

التاريخ: 2019/03/10
المرجع: MAZ-FI-03-2019-0068

المحترمين
المحترم

السادة/ سوق دبي المالي
عناية السيد/ حسن عبدالرحمن السركال
نائب رئيس تنفيذي - رئيس تنفيذي العمليات - رئيس قطاع العمليات

تحية طيبة وبعد،،،

الموضوع: البيانات المالية المجمعة للسنة المالية المنتهية في 2018/12/31 لشركة المزاياء القابضة

نود إفادتكم بأن مجلس إدارة الشركة قد اجتمع اليوم الأحد 2019/03/10، واعتمد البيانات المالية المجمعة للسنة المالية المنتهية في 2018/12/31 وفقاً لما يلي:-

We would like to inform you that Al Mazaya Holding Co. K.S.C.P board of directors has met today Sunday 10/03/2019, and approved the Annual Consolidated Financial Statements for the year ended 31/12/2018 according to the following:

السنة المالية المنتهية في Year ended 2017/12/31	السنة المالية المنتهية في Year ended 2018/12/31	البند Item
23,921,739	16,799,171	الربح - (دولار أمريكي) Net Profit - USD
3.84 3.81	2.69 2.67	ربح السهم العادية - (سنت أمريكي) ربح السهم المخففة - (سنت أمريكي) Basic EPS - Cent Diluted EPS - Cent
222,420,855	199,261,754	إجمالي الموجودات المتداولة Total Current Assets
775,792,670	742,665,895	إجمالي الموجودات Total Assets
97,350,384	92,704,612	إجمالي المطلوبات المتداولة Total Current Liabilities
381,265,075	399,930,451	إجمالي المطلوبات Total Liabilities
354,016,081	300,487,163	إجمالي حقوق مساهمي الشركة الأم Total Equity Attributable to Equity Holders of Parents Company

Knowing that the net profit includes:

USD دولار أمريكي	335,678
	335,678
USD دولار أمريكي	273,598
	273,598

علماً بأن صافي الربح يتضمن:

بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة مبلغ	Revenues from related parties' transactions.
بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة مبلغ	Expenses resulted from related parties' transactions.

1. التوزيعات المقترحة:

لا يوجد

1. The Proposed distributions

Nil

لا يوجد Nil	لا يوجد Nil	توزيع أرباح نقدية Distribution of cash dividends
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علماً بأن هذه التوصية تخضع لموافقة الجمعية العمومية والجهات المختصة.

Note that this recommendation is subject to the approval of the General Assembly and the concerned authorities.

2. مصادر التوزيعات:

لا يوجد توزيعات

2. Sources of distributions:

Nil

3. تفاصيل التحفظات أو أي فقرة توضيحية والوارد في تقرير مراقب الحسابات:

لا يوجد أي تحفظات أو فقرات توضيحية واردة في تقرير مراقب الحسابات.

3. Qualification or emphasis of matter in auditor's report:

No qualifications or emphasis of matter were mentioned in the auditor's report



رشيد يعقوب النفيسي
رئيس مجلس الإدارة



شركة المازيا القابضة
AL MAZAYA HOLDING Co. K.S.C.C.

Annual Financial Statement Results Form
Kuwaiti Company (KWD)

نموذج نتائج البيانات المالية السنوية
الشركات الكويتية (د.ك.)

Financial Year Ended on

31/12/2018

السنة المالية المنتهية في

Company Name

اسم الشركة

AL Mazaya Holding Co.

شركة المزاي القابضة

Board of Directors Meeting Date

تاريخ اجتماع مجلس الإدارة

10/03/2019

التغير (%)	السنة المقارنة	السنة الحالية	البيان
Change (%)	Comparative Year	Current Year	Statement
	31/12/2017	31/12/2018	
(29%)	7,221,973	5,103,588	صافي الربح/الخسارة الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
(30%)	11.60	8.17	ربحية / (خسارة) السهم الأساسية – فلس Basic Earnings per share– Fils
(30%)	11.50	8.10	ربحية / (خسارة) السهم المخففة – فلس Diluted Earnings per share– Fils
(10%)	67,148,856	60,535,721	الموجودات المتداولة Current Assets
(4%)	234,211,807	225,621,899	إجمالي الموجودات Total Assets
(4%)	29,390,081	28,163,661	المطلوبات المتداولة Current Liabilities
6%	115,103,92	121,498,871	إجمالي المطلوبات Total Liabilities
(15%)	106,877,455	91,288,000	إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم Total Equity attributable to the owners of the Parent Company
(68%)	68,610,246	22,056,098	إجمالي الإيرادات التشغيلية Total Operating Revenue
(7%)	10,144,066	9,439,146	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)
(71%)	17%	5%	أرباح (خسائر) مرحلة / رأس المال المدفوع Retained Profit (Loss) / Paid-Up Share Capital

البيان Statement	الربع الرابع الحالي Fourth Quarter Current Period 31/12/2018	الربع الرابع المقارن Fourth Quarter Comparative Period 31/12/2017	التغير (%) Change (%)
صافي الربح/الخسارة الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company	283,020	347,250	(18%)
ربحية/خسارة السهم الأساسية والمخففة (فلس) Basic & Diluted Earnings per Share (fils)	0.46 0.45	0.56 0.55	(18%) (18%)
إجمالي الإيرادات التشغيلية Total Operating Revenue	3,305,906	21,371,578	(85%)
صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)	1,739,759	(1,030,773)	269%

سبب ارتفاع/انخفاض صافي الربح/الخسارة	Increase/Decrease in Net Profit/(Loss) is due to
يعود سبب الانخفاض في صافي الربح بشكل رئيسي الى: • انخفاض الربح الناتج من التغير في القيمة العادلة لعقارات استثمارية مقارنة بالعام السابق.	The decrease in net profit is mainly due to the following: • Decrease in the unrealized gain from change in fair value of investment property as compare the last year.
بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)	Total Revenue realized from dealing with related parties (value, KWD)
بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة مبلغ 101,979 دينار كويتي.	Total revenues realized from dealing with related parties amounting to KD 101,979
بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)	Total Expenditures incurred from dealing with related parties (value, KWD)
بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة مبلغ 83,119 دينار كويتي.	Total expenditures incurred from dealing with related parties amounting to KD 83,119

Corporate Actions		استحقاقات الأسهم (الإجراءات المؤسسية)	
النسبة	القيمة		
لا يوجد	لا يوجد	توزيعات نقدية	Cash Dividend
لا يوجد	لا يوجد	توزيعات أسهم منحة مجانية	Stock Dividend
لا يوجد	لا يوجد	توزيعات أخرى	Other Dividend
لا يوجد	✓	عدم توزيع أرباح	No Dividends
لا يوجد	لا يوجد	زيادة رأس المال	Capital Increase
		علاوة الإصدار	Issue Premium
لا يوجد	لا يوجد	تخفيض رأس المال	Capital Decrease

ختم الشركة Company Seal	التوقيع Signature	المسمى الوظيفي Title	الاسم Name
 MAZAYA شركة أمازيا القابضة للملكية AL MAZAYA HOLDING Co. K.S.C.C.		رئيس مجلس الإدارة	رشيد يعقوب النفيسي

- Auditor Report Attached

- مرفق تقرير مراقب الحسابات

INDEPENDENT AUDITOR'S REPORT

The Shareholders
Al-Mazaya Holding Company - K.S.C. (Public)
State of Kuwait

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Al-Mazaya Holding Company - K.S.C. (Public) "the Parent Company" and its subsidiaries (the Group) which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the financial year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2018, and its consolidated financial performance and its consolidated cash flows for the financial year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with ethical requirements that are relevant to our audit of the consolidated financial statements in the State of Kuwait, and we have fulfilled our other ethical responsibilities in accordance with the (IESBA Code). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We identified the following key audit matters:

Valuation of investment properties

Investment properties amounting to KD 146,379,207 form a significant part of the total assets of the Group. The determination of the fair value of such properties is a subjective area and is highly dependent on judgements and estimates. Accordingly, the valuation of investment properties is considered a key audit matter. The Group performs an annual valuation exercise through licensed valuers to determine the fair value of the investment properties. These valuations are dependent on certain key assumptions such as estimated rental revenues, discount rates, occupancy rates, market knowledge, developers risk and historical transactions. In estimating the fair value of investment properties, valuers used the sales comparison valuation and income capitalization techniques and had considered the nature and usage of the investment properties. We reviewed the valuation reports from the licensed valuers and checked the adequacy of disclosures in the consolidated financial statements, which is included in Note (12).

Properties held for trading

Properties held for trading as of December 31, 2018 amounting to KD 41,741,409 represent a significant part of total assets and are carried at the lower of cost or net realizable value, which requires management's judgement in determining the appropriate costing basis and provision for write down of properties held for trading since they are based on forecast of estimated selling prices less costs to sell and reviewing whether the provision is adequate. Given the size and complexity of determining the net realizable value of properties held for trading, we addressed this as a key audit matter.

We have tested a sample of properties held for trading to ensure that its recorded at cost or net realizable value. Hence, we obtained valuation reports, reviewed the appropriateness of the valuation techniques and reasonableness of data used to in determination of selling price and reviewed the assumptions and estimates made by the management. Finally, we reviewed the appropriateness of disclosures relating to properties held for trading, as shown in Note 6 to the consolidated financial statements.

Other matter

The consolidated financial statements for the year ended December 31, 2017, were audited by another auditor who expressed an unmodified opinion on those statements on February 8, 2018.

Other Information

Other information consists of the information included in the Group's 2018 Annual Report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. Our opinion on the consolidated financial statements does not cover the other information attached to it, and we do not and we will not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the parent company's management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit, we also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Those Charged with Governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Those Charged with Governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Those Charged with Governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, proper books of account have been kept by the Parent Company and the consolidated financial statements, together with the contents of the report of the Parent Company's Board of Directors relating to these consolidated financial statements, are in accordance therewith. We further report that we obtained all the information and explanations that we required for the purpose of our audit and that the consolidated financial statements incorporate all information that is required by the Companies Law No. 1 of 2016, and its Executive Regulations, as amended, and by the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, that an inventory was duly carried out and that, to the best of our knowledge and belief, no violations of the Companies Law No. 1 of 2016, and its Executive Regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended have occurred during the financial year ended December 31, 2018 that might have had a material effect on the business or financial position of the Group.

State of Kuwait
March 10, 2019

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

AL-MAZAYA HOLDING COMPANY - K.S.C. (PUBLIC)
AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2018
(All amounts are in Kuwaiti Dinars)

	ASSETS	Note	2018	2017 (Restated)
Current assets:				
Cash and cash equivalents		3	7,169,433	10,931,750
Financial assets at fair value through profit or loss ("FVPL")		4	981,739	-
Accounts receivable and other debit balances		5	10,643,140	21,945,575
Properties held for trading		6	41,741,409	34,271,531
Total current assets			60,535,721	67,148,856
Non-current assets:				
Advance payment for purchase of properties		7	-	14,655,930
Financial assets at fair value through other comprehensive income ("FVOCI")		8	4,679,356	-
Financial assets available for sale		9	-	8,308,067
Investment in an associate		10	9,852,650	9,670,587
Investment in joint venture		11	1,190,947	-
Investment properties		12	146,379,207	131,665,239
Property, plant and equipment			729,808	508,918
Goodwill		13	2,254,210	2,254,210
Total non-current assets			165,086,178	167,062,951
Total assets			225,621,899	234,211,807
LIABILITIES AND EQUITY				
Current liabilities:				
Accounts payable and other credit balances		14	12,377,570	6,056,698
Advances from customers			1,217,789	3,104,626
Tawarruq and ijara payables		15	13,230,013	17,936,382
Term loans		16	1,338,289	2,292,375
Total current liabilities			28,163,661	29,390,081
Non-current liabilities:				
Accounts payable and other credit balances		14	6,090,823	12,813,261
Tawarruq and ijara payables		15	78,365,088	63,117,177
Term loans		16	7,562,722	8,773,840
Provision for end of service indemnity			1,316,577	1,009,567
Total non-current liabilities			93,335,210	85,713,845
Total liabilities			121,498,871	115,103,926
Equity:				
Share capital		17	68,827,896	68,827,896
Share premium			21,655,393	21,655,393
Treasury shares		18	(20,009,108)	(20,707,103)
Statutory reserve		19	14,469,647	13,945,419
Voluntary reserve		20	11,010,499	11,010,499
Fair value reserve			(1,700,263)	317,232
Employees' share option plan			412,795	476,987
Other reserves			731,986	731,986
Foreign currency translation reserve			(7,336,181)	(1,259,633)
Retained earnings			3,225,336	11,878,779
Equity attributable to the shareholders of the Parent Company			91,288,000	106,877,455
Non-controlling interests			12,835,028	12,230,426
Total equity			104,123,028	119,107,881
Total liabilities and equity			225,621,899	234,211,807

The accompanying notes (1) to (34) form an integral part of the consolidated financial statements.

Rasheed Y. Al Nafisi
Chairman

Ibrahim A. Al Soqabi
Chief Executive Officer

AL-MAZAYA HOLDING COMPANY - K.S.C. (PUBLIC)
AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2018
(All amounts are in Kuwaiti Dinars)

	Note	2018	2017
Revenue:			
Revenue from sale of properties held for trading	22	13,576,215	60,831,419
Rental Income	22	8,384,650	7,596,171
Net management fees and commission income		95,233	182,656
Total revenue		22,056,098	68,610,246
Cost of revenue:			
Cost of sale of properties held for trading		(10,985,182)	(56,733,970)
Cost of rental		(1,631,770)	(1,732,210)
Cost of revenue		(12,616,952)	(58,466,180)
Gross profit		9,439,146	10,144,066
Change in fair value of investment properties	12	2,717,880	5,242,918
Loss on sales of investment properties		(201,426)	-
Share of results from an associate	10	311,207	339,582
Share of results from joint venture	11	1,190,147	-
Selling and marketing expenses		(708,711)	(135,814)
General and administrative expenses		(5,089,435)	(4,683,130)
Reversal of impairment loss on properties held for trading	6	58,794	2,379,486
Operating Profit		7,717,602	13,287,108
Net investment income	23	1,089,975	248,480
Net other income (expenses)	24	2,037,552	(698,975)
Finance costs		(4,873,121)	(4,275,691)
Profit for the year before contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labor Support Tax (NLST), Zakat and Board of Directors' remuneration		5,972,008	8,560,922
KFAS		(5,653)	(30,038)
NLST		(121,860)	(61,104)
Zakat		(11,177)	(683)
Board of Directors' remuneration	27	-	(185,000)
Net Profit for the year		5,833,318	8,284,097
Attributable to:			
Shareholders of the Parent Company		5,103,588	7,221,973
Non-controlling interests		729,730	1,062,124
Net profit for the year		5,833,318	8,284,097
Earnings per share attributable to shareholders of the Parent Company:			
Basic earnings per share attributable to shareholders of the Parent Company – (Fils)	25	8.17	11.60
Diluted earnings per share attributable to shareholders of the Parent Company – (Fils)	25	8.10	11.50

The accompanying notes (1) to (34) form an integral part of the consolidated financial statements.