

MUBARRAD TRANSPORTATION CO. K.S.C. (PUBLIC)
AND ITS SUBSIDIARIES
STATE OF KUWAIT

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED JUNE 30, 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 its 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 June 30, 2017, and the related interim condensed consolidated statements of profit or loss, profit or loss and other comprehensive income for the three months and six months periods then ended, and the related interim consolidated statements of changes in equity and cash flows for the six 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.

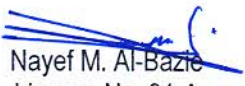
Conclusion

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, or of the Parent Company's Memorandum of Incorporation and Articles of association during the six months period ended June 30, 2017 that might have had a material effect on the Parent Company's financial position or result of its operations.

State of Kuwait
August 8, 2017


Nayef M. Al-Bazie
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MUBARRAD TRANSPORTATION CO. K.S.C. (PUBLIC) AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS OF JUNE 30, 2017
 (All amounts are in Kuwaiti Dinars)

<u>ASSETS</u>	Notes	June 30, 2017	December 31, 2016 (Audited)	June 30, 2016
Current assets:				
Cash and cash equivalents	3	961,023	1,430,086	1,500,243
Investment deposits	4	4,200,000	1,650,000	1,405,734
Accounts receivable and other debit balances		1,132,255	847,272	813,294
Due from related parties	5	358,435	15,000	-
Inventories		740,540	722,581	793,806
Total current assets		<u>7,392,253</u>	<u>4,664,939</u>	<u>4,513,077</u>
Non-current assets:				
Financial assets available for sale	6	2,416,714	1,275,321	1,392,278
Investment in associates	7	3,719,738	7,073,164	6,635,638
Investment properties		8,714,985	8,609,102	10,057,340
Property, plant and equipment		1,595,936	1,620,340	1,647,642
Goodwill		91,005	91,005	91,005
Total non-current assets		<u>16,538,378</u>	<u>18,668,932</u>	<u>19,823,903</u>
Total assets		<u>23,930,631</u>	<u>23,333,871</u>	<u>24,336,980</u>
<u>LIABILITIES AND EQUITY</u>				
Current liabilities:				
Finance lease payables	8	1,762,070	1,927,778	1,868,772
Accounts payable and other credit balances		1,120,223	1,208,669	1,324,480
Due to related party	5	-	700	700
Total current liabilities		<u>2,882,293</u>	<u>3,137,147</u>	<u>3,193,952</u>
Non-current liabilities:				
Finance lease payables	8	1,113,967	1,246,759	1,354,068
Provision for end of service indemnity		341,589	318,081	285,596
Total non-current liabilities		<u>1,455,556</u>	<u>1,564,840</u>	<u>1,639,664</u>
Total liabilities		<u>4,337,849</u>	<u>4,701,987</u>	<u>4,833,616</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		15,855	15,561	(6,875)
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	57,062	7,606
Foreign currencies translation reserve		(1,894,980)	(1,811,312)	(197,129)
Retained earnings		4,261,319	3,281,001	2,738,126
Equity attributable to Shareholders of the Parent Company		<u>19,537,707</u>	<u>18,579,951</u>	<u>19,445,205</u>
Non-controlling interests		55,075	51,933	58,159
Total equity		<u>19,592,782</u>	<u>18,631,884</u>	<u>19,503,364</u>
Total liabilities and equity		<u>23,930,631</u>	<u>23,333,871</u>	<u>24,336,980</u>

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

Mr. Abdullan Mohammed Al-Shatti
Chairman



MUBARRAD TRANSPORTATION CO. K.S.C. (PUBLIC) AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2017
(All amounts are in Kuwaiti Dinars)

	Notes	For the three months period ended June 30,		For the six months period ended June 30,	
		2017	2016	2017	2016
Sales		386,889	281,786	680,996	495,489
Cost of sales		(274,055)	(214,064)	(484,913)	(378,855)
Gross profit		112,834	67,722	196,083	116,634
Revenues from transportation, leasing and maintenance		196,919	190,027	425,590	369,934
Cost of transportation, leasing and maintenance		(137,547)	(125,509)	(271,827)	(251,873)
Gross profit		59,372	64,518	153,763	118,061
Revenues from rental operations		280,834	209,104	625,492	512,697
Costs of rental operations		(54,581)	(50,850)	(108,616)	(103,634)
Gross profit		226,253	158,254	516,876	409,063
Total gross profits		398,459	290,494	866,722	643,758
General and administrative expenses		(145,496)	(153,114)	(396,957)	(319,199)
Depreciation		(9,725)	(4,517)	(19,295)	(19,466)
Operating profit		243,238	132,863	450,470	305,093
Realized gain on sale of financial assets available for sale		-	-	40,274	-
Share of results from associates	7	73,766	209,110	133,035	404,539
Gain on sale of investment in associate	7	-	-	1,341,979	-
Gain from sale of property, plant and equipment		-	-	3,149	118
Interest income		26,079	8,263	36,478	16,084
Finance charges		(54,965)	(58,018)	(111,930)	(116,430)
Foreign currency differences		(5,102)	13,507	6,202	1,375
Other income		100	738	7,414	847
Profit for the period before contributions to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labor Support Tax (NLST) and Zakat		283,116	306,463	1,907,071	611,626
Contribution to KFAS		(2,580)	(1,163)	(17,179)	(2,295)
Contribution to NLST		(7,414)	(7,123)	(48,306)	(14,904)
Contribution to Zakat		(1,338)	(775)	(17,695)	(775)
Profit for the period		271,784	297,402	1,823,891	593,652
Attributable to:					
Shareholders of the Parent Company		270,498	295,840	1,820,754	590,821
Non-controlling interests		1,286	1,562	3,137	2,831
		<u>271,784</u>	<u>297,402</u>	<u>1,823,891</u>	<u>593,652</u>
		<u>Fils</u>	<u>Fils</u>	<u>Fils</u>	<u>Fils</u>
Basic and diluted earnings per share attributable to Shareholders of the Parent Company	9	<u>1.65</u>	<u>1.80</u>	<u>11.12</u>	<u>3.61</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 ITS SUBSIDIARIES
 INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
 INCOME (UNAUDITED)
 FOR THE PERIOD ENDED JUNE 30, 2017
 (All amounts are in Kuwaiti Dinars)

	Notes	For the three months period ended June 30,		For the six months period ended June 30,	
		2017	2016	2017	2016
Profit for the period		<u>271,784</u>	<u>297,402</u>	<u>1,823,891</u>	<u>593,652</u>
Other comprehensive income:					
<u>Items that may be reclassified subsequently to consolidated statements of profit or loss:</u>					
Related to financial assets available for sale :					
Change in fair value of financial assets available for sale		299	(8,464)	299	(8,442)
Transferred to consolidated statement of profit or loss upon sale of investment in associate	7	-	-	38,840	-
Share of other comprehensive income from associates		-	(847)	-	(3,500)
Exchange differences on translating foreign operations		<u>(87,722)</u>	<u>(7,636)</u>	<u>(83,668)</u>	<u>(433,124)</u>
Other comprehensive loss for the period		<u>(87,423)</u>	<u>(16,947)</u>	<u>(44,529)</u>	<u>(445,066)</u>
Total comprehensive income for the period		<u>184,361</u>	<u>280,455</u>	<u>1,779,362</u>	<u>148,586</u>
Attributable to:					
Shareholders of the Parent Company		183,070	278,912	1,776,220	145,845
Non-controlling interests		1,291	1,543	3,142	2,741
		<u>184,361</u>	<u>280,455</u>	<u>1,779,362</u>	<u>148,586</u>

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

