

**INTEGRATED HOLDING COMPANY K.S.C.P AND ITS
SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)**

31 MARCH 2022



INDEPENDENT AUDITOR'S REVIEW REPORT ON INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF INTEGRATED HOLDING COMPANY K.S.C.P.*Introduction*

We have reviewed the accompanying interim condensed consolidated statement of financial position of Integrated Holding Company K.S.C.P. ("the Parent Company") and its subsidiaries (collectively, the "Group") as at 31 March 2022, and the related interim condensed consolidated statement of profit or loss and interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the three-month period then ended. Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, *Interim Financial Reporting* ("IAS 34"). 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 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.

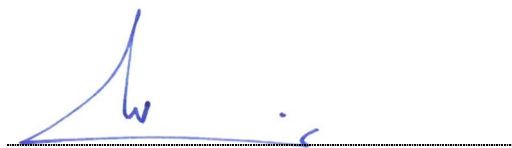
Conclusion

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 IAS 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, and its executive regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, during the three-month period ended 31 March 2022 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 violations of the provisions of Law No. 7 of 2010 concerning the Capital Markets Authority and its related regulations during the three-month period ended 31 March 2022 that might have had material effect on the business of the Parent Company or on its financial position.



BADER A. AL-ABDULJADER
LICENCE NO. 207 A
EY
AL AIBAN, AL OSAIMI & PARTNERS

15 May 2022
Kuwait

Integrated Holding Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
(UNAUDITED)

For the period ended 31 March 2022

	<i>Notes</i>	<i>Three months ended 31 March</i>	
		<i>2022 KD</i>	<i>2021 KD</i>
Revenue from contracts with customers	3	6,875,752	5,315,194
Cost of sales and rendering of services		(4,740,289)	(4,442,235)
GROSS PROFIT		2,135,463	872,959
General and administrative expenses		(830,365)	(843,107)
OPERATING PROFIT		1,305,098	29,852
Finance costs		(156,165)	(159,067)
Other income	4	461,159	271,824
PROFIT BEFORE TAX		1,610,092	142,609
Contribution to Kuwait Foundation for the Advancement of Sciences (KFAS)		(16,294)	(2,222)
National Labor Support Tax (NLST)		(42,514)	(10,118)
Income tax expense from foreign operations		(117,465)	-
Zakat		(17,007)	(4,047)
PROFIT FOR THE PERIOD		1,416,812	126,222
BASIC AND DILUTED EARNING PER SHARE ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE PARENT COMPANY (Fils)	5	5.6	0.50

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

Integrated Holding Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME (UNAUDITED)

For the period ended 31 March 2022

	<i>Three months ended</i> <i>31 March</i>	
	<i>2022</i>	<i>2021</i>
	<i>KD</i>	<i>KD</i>
PROFIT FOR THE PERIOD	1,416,812	126,222
Other comprehensive income (loss)		
<i>Other comprehensive income (loss) that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of foreign operations	15,896	(18,479)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,432,708	107,743

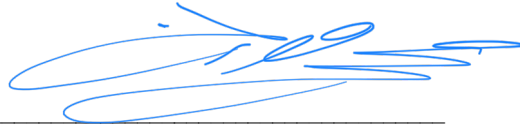
The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

Integrated Holding Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL
POSITION (UNAUDITED)

As at 31 March 2022

		31 March 2022 KD	<i>(Audited)</i> 31 December 2021 KD	31 March 2021 KD
	<i>Notes</i>			
ASSETS				
Non-current assets				
Property and equipment		73,186,164	75,297,138	81,372,031
Right-of-use assets		565,060	579,290	611,675
Intangible assets		827,460	827,371	827,359
Deferred tax asset		246,537	208,754	194,111
		74,825,221	76,912,553	83,005,176
Current assets				
Inventories		931,728	929,316	928,241
Trade and other receivables	6	15,377,561	12,403,177	12,309,436
Bank balances and cash		5,550,853	6,546,222	2,506,392
		21,860,142	19,878,715	15,744,069
TOTAL ASSETS		96,685,363	96,791,268	98,749,245
EQUITY AND LIABILITIES				
Equity				
Share capital	7	25,300,000	25,300,000	22,000,000
Statutory reserve		9,679,493	9,679,493	9,494,240
Foreign currency translation reserve		(13,001)	(28,897)	(27,264)
Retained earnings		28,272,033	26,855,221	28,804,729
Total equity		63,238,525	61,805,817	60,271,705
Liabilities				
Non-current liabilities				
Loans and borrowings	8	14,677,459	15,652,011	14,681,284
Employees' end of service benefits		2,055,630	2,025,689	1,908,342
Trade and other payables	9	-	-	7,691,164
Lease liabilities		622,409	632,801	661,983
		17,355,498	18,310,501	24,942,773
Current liabilities				
Trade and other payables	9	12,074,775	12,358,635	6,001,742
Loans and borrowings	8	3,988,144	4,298,163	7,486,773
Lease liabilities		28,421	18,152	46,252
		16,091,340	16,674,950	13,534,767
Total liabilities		33,446,838	34,985,451	38,477,540
TOTAL EQUITY AND LIABILITIES		96,685,363	96,791,268	98,749,245


Mohammad Naser Abdulaziz Al Fouzan
Chairman

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

Integrated Holding Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 31 March 2022

	<i>Share capital KD</i>	<i>Statutory reserve KD</i>	<i>Foreign currency translation reserve KD</i>	<i>Retained earnings KD</i>	<i>Total equity KD</i>
As at 1 January 2022	25,300,000	9,679,493	(28,897)	26,855,221	61,805,817
Profit for the period	-	-	-	1,416,812	1,416,812
Other comprehensive income for the period	-	-	15,896	-	15,896
Total comprehensive income for the period	-	-	15,896	1,416,812	1,432,708
At 31 March 2022	25,300,000	9,679,493	(13,001)	28,272,033	63,238,525
As at 1 January 2021	22,000,000	9,494,240	(8,785)	28,678,507	60,163,962
Profit for the period	-	-	-	126,222	126,222
Other comprehensive loss for the period	-	-	(18,479)	-	(18,479)
Total comprehensive (loss) income for the period	-	-	(18,479)	126,222	107,743
At 31 March 2021	22,000,000	9,494,240	(27,264)	28,804,729	60,271,705

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

Integrated Holding Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)

For the period ended 31 March 2022

		Three months ended 31 March	
	Notes	2022 KD	2021 KD
OPERATING ACTIVITIES			
Profit before tax and directors' remuneration		1,610,092	142,609
<i>Adjustments to reconcile profit before tax and director's remuneration to net cash flows:</i>			
Depreciation of property and equipment		2,229,131	2,118,205
Depreciation on right-of-use assets		16,721	16,739
Gain on disposal of items of property and equipment	4	(181,784)	(25,725)
Provision for employees' end of service benefit		77,512	114,084
Provision for expected credit losses of trade receivables	5	44,062	177,174
Finance costs		156,165	159,067
Net foreign exchange differences	4	208,865	(238,263)
		4,160,764	2,463,890
<i>Working capital adjustments:</i>			
Inventories		(2,412)	(25,106)
Trade and other receivables		(3,023,641)	(329,665)
Trade and other payables		(834,486)	836,116
Cash flows from operations		300,225	2,945,235
Employees' end of service benefits paid		(50,365)	(29,702)
Net cash flows from operating activities		249,860	2,915,533
INVESTING ACTIVITIES			
Purchase of items of property and equipment		-	(1,218,977)
Proceeds from disposal of items of property and equipment		181,784	25,725
Net cash flows from (used in) investing activities		181,784	(1,193,252)
FINANCING ACTIVITIES			
Finance costs paid		(148,481)	(150,987)
Payment of principal portion of lease liabilities		-	(18,212)
Repayments of borrowings		(1,276,423)	(964,189)
Net cash flows used in financing activities		(1,424,904)	(1,133,388)
NET (DECREASE) INCREASE IN BANK BALANCES AND CASH		(993,260)	588,893
Net foreign exchange differences		(2,109)	(18,226)
Bank balances and cash at 1 January		6,546,222	1,935,725
BANK BALANCES AND CASH AT 31 MARCH		5,550,853	2,506,392

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

Integrated Holding Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2022

1 CORPORATE INFORMATION

The interim condensed consolidated financial information of Integrated Holding Company K.S.C.P. (the “Parent Company”) and its subsidiaries (collectively, the “Group”) for the three months ended 31 March 2022 were authorised for issue in accordance with a resolution of the Board of Directors of the Parent Company on 14 May 2022.

The shareholders of the Parent Company at the annual general assembly meeting (“AGM”) held on 20 April 2022 approved the consolidated financial statements for the year ended 31 December 2021. Dividends declared by the Group for the year then ended are provided in Note 12.

The Parent Company was incorporated on 4 June 2005 in accordance with Companies Law of Kuwait and is listed on Boursa Kuwait. The Parent Company’s registered office is located at Building 7, Block 6, East Ahmadi, P.O. 750, Dasman 15458 Kuwait.

The principal activities of the Parent Company are, as follows:

- ▶ Acquiring shares in Kuwaiti or foreign shareholding companies as well as acquisition of shares in Kuwaiti or foreign companies with limited liability or participate in the incorporation of such two type of companies and management thereof and guaranteeing them with third parties;
- ▶ Lending money to the companies in which it holds shares. In such case, the Parent Company’s share in the capital of the borrower company is not less than 20%;
- ▶ Acquiring industrial property rights including patents, trademarks, industrial marks or industrial drawings or other rights related thereto and lease the same to other companies for use inside or outside Kuwait;
- ▶ Acquiring necessary movable and immovable properties for carrying out its business to the extend permitted by the law; and
- ▶ Utilising the financial surpluses available with the Parent Company through investing the same in financial portfolios managed by specialised companies and entities.

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP’S ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial information of the Group for the three months ended 31 March 2022 have been prepared in accordance with International Accounting Standard 34, “*Interim Financial Reporting*” (“IAS 34”). The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The management considers that there are no material uncertainties that may cast doubt significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The interim condensed consolidated financial information does not include all of the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2021.

The interim condensed consolidated financial information provides comparative information in respect of the previous period. Certain comparative information has been reclassified and represented to conform to classification in the current period. Such reclassification has been made to improve the quality of information presented

2.2 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2021, except for the adoption of new standards effective as of 1 January 2022. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in 2022, but do not have an impact on the interim condensed consolidated financial information of the Group.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2022

**2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES
(continued)**

2.2 New standards, interpretations and amendments adopted by the Group (continued)

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The Group applied the amendments to the contracts for which it had not fulfilled all of its obligations at the beginning of the reporting period.

These amendments had no impact on the interim condensed consolidated financial information as the Group had not identified any contracts as being onerous as the unavoidable costs under the contracts, which were the costs of fulfilling them, comprised only incremental costs directly related to the contracts.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

These amendments had no impact on the interim condensed consolidated financial information of the Group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

Reference to the Conceptual Framework – Amendments to IFRS 3

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements.

The amendments add an exception to the recognition principle of IFRS 3 *Business Combinations* to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* or IFRIC 21 *Levies*, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

These amendments had no impact on the interim condensed consolidated financial information of the Group as there were no contingent assets, liabilities and contingent liabilities within the scope of these amendments arisen during the period.

IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to IFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

These amendments had no impact on the interim condensed consolidated financial information of the Group as it is not a first-time adopter.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2022

**2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES
(continued)**

2.2 New standards, interpretations and amendments adopted by the Group (continued)

IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39 *Financial Instruments: Recognition and Measurement*.

These amendments had no impact on the interim condensed consolidated financial information of the Group as there were no modifications of the Group's financial instruments during the period.

IAS 41 Agriculture – Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

These amendments had no impact on the interim condensed consolidated financial information of the Group as it did not have assets in scope of IAS 41 as at the reporting date.

3 REVENUE FROM CONTRACTS WITH CUSTOMERS

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	<i>Three months ended 31 March</i>	
	<i>2022</i>	<i>2021</i>
	<i>KD</i>	<i>KD</i>
Type of goods or service		
Revenue from rendering of services		
- Equipment hire	5,925,737	4,660,357
- Transportation	192,119	343,137
- Port management	682,213	236,555
- Other revenue	66,242	73,961
Sale of goods	9,441	1,184
	<u>6,875,752</u>	<u>5,315,194</u>
Geographical markets:		
Kuwait	2,988,738	3,572,387
Qatar	3,887,014	1,742,807
	<u>6,875,752</u>	<u>5,315,194</u>
Timing of revenue recognition:		
Goods transferred at a point in time	9,441	1,184
Services transferred over time	6,866,311	5,314,010
	<u>6,875,752</u>	<u>5,315,194</u>

Integrated Holding Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2022

4 OTHER INCOME

	<i>Three months ended 31 March</i>	
	2022	2021
	KD	KD
Net foreign exchange gain	208,865	238,263
Gain on sale of property and equipment	181,784	25,725
Other miscellaneous income	70,510	7,836
	461,159	271,824

5 EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit for the period attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is calculated by dividing the profit attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical.

	<i>Three months ended 31 March</i>	
	2022	2021
		<i>(restated)</i>
Profit for the period (KD)	1,416,812	126,222
Weighted average number of ordinary shares outstanding during the period	253,000,000	253,000,000
Basic and diluted earnings per share (Fils)	5.6	0.50

EPS for the three months ended 31 March 2021 was 0.57 fils per share before the retrospective adjustment to the number of shares following the issue of bonus shares (Refer to Note 7 for further details).

There have been no transactions involving ordinary shares between the reporting date and the date of authorisation of this interim condensed consolidated financial information which would require the restatement of earnings per share.

6 TRADE AND OTHER RECEIVABLES

	<i>31 March 2022</i>	<i>(Audited) 31 December 2021</i>	<i>31 March 2021</i>
	KD	KD	KD
Trade receivables	16,865,877	15,491,052	15,475,928
Retention receivables	141,988	134,915	248,924
	17,007,865	15,625,967	15,724,852
Less: Allowance for expected credit losses	(5,517,671)	(5,461,756)	(6,203,901)
	11,490,194	10,164,211	9,520,951
Contract assets	2,105,577	1,056,629	1,126,182
Receivables from a related party (Note 10)	-	-	212,933
Deposits	117,621	109,521	87,768
Advances paid to suppliers	767,413	476,443	421,398
Staff receivables	110,856	122,804	140,731
Prepaid expenses	352,645	298,797	436,359
Other receivables	433,255	174,772	363,114
	15,377,561	12,403,177	12,309,436

Integrated Holding Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2022

6 TRADE AND OTHER RECEIVABLES (continued)

Movements in the allowance for expected credit losses on trade and retention receivable were as follows:

	<i>31 March 2022 KD</i>	<i>(Audited) 31 December 2021 KD</i>	<i>31 March 2021 KD</i>
As at 1 January	5,461,756	6,046,969	6,046,969
Provision for expected credit losses	44,062	-	177,174
Reversal of ECL	-	(566,557)	-
Exchange differences	11,853	(18,656)	(20,242)
As at the end of the period/ year	<u>5,517,671</u>	<u>5,461,756</u>	<u>6,203,901</u>

7 SHARE CAPITAL

	<i>Number of shares</i>			<i>Authorised, issued and fully paid (Audited)</i>		
	<i>31 March 2022 KD</i>	<i>31 December 2021</i>	<i>31 March 2021</i>	<i>31 March 2022 KD</i>	<i>31 December 2021 KD</i>	<i>31 March 2021 KD</i>
Shares of 100 fils each (paid in cash)	<u>253,000,000</u>	<u>253,000,000</u>	<u>22,000,000</u>	<u>25,300,000</u>	<u>25,300,000</u>	<u>22,000,000</u>

The Parent Company has increased its capital from KD 22,000,000 to KD 25,300,000 through issuance of bonus shares (Note 13). The capital increase was authenticated in the commercial register in 7 June 2021 under registration number 1012201279430.

8 LOANS AND BORROWINGS

	<i>31 March 2022 KD</i>	<i>(Audited) 31 December 2021 KD</i>	<i>31 March 2021 KD</i>
Term loan	287,252	580,823	911,178
Tawaruq payables	13,878,351	14,869,351	16,261,879
Murabaha payables	4,500,000	4,500,000	4,995,000
	<u>18,665,603</u>	<u>19,950,174</u>	<u>22,168,057</u>

The amounts payable under Murabaha and Tawarruq agreements are repayable within 1 to 5 years. The amount due is settled on a deferred payment basis and carry profit at 2.5% (31 December 2021: 2.25% to 2.5%, 31 March 2021: 2.25% to 2.75%)

Term loans carry finance charges at EIBOR+ 1% and are repayable within 5 years.

Integrated Holding Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2022

8 LOANS AND BORROWINGS (continued)

Currency wise breakup of the loans and borrowings are as follows:

	<i>31 March 2022 KD</i>	<i>(Audited) 31 December 2021 KD</i>	<i>31 March 2021 KD</i>
Currency			
Kuwait Dinars	18,378,351	19,369,351	21,256,879
Euro	287,252	580,823	911,178
	18,665,603	19,950,174	22,168,057
Non-current	14,677,459	15,652,011	14,681,284
Current	3,988,144	4,298,163	7,486,773
	18,665,603	19,950,174	22,168,057

Changes in liabilities arising from financing activities:

	<i>31 March 2022 KD</i>	<i>(Audited) 31 December 2021 KD</i>	<i>31 March 2021 KD</i>
As at 1 January	19,950,174	23,167,998	23,167,998
Repayment of borrowings	(1,276,423)	(3,148,844)	(964,189)
Exchange differences	(8,148)	(68,980)	(35,752)
As at the end of the period/ year	18,665,603	19,950,174	22,168,057

9 TRADE AND OTHER PAYABLES

	<i>31 March 2022 KD</i>	<i>(Audited) 31 December 2021 KD</i>	<i>31 March 2021 KD</i>
Trade payables	8,365,234	9,124,119	10,022,811
Payables to a related party (Note 10)	-	-	35,221
Accrued expenses	1,335,872	1,059,452	1,023,625
Staff payables	1,358,424	1,415,209	1,707,704
Other payables	1,015,245	759,855	903,545
	12,074,775	12,358,635	13,692,906
Non-current	-	-	7,691,164
Current	12,074,775	12,358,635	6,001,742
	12,074,775	12,358,635	13,692,906

Integrated Holding Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2022

10 RELATED PARTY DISCLOSURES

Related parties represent major shareholders, associates, directors and key management personnel of the Parent Company, and entities controlled, jointly controlled or significantly influenced by such parties. The Parent Company's management approves pricing policies and terms of transactions with related parties.

The related parties' balances and transactions included in the interim condensed consolidated financial information are as follows:

	<i>Other affiliates *</i>		
	<i>31 March</i>	<i>31 December</i>	<i>31 March</i>
	<i>2022</i>	<i>2021</i>	<i>2021</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>
		<i>(Audited)</i>	
Services rendered to related party	-	-	1,870
Other transactions	-	175,044	-
Amounts owed to related parties	-	-	35,221
Amounts owed by related parties	-	-	212,933

* *Other affiliates represent entities significantly influenced by key management personnel.*

Transactions with key management personnel

Key management personnel comprise of the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Group. The aggregate value of transactions and outstanding balances with related parties were as follows:

	<i>Transaction values for the period ended</i>		<i>Balance outstanding as at</i>		
	<i>31 March</i>	<i>31 March</i>	<i>(Audited)</i>		
	<i>2022</i>	<i>2021</i>	<i>31 March</i>	<i>31 December</i>	<i>31 March</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Salaries and other short-term benefits	250,683	226,787	54,000	71,017	226,787
Employees end of service benefits	15,096	10,834	579,601	578,469	10,834
	265,779	237,621	633,601	649,486	237,621

The Board of Directors at the meeting held on 29 March 2022 proposed directors' remuneration of KD 54,000 for the year ended 31 December 2021. The remuneration was approved by the shareholders at the AGM held on 20 April 2022.

11 SEGMENT INFORMATION

The management has determined the operating segments based on the information reviewed by Board of Directors represented by the chief operating decision maker for the purposes of allocating resource and assessing performance. The chief operating decision-maker organises the entity based on different geographical areas, inside and outside Kuwait. There are no inter-segmental transactions. The following table presents the geographical analysis of the Group's assets, liabilities, revenue and profit for the period ended 31 March 2022, 31 December 2021 and 31 March 2021.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on return on investments.

Integrated Holding Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2022

11 SEGMENT INFORMATION (continued)

	<i>31 March 2022 (Unaudited)</i>		
	<i>Inside Kuwait KD</i>	<i>Foreign operations KD</i>	<i>Total KD</i>
Total assets	<u>63,768,957</u>	<u>32,916,406</u>	<u>96,685,363</u>
Total liabilities	<u>(3,800,280)</u>	<u>(29,646,558)</u>	<u>(33,446,838)</u>
Revenues	<u>2,988,738</u>	<u>3,887,014</u>	<u>6,875,752</u>
Expenses	<u>(3,344,855)</u>	<u>(2,225,799)</u>	<u>(5,570,654)</u>
(Loss) profit for the year	<u>(1,196,323)</u>	<u>2,613,135</u>	<u>1,416,812</u>
Depreciation of property and equipment	<u>(1,189,555)</u>	<u>(1,039,576)</u>	<u>(2,229,131)</u>
Finance costs	<u>(140,333)</u>	<u>(15,832)</u>	<u>(156,165)</u>
Capital expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Depreciation of right-of-use assets	<u>(1,753)</u>	<u>(14,968)</u>	<u>(16,721)</u>
<i>31 December 2021 (Audited)</i>			
	<i>Inside Kuwait KD</i>	<i>Foreign operations KD</i>	<i>Total KD</i>
Total assets	<u>65,391,755</u>	<u>31,399,513</u>	<u>96,791,268</u>
Total liabilities	<u>(5,766,605)</u>	<u>(29,218,846)</u>	<u>(34,985,451)</u>
<i>31 March 2021 (Unaudited)</i>			
	<i>Inside Kuwait KD</i>	<i>Foreign operations KD</i>	<i>Total KD</i>
Total assets	<u>73,807,954</u>	<u>24,941,291</u>	<u>98,749,245</u>
Total liabilities	<u>(14,705,440)</u>	<u>(23,772,100)</u>	<u>(38,477,540)</u>
Revenues	<u>3,572,387</u>	<u>1,742,807</u>	<u>5,315,194</u>
Expenses	<u>(4,021,384)</u>	<u>(1,263,958)</u>	<u>(5,285,342)</u>
(Loss) profit for the year	<u>(109,637)</u>	<u>235,859</u>	<u>126,222</u>
Depreciation of property and equipment	<u>(1,588,041)</u>	<u>(530,164)</u>	<u>(2,118,205)</u>
Finance costs	<u>(140,577)</u>	<u>(18,490)</u>	<u>(159,067)</u>
Capital expenditures	<u>97,699</u>	<u>1,121,278</u>	<u>1,218,977</u>
Depreciation of right-of-use assets	<u>(1,767)</u>	<u>(14,972)</u>	<u>(16,739)</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2022

12 COMMITMENTS AND CONTINGENCIES

12.1 Capital commitments

The Group has commitments in respect of future capital expenditure amounting to KD Nil (31 December 2021: KD Nil and 31 March 2021: KD 3,544) relating to ongoing projects under construction.

12.2 Contingent liabilities

As at 31 March 2022, the Group's bankers had outstanding letter of guarantees and credits amounting to KD 2,570,819 (31 December 2021: KD 3,478,420 and 31 March 2021: KD 2,210,377) for the performance of certain contracts for which it is anticipated that no material liabilities will arise.

13 DISTRIBUTIONS MADE AND PROPOSED

The Board of Directors of the Parent Company in their meeting held on 28 March 2022, proposed a cash dividend of 10 fils per share aggregating to KD 2,530,000 for the year ended 31 December 2021 (2020: bonus issue of 15 fils per share aggregating to KD 3,300,000), to be paid through retained earnings.

The annual general assembly meeting (AGM) of the shareholders of the Parent Company held on 20 April 2022 approved cash dividends of 10 fils per share aggregating to KD 2,530,000 for the year ended 31 December 2021 (2020: bonus issue of 15 fils per share aggregating to KD 3,300,000 approved in the AGM held on 26 April 2021), to be paid through retained earnings.