

MUBARRAD HOLDING COMPANY - K.S.C.P.
AND ITS SUBSIDIARIES
STATE OF KUWAIT
INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2018
(UNAUDITED)
WITH
REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION

MUBARRAD HOLDING COMPANY - K.S.C.P.
AND ITS SUBSIDIARIES
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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

To the Board of Directors of
Mubarrad Holding Company - K.S.C.P. and its subsidiaries
State of Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Mubarrad Holding Company - K.S.C.P. (the "Parent Company") and its subsidiaries (Collectively the "Group") as of March 31, 2018, and the related interim condensed consolidated statements of profit or loss, profit or loss and other comprehensive income, statement of 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 as amended, its Executive Regulations as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association during the three months period ended March 31, 2018 that might have had a material effect on the Parent Company's financial position or result of its operations.

State of Kuwait
May 15, 2018



Nayef M. Al-Bazie
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MUBARRAD HOLDING COMPANY - K.S.C.P. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS OF MARCH 31, 2018
(All amounts are in Kuwaiti Dinars)

<u>ASSETS</u>	Notes	March 31, 2018	December 31, 2017 (Audited)	March 31, 2017
Current assets:				
Cash and cash equivalents	4	4,453,299	2,140,122	2,137,446
Investment deposits	5	1,750,000	4,000,000	4,200,000
Accounts receivable and other debit balances		2,186,999	2,209,214	960,562
Due from related parties	6	-	-	350,265
Inventories		666,311	763,004	730,185
Total current assets		9,056,609	9,112,340	8,378,458
Non-current assets:				
Financial assets available for sale	7	-	1,002,100	2,526,306
Financial assets at fair value through profit or loss	8	1,065,921	-	-
Investment in an associate		3,815,271	3,815,271	3,672,383
Investment properties		8,364,423	8,349,003	8,834,825
Property, plant and equipment		1,555,111	1,568,270	1,610,450
Goodwill		91,005	91,005	91,005
Total non-current assets		14,891,731	14,825,649	16,734,969
Total assets		23,948,340	23,937,989	25,113,427
<u>LIABILITIES AND EQUITY</u>				
Current liabilities:				
Finance lease payables	9	1,868,450	1,830,090	1,984,492
Accounts payable and other credit balances		873,036	1,097,452	1,322,059
Due to a related party	6	655	700	-
Total current liabilities		2,742,141	2,928,242	3,306,551
Non-current liabilities:				
Finance lease payables	9	816,730	913,215	1,248,327
Provision for end of service indemnity		388,822	369,876	331,664
Total non-current liabilities		1,205,552	1,283,091	1,579,991
Total liabilities		3,947,693	4,211,333	4,886,542
Equity:				
Share capital		16,369,277	16,369,277	16,369,277
Statutory reserve		777,717	777,717	582,386
Treasury shares reserve		84,388	84,388	84,388
Cumulative changes in fair value		-	15,072	15,561
Effect of changes in ownership interest of a subsidiary		1,588	1,588	1,588
Effect of changes in other comprehensive income of associates		117,874	117,874	95,902
Foreign currencies translation reserve		(1,776,670)	(1,785,944)	(1,807,258)
Retained earnings		4,367,132	4,089,333	4,831,257
Equity attributable to Shareholders of the Parent Company		19,941,306	19,669,305	20,173,101
Non-controlling interests		59,341	57,351	53,784
Total equity		20,000,647	19,726,656	20,226,885
Total liabilities and equity		23,948,340	23,937,989	25,113,427

The accompanying notes from (1) to (13) form an integral part of the interim condensed consolidated financial information.


Abdullah Mohammed Al-Shatti
Chairman

MUBARRAD HOLDING COMPANY - K.S.C.P. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2018
(All amounts are in Kuwaiti Dinars)

	Note	Three months ended March 31,	
		2018	2017
Sales		366,051	294,107
Cost of sales		(284,414)	(210,858)
Gross profit		81,637	83,249
Revenues from transportation, leasing and maintenance operations		228,699	228,671
Cost of transportation, leasing and maintenance operations		(131,359)	(134,280)
Gross profit		97,340	94,391
Rental revenues		281,056	344,658
Rental costs		(54,786)	(54,035)
Gross profit		226,270	290,623
Total gross profit		405,247	468,263
General and administrative expenses		(165,539)	(251,458)
Depreciation		(9,074)	(9,570)
Operating profit		230,634	207,235
Realized gain on sale of financial assets available for sale		-	40,274
Share of results from associates		-	59,269
Gain on sale of investment in an associate		-	1,341,976
Gain from sale of property, plant and equipment		-	3,149
Interest income		28,087	10,399
Finance charges		(50,283)	(56,965)
Foreign currencies exchange differences		(579)	11,304
Other income		1,772	7,314
Profit for the period before contributions to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labor Support Tax (NLST) and Zakat		209,631	1,623,955
Contribution to KFAS		(1,869)	(14,599)
Contribution to NLST		(5,664)	(40,892)
Contribution to Zakat		(1,202)	(16,357)
Profit for the period		200,896	1,552,107
Attributable to:			
Shareholders of the Parent Company		198,896	1,550,256
Non-controlling interests		2,000	1,851
		200,896	1,552,107
Basic and diluted earnings per share attributable to Shareholders of the Parent Company (Fils)	10	1.22	9.47

The accompanying notes from (1) to (13) form an integral part of the interim condensed consolidated financial information.

MUBARRAD HOLDING COMPANY - K.S.C.P. AND ITS SUBSIDIARIES
 INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
 INCOME (UNAUDITED)
 FOR THE PERIOD ENDED MARCH 31, 2018
 (All amounts are in Kuwaiti Dinars)

	Three months ended March 31,	
	2018	2017
Profit for the period	200,896	1,552,107
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>		
Transferred to consolidated statement of profit or loss upon sale of investment in associate	-	38,840
Exchange differences on translating foreign operations	9,274	4,054
Other comprehensive income for the period	9,274	42,894
Total comprehensive income for the period	210,170	1,595,001
Attributable to:		
Shareholders of the Parent Company	208,170	1,593,150
Non-controlling interests	2,000	1,851
	210,170	1,595,001

The accompanying notes from (1) to (13) form an integral part of the interim condensed consolidated financial information.

MUBARRAD HOLDING COMPANY - K.S.C.P. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2018
 (All amounts are in Kuwaiti Dinars)

	Equity attributable to Shareholders of the Parent Company										
	Share capital	Statutory reserve	Treasury shares reserve	Cumulative changes in fair value	Effect of changes in ownership interest of a subsidiary	Effect of changes in comprehensive income of associates	Foreign currencies translation reserve	Retained earnings	Subtotal	Non-controlling interests	Total equity
Balance at December 31, 2017	16,369,277	777,717	84,388	15,072	1,588	117,874	(1,785,944)	4,089,333	19,669,305	57,351	19,726,656
Profit for the period	-	-	-	-	-	-	-	198,896	198,896	2,000	200,896
Total other comprehensive income for the period	-	-	-	-	-	-	9,274	-	9,274	-	9,274
Total comprehensive income for the period	-	-	-	-	-	-	9,274	198,896	208,170	2,000	210,170
Change in accounting policy (Note 3)	-	-	-	(15,072)	-	-	-	78,903	63,831	(10)	63,821
Balance at March 31, 2018	16,369,277	777,717	84,388	-	1,588	117,874	(1,776,670)	4,367,132	19,941,306	59,341	20,000,647
Balance at December 31, 2016	16,369,277	582,386	84,388	15,561	1,588	57,062	(1,811,312)	3,281,001	18,579,951	51,933	18,631,884
Profit for the period	-	-	-	-	-	-	-	1,550,256	1,550,256	1,851	1,552,107
Total other comprehensive income for the period	-	-	-	-	-	38,840	4,054	-	42,894	-	42,894
Total comprehensive income for the period	-	-	-	-	-	38,840	4,054	1,550,256	1,593,150	1,851	1,595,001
Balance at March 31, 2017	16,369,277	582,386	84,388	15,561	1,588	95,902	(1,807,258)	4,831,257	20,173,101	53,784	20,226,885

The accompanying notes from (1) to (13) form an integral part of the interim condensed consolidated financial information.

