

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

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED JUNE 30, 2016
(UNAUDITED)

WITH
REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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

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Report on review of interim condensed consolidated financial information

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
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 subsidiaries (the Group) as at June 30, 2016 and the related interim condensed consolidated statements of profit or loss and profit or loss and other comprehensive income, 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 condensed Consolidated 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 and its Executive Regulations or of the Parent Company's Memorandum of Incorporation and Articles of Association during the six months period ended June 30, 2016, that might have had a material effect on the Parent Company's financial position or results of its operation.

Dr. Ali Owaid Rukheyas
Licence No. 72-A
Member of Nexia International – (England)
ALWaha Auditing Office

Dr. Shuaib A. Shuaib
Licence No. 33-A
RSM Albazie & Co.

State of Kuwait
August 7, 2016

MUBARRAD TRANSPORTATION CO. K.S.C. (PUBLIC) AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

AS AT JUNE 30, 2016

(All amounts are in Kuwaiti Dinars)

ASSETS	Note	June 30, 2016	December 31, 2015 (Audited)	June 30, 2015
Current assets:				
Cash and cash equivalent	3	1,500,243	2,288,158	5,756,781
Investment deposits	4	1,405,734	1,005,734	1,000,000
Accounts receivable and other debit balances		813,294	875,665	1,329,277
Inventories		793,806	503,903	552,233
Total current assets		4,513,077	4,673,460	8,638,291
Non-current assets:				
Financial assets available for sale		1,392,278	1,400,755	1,794,442
Investment in associates	6	6,635,638	6,453,830	6,123,091
Investment properties		10,057,340	10,689,150	5,750,000
Property, plant and equipment		1,647,642	1,668,873	2,313,047
Goodwill		91,005	91,005	91,005
Total non-current assets		19,823,903	20,303,613	16,071,585
Total assets		24,336,980	24,977,073	24,709,876
LIABILITIES AND EQUITY				
Current liabilities:				
Finance lease payables	7	1,868,772	1,915,814	1,761,920
Accounts payable and other credit balances		1,324,480	971,658	1,342,156
Due to related party	5	700	700	3,500
Total current liabilities		3,193,952	2,888,172	3,107,576
Non-current liabilities:				
Finance lease payables	7	1,354,068	1,617,419	-
Provision for end of service indemnity		285,596	298,240	275,404
Total non-current liabilities		1,639,664	1,915,659	275,404
Total liabilities		4,833,616	4,803,831	3,382,980
Equity:				
Share capital		16,369,277	16,369,277	16,369,277
Statutory reserve		448,224	448,224	255,640
Treasury shares reserve		84,388	84,388	84,388
Cumulative changes in fair value		(6,875)	1,567	(19,431)
Effect of changes in ownership interest of a subsidiary		1,588	1,588	1,588
Effect of changes in other comprehensive income of associate		7,606	11,106	8,998
Foreign currency translation reserve		(197,129)	235,905	207,657
Retained earnings		2,738,126	2,965,769	4,343,274
Equity attributable to Shareholders' of the Parent Company		19,445,205	20,117,824	21,251,391
Non - controlling interests		58,159	55,418	75,505
Total equity		19,503,364	20,173,242	21,326,896
Total liabilities and equity		24,336,980	24,977,073	24,709,876

The accompanying notes from (1) to (11) 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 JUNE 30, 2016
(All amounts are in Kuwaiti Dinars)

	Note	Three months ended June 30,		Six months ended June 30,	
		2016	2015	2016	2015
Continuing operations					
Sales		281,786	436,795	495,489	775,534
Cost of sales		(214,064)	(369,815)	(378,855)	(636,230)
Gross profit		67,722	66,980	116,634	139,304
Revenues from transportation, leasing and maintenance		190,027	275,748	369,934	526,738
Cost of transportation, leasing and maintenance		(125,509)	(224,012)	(251,873)	(450,336)
Gross profit		64,518	51,736	118,061	76,402
Rental income		209,104	209,210	512,697	331,970
Rental costs		(50,850)	(48,838)	(103,634)	(95,096)
Gross profit		158,254	160,372	409,063	236,874
Total gross profit		290,494	279,088	643,758	452,580
General and administrative expenses		(153,114)	(136,697)	(319,199)	(449,617)
Provision no longer required		-	43,100	-	44,100
Depreciation		(4,517)	(10,048)	(19,466)	(20,035)
Operating profit		132,863	175,443	305,093	27,028
Gain from sale of property, plant and equipment		-	749	118	4,554
Gain on sale of financial assets available for sale		-	-	-	2,686,704
Share of results from associates	6	209,110	182,579	404,539	400,609
Finance charges		(58,018)	(22,828)	(116,430)	(47,985)
Foreign exchange gain		13,507	15,131	1,375	1,483
Interest income		8,263	51,334	16,084	55,086
Other income		738	19,175	847	23,152
Profit for the period from continuing operations before discontinued operations and contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labor Support Tax (NLST) and Zakat		306,463	421,583	611,626	3,150,631
Discontinued operations:					
Loss for the period from discontinued operations		-	-	-	(26,559)
Profit for the period before contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labor Support Tax (NLST) and Zakat		306,463	421,583	611,626	3,124,072
Contribution to KFAS		(1,163)	(2,361)	(2,295)	(24,989)
Contribution to NLST		(7,123)	(9,248)	(14,904)	(76,463)
Contribution to Zakat		(775)	(1,191)	(775)	(26,389)
Net profit for the period		297,402	408,783	593,652	2,996,231
Attributable to:					
Shareholders of the Parent Company		295,840	407,504	590,821	2,994,185
Non - controlling interests		1,562	1,279	2,831	2,046
Net profit for the period		297,402	408,783	593,652	2,996,231
Earnings per share attributable to Shareholders of the Parent Company :		Fils	Fils	Fils	Fils
From continued operations:					
Basic earnings per share	8	1.80	2.49	3.61	18.29
From discontinued operations:					
Basic loss per share	8	-	-	-	(0.16)
Total basic earnings per share		1.80	2.49	3.61	18.13

The accompanying notes from (1) to (11) 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 JUNE 30, 2016
 (All amounts are in Kuwaiti Dinars)

	Note	Three months ended June 30,		Six months ended June 30,	
		2016	2015	2016	2015
Net profit for the period		297,402	408,783	593,652	2,996,231
Other comprehensive income:					
<u>Items that may be reclassified subsequently to consolidated statements of profit or loss:</u>					
Change in fair value of financial assets available for sale		(8,464)	(6,725)	(8,442)	(241,779)
Reversal due to sale of investment in subsidiary		-	-	-	315,522
Exchange difference on translation of foreign operations		(7,636)	18,392	(433,124)	94,899
Share of other comprehensive (loss) income from associates	6	(847)	3,131	(3,500)	12,543
Other comprehensive (loss) income for the period		(16,947)	14,798	(445,066)	181,185
Total comprehensive income for the period		280,455	423,581	148,586	3,177,416
Attributable to:					
Shareholders of the parent company		278,912	422,246	145,845	3,175,081
Non-controlling interests		1,543	1,335	2,741	2,335
		280,455	423,581	148,586	3,177,416

The accompanying notes from (1) to (11) 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 CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2016

(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 other comprehensive income of associates	Foreign currency translation reserve	Retained earnings	Sub-total	Non – controlling interests	Total equity
Balance as at December 31, 2015	16,369,277	448,224	84,388	1,567	1,588	11,106	235,905	2,965,769	20,117,824	55,418	20,173,242
Total comprehensive (loss) income for the period	-	-	-	(8,442)	-	(3,500)	(433,034)	590,821	145,845	2,741	148,586
Cash dividend (Note 9)	-	-	-	-	-	-	-	(818,464)	(818,464)	-	(818,464)
Balance as at June 30, 2016	16,369,277	448,224	84,388	(6,875)	1,588	7,606	(197,129)	2,738,126	19,445,205	58,159	19,503,364
Balance as at December 31, 2014	16,369,277	255,640	84,388	222,348	1,588	(3,545)	(202,475)	2,167,553	18,894,774	73,170	18,967,944
Total comprehensive (loss) income for the period	-	-	-	(241,779)	-	12,543	410,132	2,994,185	3,175,081	2,335	3,177,416
Cash dividends (Note 9)	-	-	-	-	-	-	-	(818,464)	(818,464)	-	(818,464)
Balance as at June 30, 2015	16,369,277	255,640	84,388	(19,431)	1,588	8,998	207,657	4,343,274	21,251,391	75,505	21,326,896

The accompanying notes from (1) to (11) 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 CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2016
(All amounts are in Kuwaiti Dinars)

	Six months ended June 30,	
	2016	2015
Cash flows from operating activities:		
Profit for the period from continuing operations before contribution to KFAS, NLST and Zakat	611,626	3,150,631
Loss for the period from discontinued operations before contribution to KFAS, NLST and Zakat	-	(26,559)
Adjustments for:		
Depreciation	30,118	141,027
Provision no longer required	-	(44,100)
Gain on sale of property, plant and equipment	(118)	(4,554)
Gain on sale of financial assets available for sale	-	(2,686,704)
Share of results from associates	(404,539)	(400,609)
Finance charges	116,430	47,985
Interest income	(16,084)	(55,086)
Provision for end of service indemnity	28,388	35,136
	<u>365,821</u>	<u>157,167</u>
Changes in operating assets and liabilities:		
Accounts receivable and other debit balances	62,371	70,537
Inventories	(289,903)	(112,332)
Accounts payable and other credit balances	(483,616)	(513,111)
Change in discontinued operations	-	3,700
Cash used in operating activities	<u>(345,327)</u>	<u>(394,039)</u>
Payment for end of service indemnity	(41,032)	(13,328)
Net cash flows used in operating activities	<u>(386,359)</u>	<u>(407,367)</u>
Cash flows from investing activities:		
Net decrease in investment deposits	(400,000)	(1,000,000)
Changes related to discontinued operations	-	(129,809)
Purchase of property, plant and equipment	(8,889)	(13,168)
Proceeds from sale of investment in subsidiary	-	3,329,760
Proceeds from sale of property, plant and equipment	120	5,424
Proceeds from sale of financial assets available for sale	-	2,717,171
Cash dividends received from associate	200,224	296,264
Interest income received	16,084	55,086
Net cash flows (used in) generated from investing activities	<u>(192,461)</u>	<u>5,260,728</u>
Cash flows from financing activities:		
Paid to finance contracts payables	(310,393)	(52,645)
Net movement in due to related party	(12,842)	(205)
Finance charges paid	(116,430)	(47,985)
Net cash flows used in financing activities	<u>(439,665)</u>	<u>(100,835)</u>
Foreign currencies translation adjustments	<u>230,570</u>	<u>31</u>
Net (decrease) increase in cash and cash equivalent	<u>(787,915)</u>	<u>4,752,557</u>
Cash and cash equivalent at beginning of the period	<u>2,288,158</u>	<u>1,004,224</u>
Cash and cash equivalent at end of the period	<u><u>1,500,243</u></u>	<u><u>5,756,781</u></u>

The accompanying notes from (1) to (11) form an integral part of the interim condensed consolidated financial information.

MUBARRAD TRANSPORTATION CO. K.S.C. (PUBLIC) AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

JUNE 30, 2016

(All amounts are in Kuwaiti Dinars)

1. Incorporation and activities of Parent Company

Mubarrad Transportation Company – K.S.C. (Public) “the Parent Company” is a Kuwaiti (public) shareholding company registered in Kuwait and was incorporated as per Articles of Association of a limited liability Company, authenticated at the Ministry of Justice - Real Estate Registration and Authentication Department – under No. 366/Volume 1 dated March 6, 1996 and its subsequent amendments the last contract which was authenticated at the Ministry of Justice – Real Estate Registration and Authentication Department Under No 5394 / Volume 1 dated July 14, 2004, the following amendments were made according to the last contract:

- First : The legal entity of Mubarrad International Trading & Transportation Co. – Abdullatif and Jamal Mohammed Al-Fadalah and Partners – was changed from a limited liability Company to a Kuwaiti Shareholding Company - Public.
- Second : Amendment of the Parent Company’s name to be “Mubarrad Transportation Company – K.S.C. - Public”.

The Parent Company is registered in commercial register under Ref. No: 64715 dated October 10, 2004.

The new Companies Law No. 1 of 2016 was issued on January 24, 2016 and it was published in the Official Gazette on February 1, 2016, which replaced the Companies Law No 25 of 2012 and its amendments. According to Article No. 5, the new Law will be effective retrospectively from November 26, 2012. The new Executive Regulations of Law No. 1 of 2016 was issued on July 12, 2016 and was published in the Official Gazette on July 17, 2016 which cancelled the Executive Regulations of Law No. 25 of 2012. The adoption of the new Companies Law and its executive regulations is not expected to have any effect on the reporting entity.

The interim condensed consolidated financial information was authorized for issue by the Board of Directors on August 7, 2016.

2. Basis of presentation

The interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting”. The accounting policies used in the preparation of the interim condensed consolidated financial information for the period are consistent with those used in the preparation of the annual consolidated financial statements for the fiscal year ended December 31, 2015.

The interim condensed consolidated financial information does not include all the information and notes required for complete financial statements prepared in accordance with International Financial Reporting Standards. In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included in the accompanying interim condensed consolidated financial information. Operating results for the period ended June 30, 2016 are not necessarily indicative of the results that may be expected for the fiscal year ending December 31, 2016. For further information, refer to the consolidated financial statements and notes thereto for the fiscal year ended December 31, 2015.

The amendments to International financial reporting standards which are effective for annual periods beginning January 1, 2016 do not have an impact on the Group’s accounting policies, financial position and financial performance.

3. Cash and cash equivalent

	June 30, 2016	December 31, 2015 (Audited)	June 30, 2015
Cash on hand and at banks	1,150,520	1,032,261	1,672,509
Short term bank deposits	349,723	1,255,897	4,084,272
	<u>1,500,243</u>	<u>2,288,158</u>	<u>5,756,781</u>

MUBARRAD TRANSPORTATION CO. K.S.C. (PUBLIC) AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

JUNE 30, 2016

(All amounts are in Kuwaiti Dinars)

The effective interest rate on short term deposits ranged from 1% to 8.4% (December 31, 2015: 0.875 %, June 30, 2015: 0.850 %) per annum, those deposits have an average maturity of 90 days (December 31, 2015: 90 Days, June 30, 2015: 90 days).

4. Investment deposits

The effective interest rate on investment deposits is 1.15% per annum (December 31, 2015: 1.15%, June 30, 2015: 1.15%), those deposits have an average maturity of 182 days (December 31, 2015: 182 days, June 30, 2015: 182 days).

5. Related party disclosures

The Group has entered into various transactions with shareholders. Prices and terms of payment are approved by the Group's management. Significant related party transactions and balances are as follows:

Balances included in the interim condensed consolidated statement of financial position:

	<u>Shareholders</u>	<u>June 30, 2016</u>	<u>December 31, 2015 (Audited)</u>	<u>June 30, 2015</u>
Investment properties managed by others	2,450,000	2,450,000	2,450,000	2,500,000
Due to related party	700	700	700	3,500

Compensation to key management personnel:

	<u>Three months ended June 30,</u>		<u>Six months ended June 30,</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Short term benefits	14,576	13,712	30,018	29,132
Termination benefits	1,294	1,295	2,589	2,575
	<u>15,870</u>	<u>15,007</u>	<u>32,607</u>	<u>31,707</u>

6. Investment associates

The investment in associates consists of the following:

<u>Name of the associates</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	<u>Percentage of ownership</u>	<u>June 30, 2016</u>	<u>December 31, 2015 (Audited)</u>	<u>June 30, 2015</u>
a- Oman Integral Logistics Co. - O.S.C.C.	Sultanate of Oman	Logistic services	50%	3,439,201	3,372,080	3,251,030
b- Inshaa Holding Co. - K.S.C. (Holding)	State of Kuwait	Industrial activity	25.03%	3,196,437	3,081,750	2,872,061
				<u>6,635,638</u>	<u>6,453,830</u>	<u>6,123,091</u>

The movement during the period / year was as follows:

	<u>June 30, 2016</u>	<u>December 31, 2015 (Audited)</u>	<u>June 30, 2015</u>
Balance at the beginning of the period / year	6,453,830	5,911,330	5,911,330
Group's share of results from associates	404,539	712,053	400,609
Cash dividends received from associates	(200,224)	(296,264)	(296,264)
Group's share of associates' other comprehensive income	(3,500)	14,651	12,543
Foreign currencies translation adjustments	(19,007)	112,060	94,873
Balance at the end of the period / year	<u>6,635,638</u>	<u>6,453,830</u>	<u>6,123,091</u>

MUBARRAD TRANSPORTATION CO. K.S.C. (PUBLIC) AND SUBSIDIARIES
 NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

JUNE 30, 2016

(All amounts are in Kuwaiti Dinars)

7. Finance lease payables

This item represents finance lease payables as follows:

	June 30, 2016	December 31, 2015 (Audited)	June 30, 2015
Gross amount of finance lease payables	3,722,392	4,013,860	1,834,128
Less: Unamortized future finance charges	(499,552)	(480,627)	(72,208)
Present value of finance lease payables	<u>3,222,840</u>	<u>3,533,233</u>	<u>1,761,920</u>

Represented by:

	June 30, 2016	December 31, 2015 (Audited)	June 30, 2015
Current portion	1,868,772	1,915,814	1,761,920
Non-current portion	1,354,068	1,617,419	-
	<u>3,222,840</u>	<u>3,533,233</u>	<u>1,761,920</u>

The Parent Company has renewed a lease agreement with a bargain purchase option with a local bank to finance the purchase of a right of utilization of an industrial plot, located at third Shuwaikh Industrial Area, Block (D), Plot No. (165), against a single rental annual payment on April 30, 2017 with a bargain purchase option upon the complete settlement of the contractual payment. Those leased assets are pledged to the bank to guarantee the settlement of the contractual payments.

The Subsidiary Takatof Real Estate Co. E.S.C. entered into a finance lease agreement with a foreign financial institution to finance the purchase of land and the administrative building constructed thereon the land located at New Cairo City – Block No. 211, Second Sector in Arab Republic of Egypt, against quarterly lease payments, the latest is due on November 15, 2020 with a bargain purchase option after completing all contractual payments. The leased assets are pledged in favor of the institution to guarantee the settlement of the contractual rental payments.

8. Earnings per share

There are no potential dilutive ordinary shares. The information necessary to calculate basic earnings per share based on the weighted average number of shares outstanding during the period is as follows:

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
Net profit for the period attributable to Shareholders of the Parent Company from continuing operations	295,840	407,504	590,821	2,994,185
	Share	Share	Share	Share
Weighted average number of shares outstanding	163,692,769	163,692,769	163,692,769	163,692,769
	Fils	Fils	Fils	Fils
Earnings per share attributable to Shareholders of the Parent Company	<u>1.80</u>	<u>2.49</u>	<u>3.61</u>	<u>18.29</u>

MUBARRAD TRANSPORTATION CO. K.S.C. (PUBLIC) AND SUBSIDIARIES
 NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

JUNE 30, 2016

(All amounts are in Kuwaiti Dinars)

Loss per share attributable to shareholders of parent company from discontinued operations is as follows:

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
Net loss for the period from discontinued operations	-	-	-	(26,559)
	Share	Share	Share	Share
Weighted average number of shares outstanding	163,692,769	163,692,769	163,692,769	163,692,769
	Fils	Fils	Fils	Fils
Loss per share attributable to Shareholders of the Parent Company from discontinued operations	-	-	-	(0.16)

9. Shareholders' Annual General Assembly

The Shareholders' Annual Ordinary General Assembly held on March 24, 2016 approved the consolidated financial statements for the fiscal year ended December 31, 2015 and the Board of Directors' proposal to distribute cash dividends of 5 Fils per share for the fiscal year ended December 31, 2015, equivalent to KD 818,464.

The Shareholders' Annual Ordinary General Assembly held on March 31, 2015 approved the consolidated financial statements for the fiscal year ended December 31, 2014 and the Board of Directors' proposal to distribute cash dividends of 5 Fils per share for the fiscal year ended December 31, 2014, equivalent to KD 818,464.

10. Segment information

For management purposes, the following activities were classified as operating activities segment as follows:

Operating Activity	Description
Transportation, leasing and maintenance segment	Represent goods transport, lease and charter means of transportation and maintenance of other vehicles.
Vehicles body manufacturing segment	Represent vehicles' body manufacturing, importing, marketing and exporting.
Investment segment	Represent investments available for sale and investment properties.

Information related to each reportable operating segment is set out below:

	Six months ended June 30, 2016			
	Transportation, leasing and maintenance segment	Vehicles body manufacturing segment	Investment segment	Total
Total revenues	438,916	496,454	865,713	1,801,083
Total costs	(297,388)	(480,124)	(429,919)	(1,207,431)
Net profit for the period	141,528	16,330	435,794	593,652

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	Transportation, leasing and maintenance segment	Vehicles body manufacturing segment	Investment segment	Eliminations	Total
Total segment assets	2,668,416	2,316,168	27,850,917	(8,498,521)	24,336,980
Total segment liabilities	197,699	658,812	6,083,383	(2,106,278)	4,833,616

Six months ended June 30, 2015

	Transportation, leasing and maintenance segment	Vehicles body manufacturing segment	Investment segment	Total
Total revenue	598,911	820,602	3,430,417	4,849,930
Total costs	(496,575)	(732,911)	(624,213)	(1,853,699)
Net profit for the period	102,336	87,691	2,806,204	2,996,231

	Transportation, leasing and maintenance segment	Vehicles body manufacturing segment	Investment segment	Eliminations	Total
Total segment assets	3,514,452	2,119,847	25,247,415	(6,171,838)	24,709,876
Total segment liabilities	176,812	551,172	4,633,418	(1,978,422)	3,382,980

Information related to Geographical locations is set out below:

Six months ended June 30, 2016

	Kuwait & GCC	Africa	Total segments	Adjustments and eliminations	Consolidated segments
Revenue	1,879,341	329,201	2,208,542	(407,459)	1,801,083
Segment assets	28,020,582	4,814,919	32,835,501	(8,498,521)	24,336,980

Six months ended June 30, 2015

	Kuwait & GCC	Africa	Total segments	Adjustments and eliminations	Consolidated segments
Revenue	5,037,899	9,573	5,047,472	(197,542)	4,849,930
Segment assets	30,759,105	122,609	30,881,714	(6,171,838)	24,709,876

11. Fair value measurement

The Group measures financial assets such as financial assets available for sale and non-financial assets such as investment properties at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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- In the principal market for the asset or liability.
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table shows an analysis of captions recorded at fair value by level of the fair value hierarchy:

June 30, 2016	Level 1	Level 2	Level 3	Total
Financial assets available for sale	49,234	1,102,043	-	1,151,277
Investment properties	-	7,607,340	2,450,000	10,057,340
Total	49,234	8,709,383	2,450,000	11,208,617

December 31, 2015 (Audited)	Level 1	Level 2	Level 3	Total
Financial assets available for sale	57,711	1,102,043	-	1,159,754
Investment properties	-	8,239,150	2,450,000	10,689,150
Total	57,711	9,341,193	2,450,000	11,848,904

June 30, 2015	Level 1	Level 2	Level 3	Total
Financial assets available for sale	75,036	1,400,406	-	1,475,442
Investment properties	-	3,250,000	2,500,000	5,750,000
Total	75,036	4,650,406	2,500,000	7,225,442

During the period ended June 30, 2016, there were no transfers between different levels of fair value measurement.