

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

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

**31 MARCH 2023**



**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 2023, and the related interim condensed consolidated statement of profit or loss, 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.

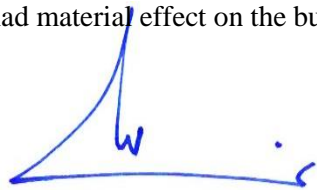
**Conclusion**

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 2023 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 2023 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

14 May 2023  
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 2023

	<i>Notes</i>	<i>Three months ended 31 March</i>	
		<b>2023 KD</b>	<b>2022 KD</b>
Revenue from contracts with customers	3	<b>7,565,568</b>	6,875,752
Cost of sales and rendering of services		<b>(4,978,336)</b>	(4,740,289)
<b>GROSS PROFIT</b>		<b>2,587,232</b>	2,135,463
General and administrative expenses		<b>(1,361,719)</b>	(830,365)
<b>OPERATING PROFIT</b>		<b>1,225,513</b>	1,305,098
Finance costs		<b>(260,196)</b>	(156,165)
Other income	4	<b>68,253</b>	461,159
<b>PROFIT BEFORE TAX</b>		<b>1,033,570</b>	1,610,092
Contribution to Kuwait Foundation for the Advancement of Sciences (“KFAS”)		<b>(9,302)</b>	(16,294)
National Labour Support Tax (“NLST”)		<b>(41,080)</b>	(42,514)
Income tax on overseas operations		<b>(8,759)</b>	(117,465)
Zakat		<b>(16,527)</b>	(17,007)
<b>PROFIT FOR THE PERIOD</b>		<b>957,902</b>	1,416,812
<b>BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY</b>	5	<b>3.8 Fils</b>	5.6 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 31 March 2023

	<i>Three months ended</i> <i>31 March</i>	
	<i>2023</i> <i>KD</i>	<i>2022</i> <i>KD</i>
<b>PROFIT FOR THE PERIOD</b>	<b>957,902</b>	1,416,812
<b>Other comprehensive income</b>		
<i>Other comprehensive income that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of foreign operations	<b>4,815</b>	15,896
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>962,717</b>	1,432,708

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 31 March 2023

		<b>31 March 2023 KD</b>	<i>(Audited)</i> <b>31 December 2022 KD</b>	<b>31 March 2022 KD</b>
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property and equipment		73,713,776	70,171,488	73,186,164
Right-of-use assets		527,330	539,144	565,060
Intangible assets		711,571	711,568	827,460
Deferred tax asset		264,223	238,159	246,537
		<b>75,216,900</b>	<b>71,660,359</b>	<b>74,825,221</b>
<b>Current assets</b>				
Inventories		1,052,327	1,039,597	931,728
Trade and other receivables	6	14,350,555	12,766,583	15,377,561
Bank balances and cash	7	3,130,568	3,391,718	5,550,853
		<b>18,533,450</b>	<b>17,197,898</b>	<b>21,860,142</b>
<b>TOTAL ASSETS</b>		<b>93,750,350</b>	<b>88,858,257</b>	<b>96,685,363</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	8	25,300,000	25,300,000	25,300,000
Statutory reserve		10,023,802	10,023,802	9,679,493
Foreign currency translation reserve		191,472	186,657	(13,001)
Retained earnings		28,105,748	27,147,846	28,272,033
<b>Total equity</b>		<b>63,621,022</b>	<b>62,658,305</b>	<b>63,238,525</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Loans and borrowings	9	11,263,870	9,374,978	14,677,459
Employees' end of service benefits		2,037,304	2,040,700	2,055,630
Lease liabilities		629,454	603,198	622,409
		<b>13,930,628</b>	<b>12,018,876</b>	<b>17,355,498</b>
<b>Current liabilities</b>				
Trade and other payables	10	4,297,391	4,091,822	12,074,775
Loans and borrowings	9	11,884,867	10,036,557	3,988,144
Lease liabilities		16,442	52,697	28,421
		<b>16,198,700</b>	<b>14,181,076</b>	<b>16,091,340</b>
<b>Total liabilities</b>		<b>30,129,328</b>	<b>26,199,952</b>	<b>33,446,838</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>93,750,350</b>	<b>88,858,257</b>	<b>96,685,363</b>

**Mohammad Naser Abdulaziz Al Fouzan**  
Chairman

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 31 March 2023

	<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>
<b>As at 1 January 2023</b>	<b>25,300,000</b>	<b>10,023,802</b>	<b>186,657</b>	<b>27,147,846</b>	<b>62,658,305</b>
Profit for the period	-	-	-	<b>957,902</b>	<b>957,902</b>
Other comprehensive income for the period	-	-	<b>4,815</b>	-	<b>4,815</b>
Total comprehensive income for the period	-	-	<b>4,815</b>	<b>957,902</b>	<b>962,717</b>
<b>At 31 March 2023</b>	<b>25,300,000</b>	<b>10,023,802</b>	<b>191,472</b>	<b>28,105,748</b>	<b>63,621,022</b>
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

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 31 March 2023

		Three months ended 31 March	
	Notes	2023 KD	2022 KD
<b>OPERATING ACTIVITIES</b>			
Profit before tax		1,033,570	1,610,092
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Depreciation of property and equipment		2,252,727	2,229,131
Depreciation of right-of-use assets		17,541	16,721
Gain on disposal of items of property and equipment	4	(89,499)	(181,784)
Provision for employees' end of service benefit		27,058	77,512
Provision for expected credit losses of trade receivables	6	594,047	44,062
Finance costs		260,196	156,165
Loss on remeasurement of leases		508	-
Net foreign exchange differences	4	50,274	(208,865)
		<hr/>	<hr/>
		4,146,422	3,743,034
<i>Working capital adjustments:</i>			
Inventories		(12,730)	(2,412)
Trade and other receivables		(2,183,605)	(3,023,641)
Trade and other payables		71,602	(416,756)
		<hr/>	<hr/>
Cash flows from operations		2,021,689	300,225
Employees' end of service benefits paid		(30,472)	(50,365)
Taxes paid		(11,761)	-
		<hr/>	<hr/>
<b>Net cash flows from operating activities</b>		1,979,456	249,860
		<hr/>	<hr/>
<b>INVESTING ACTIVITIES</b>			
Purchase of items of property and equipment		(5,791,058)	-
Proceeds from disposal of items of property and equipment		89,499	181,784
		<hr/>	<hr/>
<b>Net cash flows (used in) from investing activities</b>		(5,701,559)	181,784
		<hr/>	<hr/>
<b>FINANCING ACTIVITIES</b>			
Finance costs paid		(252,681)	(148,481)
Payment of lease liabilities		(25,827)	-
Proceeds from borrowings	9	2,511,875	-
Repayments of borrowings	9	(78,108)	(1,276,423)
		<hr/>	<hr/>
<b>Net cash flows from (used in) financing activities</b>		2,155,259	(1,424,904)
		<hr/>	<hr/>
<b>NET DECREASE IN BANK BALANCES AND CASH</b>			
Net foreign exchange differences		(1,566,844)	(993,260)
Bank balances and cash at 1 January		2,259	(2,109)
		3,138,817	6,546,222
		<hr/>	<hr/>
<b>BANK BALANCES AND CASH AT 31 MARCH</b>	7	1,574,232	5,550,853

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 31 March 2023

### 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 2023 were authorised for issue in accordance with a resolution of the Board of Directors of the Parent Company on 14 May 2023.

The shareholders of the Parent Company at the annual general assembly meeting (“AGM”) held on 30 April 2023 approved the consolidated financial statements for the year ended 31 December 2022. Dividends declared by the Parent Company for the year then ended are provided in Note 14.

The Parent Company was incorporated and domiciled in Kuwait and is listed on Boursa Kuwait. The Parent Company’s head office is located at Building 7, Block 6, East Ahmadi and its registered office is P.O. Box 750, Dasman 15458, State of 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 2023 have been prepared in accordance with International Accounting Standard 34, “*Interim Financial Reporting*” (“IAS 34”). The Group has prepared the interim condensed consolidated financial information 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 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 2022.

#### 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 2022, except for the adoption of new standards effective as of 1 January 2023. 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 2023, 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 2023

**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)**

**Definition of Accounting Estimates - Amendments to IAS 8**

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, and changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Group's interim condensed consolidated financial information.

**Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2**

The amendments to IAS 1 and IFRS Practice Statement 2 *Making Materiality Judgements* provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments had no impact on the Group's interim condensed consolidated financial information but are expected to affect the accounting policy disclosures in the Group's annual consolidated financial statements.

**Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12**

The amendments to IAS 12 *Income Tax* narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities. The amendments had no impact on the Group's interim condensed consolidated financial information.

**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>	
	<b>2023</b>	<b>2022</b>
	<b>KD</b>	<b>KD</b>
<b><i>Type of goods or service</i></b>		
Revenue from rendering of services		
- Equipment hire	<b>5,590,248</b>	5,925,737
- Transportation	<b>189,511</b>	192,119
- Port management	<b>1,741,341</b>	682,213
- Other revenue	<b>43,123</b>	66,242
-		
	<b>7,564,223</b>	6,866,311
Sale of goods	<b>1,345</b>	9,441
	<b>7,565,568</b>	6,875,752
<b><i>Geographical markets:</i></b>		
Kuwait	<b>6,027,927</b>	2,988,738
Qatar	<b>1,537,641</b>	3,887,014
	<b>7,565,568</b>	6,875,752
<b><i>Timing of revenue recognition:</i></b>		
Goods transferred at a point in time	<b>1,345</b>	9,441
Services transferred over time	<b>7,564,223</b>	6,866,311
	<b>7,565,568</b>	6,875,752

# 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 2023

### 4 OTHER INCOME

	<i>Three months ended 31 March</i>	
	<b>2023</b>	<b>2022</b>
	<b>KD</b>	<b>KD</b>
Net foreign exchange differences	<b>(50,274)</b>	208,865
Gain on sale of property and equipment	<b>89,499</b>	181,784
Other miscellaneous income	<b>29,028</b>	70,510
	<b>68,253</b>	461,159

### 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>	
	<b>2023</b>	<b>2022</b>
<b>Profit for the period (KD)</b>	<b>957,902</b>	1,416,812
Weighted average number of ordinary shares outstanding during the period	<b>253,000,000</b>	253,000,000
<b>Basic and diluted earnings per share (fils)</b>	<b>3.8</b>	5.6

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 EPS.

### 6 TRADE AND OTHER RECEIVABLES

	<i>31 March 2023 KD</i>	<i>(Audited) 31 December 2022 KD</i>	<i>31 March 2022 KD</i>
Trade receivables	<b>17,009,127</b>	15,861,326	16,865,877
Retention receivables	<b>116,643</b>	116,643	141,988
	<b>17,125,770</b>	15,977,969	17,007,865
Less: Allowance for expected credit losses	<b>(6,080,387)</b>	(5,480,754)	(5,517,671)
	<b>11,045,383</b>	10,497,215	11,490,194
Contract assets	<b>844,221</b>	266,802	2,105,577
Refundable deposits	<b>137,974</b>	65,022	117,621
Advances to suppliers and employees	<b>1,196,239</b>	962,022	878,269
Prepaid expenses	<b>381,772</b>	375,417	352,645
Other receivables	<b>744,966</b>	600,105	433,255
	<b>14,350,555</b>	12,766,583	15,377,561

# 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 2023

### 6 TRADE AND OTHER RECEIVABLES (continued)

Set out below is the movement in the allowance for expected credit losses of trade and retention receivables:

	<i>31 March 2023 KD</i>	<i>(Audited) 31 December 2022 KD</i>	<i>31 March 2022 KD</i>
<b>As at 1 January</b>	<b>5,480,754</b>	5,461,756	5,461,756
Allowance for expected credit losses	<b>606,276</b>	226,075	44,062
Write-off	-	(244,873)	-
Reversal of ECL	<b>(12,229)</b>	-	-
Exchange differences	<b>5,586</b>	37,796	11,853
<b>As at the end of the period/ year</b>	<b>6,080,387</b>	5,480,754	5,517,671

### 7 BANK BALANCES AND CASH

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following at 31 December:

	<i>31 March 2023 KD</i>	<i>(Audited) 31 December 2022 KD</i>	<i>31 March 2022 KD</i>
Cash on hand	<b>55,421</b>	38,120	41,212
Bank balances	<b>3,075,147</b>	3,353,598	5,509,641
<b>Bank balances and cash</b>	<b>3,130,568</b>	3,391,718	5,550,853
<i>Less:</i>			
Bank overdrafts (Note 9)	<b>(1,556,336)</b>	(252,901)	-
<b>Cash and cash equivalents</b>	<b>1,574,232</b>	3,138,817	5,550,853

At 31 March 2023, the Group had available KD 1,943,664 (31 December 2022: KD 1,247,099 and 31 March 2022: KD 1,500,000) of undrawn committed overdraft facilities

### 8 SHARE CAPITAL

Authorised, issued and paid-up share capital comprises of 253,000,000 shares of 100 fils each paid in cash.

### 9 LOANS AND BORROWINGS

	<i>31 March 2023 KD</i>	<i>(Audited) 31 December 2022 KD</i>	<i>31 March 2022 KD</i>
Term loan	-	-	287,252
Tawaruq payables	<b>15,792,401</b>	14,658,634	13,878,351
Murabaha payables	<b>5,800,000</b>	4,500,000	4,500,000
Bank overdrafts	<b>1,556,336</b>	252,901	-
	<b>23,148,737</b>	19,411,535	18,665,603

# 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 2023

### 9 LOANS AND BORROWINGS (continued)

Loans and borrowing in the consolidated statement of financial position are categorised as:

	<b>31 March 2023 KD</b>	<i>(Audited)</i> <b>31 December 2022 KD</b>	<b>31 March 2022 KD</b>
Non-current	<b>11,263,870</b>	9,374,978	14,677,459
Current	<b>11,884,867</b>	10,036,557	3,988,144
	<b>23,148,737</b>	19,411,535	18,665,603

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 bear an interest rate ranging from 4% to 5% (31 December 2022: 3.5% to 4%, 31 March 2022: 2.5%)

Term loans carry finance charges at EIBOR+ 0.75% and are repayable within 5 years.

The Group's currency exposure for loans and borrowings is, as follows:

	<b>31 March 2023 KD</b>	<i>(Audited)</i> <b>31 December 2022 KD</b>	<b>31 March 2022 KD</b>
<b>Currency</b>			
Kuwait Dinars	<b>23,148,737</b>	19,411,535	18,378,351
Euro	-	-	287,252
	<b>23,148,737</b>	19,411,535	18,665,603

Changes in liabilities arising from financing activities:

	<b>31 March 2023 KD</b>	<i>(Audited)</i> <b>31 December 2022 KD</b>	<b>31 March 2022 KD</b>
<b>As at 1 January</b>	<b>19,411,535</b>	19,950,174	19,950,174
Proceeds from borrowings	<b>2,511,875</b>	900,000	-
Proceeds from bank overdrafts	<b>1,303,435</b>	252,901	-
Repayment of borrowings	<b>(78,108)</b>	(1,691,540)	(1,276,423)
Exchange differences	-	-	(8,148)
<b>As at the end of the period/ year</b>	<b>23,148,737</b>	19,411,535	18,665,603

#### Debt covenants

Banking covenants vary according to each loan agreement. During the period, the Group did not breach any of its loan covenants, nor did it default on any other of its obligations under its loan arrangements.

# 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 2023

### 10 TRADE AND OTHER PAYABLES

	<b>31 March 2023 KD</b>	<i>(Audited)</i> <b>31 December 2022 KD</b>	<b>31 March 2022 KD</b>
Trade payables	<b>910,381</b>	931,345	8,365,234
Accrued expenses	<b>1,692,444</b>	1,453,862	1,335,872
Staff payables	<b>1,170,047</b>	1,105,667	1,358,424
Other payables	<b>524,519</b>	600,948	1,015,245
	<b>4,297,391</b>	4,091,822	12,074,775

### 11 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.

#### 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 three months ended</i>		<i>Balance outstanding as at</i>		
	<b>31 March 2023 KD</b>	<b>31 March 2022 KD</b>	<b>31 March 2023 KD</b>	<b>31 December 2022 KD</b>	<b>31 March 2022 KD</b>
				<i>(Audited)</i>	
Salaries and other short-term benefits	<b>370,880</b>	250,683	<b>56,864</b>	54,000	54,000
Employees end of service benefits	<b>13,771</b>	15,096	<b>600,890</b>	606,657	579,601
	<b>384,651</b>	265,779	<b>657,754</b>	660,657	633,601

The Board of Directors at the meeting held on 27 March 2023 proposed directors' remuneration of KD 54,000 for the year ended 31 December 2022. The remuneration was approved by the shareholders at the AGM held on 30 April 2023.

### 12 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, expenses and profit for the period ended 31 March 2023 and 31 March 2022 and assets and liabilities for the year ended 31 December 2022.

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 2023

12 SEGMENT INFORMATION (continued)

	<i>31 March 2023 (Unaudited)</i>		
	<i>Kuwait KD</i>	<i>Foreign operations KD</i>	<i>Total KD</i>
Total assets	57,099,011	36,651,339	93,750,350
Total liabilities	13,720,516	16,408,812	30,129,328
Revenues	6,027,927	1,537,641	7,565,568
Expenses	(2,711,153)	(1,358,634)	(4,069,787)
Profit for the period	758,342	199,560	957,902
Depreciation of property and equipment	(1,146,995)	(1,105,732)	(2,252,727)
Finance costs	(252,651)	(7,545)	(260,196)
Capital expenditures	2,124,903	3,666,155	5,791,058
Depreciation of right-of-use assets	(2,399)	(15,142)	(17,541)

	<i>31 December 2022 (Audited)</i>		
	<i>Kuwait KD</i>	<i>Foreign operations KD</i>	<i>Total KD</i>
Total assets	52,606,178	36,252,079	88,858,257
Total liabilities	9,982,696	16,217,256	26,199,952

	<i>31 March 2022 (Unaudited)</i>		
	<i>Kuwait KD</i>	<i>Foreign operations KD</i>	<i>Total KD</i>
Total assets	63,768,957	32,916,406	96,685,363
Total liabilities	(3,800,280)	(29,646,558)	(33,446,838)
Revenues	2,988,738	3,887,014	6,875,752
Expenses	(3,344,855)	(2,225,799)	(5,570,654)
(Loss) profit for the year	(1,196,323)	2,613,135	1,416,812
Depreciation of property and equipment	(1,189,555)	(1,039,576)	(2,229,131)
Finance costs	(140,333)	(15,832)	(156,165)
Capital expenditures	-	-	-
Depreciation of right-of-use assets	(1,753)	(14,968)	(16,721)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2023

**13 CONTINGENCIES**

As at 31 March 2023, the Group's bankers had outstanding letter of guarantees and credits amounting to KD 8,458,231 (31 December 2022: KD 14,381,664 and 31 March 2022: KD 2,570,819) for the performance of certain contracts for which it is anticipated that no material liabilities will arise.

**14 DISTRIBUTIONS MADE AND PROPOSED**

The annual general assembly meeting (AGM) of the shareholders of the Parent Company held on 30 April 2023 approved cash dividends of 15 fils per share aggregating to KD 3,795,000 for the year ended 31 December 2022 (2021: cash dividends of 10 fils per share aggregating to KD 2,530,000 approved in the AGM held on 20 April 2022).