

MUBARRAD TRANSPORTATION CO. K.S.C. (PUBLIC)
AND SUBSIDIARIES
STATE OF KUWAIT
INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2017
(UNAUDITED)
WITH
REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

To the Board of Directors of
Mubarrad Transportation Co. K.S.C. (Public) and subsidiaries
State of Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Mubarrad Transportation Co. K.S.C. (Public) (the "Parent Company") and its subsidiaries (Collectively the "Group") as of March 31, 2017, and the related interim condensed consolidated statements of, profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the three months period then ended. 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 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

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


Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with International Accounting Standard 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, its Executive Regulations, nor of the Parent Company's Memorandum of Incorporation and Articles of association during the three months period ended March 31, 2017 that might have had a material effect on the Parent Company financial position or result of its operations.

State of Kuwait
May 11, 2017


Nayef M. Al-Bazie
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MUBARRAD TRANSPORTATION CO. K.S.C. (PUBLIC) AND SUBSIDIARIES
 INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
 AS AT MARCH 31, 2017
 (All amounts are in Kuwaiti Dinars)

<u>ASSETS</u>	Note	March 31, 2017	December 31, 2016 (Audited)	March 31, 2016
Current assets:				
Cash and cash equivalents	3	2,137,446	1,430,086	2,077,032
Investment deposits	4	4,200,000	1,650,000	1,405,734
Accounts receivable and other debit balances		960,562	847,272	925,977
Due from related parties	5	350,265	15,000	-
Inventories		730,185	722,581	504,059
Total current assets		<u>8,378,458</u>	<u>4,664,939</u>	<u>4,912,802</u>
Non-current assets:				
Financial assets available for sale	6	2,526,306	1,275,321	1,400,755
Investment in associates	7	3,672,383	7,073,164	6,466,363
Investment properties		8,834,825	8,609,102	10,058,680
Property, plant and equipment		1,610,450	1,620,340	1,656,109
Goodwill		91,005	91,005	91,005
Total non-current assets		<u>16,734,969</u>	<u>18,668,932</u>	<u>19,672,912</u>
Total assets		<u>25,113,427</u>	<u>23,333,871</u>	<u>24,585,714</u>
<u>LIABILITIES AND EQUITY</u>				
Current liabilities:				
Finance lease payables	8	1,984,492	1,927,778	1,908,367
Accounts payable and other credit balances		1,322,059	1,208,669	1,793,048
Due to related party	5	-	700	-
Total current liabilities		<u>3,306,551</u>	<u>3,137,147</u>	<u>3,701,415</u>
Non-current liabilities:				
Finance lease payables	8	1,248,327	1,246,759	1,354,465
Provision for end of service indemnity		331,664	318,081	306,925
Total non-current liabilities		<u>1,579,991</u>	<u>1,564,840</u>	<u>1,661,390</u>
Total liabilities		<u>4,886,542</u>	<u>4,701,987</u>	<u>5,362,805</u>
Equity:				
Share capital		16,369,277	16,369,277	16,369,277
Statutory reserve		582,386	582,386	448,224
Treasury shares reserve		84,388	84,388	84,388
Cumulative changes in fair value		15,561	15,561	1,589
Effect of changes in ownership interest of a subsidiary		1,588	1,588	1,588
Effect of changes in other comprehensive income of associates		95,902	57,062	8,453
Foreign currency translation reserve		(1,807,258)	(1,811,312)	(189,512)
Retained earnings		4,831,257	3,281,001	2,442,286
Equity attributable to Shareholders' of the Parent Company		<u>20,173,101</u>	<u>18,579,951</u>	<u>19,166,293</u>
Non - controlling interests		53,784	51,933	56,616
Total equity		<u>20,226,885</u>	<u>18,631,884</u>	<u>19,222,909</u>
Total liabilities and equity		<u>25,113,427</u>	<u>23,333,871</u>	<u>24,585,714</u>

The accompanying notes from (1) to (12) form an integral part of the interim condensed consolidated financial information.

Abdullah Mohammed Al-Shatti
 Chairman

MUBARRAD TRANSPORTATION CO. K.S.C. (PUBLIC) AND SUBSIDIARIES
 INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)
 FOR THE PERIOD ENDED MARCH 31, 2017
 (All amounts are in Kuwaiti Dinars)

	Note	Three months ended March 31,	
		2017	2016
Sales		294,107	213,703
Cost of sales		(210,858)	(164,791)
Gross profit		83,249	48,912
Revenues from transportation, leasing and maintenance		228,671	179,907
Cost of transportation, leasing and maintenance		(134,280)	(126,364)
Gross profit		94,391	53,543
Revenues from rental operations		344,658	303,593
Costs of rental operations		(54,035)	(52,784)
Gross profit		290,623	250,809
Total gross profit		468,263	353,264
General and administrative expenses		(251,458)	(166,085)
Depreciation		(9,570)	(14,949)
Operating profit		207,235	172,230
Realized gain on sale of financial assets available for sale		40,274	-
Share of results from associates	7	59,269	195,429
Gain on sale of investment in associate	7	1,341,976	-
Gain from sale of property, plant and equipment		3,149	118
Interest income		10,399	7,821
Finance charges		(56,965)	(58,412)
Foreign currency differences		11,304	(12,132)
Other income		7,314	109
Profit for the period before contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labor Support Tax (NLST) and Zakat		1,623,955	305,163
Contribution to KFAS		(14,599)	(1,132)
Contribution to NLST		(40,892)	(7,781)
Contribution to Zakat		(16,357)	-
Profit for the period		1,552,107	296,250
Attributable to:			
Shareholders of the Parent Company		1,550,256	294,981
Non - controlling interests		1,851	1,269
		<u>1,552,107</u>	<u>296,250</u>
		<u>Fils</u>	<u>Fils</u>
Earnings per share attributable to Shareholders of the Parent Company	9	<u>9.47</u>	<u>1.80</u>

The accompanying notes from (1) to (12) form an integral part of the interim condensed consolidated financial information.

MUBARRAD TRANSPORTATION CO. K.S.C. (PUBLIC) AND SUBSIDIARIES
 INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
 INCOME (UNAUDITED)
 FOR THE PERIOD ENDED MARCH 31, 2017
 (All amounts are in Kuwaiti Dinars)

	Note	Three months ended March 31,	
		2017	2016
Profit for the period		1,552,107	296,250
Other comprehensive income:			
<u>Items that may be reclassified subsequently to consolidated statements of profit or loss:</u>			
<u>Related to financial assets available for sale</u>			
Change in fair value of financial assets available for sale		-	22
Transferred to consolidated statement of profit or loss upon sale of investment in associate	7	38,840	-
Share of other comprehensive income from associates		-	(2,653)
Exchange differences on translating foreign operations		4,054	(425,488)
Other comprehensive income (loss) for the period		42,894	(428,119)
Total comprehensive income (loss) for the period		1,595,001	(131,869)
Attributable to:			
Shareholders of the Parent Company		1,593,150	(133,067)
Non-controlling interests		1,851	1,198
		1,595,001	(131,869)

The accompanying notes from (1) to (12) form an integral part of the interim condensed consolidated financial information.

