

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

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

30 SEPTEMBER 2021





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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 30 September 2021, and the related interim condensed consolidated statement of profit or loss and interim condensed consolidated statement of comprehensive income for the three-month and nine-month periods then ended and the related interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the nine-month period then ended. The 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 IAS 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 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, it 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 nine-month period ended 30 September 2021 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 nine-months period ended 30 September 2021 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

10 November 2021
Kuwait

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

For the period ended 30 September 2021

		<i>Three months ended</i> <i>30 September</i>		<i>Nine months ended</i> <i>30 September</i>	
		<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
	<i>Notes</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Revenue from contracts with customers	3	4,665,710	4,787,517	15,610,627	14,657,392
Cost of providing services		(4,234,040)	(4,304,240)	(13,171,824)	(12,725,867)
Cost of goods sold		-	(886)	-	(3,949)
GROSS PROFIT		431,670	482,391	2,438,803	1,927,576
General and administrative expenses		(654,075)	(793,588)	(2,009,640)	(2,042,177)
OPERATING (LOSS) PROFIT		(222,405)	(311,197)	429,163	(114,601)
Finance costs		(195,880)	(181,022)	(504,578)	(508,779)
Other income (expenses)	4	339,903	144,086	370,543	(954,854)
(LOSS) PROFIT BEFORE TAX		(78,382)	(348,133)	295,128	(1,578,234)
Contribution to Kuwait Foundation for the Advancement of Science (KFAS)		(2,536)	-	(7,237)	-
National Labour Support Tax (NLST)		1,688	8,350	(15,199)	-
Zakat		(504)	(1,287)	(7,260)	(4,628)
(LOSS) PROFIT FOR THE PERIOD		(79,734)	(341,070)	265,432	(1,582,862)
BASIC AND DILUTED (LOSS) EARNING PER SHARE ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE PARENT COMPANY	5	(0.32) fils	(1.35) fils	1.05 fils	(6.26) fils

The attached notes 1 to 14 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 30 September 2021

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	2021	2020	2021	2020
	KD	KD	KD	KD
(LOSS) PROFIT FOR THE PERIOD	(79,734)	(341,070)	265,432	(1,582,862)
Other comprehensive income (loss)				
<i>Other comprehensive income (loss) that may be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of foreign operations	2,128	(8,935)	(22,710)	33,391
Other comprehensive income (loss) for the period	2,128	(8,935)	(22,710)	33,391
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD	(77,606)	(350,005)	242,722	(1,549,471)


The attached notes 1 to 14 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 30 September 2021

		30 September 2021 KD	(Audited) 31 December 2020 KD	30 September 2020 KD
	Notes			
ASSETS				
Non-current assets				
Property and equipment		77,444,083	82,397,031	76,627,952
Right-of-use assets		596,589	632,247	653,503
Intangible assets		827,313	827,485	827,626
Deferred tax asset		193,665	195,321	-
		<u>79,061,650</u>	<u>84,052,084</u>	<u>78,109,081</u>
Current assets				
Inventories		904,335	903,135	959,611
Accounts receivable and prepayments	6	11,413,594	12,177,187	12,328,530
Bank balances and cash		5,500,581	1,935,725	1,796,797
		<u>17,818,510</u>	<u>15,016,047</u>	<u>15,084,938</u>
TOTAL ASSETS		<u>96,880,160</u>	<u>99,068,131</u>	<u>93,194,019</u>
EQUITY AND LIABILITIES				
Equity				
Share capital	7	25,300,000	22,000,000	22,000,000
Statutory reserve		9,494,240	9,494,240	9,494,240
Foreign currency translation reserve		(31,495)	(8,785)	3,129
Retained earnings		25,643,939	28,678,507	28,949,912
TOTAL EQUITY		<u>60,406,684</u>	<u>60,163,962</u>	<u>60,447,281</u>
LIABILITIES				
Non-current liabilities				
Account payable and accruals	9	3,528,930	7,918,718	690,212
Loans and borrowings	8	17,510,682	15,552,633	21,130,976
Employee's end of service benefits		1,974,764	1,825,158	1,778,919
Lease liabilities		642,032	675,833	-
		<u>23,656,408</u>	<u>25,972,342</u>	<u>23,600,107</u>
CURRENT LIABILITIES				
Accounts payable and accruals	9	9,309,943	5,269,568	6,635,377
Loans and borrowings	8	3,457,794	7,615,365	2,468,980
Lease liabilities		49,331	46,894	42,274
		<u>12,817,068</u>	<u>12,931,827</u>	<u>9,146,631</u>
TOTAL LIABILITIES		<u>36,473,476</u>	<u>38,904,169</u>	<u>32,746,738</u>
TOTAL EQUITY AND LIABILITIES		<u>96,880,160</u>	<u>99,068,131</u>	<u>93,194,019</u>


Jassim Mustafa Boodai
Vice Chairman and Chief Executive officer

The attached notes 1 to 14 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 30 September 2021

	<i>Share capital KD</i>	<i>Share premium KD</i>	<i>Statutory reserve KD</i>	<i>Foreign currency translation reserve KD</i>	<i>Retained earnings KD</i>	<i>Total KD</i>
As at 1 January 2021	22,000,000	-	9,494,240	(8,785)	28,678,507	60,163,962
Profit for the period	-	-	-	-	265,432	265,432
Other comprehensive loss for the period	-	-	-	(22,710)	-	(22,710)
Total comprehensive (loss) income for the period	-	-	-	(22,710)	265,432	242,722
Issue of bonus shares (note 14)	3,300,000	-	-	-	(3,300,000)	-
At 30 September 2021	25,300,000	-	9,494,240	(31,495)	25,643,939	60,406,684
As at 1 January 2020	22,000,000	1,463,000	9,494,240	(30,262)	35,669,774	68,596,752
Loss for the period	-	-	-	-	(1,582,862)	(1,582,862)
Other comprehensive income for the period	-	-	-	33,391	-	33,391
Total comprehensive income (loss) for the period	-	-	-	33,391	(1,582,862)	(1,549,471)
Dividend paid (note 14)	-	(1,463,000)	-	-	(5,137,000)	(6,600,000)
At 30 September 2020	22,000,000	-	9,494,240	3,129	28,949,912	60,447,281

The attached notes 1 to 14 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 30 September 2021

	Notes	<i>Nine months ended 30 September</i>	
		2021	2020
		KD	KD
OPERATING ACTIVITIES			
Profit (loss) for the period		265,432	(1,582,862)
<i>Adjustments to reconcile profit (loss) for the period to net cash flows:</i>			
Depreciation of property and equipment		6,616,716	6,007,889
Depreciation on right-of-use assets		47,506	50,439
Finance costs		504,578	508,779
Provision for employees' end of service benefit		228,072	236,946
Allowance for expected credit losses on trade receivables	6	161,476	1,407,115
Foreign exchange (gain) loss		(56,565)	123,218
Gain on sale of property and equipment		(121,943)	(319,901)
		7,645,271	6,431,623
<i>Working capital adjustments:</i>			
Accounts receivable and prepayments		601,187	2,963,627
Accounts payable and accruals		(349,413)	(359,854)
Inventories		(1,200)	(16,179)
Cash flows from operations		7,895,845	9,019,217
Employees' end of service benefits paid		(76,721)	(49,006)
Net cash flows from operating activities		7,819,124	8,970,211
INVESTING ACTIVITIES			
Purchase of items of property and equipment		(1,840,667)	(9,937,140)
Proceeds from sale of items of property and equipment		133,118	333,009
Net cashflow on acquisition of a subsidiary		-	(295,415)
Net cash flows used in investing activities		(1,707,549)	(9,899,546)
FINANCING ACTIVITIES			
Finance costs paid		(480,800)	(483,702)
Proceeds from loans and borrowings		-	12,327,120
Dividends paid	14	-	(6,600,000)
Payment of principle portion of lease liabilities		(54,667)	(39,017)
Repayments of loans and borrowings		(2,142,959)	(4,321,339)
Net cash flows (used in) from financing activities		(2,678,426)	883,062
NET INCREASE IN BANK BALANCE AND CASH		3,564,856	8,848
Net foreign exchange differences		131,707	55,121
Bank balance and cash as at 1 January		1,935,725	1,787,949
BANK BALANCE AND CASH AS AT 30 SEPTEMBER		5,500,581	1,796,797

The attached notes 1 to 14 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 30 September 2021

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 nine months ended 30 September 2021 were authorised for issue in accordance with a resolution of the Board of Directors of the Parent Company on 10 November 2021.

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 main 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 immoveable 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.

The shareholders of the Parent Company at the annual general assembly meeting (“AGM”) held on 26 April 2021 approved the consolidated financial statements for the year ended 31 December 2020. Dividends declared by the Parent Company for the year ended as provided in note 14.

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information of the Group has been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”).

The interim condensed consolidated financial information does not contain all information and disclosures required for full consolidated financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2020.

The interim condensed consolidated financial information is presented in Kuwaiti Dinars (“KD”), which is also the functional currency of the Parent Company.

The interim condensed consolidated financial information provides comparative information in respect of the previous period. Certain reclassifications have been made to conform the prior period’s financial information and notes thereto to current period’s presentation.

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 2020, except for the adoption of new standards effective as of 1 January 2021. 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 2021, but do not have an impact on the interim condensed consolidated financial information of the Group.

Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

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 30 September 2021

2.2 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP (continued)

The amendments include the following practical expedients:

- ▶ A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- ▶ Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- ▶ Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

These amendments had no impact on the interim condensed consolidated financial information of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

3 REVENUE

Set out below is the disaggregation of the Group's revenue:

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
<i>Unaudited</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
<i>Type of goods or service</i>				
Revenue from rendering of services;				
Equipment hire	2,885,840	3,475,648	12,027,471	12,309,488
Transportation	214,697	404,451	854,330	1,398,218
Port management	614,049	-	1,583,881	-
Revenue others	943,689	656,352	1,128,286	695,074
Sale of goods	7,435	251,066	16,659	254,612
	4,665,710	4,787,517	15,610,627	14,657,392
<i>Geographical markets:</i>				
Kuwait	4,054,419	3,515,956	11,327,086	11,404,288
Qatar	611,291	1,271,561	4,283,541	3,253,104
	4,665,710	4,787,517	15,610,627	14,657,392
<i>Timing of revenue recognition:</i>				
Goods transferred at a point in time	7,435	251,065	16,659	254,611
Services transferred over time	4,658,275	4,536,452	15,593,968	14,402,781
	4,665,710	4,787,517	15,610,627	14,657,392

4 OTHER INCOME (EXPENSES)

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
<i>Unaudited</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Net foreign exchange gain (loss)	233,712	(135,677)	358,805	(123,218)
Reversal of (allowance for) expected credit losses	12,496	27,369	(161,476)	(1,407,115)
Gain on sale of property and equipment	75,900	97,024	121,943	319,901
Miscellaneous income	17,795	155,370	51,271	255,578
	339,903	144,086	370,543	(954,854)

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 30 September 2021

5 (LOSS) EARNINGS PER SHARE

Basic (loss) earnings per share amounts are calculated by dividing the profit/(loss) 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 (loss) earnings per share is calculated by dividing the profit/(loss) 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 (loss) earnings per share are identical.

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	2021	2020 (Restated)*	2021	2020 (Restated)*
(Loss) profit for the period (KD)	(79,734)	(341,070)	265,432	(1,582,862)
Weighted average number of ordinary shares outstanding during the period	253,000,000	253,000,000	253,000,000	253,000,000
Basic and diluted (loss) earnings per share (fils)	0.32	(1.35)	1.05	(6.26)

* Basic and diluted earnings per share for the comparative period presented have been restated to reflect the adjustment of bonus shares following the bonus issue relating to year ended 31 December 2020 (Note 14).

There have been no other 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 (loss) earnings per share.

6 ACCOUNTS RECEIVABLES AND PREPAYMENTS

	<i>30 September 2021 KD (Unaudited)</i>	<i>31 December 2020 KD (Audited)</i>	<i>30 September 2020 KD (Unaudited)</i>
Trade accounts receivable	15,660,728	15,201,064	14,648,410
Retention receivables	131,957	205,593	209,758
Less: Allowance for expected credit loss	(6,180,385)	(6,046,969)	(5,844,138)
	9,612,300	9,359,688	9,014,030
Contract assets	629,878	1,305,730	1,242,990
Amount due from a related party (Note 10)	3,847	217,462	177,027
Deposits	96,494	158,097	159,781
Advance to suppliers and employees	518,120	515,760	820,459
Prepaid expenses	332,902	177,689	203,682
Other receivables	220,053	442,761	710,561
	11,413,594	12,177,187	12,328,530

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 30 September 2021

6 ACCOUNTS RECEIVABLES AND PREPAYMENTS (continued)

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

	<i>30 September 2021 KD (Unaudited)</i>	<i>31 December 2020 KD (Audited)</i>	<i>30 September 2020 KD (Unaudited)</i>
As at 1 January	6,046,969	4,407,633	4,407,633
Allowance for expected credit loss	161,476	1,642,303	1,421,406
Reversal of allowance	-	-	(14,291)
Foreign exchange difference	(28,060)	(2,967)	29,390
	<u>6,180,385</u>	<u>6,046,969</u>	<u>5,844,138</u>

7 SHARE CAPITAL

	<i>Number of shares</i>			<i>Authorised, issued and fully paid</i>		
	<i>30 September 2021</i>	<i>31 December 2020</i>	<i>30 September 2020</i>	<i>30 September 2021 KD</i>	<i>31 December 2020 KD</i>	<i>30 September 2020 KD</i>
Shares of 100 fils each (paid in cash)	<u>253,000,000</u>	<u>220,000,000</u>	<u>220,000,000</u>	<u>25,300,000</u>	<u>22,000,000</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 14). The capital increase was authenticated in the commercial register in 7 June 2021 under registration number 1012201279430.

8 LOANS AND BORROWINGS

	<i>30 September 2021 KD (Unaudited)</i>	<i>31 December 2020 KD (Audited)</i>	<i>30 September 2020 KD (Unaudited)</i>
Term loan	593,240	1,262,574	1,801,048
Tawaruq payables	15,875,236	16,910,424	16,803,908
Murabaha payables	4,500,000	4,995,000	4,995,000
	<u>20,968,476</u>	<u>23,167,998</u>	<u>23,599,956</u>

The amounts payable under Murabaha and Tawaruq agreements are repayable within 1 to 5 years. The amount due is settled on a deferred payment basis and carry profit at 2.25% to 2.5% (31 December 2020: 2.25% to 2.75%, 30 September 2020: 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 30 September 2021

8 LOANS AND BORROWINGS (continued)

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

	30 September 2021 KD (Unaudited)	31 December 2020 KD (Audited)	30 September 2020 KD (Unaudited)
Currency			
Kuwait Dinars	20,375,236	21,905,424	22,404,447
Euro	593,240	1,262,574	1,195,509
	20,968,476	23,167,998	23,599,956
	30 September 2021 KD (Unaudited)	31 December 2020 KD (Audited)	30 September 2020 KD (Unaudited)
Non-current	17,510,682	15,552,633	21,130,976
Current	3,457,794	7,615,365	2,468,980
	20,968,476	23,167,998	23,599,956

9 ACCOUNTS PAYABLE AND ACCRUALS

	30 September 2021 KD (Unaudited)	31 December 2020 KD (Audited)	30 September 2020 KD (Unaudited)
Trade accounts payable	9,541,636	9,535,965	2,885,983
Amount due to a related party (Note 10)	23,952	33,456	39,476
Accrued expenses	1,167,783	940,126	1,261,439
Staff payables	1,554,369	1,824,412	1,801,256
Other payables	551,133	854,327	1,337,435
	12,838,873	13,188,286	7,325,589
	30 September 2021 KD (Unaudited)	31 December 2020 KD (Audited)	30 September 2020 KD (Unaudited)
Non-current	3,528,930	7,918,718	690,212
Current	9,309,943	5,269,568	6,635,377
	12,838,873	13,188,286	7,325,589

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.

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 30 September 2021

10 RELATED PARTY DISCLOSURES (continued)

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

	<i>30 September 2021</i>				
	<i>Services rendered to related party KD</i>	<i>Purchases from related parties KD</i>	<i>Other transactions KD</i>	<i>Amounts owed to related parties KD</i>	<i>Amounts owed by related parties KD</i>
Other affiliates*	97,211	-	(320,330)	23,952	3,847

	<i>31 December 2020</i>				
	<i>Services rendered to related party KD</i>	<i>Purchases from related parties KD</i>	<i>Other transactions KD</i>	<i>Amounts owed to related parties KD</i>	<i>Amounts owed by related parties KD</i>
Other affiliates*	378,926	-	(255,880)	33,456	217,462

	<i>30 September 2020</i>				
	<i>Services rendered to related party KD</i>	<i>Purchases from related parties KD</i>	<i>Other transactions KD</i>	<i>Amounts owed to related parties KD</i>	<i>Amounts owed by related parties KD</i>
Other affiliates*	316,592	-	(227,961)	39,476	177,027

* Other affiliates represent entities in which key managerial person have significant influence.

Compensation of key management personnel:

Key management personnel comprise of the key members of management having authority and responsibility for planning, directing and controlling the activities of the Group.

The aggregate value of transactions related to key management personnel were as follows:

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2021 KD</i>	<i>2020 KD</i>	<i>2021 KD</i>	<i>2020 KD</i>
Salaries and short-term employee benefits	219,777	224,227	671,332	699,227
End of services benefits	11,439	11,225	32,566	35,346
	231,216	235,452	703,898	734,573

The aggregate value of balances outstanding related to key management personnel were as follows:

	<i>Balance outstanding as at</i>		
	<i>30 September 2021 KD</i>	<i>31 December 2020 KD</i>	<i>30 September 2020 KD</i>
Salaries and short-term employee benefits	113,848	133,369	135,563
End of services benefits	566,786	538,404	540,460
	680,634	671,773	676,023

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 30 September 2021

11 SEGMENTAL 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 30 September 2021, 31 December 2020 and 30 September 2020.

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.

	<i>Nine months ended 30 September 2021</i>		
	<i>Inside Kuwait KD</i>	<i>Outside Kuwait KD</i>	<i>Total KD</i>
Segment revenue	11,327,086	4,283,541	15,610,627
Segment results	(714,507)	979,939	265,432
Depreciation	(4,847,967)	(1,816,255)	(6,664,222)
Finance cost	(432,707)	(71,871)	(504,578)
Assets	66,265,969	30,614,191	96,880,160
Liabilities	7,335,624	29,137,852	36,473,476
Capital expenditure	432,289	1,408,378	1,840,667
<i>31 December 2020</i>			
	<i>Inside Kuwait KD</i>	<i>Outside Kuwait KD</i>	<i>Total KD</i>
Assets	74,682,084	24,386,047	99,068,131
Liabilities	15,730,403	23,173,766	38,904,169
Capital expenditure	11,521,256	6,402,906	17,924,162
<i>Nine months ended 30 September 2020</i>			
	<i>Inside Kuwait KD</i>	<i>Outside Kuwait KD</i>	<i>Total KD</i>
Segment revenue	11,404,288	3,253,104	14,657,392
Segment results	(1,846,425)	263,563	(1,582,862)
Depreciation	(5,022,417)	(1,035,911)	(6,058,328)
Finance cost	(464,547)	(44,232)	(508,779)
Assets	69,154,613	24,039,406	93,194,019
Liabilities	9,850,731	22,896,007	32,746,738
Capital expenditure	4,541,498	5,395,642	9,937,140

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2021

12 COMMITMENTS AND CONTINGENCIES

Capital commitments

The Group has commitments in respect of future capital expenditure amounting to Nil (31 December 2020: KD 6,495 and 30 September 2020: KD 2,536) relating to ongoing projects under construction.

Contingent liabilities

At 30 September 2021, the Group's bankers had outstanding letter of guarantees and credits amounting to KD 3,632,912 (31 December 2020: KD 3,293,254 and 30 September 2020: KD 8,889,743) for the performance of certain contracts for which it is anticipated that no material liabilities will arise.

13 RISK MANAGEMENT AND COVID-19

A year since the advent of the COVID 19 pandemic, various economies and sectors continue to face disruptions and uncertainty as a result of the pandemic and corresponding measures taken by the governments to contain the spread of the virus.

The Group continues to be impacted due to the outbreak and the management continues its efforts to mitigate the associated risk. The management of credit, market and liquidity risk along with the application of significant estimate and judgements are described in Note 20 to the annual audited consolidated financial statements of the Group for the year ended 31 December 2020 and no material changes have taken place in the risk management process.

14 DISTRIBUTIONS MADE AND PROPOSED

The Board of Directors in their meeting held on 24 March 2021, proposed a bonus issue of 15% in respect of the year ended 31 December 2020 (2019: cash dividend of 30 fils per share aggregating to KD 6,600,000), to be issued from utilizing retained earnings (2019: to be paid through fully utilizing share premium and retained earnings of KD 1,463,000 and KD 5,137,000 respectively).

The Annual general Meeting (AGM) of the shareholders held on 26 April 2021 has approved bonus issue of 15% for the year ended 31 December 2020 (2019: cash dividend of 30 fils per share aggregating to KD 6,600,000), to be issued from utilizing retained earnings (2019: to be paid through fully utilizing share premium and retained earnings of KD 1,463,000 and KD 5,137,000 respectively).

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