	<u>76,590,796</u>
Total assets		<u>331,527,091</u>	<u>336,486,696</u>	<u>298,515,781</u>
LIABILITIES AND EQUITY				
Equity				
Share capital	6	22,000,000	22,000,000	22,000,000
Legal reserve		4,556,409	4,556,409	3,488,227
Hedge reserve		-	-	(337,784)
Treasury shares	7	(288,292)	-	-
Retained earnings		9,630,530	8,879,958	2,741,437
Total equity		<u>35,898,647</u>	<u>35,436,367</u>	<u>27,891,880</u>
Non-current liabilities				
Post-employment benefits		5,586,169	4,680,856	4,626,679
Maintenance payables		34,545,791	32,368,102	30,691,685
Lease liabilities	8	104,144,267	110,708,171	119,792,831
Term loans		59,000,000	61,500,000	33,000,000
		<u>203,276,227</u>	<u>209,257,129</u>	<u>188,111,195</u>
Current liabilities				
Maintenance payables		13,692,903	13,325,056	9,746,879
Lease liabilities	8	18,010,622	18,780,119	24,951,587
Term loans		8,000,000	14,000,000	1,000,000
Trade and other payables		35,963,673	32,850,302	28,134,531
Deferred revenue		16,685,019	12,837,723	18,679,709
		<u>92,352,217</u>	<u>91,793,200</u>	<u>82,512,706</u>
Total liabilities		<u>295,628,444</u>	<u>301,050,329</u>	<u>270,623,901</u>
Total liabilities and equity		<u>331,527,091</u>	<u>336,486,696</u>	<u>298,515,781</u>

The accompanying notes 1 to 15 are an integral part of this condensed consolidated interim financial information.



Marwan Marzouq Boodai
Chairman



Condensed Consolidated Statement of Profit or Loss (Unaudited) -
Six months ended 30 June 2025

		Kuwaiti Dinars			
		Three months ended 30 June		Six months ended 30 June	
	Note	2025	2024	2025	2024
Revenue	9	48,629,992	52,588,047	102,189,745	98,947,677
Operating costs	10	(41,703,217)	(44,157,699)	(86,595,503)	(87,606,456)
Gross profit		6,926,775	8,430,348	15,594,242	11,341,221
Other operating income	3	2,182,752	466,106	2,789,342	958,890
General and administrative expenses	11	(2,106,890)	(1,698,575)	(3,967,096)	(3,326,784)
Finance costs		(2,331,793)	(2,224,941)	(4,691,496)	(4,182,568)
Foreign currency gain/(loss)		407,392	610,686	302,825	(1,905,595)
Profit before contribution and taxes		5,078,236	5,583,624	10,027,817	2,885,164
Zakat		(56,267)	(36,200)	(110,363)	(36,200)
Contribution to Kuwait Foundation for the Advancement of Sciences		(46,633)	(25,966)	(91,179)	(25,966)
National Labour Support Tax		(140,670)	(90,501)	(275,909)	(90,501)
Profit for the period		4,834,666	5,430,957	9,550,366	2,732,497
Attributable to:					
Shareholders of the Parent Company		4,834,666	5,430,957	9,550,366	2,732,497
Earnings per share (fils)					
Basic & diluted	12	21.99	24.69	43.42	12.42

The accompanying notes 1 to 15 are an integral part of this condensed consolidated interim financial information.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Unaudited) -
Six months ended 30 June 2025

	Kuwaiti Dinars			
	Three months ended		Six months ended	
	30 June		30 June	
	2025	2024	2025	2024
Profit for the period	4,834,666	5,430,957	9,550,366	2,732,497
Other comprehensive income				
Items that may be reclassified subsequently to statement of profit or loss				
Hedge reserve – Cash flow hedge	-	(150,183)	-	(337,784)
Total comprehensive income for the period	<u>4,834,666</u>	<u>5,280,774</u>	<u>9,550,366</u>	<u>2,394,713</u>
Attributable to:				
Shareholders of the Parent Company	<u>4,834,666</u>	<u>5,280,774</u>	<u>9,550,366</u>	<u>2,394,713</u>

The accompanying notes 1 to 15 are an integral part of this condensed consolidated interim financial information.

Condensed Consolidated Statement of Changes in Equity (Unaudited) –
Six months ended 30 June 2025

	Kuwaiti Dinars					Total equity
	Share capital	Legal reserve	Hedge reserve	Treasury shares	Retained earnings	
At 1 January 2025	22,000,000	4,556,409	-	-	8,879,958	35,436,367
Total comprehensive income for the period	-	-	-	-	9,550,366	9,550,366
Dividend	-	-	-	-	(8,799,794)	(8,799,794)
Treasury Shares	-	-	-	(288,292)	-	(288,292)
At 30 June 2025	22,000,000	4,556,409	-	(288,292)	9,630,530	35,898,647
As at 1 January 2024	22,000,000	3,488,227	-	-	8,940	25,497,167
Total comprehensive income for the period	-	-	(337,784)	-	2,732,497	2,394,713
At 30 June 2024	22,000,000	3,488,227	(337,784)	-	2,741,437	27,891,880

The accompanying notes 1 to 15 are an integral part of this condensed consolidated interim financial information.

Condensed Consolidated Statement of Cash Flows (Unaudited) –
Six months ended 30 June 2025

	Note	Kuwaiti Dinars	
		30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Cash flows from operating activities			
Profit before contribution and taxes		10,027,817	2,885,164
<i>Adjustments for:</i>			
Depreciation	3,4	11,832,281	11,400,157
Finance costs		4,691,496	4,182,568
Foreign exchange gains - unrealised		(122,775)	(81,875)
Other operating income - gain on disposal of engine		(1,546,679)	-
Provision for post-employment benefits		1,051,617	994,879
Other operating income- interest income		(1,149,783)	(846,274)
Cash flows from operating activities before working capital changes		24,783,974	18,534,619
<i>Changes in:</i>			
- inventories		(1,973,513)	(1,837,752)
- trade and other receivables		957,333	(2,477,261)
- security deposits		(197,257)	(13,594)
- advance for maintenance		(818,346)	(1,525,625)
- maintenance payables		2,496,883	9,078,213
- trade and other payables		3,138,527	(2,309,391)
- deferred revenue		3,847,296	8,551,360
Cash generated from operations		32,234,897	28,000,569
Post-employment benefits paid		(146,304)	(260,000)
Paid to KFAS, Zakat & NLST		(497,594)	-
Net cash from operating activities		31,590,999	27,740,569
Cash flows from investing activities			
Purchase of property and equipment	3	(1,893,467)	(2,524,713)
Disposal of equipment		4,769,378	-
Interest income received		1,199,495	855,177
Deposits with original maturity of more than three months	5	6,154,613	27,823,940
Net cash from/(used in) investing activities		10,230,019	(29,493,476)
Cash flows from financing activities			
Re-payment of lease liabilities		(7,380,692)	(9,947,319)
Finance costs paid		(4,642,843)	(4,110,374)
Dividend paid		(8,799,794)	-
Purchase of treasury shares		(288,292)	-
Receipts from term loan		11,000,000	4,500,000
Repayment of term loan		(19,500,000)	-
Net cash used in financing activities		(29,611,621)	(9,557,693)
Net increase/(decrease) in cash and cash equivalents		12,209,397	(11,310,600)
Cash and cash equivalents at beginning of period	5	10,047,220	23,457,650
Cash and cash equivalents at end of period	5	22,256,617	12,147,050

The accompanying notes 1 to 14 are an integral part of this condensed consolidated interim financial information.

Notes to the Condensed Consolidated Interim Financial Information (Unaudited) – 30 June 2025

1. Constitution and activities

Jazeera Airways K.S.C.P. (the "Parent Company") was incorporated by Amiri Decree on 3 March 2004 as a Kuwaiti Public Shareholding Company under the laws of Kuwait and is engaged in the business of air transportation and commercial passenger services under a license from the Directorate General of Civil Aviation and operation and maintenance of an airport terminal in Kuwait (the Terminal).

The Parent Company is a subsidiary of Boodai Reliance Real Estate Company W.L.L

The objects of the Parent Company are –

- Air transportation and related activities
- Investing surplus funds in investment and real estate portfolios managed by specialized companies or entities.

The Parent Company has the following material subsidiary:

Name of the Company	Country of Incorporation	Percentage of Holding	
		2025	2024
Jazeera Airport Services Company (formerly known as "Al Sahaab Aviation Services W.L.L.")	Kuwait	99.9%	99.9%

The Parent Company and its subsidiaries are together referred to in this condensed consolidated interim financial information as the Group.

The address of the registered office of the Parent Company is Kuwait International Airport, P.O. Box 29288, Safat 13153, Kuwait.

This condensed consolidated interim financial information was approved for issue by the Board of Directors on 11 August 2025

2. Basis of preparation and material accounting policy information

Basis of preparation

This condensed consolidated interim financial information of the Group is prepared in accordance with International Accounting Standard ("IAS") 34: Interim Financial Reporting.

This condensed consolidated interim financial information does not contain all information and disclosures required for complete consolidated financial information prepared in accordance with IFRS Accounting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB). In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included in this condensed consolidated interim financial information. Operating results for the six months ended 30 June 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025. For more details, refer to the annual audited consolidated financial information of the Group for the financial year ended 31 December 2024.

The condensed consolidated interim financial information is presented in Kuwaiti Dinars ("KD").

Changes in accounting policy and disclosures

The accounting policies used in the preparation of the condensed consolidated interim financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2024. Certain amendments and interpretations apply for the first time in 2025, but do not have an impact on the condensed consolidated interim financial information of the Group.

Judgement and estimates

The preparation of condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited consolidated financial statements as at and for the year ended 31 December 2024.

Income tax

The State of Kuwait issued Law Number 157 of 2024 on 31 December 2024 (the "Law") introducing Domestic Minimum Top-up Tax ("DMTT") effective from 1 January 2025 on entities which are part of Multinational Entities ("MNEs") Group with annual revenues of EUR 750 million or more. The Law provides that a top-up tax shall be payable on the taxable income at a rate equal to the difference between 15% and the effective tax rate of all constituent entities of the MNE Group. The taxable income and effective tax rate shall be computed in accordance with the Executive Regulations. The Law effectively replaces the existing National Labour Support Tax (NLST) and Zakat tax regimes in Kuwait for MNEs within the scope of this Law.

The management has assessed the applicability of DMTT law to the Group and has concluded that it is outside the preview of the Law. However, the management will continue to review the position once the Executive Regulation of the Law is published.

Notes to the Condensed Consolidated Interim Financial Information (Unaudited) – 30 June 2025

3. Property and equipment

	Kuwaiti Dinars					
	Aircraft	Engines & rotables	Leasehold improvements	Furniture & equipment	Vehicles	Capital work-in-progress
						Total
Cost						
As at 31 December 2024	55,599,072	26,613,351	18,029,935	7,537,607	125,023	159,640,135
Additions	-	-	-	49,928	7,400	1,893,467
Transfers	3,525,267	(3,229,504)	-	91,912	40,000	-
Disposal	(3,222,699)	-	-	-	-	(3,222,699)
As at 30 June 2025	55,901,640	23,383,847	18,029,935	7,679,447	172,423	158,310,903
Depreciation						
As at 31 December 2024	119,495	5,784,227	7,100,753	5,407,324	65,504	18,477,303
Charge for the period	2,753,494	1,075,897	125,005	193,526	11,307	4,159,229
Disposal	1,771,930	(1,771,930)	-	-	-	-
As at 30 June 2025	4,644,919	5,088,194	7,225,758	5,600,850	76,811	22,636,532
Net book value						
As at 30 June 2025	51,256,721	18,295,653	10,804,177	2,078,597	95,612	135,674,371
As at 31 December 2024	55,479,577	20,829,124	10,929,182	2,130,283	59,519	141,162,832
As at 30 June 2024	-	22,402,754	11,068,249	2,306,192	58,460	76,167,050

Capital work-in-progress includes payment towards purchase of aircraft and engines (refer Note 15).

During the period the Company received an insurance claim settlement towards an engine, which was declared beyond economic repair (BER). The gain from this transaction amounted to KD 1,546,679 is included under other operating income.

Notes to the Condensed Consolidated Interim Financial Information (Unaudited) – 30 June 2025

Depreciation has been allocated in the condensed consolidated statement of profit or loss as follows:

	Kuwaiti Dinars			
	Three months ended		Six months ended	
	30 June (Unaudited)		30 June (Unaudited)	
	2025	2024	2025	2024
Operating costs	1,787,092	668,052	3,969,512	1,373,003
General and administrative expenses	73,940	110,874	189,717	223,726
	<u>1,861,032</u>	<u>778,926</u>	<u>4,159,229</u>	<u>1,596,729</u>

4. Right of use assets

	Kuwaiti Dinars			
	Aircraft	Aircraft engines	Leasehold land	Total
Cost				
As at 31 December 2024	165,393,964	10,498,914	18,249,075	194,141,953
Additions	-	-	138,256	138,256
Reversal on expired lease	(2,223,772)	-	-	(2,223,772)
As at 30 June 2025	<u>163,170,192</u>	<u>10,498,914</u>	<u>18,387,331</u>	<u>192,056,437</u>
Depreciation				
As at 31 December 2024	68,714,606	3,734,543	1,783,865	74,233,014
Charge for the period	6,976,407	508,169	188,476	7,673,052
Reversal on expired lease	(2,223,772)	-	-	(2,223,772)
As at 30 June 2025	<u>73,467,241</u>	<u>4,242,712</u>	<u>1,972,341</u>	<u>79,682,294</u>
Net book value				
As at 30 June 2025	<u>89,702,951</u>	<u>6,256,202</u>	<u>16,414,990</u>	<u>112,374,143</u>
As at 31 December 2024	<u>96,679,358</u>	<u>6,764,371</u>	<u>16,465,210</u>	<u>119,908,939</u>
As at 30 June 2024	<u>113,696,270</u>	<u>7,280,963</u>	<u>13,399,524</u>	<u>134,376,757</u>

5. Cash and bank balances

	Kuwaiti Dinars		
	30 June 2025 (Unaudited)	31 December 2024 (Audited)	30 June 2024 (Unaudited)
Cash on hand	84,601	56,880	107,139
Current account with banks	10,150,347	10,049,211	12,098,782
Time deposits with banks	44,292,540	38,366,613	31,823,940
	<u>54,527,488</u>	<u>48,472,704</u>	<u>44,029,861</u>
Expected credit loss	(58,871)	(58,871)	(58,871)
	<u>54,468,617</u>	<u>48,413,833</u>	<u>43,970,990</u>
Deposits with original maturity exceeding three months	(32,212,000)	(38,366,613)	(31,823,940)
Cash and cash equivalents in the statement of cash flows	<u>22,256,617</u>	<u>10,047,220</u>	<u>12,147,050</u>

Notes to the Condensed Consolidated Interim Financial Information (Unaudited) – 30 June 2025

6. Share capital

	Kuwaiti Dinars		
	30 June 2025 (Unaudited)	31 December 2024 (Audited)	30 June 2024 (Unaudited)
Authorised, issued and fully paid in cash: 220,000,000 (31 December 2024: 220,000,000; 30 June 2024: 220,000,000) shares of 100 fils each	22,000,000	22,000,000	22,000,000

Dividend

The annual general meeting of shareholders for the year ended 31 December 2024 held on 20 March 2025 approved distribution of final cash dividend of 40 fils (31 December 2023 - Nil) per share amounting to KD 8,799,794 (31 December 2023 - Nil). After obtaining necessary regulatory approvals, this was paid to the registered shareholders on 16 April 2025.

7. Treasury shares

	30 June 2025 (Unaudited)	31 December 2024 (Audited)	30 June 2024 (Unaudited)
Number of treasury shares	200,000	-	-
Percentage of share capital	0.09%	-	-
Cost of treasury shares (Kuwaiti Dinars)	288,292	-	-
Market value (Kuwaiti Dinars)	295,200	-	-

Reserves equivalent to the cost of treasury shares held are not distributable.

8. Lease liabilities

	Kuwaiti Dinars		
	30 June 2025 (Unaudited)	31 December 2024 (Audited)	30 June 2024 (Unaudited)
At the beginning of the period/year	129,488,290	150,866,875	150,866,874
Additions	138,256	2,651,919	33,990
Adjustments	-	7,416,804	4,166,819
Termination	-	(11,412,814)	-
Finance costs	2,583,224	5,978,812	2,977,720
Payments	(9,963,916)	(25,768,116)	(12,925,039)
Foreign currency gain	(90,965)	(245,190)	(375,946)
At the end of the period/year	122,154,889	129,488,290	144,744,418

The above is segregated as:

	Kuwaiti Dinars		
	30 June 2025 (Unaudited)	31 December 2024 (Audited)	30 June 2024 (Unaudited)
Current	18,010,622	18,780,119	24,951,587
Non-current	104,144,267	110,708,171	119,792,831
	122,154,889	129,488,290	144,744,418

Notes to the Condensed Consolidated Interim Financial Information (Unaudited) – 30 June 2025

9. Revenue

	Kuwaiti Dinars			
	Three months ended 30 June (Unaudited)		Six months ended 30 June (Unaudited)	
	2025	2024	2025	2024
<i>Point in time</i>				
Passenger revenue	38,095,246	43,899,904	81,904,840	82,706,123
Ancillary revenue	5,786,023	4,649,108	10,895,964	8,606,128
Cargo revenue	671,448	523,087	1,312,342	989,387
Terminal revenue	2,868,944	2,731,123	5,602,355	5,203,229
	47,421,661	51,803,222	99,715,501	97,504,867
Lease income	1,208,331	784,825	2,474,244	1,442,810
	48,629,992	52,588,047	102,189,745	98,947,677

10. Operating costs

	Kuwaiti Dinars			
	Three months ended 30 June (Unaudited)		Six months ended 30 June (Unaudited)	
	2025	2024	2025	2024
Aircraft maintenance cost	7,245,354	7,460,494	14,353,559	14,831,737
Depreciation (Refer Note 3&4)	5,627,843	5,577,163	11,642,564	11,176,431
Aircraft fuel	11,911,343	13,998,508	26,043,600	27,694,570
Staff costs	6,751,533	6,684,812	13,831,863	13,645,012
Overflying, landing and ground handling charges	7,467,825	7,717,665	15,357,639	14,836,778
Insurance	458,040	324,654	766,036	649,264
Passenger meals	494,412	501,770	1,048,856	1,089,550
Reservation system expenses	225,051	201,464	451,609	399,702
Others	1,521,816	1,691,169	3,099,777	3,283,412
	41,703,217	44,157,699	86,595,503	87,606,456

11. General and administrative expenses

	Kuwaiti Dinars			
	Three months ended 30 June (Unaudited)		Six months ended 30 June (Unaudited)	
	2025	2024	2025	2024
Staff costs	757,300	376,167	1,424,081	742,735
Marketing	431,986	434,777	734,495	788,096
Depreciation (Refer Note 3)	73,940	110,874	189,717	223,726
Professional and consultancy	96,440	74,997	152,982	171,628
Travel	62,061	27,680	108,807	81,636
Others	685,163	674,080	1,357,014	1,318,963
	2,106,890	1,698,575	3,967,096	3,326,784

Notes to the Condensed Consolidated Interim Financial Information (Unaudited) – 30 June 2025

12. Earnings per share

Earnings per share is calculated based on the earnings attributable to the equity shareholders of the Parent Company for the period and the weighted average number of shares outstanding, as follows:

	Three months ended 30 June (Unaudited)		Six months ended 30 June (Unaudited)	
	2025	2024	2025	2024
Earnings for the period	4,834,666	5,430,957	9,550,366	2,732,497
Weighted average number of shares outstanding	219,903,297	220,000,000	219,951,381	220,000,000
Earnings per share (fils) – Basic & Diluted	21.99	24.69	43.42	12.42

13. Related party transactions and balances

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In the ordinary course of business, the Group enters into transactions with related parties (directors, key managerial personnel and group companies). Pricing policies and terms of these transactions are approved by the Group's management. Transactions and balances with related parties not disclosed elsewhere in this condensed consolidated interim financial information are as follows:

	Kuwaiti Dinars		
	30 June 2025 (Unaudited)	31 December 2024 (Audited)	30 June 2024 (Unaudited)
Balances			
Due from related parties	129,139	81,544	78,203

	Kuwaiti Dinars			
	Three months ended 30 June (Unaudited)		Six months ended 30 June (Unaudited)	
	2025	2024	2025	2024
Transactions				
Sales and services	507,540	238,860	797,609	407,934
General and administrative expenses	20,931	85,631	69,288	220,952
Key management compensation				
Salaries and other employment benefits	223,461	511,657	421,849	918,315

Notes to the Condensed Consolidated Interim Financial Information (Unaudited) – 30 June 2025

14. Segment information

The Group's operating segments are the operation of passenger airline service and operation and maintenance of Terminal.

Following is the segment information of the six months ended 30 June:

	Kuwaiti Dinars					
	Passenger airline service		Terminal operations		Total	
	2025	2024	2025	2024	2025	2024
Segment revenue	95,080,912	92,301,638	7,108,833	6,646,039	102,189,745	98,947,677
Segment expenses	88,932,794	91,583,118	1,326,980	1,255,717	90,259,774	92,838,835
Other operating income (including interest income)	2,789,342	958,890	-	-	2,789,342	958,890
Finance costs	4,280,648	3,859,391	410,848	323,177	4,691,496	4,182,568
Segment results	4,656,812	(2,181,981)	5,371,005	5,067,145	10,027,817	2,885,164
Assets:						
Segment assets	302,228,103	283,730,160	29,298,988	14,785,621	331,527,091	298,515,781
Liabilities:						
Segment liabilities	281,258,414	257,201,423	14,370,030	13,422,478	295,628,444	270,623,901
Capital expenditure	1,117,623	2,433,225	914,100	125,478	2,031,723	2,558,703
Depreciation	11,463,276	11,093,038	369,005	307,119	11,832,281	11,400,157

15. Commitments and contingent liabilities

	Kuwaiti Dinars		
	30 June 2025	31 December 2024	30 June 2024
	(Unaudited)	(Audited)	(Unaudited)
Capital commitments	362,090,360	361,677,932	371,581,761
Bank guarantees	73,599,315	68,734,127	68,290,064
	435,689,675	430,412,059	439,871,825

The above bank guarantee include guarantee to the lessors amounting to KD 62,984,702 (31 December 2024: KD 58,282,908; 30 June 2024: KD 58,601,940) for the aircraft maintenance in lieu of payments for Maintenance Reserve under the lease agreement.

Capital commitments include commitment towards purchase of aircraft and engines.

The Kuwait's Ministry of Defence has raised a claim for an incident involving a Group's aircraft. Following a ruling against the Group by the Kuwait Court of First instance, the Group has filed an appeal in the Kuwait Court of Appeals. The claim is covered by an insurance and based on the legal opinion no material financial impact is expected.