

**AL KOUT INDUSTRIAL PROJECTS COMPANY K.P.S.C.
AND ITS SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
AND INDEPENDENT AUDITORS' REVIEW REPORT**

FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2017 (UNAUDITED)

AL KOUT INDUSTRIAL PROJECTS COMPANY K.P.S.C. AND ITS SUBSIDIARIES

**INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
AND INDEPENDENT AUDITORS' REVIEW REPORT (UNAUDITED)**

For the period from 1 January to 30 June 2017

Index	Pages
Independent auditors' report on review of interim condensed consolidated financial information	1-2
Interim condensed consolidated statement of financial position	3
Interim condensed consolidated statement of income	4
Interim condensed consolidated statement of comprehensive income	5
Interim condensed consolidated statement of changes in equity	6
Interim condensed consolidated statement of cash flows	7
Notes to the interim condensed consolidated financial information	8-15



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Independent auditors' report on review of interim condensed consolidated financial information to the Board of Directors of Al Kout Industrial Projects Company K.P.S.C.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Al Kout Industrial Projects Company K.P.S.C. ("the Parent Company") and its subsidiaries (together referred to as "the Group") as at 30 June 2017, and the related interim condensed consolidated statements of income and comprehensive income for the three month and six month periods then ended and the related interim condensed consolidated statements of changes in equity and cash flows for the six month period then ended. The Parent Company's 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 condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with IAS 34, 'Interim financial reporting'.

Independent auditors' report on review of interim condensed consolidated financial information to the Board of Directors of Al Kout Industrial Projects Company K.P.S.C. (Continued)

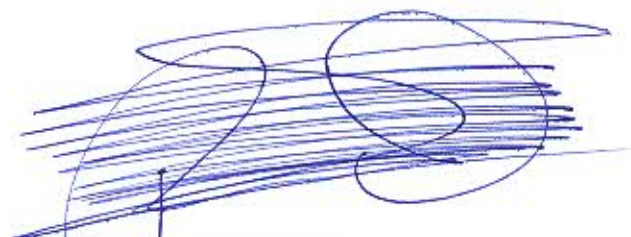
Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, nothing has come to our attention indicating that the interim condensed consolidated financial information is not in agreement with the books of accounts of the parent company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies' Law No. 1 of 2016, its executive bylaws, provision of Law No. 7 of 2010 concerning the Capital Markets Authority and its related regulations, nor of the parent company's articles and memorandum of association during the six month period ended 30 June 2017 that might have had a material effect on the business of the group or on its consolidated financial position.



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Al Kout Industrial Projects Company K.P.S.C. and Its Subsidiaries

Interim condensed consolidated statement of financial position

(All amounts in Kuwaiti Dinars unless indicated otherwise)

	Notes	30 June 2017 (Unaudited)	31 December 2016 (Audited)	30 June 2016 (Unaudited)
ASSETS				
Non-current assets				
Property, plant and equipment		17,062,261	17,469,807	17,328,155
Investment in an associate	4	9,084,766	8,936,918	8,824,066
Available-for-sale financial asset		1,747,762	1,765,394	-
		<u>27,894,789</u>	<u>28,172,119</u>	<u>26,152,221</u>
Current assets				
Inventories		1,773,912	1,672,649	1,814,092
Trade and other receivables	5	8,776,885	6,796,943	5,104,532
Cash and bank balances	6	1,236,915	775,279	993,242
		<u>11,787,712</u>	<u>9,244,871</u>	<u>7,911,866</u>
Total assets		<u>39,682,501</u>	<u>37,416,990</u>	<u>34,064,087</u>
EQUITY AND LIABILITIES				
Equity				
Share capital	7	10,090,080	10,090,080	10,090,080
Statutory reserve		5,186,422	5,186,422	5,186,422
Voluntary reserve		5,148,415	5,148,415	5,148,415
Share of an associate's reserve		283,009	283,009	283,555
Foreign currency translation reserve		546,362	601,721	514,937
Fair value reserve		16,318	33,950	-
Retained earnings		9,071,421	10,374,672	7,465,933
Total equity		<u>30,342,027</u>	<u>31,718,269</u>	<u>28,689,342</u>
Liabilities				
Non-current liabilities				
Murabaha facility	9	3,000,000	-	-
Post-employment benefits		1,838,101	1,772,051	1,681,117
		<u>4,838,101</u>	<u>1,772,051</u>	<u>1,681,117</u>
Current liabilities				
Trade and other payables	8	3,272,239	2,926,670	2,693,628
Current portion of term loan	9	1,000,000	1,000,000	1,000,000
Bank overdraft	6	230,134	-	-
		<u>4,502,373</u>	<u>3,926,670</u>	<u>3,693,628</u>
Total liabilities		<u>9,340,474</u>	<u>5,698,721</u>	<u>5,374,745</u>
Total equity and liabilities		<u>39,682,501</u>	<u>37,416,990</u>	<u>34,064,087</u>

Fahed Y. Al-Jouan
Chairman



The accompanying notes set out on pages 8 to 15 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of income

(All amounts in Kuwaiti Dinars unless indicated otherwise)

	Notes	Three months ended 30 June		Six months ended 30 June	
		2017 (Unaudited)	2016 (Unaudited)	2017 (Unaudited)	2016 (Unaudited)
Revenue		5,894,055	3,967,610	11,039,841	7,979,195
Cost of sales of goods		(3,261,273)	(2,221,917)	(6,029,018)	(4,444,561)
Gross profit		2,632,782	1,745,693	5,010,823	3,534,634
Selling and distribution expenses		(149,986)	(170,771)	(339,712)	(325,112)
General and administrative expenses	10	(613,912)	(337,311)	(1,016,368)	(679,741)
Other income	11	76,851	36,457	128,407	315,835
Operating profit		1,945,735	1,274,068	3,783,150	2,845,616
Finance costs		(22,159)	(7,890)	(27,460)	(7,890)
Foreign currency exchange gain		26,135	23,183	50,539	60,759
Share of results of an associate		140,231	130,513	147,848	203,569
Profit before provisions for Kuwait Foundation for the Advancement of Sciences ("KFAS"), National Labour Support Tax ("NLST"), Zakat and Board of Directors' remuneration		2,089,942	1,419,874	3,954,077	3,102,054
KFAS		(19,497)	(12,894)	(38,062)	(28,985)
NLST		(52,926)	(13,241)	(100,503)	(29,522)
Zakat		(19,768)	(36,370)	(38,723)	(78,895)
Board of Directors' remuneration		(17,500)	(17,500)	(35,000)	(35,000)
Profit for the period		1,980,251	1,339,869	3,741,789	2,929,652
Earnings per share (basic and diluted) (fils)	12	19.63	13.28	37.08	29.03

Interim condensed consolidated statement of comprehensive income

(All amounts in Kuwaiti Dinars unless indicated otherwise)

	Three months ended 30 June		Six months ended 30 June	
	2017 (Unaudited)	2016 (Unaudited)	2017 (Unaudited)	2016 (Unaudited)
Profit for the period	1,980,251	1,339,869	3,741,789	2,929,652
Other comprehensive income				
<i>Items that may be reclassified subsequently to interim condensed consolidated statement of income</i>				
Foreign exchange translation adjustments	(27,103)	15,364	(55,359)	(17,131)
Change in fair value of available-for-sale financial asset	(17,632)	-	(17,632)	-
Other comprehensive (loss) / income for the period	(44,735)	15,364	(72,991)	(17,131)
Total comprehensive income for the period	1,935,516	1,355,233	3,668,798	2,912,521

The accompanying notes set out on pages 8 to 15 form an integral part of this interim condensed consolidated financial information.

Al Kout Industrial Projects Company K.P.S.C. and Its Subsidiaries

Interim condensed consolidated statement of changes in equity

(All amounts in Kuwaiti Dinars unless indicated otherwise)

	Share capital	Statutory reserve	Voluntary reserve	Share of an associate's reserve	Foreign currency translation reserve	Fair value reserve	Retained earnings	Total equity
Balance at 1 January 2016	9,702,000	5,186,422	5,148,415	283,555	532,068	-	8,805,161	29,657,621
Profit for the period	-	-	-	-	-	-	2,929,652	2,929,652
Other comprehensive loss for the period	-	-	-	-	(17,131)	-	-	(17,131)
Total comprehensive (loss) / income for the period	-	-	-	-	(17,131)	-	2,929,652	2,912,521
Issue of bonus shares	388,080	-	-	-	-	-	(388,080)	-
Dividends paid (note 14)	-	-	-	-	-	-	(3,880,800)	(3,880,800)
Balance at 30 June 2016 (Unaudited)	10,090,080	5,186,422	5,148,415	283,555	514,937	-	7,465,933	28,689,342
Balance at 1 January 2017	10,090,080	5,186,422	5,148,415	283,009	601,721	33,950	10,374,672	31,718,269
Profit for the period	-	-	-	-	-	-	3,741,789	3,741,789
Other comprehensive loss for the period	-	-	-	-	(55,359)	(17,632)	-	(72,991)
Total comprehensive (loss) / income for the period	-	-	-	-	(55,359)	(17,632)	3,741,789	3,668,798
Dividends paid (note 14)	-	-	-	-	-	-	(5,045,040)	(5,045,040)
Balance at 30 June 2017 (Unaudited)	10,090,080	5,186,422	5,148,415	283,009	546,362	16,318	9,071,421	30,342,027

The accompanying notes set out on pages 8 to 15 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

(All amounts in Kuwaiti Dinars unless indicated otherwise)

	Note	Six months ended 30 June	
		2017 (Unaudited)	2016 (Unaudited)
Cash flows from operating activities			
Profit for the period before taxes and Board of Directors' remuneration		3,954,077	3,102,054
Adjustments for:			
Depreciation		1,604,172	1,562,166
Provision for post-employment benefits		146,618	128,551
Finance costs		27,460	7,890
Share of results of an associate		(147,848)	(203,569)
Dividends income		(54,695)	-
Gain on sale of property, plant and equipment		-	(3,450)
		<u>5,529,784</u>	<u>4,593,642</u>
Changes in working capital			
Inventories		(101,263)	(183,251)
Trade and other receivables		(1,979,942)	590,441
Trade and other payables		470,523	(21,234)
Cash generated from operations		<u>3,919,102</u>	<u>4,979,598</u>
KFAS paid		(58,723)	(44,830)
NLST paid		(158,349)	(85,160)
ZAKAT paid		(60,170)	-
Post-employment benefits paid		(80,568)	(74,766)
Board of Directors' remuneration paid		(60,000)	(70,000)
Net cash generated from operating activities		<u>3,501,292</u>	<u>4,704,842</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(1,257,434)	(2,192,162)
Dividends income received		54,695	-
Proceeds from sale of property, plant and equipment		-	3,450
Net cash used in investing activities		<u>(1,202,739)</u>	<u>(2,188,712)</u>
Cash flows from financing activities			
Proceeds from murabaha facility		3,000,000	1,000,000
Finance costs paid		(27,460)	(7,890)
Dividends paid		(5,045,040)	(3,880,800)
Net cash used in financing activities		<u>(2,072,500)</u>	<u>(2,888,690)</u>
Effect of foreign currency translation		5,449	(644)
Net increase / (decrease) in cash and cash equivalents		<u>231,502</u>	<u>(373,204)</u>
Cash and cash equivalents at beginning of the period		<u>775,279</u>	<u>1,366,446</u>
Cash and cash equivalents at end of the period	6	<u>1,006,781</u>	<u>993,242</u>

Notes to the interim condensed consolidated financial information

(All amounts in Kuwaiti Dinars unless indicated otherwise)

1. GENERAL INFORMATION

Al Kout Industrial Projects Company K.P.S.C. ("the Parent Company") is a public shareholding company incorporated under the laws of the State of Kuwait on 28 December 1993, and is listed on the Kuwait Stock Exchange.

The address of the Parent Company's registered office is P.O. Box, 10277, Shuaiba 65453, State of Kuwait.

The principal activities of the Group are as follows:

- Production of chlorine and salt, steel drums to fill soda solid and other petrochemical products (after approval of Public Authority for Industry).
- Transport Company's products inside and outside the State of Kuwait according to Company's objectives.
- Acquisition of industrial rights and related intellectual properties or any other industrial trademarks or drawings and any other rights thereto, and renting thereof to other companies whether inside or outside Kuwait.
- Acquisition of movables and properties necessary for the parent company to practice its activities pursuant to the limits prescribed by law.
- Investing surplus funds in portfolios managed by specialized financial companies.
- The parent company may have interests or participate in any suitable way with entities that engage in similar business activities or that may help the Group achieve its objectives inside Kuwait and abroad. The parent company may also purchase such entities or affiliate them.

The interim condensed consolidated financial information of the Group for the six month period ended 30 June 2017 were authorized for issue in accordance with a resolution by the Board of Directors' of the Parent Company on 10 August 2017.

2. BASIS OF PREPARATION

This interim condensed consolidated financial information has been prepared in accordance with International Financial Reporting Standard 34, "Interim Financial Reporting (IAS 34)". It does not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2016, and any public announcements made by Group during the interim reporting period. In the opinion of management all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included.

Operating results for the six month period ended 30 June 2017 are not necessarily indicative of the results that may be expected for the year ending 31 December 2017. The interim condensed consolidated financial information is presented in Kuwaiti Dinars (KD).

The accounting policies used in the preparation of the interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2016, except for the adoption of the amendments and annual improvements to IFRSs, relevant to the Group which are effective for annual reporting period starting from 1 January 2017 and did not result in any material impact on the accounting policies, financial position or performance of the Group.

Notes to the interim condensed consolidated financial information*(All amounts in Kuwaiti Dinars unless indicated otherwise)***2. BASIS OF PREPARATION (CONTINUED)****Basis of consolidation**

This interim condensed consolidated financial information for the six month period ended 30 June 2017 includes the Parent Company and its subsidiaries. The financial statements of the subsidiaries are consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Any intra-Group balances and transactions, and any realized gains arising from intra-Group transactions, are eliminated in preparing this interim condensed consolidated financial information.

Details of subsidiaries are as follows:

Company's name	Ownership %			Country of incorporation	Principal activities
	30 June 2017	31 December 2016	30 June 2016		
Al Kout Logistics and Transport Company W.L.L.*	99.5 %	99.5 %	99.5%	Kuwait	Transportation services
Al Kout Petrochemical Products Company W.L.L.*	80 %	80 %	80%	Kuwait	Blending of chemical products
Al Kout Industrial Projects Holding Company L.L.C.	100 %	100 %	100%	Bahrain	Investment activities
Safewater Chemicals L.L.C.*	99 %	99 %	99%	United Arab Emirates	Manufacture of Chlor Alkali products

* The remaining ownership interest in the above subsidiaries is held within the Group.

3. JUDGMENTS AND ESTIMATES

The preparation of interim condensed consolidated financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2016.

Notes to the interim condensed consolidated financial information

(All amounts in Kuwaiti Dinars unless indicated otherwise)

4. INVESTMENT IN AN ASSOCIATE

Name of associate	Principal activity	Place of incorporation	Ownership interest %		
			30 June 2017 (Unaudited)	31 December 2016 (Audited)	30 June 2016 (Unaudited)
Al Dorra Petroleum Services Company K.S.C. (Closed) (Al Dorra)	Petroleum services to oil and gas sector	Kuwait	37.99%	37.99%	37.99%

The carrying amount of the associate is as follows:

	Carrying amount		
	30 June 2017 (Unaudited)	31 December 2016 (Audited)	30 June 2016 (Unaudited)
Al Dorra Petroleum Services Company K.S.C. (Closed) (Al Dorra)	9,084,766	8,936,918	8,824,066

5. TRADE AND OTHER RECEIVABLES

	30 June 2017 (Unaudited)	31 December 2016 (Audited)	30 June 2016 (Unaudited)
Trade receivables	7,679,096	6,144,782	4,391,765
Prepayments	237,015	354,561	226,764
Advance to suppliers	689,021	130,191	300,215
Others	171,753	167,409	185,788
	<u>8,776,885</u>	<u>6,796,943</u>	<u>5,104,532</u>

6. Cash and cash equivalents

	30 June 2017 (Unaudited)	31 December 2016 (Audited)	30 June 2016 (Unaudited)
Cash on hand	10,586	10,565	9,214
Cash at banks	1,226,329	764,714	983,981
Cash in portfolio	-	-	47
	<u>1,236,915</u>	<u>775,279</u>	<u>993,242</u>
Less: bank overdraft	(230,134)	-	-
Cash and cash equivalents	<u>1,006,781</u>	<u>775,279</u>	<u>993,242</u>

Bank overdraft is obtained from a local bank and carries an effective interest rate of 1% per quarter over Central Bank discount rate and is unsecured.

Notes to the interim condensed consolidated financial information

(All amounts in Kuwaiti Dinars unless indicated otherwise)

7. SHARE CAPITAL

	30 June 2017 (Unaudited)	31 December 2016 (Audited)	30 June 2016 (Unaudited)
Authorised, issued and fully paid: 100,900,800 shares of nominal value of 100 fils each paid in cash (31 December and 30 June 2016: 100,900,800)	10,090,080	10,090,080	10,090,080

8. TRADE AND OTHER PAYABLES

	30 June 2017 (Unaudited)	31 December 2016 (Audited)	30 June 2016 (Unaudited)
Trade payables	1,828,209	1,441,927	1,484,219
Advance from customers	62,505	71,863	46,366
Accrual expenses	1,057,171	987,571	677,031
TAX payable	324,354	425,309	486,012
	3,272,239	2,926,670	2,693,628

9. Borrowings

	30 June 2017 (Unaudited)	31 December 2016 (Audited)	30 June 2016 (Unaudited)
Murabaha facility	3,000,000	-	-
Term loan	1,000,000	1,000,000	1,000,000
	4,000,000	1,000,000	1,000,000

Murabaha facility obtained from a local bank and carry a profit rate of 3.25% (31 December 2016: nil and 30 June 2016: nil) per annum.

Term loan obtained from a local bank and carry effective interest rate of 3.5% (31 December 2016: 3.5% and 30 June 2016: 3.5%) per annum.

10. General and administrative expenses

	Three months ended 30 June		Six months ended 30 June	
	2017 (Unaudited)	2016 (Unaudited)	2017 (Unaudited)	2016 (Unaudited)
Salaries and other direct employee allowances	493,513	230,706	786,922	458,772
Depreciation	10,048	17,839	20,735	36,339
Rent expense	12,382	12,437	24,750	24,550
Others	97,969	76,329	183,961	160,080
	613,912	337,311	1,016,368	679,741

Notes to the interim condensed consolidated financial information*(All amounts in Kuwaiti Dinars unless indicated otherwise)***11. Other income**

	Three months ended 30 June		Six months ended 30 June	
	2017 (Unaudited)	2016 (Unaudited)	2017 (Unaudited)	2016 (Unaudited)
Gain on sale of plant, property and equipment	-	-	-	3,450
Distribution from Available-for-sale financial asset	-	-	-	247,429
Dividend income	54,695	-	54,695	-
Others	22,156	36,457	73,712	64,956
	<u>76,851</u>	<u>36,457</u>	<u>128,407</u>	<u>315,835</u>

12. EARNINGS PER SHARE

Earnings per share are computed by dividing the profit for the period by the weighted average number of shares outstanding for the period:

	Three months ended 30 June		Six months ended 30 June	
	2017 (Unaudited)	2016 (Unaudited)	2017 (Unaudited)	2016 (Unaudited)
Profit for the period	<u>1,980,251</u>	<u>1,339,869</u>	<u>3,741,789</u>	<u>2,929,652</u>
Weighted average number of shares outstanding during the period	<u>100,900,800</u>	<u>100,900,800</u>	<u>100,900,800</u>	<u>100,900,800</u>
Earnings per share (basic and diluted) (fils)	<u>19.63</u>	<u>13.28</u>	<u>37.08</u>	<u>29.03</u>

13. RELATED PARTY TRANSACTIONS

Related parties represent shareholders that have representation in the Parent Company's Board of Directors and their close relatives, directors and key management personnel of the Parent Company, and entities controlled, jointly controlled or significantly influenced by such parties. All related party transactions are carried out on terms approved by Parent Company's management and at an arm's length term.

Transactions with related parties included in the interim condensed consolidated statement of income are as follows:

	Three months ended 30 June		Six months ended 30 June	
	2017 (Unaudited)	2016 (Unaudited)	2017 (Unaudited)	2016 (Unaudited)
Key management compensation				
Salaries and other short term benefits	106,728	114,552	217,727	192,680
Executive committee fees	15,000	-	30,000	15,000
Termination benefits	15,799	12,110	29,038	20,582
	<u>137,527</u>	<u>126,662</u>	<u>274,765</u>	<u>228,262</u>

Notes to the interim condensed consolidated financial information

(All amounts in Kuwaiti Dinars unless indicated otherwise)

14. SEGMENT INFORMATION

The Board of Directors is the Group's chief operating decision maker. Management has determined the operating segments based on the information reviewed by the Board of Directors for the purposes of allocating resources and assessing performance. The management has grouped the Group's products and services into the following operating segments:

- Chlor Alkali
- Petrochemical products
- Logistics and Transport
- Investments.

a. Segment revenue and results

The following is an analysis of the Group's revenue and results by operating segments:

	Three months ended 30 June (Unaudited)			
	2017	2016	2017	2016
	Revenue		Results	
Chlor Alkali	5,225,990	3,710,557	2,424,649	1,731,121
Petrochemical products	536,678	207,942	27,281	14,247
Logistics and transport	131,387	49,111	180,852	325
Investments	-	-	194,926	130,513
	<u>5,894,055</u>	<u>3,967,610</u>	<u>2,827,708</u>	<u>1,876,206</u>
Other income			48,291	59,640
Unallocated expenses			(895,748)	(595,977)
Profit for the period			<u>1,980,251</u>	<u>1,339,869</u>

	Six months ended 30 June (Unaudited)			
	2017	2016	2017	2016
	Revenue		Results	
Chlor Alkali	9,728,654	7,491,951	4,743,783	3,510,174
Petrochemical products	994,682	384,380	58,420	25,624
Logistics and transport	316,505	102,864	208,620	(1,162)
Investments	-	-	202,543	203,569
	<u>11,039,841</u>	<u>7,979,195</u>	<u>5,213,366</u>	<u>3,738,205</u>
Other income			124,251	376,594
Unallocated expenses			(1,595,828)	(1,185,147)
Profit for the period			<u>3,741,789</u>	<u>2,929,652</u>

	Three months ended 31 March (Unaudited)			
	2017	2016	2017	2016
	Purchases of property, plant and equipment		Depreciation	
Chlor Alkali	759,931	861,795	(721,186)	(702,361)
Petrochemical products	-	-	(468)	(468)
Logistics and transport	47,860	87,441	(82,252)	(78,307)
	<u>807,791</u>	<u>949,236</u>	<u>(803,906)</u>	<u>(781,136)</u>

Notes to the interim condensed consolidated financial information

(All amounts in Kuwaiti Dinars unless indicated otherwise)

12. SEGMENT INFORMATION (CONTINUED)

a. Segment revenue and results (continued)

	Six months ended 30 June (Unaudited)			
	2017	2016	2017	2016
	Purchases of property, plant and equipment		Depreciation	
Chlor Alkali	1,034,868	1,938,481	(1,441,481)	(1,408,631)
Petrochemical products	-	-	(936)	(936)
Logistics and transport	222,566	253,681	(161,755)	(152,599)
	<u>1,257,434</u>	<u>2,192,162</u>	<u>(1,604,172)</u>	<u>(1,562,166)</u>

b. Segment assets and liabilities

	30 June 2017 (Unaudited)	31 December 2016 (Audited)	30 June 2016 (Unaudited)
Segment assets			
Chlor Alkali	26,106,873	24,343,633	23,246,425
Petrochemical products	1,052,621	819,281	349,065
Logistics and transport	1,690,479	1,551,764	1,644,531
Investments	10,832,528	10,702,312	8,824,066
Total consolidated segment assets	<u>39,682,501</u>	<u>37,416,990</u>	<u>34,064,087</u>
Segment liabilities			
Chlor Alkali	8,557,528	5,108,594	4,823,555
Petrochemical Products	494,611	321,598	319,635
Logistics and transport	288,335	268,529	231,555
Total consolidated segment liabilities	<u>9,340,474</u>	<u>5,698,721</u>	<u>5,374,745</u>

c. Geographical segments

The following is a geographical analysis based on location of the Group's revenue:

	Three months ended 30 June		Six months ended 30 June	
	2017 (Unaudited)	2016 (Unaudited)	2017 (Unaudited)	2016 (Unaudited)
Kuwait and Middle East	4,965,137	3,853,693	9,714,357	7,736,635
Europe and Africa	853,822	92,819	1,149,116	204,329
Asia	75,096	21,098	176,368	38,231
Total consolidated segment revenue	<u>5,894,055</u>	<u>3,967,610</u>	<u>11,039,841</u>	<u>7,979,195</u>

Notes to the interim condensed consolidated financial information*(All amounts in Kuwaiti Dinars unless indicated otherwise)***15. COMMITMENTS AND CONTINGENT LIABILITIES**

	30 June 2017 (Unaudited)	31 December 2016 (Audited)	30 June 2016 (Unaudited)
Capital commitments			
For the acquisition of property, plant and equipment	425,933	539,007	1,423,308
Contingent liabilities			
Letters of guarantee	3,069,612	4,067,565	3,986,642
Letters of credit	-	398,225	519,030
	3,069,612	4,465,790	4,505,672

Operating lease commitments

The minimum operating lease commitments under non-cancellable operating leases are as follows:

	30 June 2017 (Unaudited)	31 December 2016 (Audited)	30 June 2016 (Unaudited)
Not later than one year	110,596	50,887	42,731
Later than one year but not later than five years	213,571	101,826	98,449

16. ANNUAL GENERAL ASSEMBLY MEETING

The Annual General Assembly meeting of shareholders held on 2 May 2017 approved the consolidated financial statements of the Group for the year ended 31 December 2016, and approved a cash dividend equivalent to 50% (31 December 2015: 40%) of the paid up share capital to the shareholders of record as of the date of the Annual General Assembly.