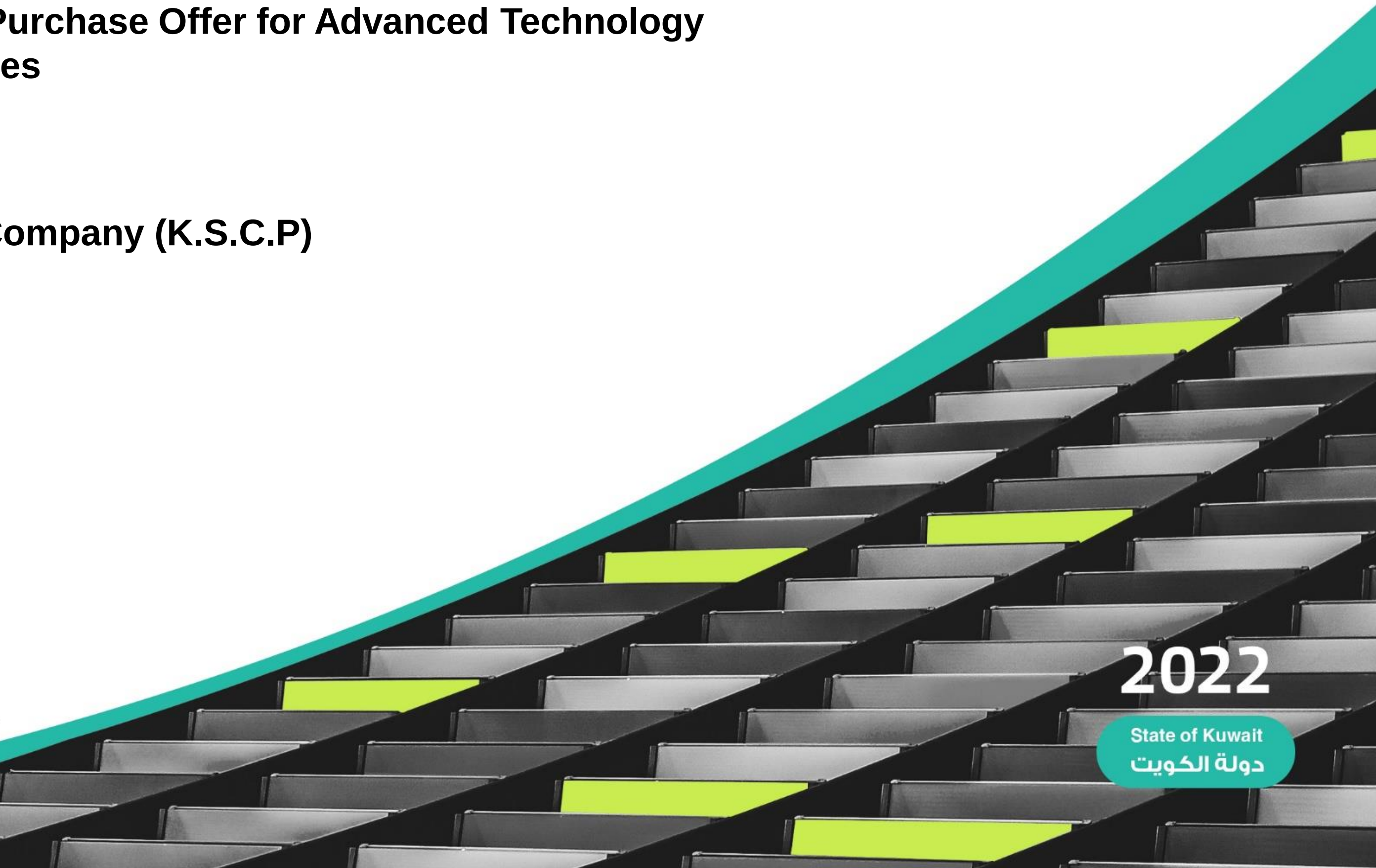
INVESTMENT ADVISOR SERVICES

Securities Valuation of Advanced Technology Company (K.S.C.P) as at 22 February 2022 for providing a Fairness Opinion concerning the Partial Purchase Offer for Advanced Technology Company (K.S.C.P) shares

Submitted to:
Advanced Technology Company (K.S.C.P)

March 2022



BAKER TILLY CONSULTING COMPANY WITH LIMITED LIABILITY

Subject: Securities Valuation of Advanced Technology Company (K.S.C.P) as at 22 February 2022 for providing a Fairness Opinion concerning the Partial Purchase Offer for Advanced Technology Company (K.S.C.P) shares

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Date : 06 March 2022
Ref. : C060204-1216-3-2022

Board of Directors
M/S. Advanced Technology Company (K.S.C.P)

Dear Sirs,

This is made in reference to the engagement concluded between us dated 02 March 2022 for conducting a Securities Valuation of Advanced Technology Company (K.S.C.P) as at 22 February 2022 for the purpose of providing a Fairness Opinion concerning the Partial Purchase Offer up to 9% of Advanced Technology Company (K.S.C.P) shares by Qurain Petrochemical Industries Company (K.S.C.P).

In light of the above, we are pleased to enclose herewith our Fairness Opinion on the Partial Purchase Offer. We hope that it will meet your requirements and add value to your esteemed Company.

Best regards,

بيكر تلي للاستشارات ذ.م.م Consulting W.L.L. Baker Tilly

Hisham Sorour
Managing Partner

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APPENDICES

DISCLAIMER

The underlying valuation report was prepared under the appointment of Baker Tilly Consulting Company W.L.L. (hereinafter referred to as “Baker Tilly”) by the management of Advanced Technology Company (K.S.C.P) (hereinafter referred to as the “Company” or “ATC”) with the aim of expressing an opinion on the fair value of the ATC's share as at 22 February 2022. This report is strictly confidential and given on the understanding that it will not be communicated, in whole or part, to any third party without Baker Tilly’s prior written consent or as agreed in the terms of the Engagement Letter.

Baker Tilly, their officers, directors, shareholders, partners, agents, employees, accountants, attorneys and advisers make no representation or warranty, expressed or implied, as to the accuracy or completeness of the information contained in this study. Baker Tilly, their officers, directors, shareholders, partners, agents, employees, accountants, attorneys and advisers expressly disclaim any and all liability for, or based on, or relating to any information, including, without limitation, any information contained in, or errors in or omissions from the study, or based on or relating to the use of this report by ATC.

This business valuation report has been prepared in accordance with the Professional Standards of the National Association of Certified Valuation Analysts where we have performed the procedures, which we believe to be appropriate for the requirements of this engagement given the timeframe allowed in completing this work.

1 Executive Summary

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01 Executive Summary

1-1 Purpose of the Report

In September 2021, Qurain Petrochemical Industries Company (K.S.C.P) (hereinafter referred to as “QPIC”) completed the acquisition of 29.50% equity stake in the ATC for the price of KD 0.500 per share and a total consideration of KWD 22.13 million.

In November 2021, QPIC Board of Directors approved to submit a Partial Purchase Offer (hereinafter referred to as “PPO”) to acquire up to 9.0% equity stake (13,500,000 shares) of ATC at KWD 0.500 per share.

On 21 February 2022, Kuwait Capital Market Authority (hereinafter referred to as the “CMA”) has approved the PPO document of the mentioned transaction to initiate the process.

In accordance with Article 4-3-9 of Module IX “Mergers and Acquisitions” of the CMA’s Regulation, the Board of Directors of ATC, shall refer their opinion and recommendations concerning the PPO to both the CMA and ATC’s shareholders, provided that such a recommendation shall be enclosed with the opinion of a CMA Licensed Investment Advisor concerning the acquisition, within not more than seven business days from the date of receiving the PPO.

In light of the above, ATC extended an invitation to Baker Tilly to provide a Fairness Opinion on the PPO for up to 9% of ATC shares as at 22 February 2022.

1-2 Valuation Cut-off Date

The value date for this securities valuation exercise is 22 February 2022.

1-3 Summary of Valuation Results

In our opinion, and in the light of the valuation results, financial assumptions and the scope limitations mentioned in the underlying valuation report, the fair value of a 100% equity interest in ATC is **KWD 77,580,621** as at 22 February 2022 and the fair value per share of ATC is approximately **KWD 0.517**.

The fair value per share ranges from **KWD 0.490** to **KWD 0.590**. This value is extracted from the minimum and maximum price of transactions that took place for ATC's stock in Boursa Kuwait in the period from 30 August 2021 to 22 February 2022.

1-4 Investment Advisor's Opinion concerning the value offered for the stock by QPIC

In light of the summary of valuation results above versus the Partial Purchase Offer at KWD 0.500 offered by QPIC, the Partial Purchase Offer is fair and falls within the range of the share fair value.

The decision to accept or to reject the offer is up to the Board of Directors of ATC.

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Background of the Valuer

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02 Background of the Valuer

Baker Tilly is a leading Kuwait-based advisory services provider established in 2008, and an independent member of Baker Tilly International, a UK-based network of high quality, independent accountancy and business services firms for more than 150 years.

According to the rating made by the International Accounting Bulletin World Survey, Baker Tilly International is rated as follows for the year 2020:

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$4.4 Billion	148 Territories	37,000 Staff	750 Offices	Top 10 Network
Combined Revenues	Geographical Coverage	Staff Worldwide	Offices Worldwide	Audit and consulting network worldwide

Our membership of Baker Tilly International provides opportunity for professionals at each firm to learn from and work closely with professionals at other member firms, nationally and globally. We are able to provide premier accounting and business consulting services worldwide, drawing on internationally recognized industry and service line experts in over 148 territories.

Baker Tilly International is a leading worldwide network of high quality, independent accountancy and business consulting firms, all of which are committed to providing the best possible service to their clients, both in their own marketplaces and across the world, wherever the client needs help.

For more information about us, kindly visit our website www.bakertilly.com.kw, and Baker Tilly International.

3 Background of the Assignment

03 Background of the Assignment

3-1 Overview

In September 2021, Qurain Petrochemical Industries Company (K.S.C.P) (hereinafter referred to as “QPIC”) completed the acquisition of 29.50% equity stake in the ATC for the price of KD 0.500 per share and a total consideration of KWD 22.13 million.

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In accordance with Article 4-3-9 of Module IX “Mergers and Acquisitions” of the CMA’s Regulation, the Board of Directors of ATC, shall refer their opinion and recommendations concerning the PPO to both the CMA and ATC’s shareholders, provided that such a recommendation shall be enclosed with the opinion of a CMA Licensed Investment Advisor concerning the acquisition, within not more than seven business days from the date of receiving the PPO.

In light of the above, ATC extended an invitation to Baker Tilly to provide a Fairness Opinion on the PPO for up to 9% of ATC shares as at 22 February 2022.

3-2 Methodology

The methodology adopted for determining the fair value of ATC as at 22 February 2022 was based on the 6-Months Weighted Average Price of ATC’s stock in the Boursa Kuwait.

3-3 Scope and Limitations

The major scope performed in this report included providing a Fairness Opinion concerning the PPO for ATC shares by estimating the fair value of ATC as at 22 February 2022. The fair value is defined as “the price, expressed in cash equivalents, at which company’s equity would exchange hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arms length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the transaction relevant facts”. In addition, the current valuation is based on the ‘going concern’ of ATC. However, if the ‘going concern’ is affected by adverse results, this valuation will not hold good.

More specifically, the scope will not include the following:

- Conducting audit work or due diligence, or any verification procedures related to the accuracy or validity of the assumptions or information of the companies under valuation.
- Any technical, commercial, legal, tax and regulatory due diligence or verifying the accuracy and completeness of documents and information provided to us by the ATC’s management.
- Conducting market research from any other sources other than secondary market research.
- Conducting real estate valuation or technical valuation related to real estate properties or machinery/equipment, respectively. If such assets exist in the books of the companies, it is the responsibility of the Company to provide us with the assets valuation reports.
- Updating the Valuation Report after releasing it as a final version to the ATC.
- Expressing any opinion as to how closely the actual results will correspond to those projected or forecasted for the companies, since projections and forecasts related to future events are based on assumptions, which may not remain valid for the whole of the relevant period.
- Discussing with, presentation to or obtaining the final approval of any third party regarding the assignment deliverables (e.g., Company’s external/internal auditors, consultants, etc.) with the exception of the CMA.

3-4 Uses of the Report

The purpose of this Report, as agreed with ATC is to provide a Fairness Opinion concerning the PPO for ATC shares by estimating the fair value of ATC as at 22 February 2022.

Thus, this Report cannot be used by any other person or entity for any other purpose except for which it was prepared, without the written consent of Baker Tilly. Moreover, Baker Tilly stresses that it shall not be held liable to any other party that relies on this report.

Finally, the recipient of this Report should treat the information, assumptions and recommendations contained in it with strictest confidentiality.

3-5 Major Sources of Information

General Information of ATC	
1	Detailed business profile of ATC.
2	ATC current ownership structure (By name, nationality and ownership percentage).
3	ATC current investment structure (subsidiary/associate name, ownership percentage, country of incorporation and sectoral activities).
4	ATC's current organizational structure.
5	Name of ATC's Board of Directors and their positions
6	Name of ATC's Top Management and their positions

Legal Information	
1	Articles of Association and its amendments.
2	Memorandum of Incorporation and its amendments.
3	Most recent Commercial License.
4	Most recent copy of the Commercial Register.
5	Registration in the Chamber of Commerce and Industry.
6	Authorized Signatory Certificate.
7	Civil ID copy of the signatory who signed the engagement letter.
8	Copy of the shareholders register.

Financial Information of ATC	
1	Audited financial statements for the last 5 historical years
2	Partial Purchase Offer as provided by the QPIC

4 Advanced Technology Company (K.S.C.P)

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04 Advanced Technology Company (K.S.C.P)

4-1 Profile of ATC ("The Company Subject To Offer")

Type of legal entity
Kuwaiti Public Shareholding Company

Capital
Kuwaiti Dinars 15,000,000

Date of listing on Boursa Kuwait
13 August 2007

Date of Establishment
27 July 1981

Core Activity
Dealing with the import, supply and maintenance of medical, dental, laboratory, diagnostic, pharmaceutical, sterilization & disinfection, agriculture & veterinary products as well as health & fitness and commercial kitchen equipment.

4-2 Shareholders of ATC

The main shareholders of ATC are given in the table below:

Major Shareholders	Ratio of Direct and Indirect Ownership
Qurain Petrochemical Industries Company &Group(UPC,Q-Plastics,Q-Basic)	29.50%
Fouad Mohammed Thunayan Alghanim	20.30%
NBK Group (NBK Banque Privee Suisse SA)	14.50%
Group of Kuwait Projects Company (Holding) (United Industries Company, United Gulf Bank and Burgan Bank)	9.77%
Nawasser General Trading & Contracting Co.	8.60%

4-3 Board of Directors of ATC

The Board Of Directors of ATC are given in the table below:

Members	Designations
Mr. Fouad Mohammed Thunyan Al Ghanim	Chairman
Mr. Faisal Mansour Sarkhou	Vice Chairman
Dr. Abdul Wahab Sulaiman Al Fouzan	Board Member
Mr. Sadoun Abdulla Ali	Board Member
Mr. Adel Mohammed Rida Yousef Behbahani	Board Member
Mr. Salah Abdullah Mohammad Hadi Alawadhi	Board Member
Mr. Jarrah Waleed Mohammad AlNaser	Board Member

Source: Boursa Kuwait

4-4 Management of ATC

The Top Management of ATC are as follows:

Top Management	Designation
Ghassan M. Mamlouk	Chief Executive Officer
Nitin Singhvi	Senior Vice President & Chief Financial Officer
Ahmad Jeradi	Chief Commercial Officer – Diagnostics Imaging Department
Mohammad S. Al- Mohammad	Chief Operating Officer
Al-Haitham M.A. Ghaffar	Senior Vice President – LifeCare Solutions & Health Facility Infrastructure
Nidal Farhat	Vice President – Diagnostic Imaging
Dr. Husain M. Abbas	Vice President – Medical & Surgical OR Solutions
Ayman Al-Farra	Vice President – Kitchen & Laundry
Khalid A. Al Bader	Vice President – Financial Claims

Source: ATC website

5 Capital Market Authority (CMA) Regulations

05 Capital Market Authority (CMA) Regulations

The regulations of the Capital Markets Authority applicable to ATC in relation to this engagement includes:

Article 4-3-9 of Module 9 (Merger and Acquisition) of the Authority's Executive Regulations, states the following:

“The Board of Directors of an Offeree of Partial Purchase shall, within seven Business Days from receipt of the Partial Purchase Offer Document, submit a response to the Authority stating its opinion and recommendations to the shareholders, as well as the opinion of an Investment Advisor; and the recommendation to the shareholders related to the offer shall be published in accordance with the mechanism adopted under Article (4-3-8) of this Module.”

6

Business Valuation Results

6-1 6-Months Weighted Average Method

Our valuation was based on the 6-month weighted average of the stock in the Boursa Kuwait and is calculated as below:

1. Tabulating the total of the volume traded for the last 6 months
2. Tabulating the weights for each day by dividing the volume of each day by the total volume traded for the last 6 months
3. Tabulating the weighted price for each day by multiplying the weight against the closing price of each day.
4. Tabulating the total of the weighted price traded for the last 6 months
5. Concluding the 6 months weighted average price.

Date	Open	High	Low	Close	Volume	Weights	Weighted Average
02/22/2022	0.56	0.56	0.56	0.56	500	0%	0.000
02/21/2022	0.55	0.57	0.55	0.56	1,780	0%	0.001
02/16/2022	0.57	0.57	0.57	0.57	10	0%	0.000
02/15/2022	0.57	0.57	0.57	0.57	110	0%	0.000
02/09/2022	0.59	0.59	0.59	0.59	2,000	0%	0.001
01/26/2022	0.53	0.55	0.53	0.55	1,100	0%	0.001
01/18/2022	0.53	0.56	0.53	0.56	1,090	0%	0.001
01/17/2022	0.51	0.56	0.51	0.56	4,999	0%	0.003
01/13/2022	0.50	0.51	0.50	0.51	2,001	0%	0.001
01/12/2022	0.51	0.52	0.51	0.51	14,000	1%	0.007
01/11/2022	0.50	0.52	0.50	0.52	510	0%	0.000
12/22/2021	0.52	0.52	0.52	0.52	1,000	0%	0.000
12/21/2021	0.49	0.49	0.49	0.49	1	0%	0.000
12/07/2021	0.52	0.52	0.52	0.52	2,758	0%	0.001
12/06/2021	0.52	0.52	0.52	0.52	1	0%	0.000
12/02/2021	0.50	0.52	0.50	0.52	501	0%	0.000
11/30/2021	0.52	0.52	0.50	0.52	2,010	0%	0.001
11/29/2021	0.50	0.50	0.50	0.50	1,500	0%	0.001
11/25/2021	0.52	0.52	0.52	0.52	1,000	0%	0.000
11/24/2021	0.50	0.52	0.50	0.52	8,010	1%	0.004
11/23/2021	0.52	0.52	0.52	0.52	6	0%	0.000
11/22/2021	0.52	0.52	0.52	0.52	10	0%	0.000
11/18/2021	0.51	0.52	0.50	0.50	6,642	1%	0.003
11/17/2021	0.55	0.55	0.52	0.52	200	0%	0.000
11/16/2021	0.55	0.55	0.50	0.50	2,872	0%	0.001
11/15/2021	0.51	0.53	0.51	0.51	29,950	3%	0.014
11/11/2021	0.54	0.54	0.51	0.51	11,011	1%	0.005
11/10/2021	0.53	0.54	0.53	0.53	7,300	1%	0.004
11/09/2021	0.54	0.54	0.51	0.53	2,364	0%	0.001
11/08/2021	0.51	0.54	0.50	0.53	17,931	2%	0.009
11/04/2021	0.51	0.55	0.50	0.51	110,588	10%	0.053
11/022021	0.49	0.51	0.49	0.51	29,495	3%	0.014
11/01/2021	0.50	0.52	0.50	0.51	5,020	0%	0.002

6-1 6-Months Weighted Average Method (Contd.)

Our valuation was based on the 6-month weighted average of the stock in the Boursa Kuwait and is calculated as below (Contd.):

Date	Open	High	Low	Close	Volume	Weights	Weighted Average
10/26/2021	0.51	0.51	0.51	0.51	10	0%	0.000
10/25/2021	0.49	0.49	0.49	0.49	200	0%	0.000
10/20/2021	0.51	0.51	0.51	0.51	978	0%	0.000
10/19/2021	0.51	0.51	0.50	0.51	102	0%	0.000
10/18/2021	0.49	0.51	0.49	0.50	1,211	0%	0.001
10/14/2021	0.49	0.51	0.49	0.51	182	0%	0.000
10/12/2021	0.51	0.51	0.51	0.51	3,959	0%	0.002
10/07/2021	0.49	0.51	0.49	0.51	585	0%	0.000
10/05/2021	0.51	0.52	0.50	0.51	25,120	2%	0.012
10/04/2021	0.49	0.51	0.49	0.51	71	0%	0.000
09/30/2021	0.51	0.51	0.51	0.51	27	0%	0.000
09/29/2021	0.52	0.52	0.52	0.52	1	0%	0.000
09/28/2021	0.49	0.51	0.49	0.51	1,070	0%	0.001
09/27/2021	0.49	0.51	0.49	0.51	17,658	2%	0.009
09/23/2021	0.51	0.51	0.49	0.50	99,112	9%	0.047
09/22/2021	0.51	0.51	0.51	0.51	60	0%	0.000
09/21/2021	0.51	0.52	0.50	0.51	8,207	1%	0.004
09/20/2021	0.52	0.52	0.51	0.51	4,415	0%	0.002
09/16/2021	0.50	0.52	0.50	0.52	11	0%	0.000
09/14/2021	0.53	0.53	0.53	0.53	1,810	0%	0.001
09/13/2021	0.53	0.53	0.53	0.53	7	0%	0.000
09/09/2021	0.51	0.52	0.51	0.52	21,704	2%	0.011
09/08/2021	0.52	0.58	0.52	0.52	342,649	32%	0.168
09/07/2021	0.51	0.52	0.51	0.52	45,756	4%	0.022
09/06/2021	0.53	0.53	0.53	0.53	100	0%	0.000
09/02/2021	0.54	0.54	0.52	0.52	76,330	7%	0.038
09/01/2021	0.50	0.54	0.50	0.54	96,719	9%	0.049
08/31/2021	0.58	0.58	0.46	0.50	41,130	4%	0.019
08/30/2021	0.54	0.54	0.51	0.53	55	0%	0.000
Total					**1,057,509**	**100%**	**0.517**
Minimum Price				**0.49**			
Maximum Price				**0.59**			

Based on the above methodology, the 6-month weighted average price per stock of ATC is KWD 0.517 per share.

6-2 Recommended Valuation

In our opinion, and in the light of the valuation results, financial assumptions and the scope limitations mentioned in the underlying valuation report, the fair value of a 100% equity interest in ATC is **KWD 77,580,621** as at 22 February 2022 and the fair value per share of ATC is approximately **KWD 0.517**.

The fair value per share ranges from **KWD 0.490** to **KWD 0.590**. This value is extracted from the minimum and maximum price of transactions that took place for ATC’s stock in Boursa Kuwait in the period from 30 August 2021 to 22 February 2022.

6-3 Fairness Opinion

In light of the summary of valuation results above versus the Partial Purchase Offer at KWD 0.500 offered by QPIC, the Partial Purchase Offer is fair and falls within the range of the share fair value.

The decision to accept or to reject the offer is up to the Board of Directors of ATC.

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Appendix

Macro Economic Analysis of Kuwait

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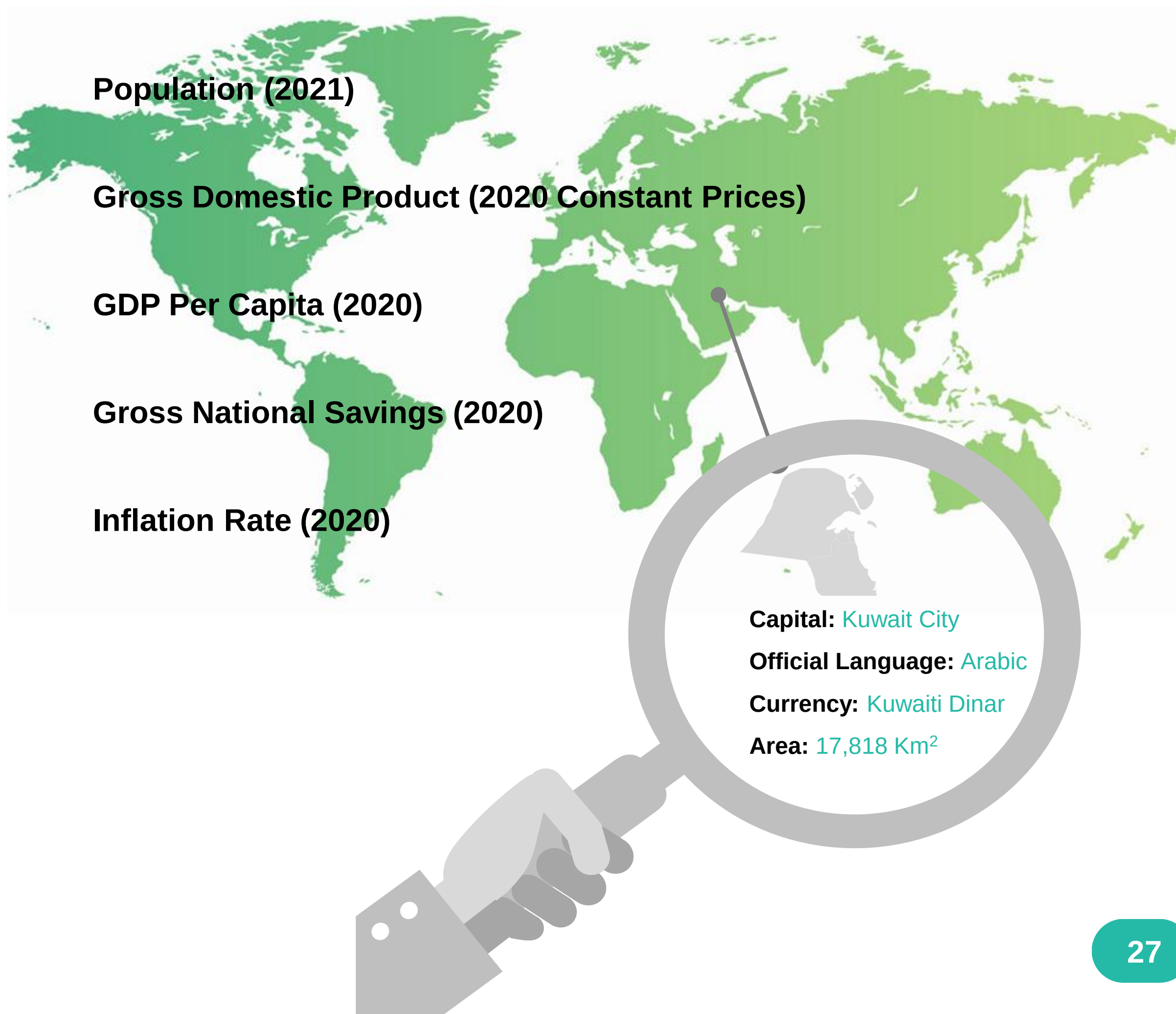
Appendix 1: Macro Economic Analysis of Kuwait

The data below shows the most important macroeconomic indicators of the State of Kuwait:



[1] **4.63 Million**	**Population (2021)**
[1] **USD 117,979.1 Million**	**Gross Domestic Product (2020 Constant Prices)**
[1] **USD 24,223.02**	**GDP Per Capita (2020)**
[1] **USD 47.5 Billion**	**Gross National Savings (2020)**
[1] **3.2%**	**Inflation Rate (2020)**

Capital: Kuwait City

Official Language: Arabic

Currency: Kuwaiti Dinar

Area: 17,818 Km^2

Sources:

1. *Central Bank of Kuwait*

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Appendix

Micro Economic Analysis of the Medical Equipment's Sector

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Appendix 2: Micro Economic Analysis of the Medical Equipment's Sector

Kuwait Medical Device Market

Kuwait medical device market is in its late growth stage (based on distributor model) and has a limited number of large players dominating the market. The medical devices market in Kuwait is completely import driven dominated by international brands. The medical devices market in Kuwait has witnessed growth owing to the increased participation of private players in healthcare sector. Technological innovations and increased focus on infrastructure development has also resulted in increased demand of medical devices in Kuwait. Heavy investments in infrastructure projects are driving the growth in Kuwait. Increase in number of chronic diseases has resulted in increase in demand of healthcare facilities in the country. The end users of medical devices are government as well as private sector hospitals, clinics and primary care centers.

Market Size

In terms of revenue, the market for medical devices has grown by a robust double digit CAGR driven by new product innovations and launches. The share of private sector has increased over the years due to opening up of investment opportunities.

By Type of Medical Devices

Kuwait medical devices market is dominated primarily by orthopedic devices and Auxiliary devices which constituted majority of the market share. Prosthesis, Plates, Rod, Screws and Pins are some of the commonly sold orthopedic devices in Kuwait. BIOMET is one of the leading brands in Kuwait. The company provides a variety of orthopedic devices such as bone cement and cement mixing systems, orthopedic biomaterials. Kottemann GmbH, MOPEC, Aquaria and Bioquell are some of the major manufacturers of auxiliary devices in Kuwait. Kottermann GmbH and Aquaria specializes in lab furniture. MOPEC specializes in pathology and morgue furniture. Diagnostic imaging products and medical disposables also contributed significant share of the market. Johnson and Johnson and BD care fusion are the biggest companies in Kuwait providing medical disposable products such as syringes, needles, sutures, staples, packaging, tubing, catheters, medical gloves, gowns, masks, adhesives and sealants for wound dressing.

Trade Scenario for Kuwait Medical Device Market

Kuwait medical device market is completely import driven. The import value witnessed a robust CAGR of 10% from 2012 to 2017 driven by rise in sales of orthopedic appliances, hearing aids, and radiotherapy equipments, and operating tables and medical furniture. There is no manufacturing facility of medical devices located in Kuwait. Some leading import destinations for Kuwait medical devices are USA and Japan.

Appendix 2: Micro Economic Analysis of the Medical Equipment's Sector (Contd.)

Competitive Landscape
The Kuwait medical device market is concentrated with few large players which have acquired a lion share in terms of revenues.

Major manufacturers: Canon, Philips Health, GE Healthcare, B.Braun are some key players. GE Healthcare has the majority of share in the market.

Major Distributors include Al Essar group, Advanced Technology company, Tareq Company etc. Among these players, Advanced Technology Company (ATC) has the majority of the market share. These distributors buy the medical devices in bulk. The distributors have to bear the freight charges because of absence of any localized manufacturer of medical devices.

Future Outlook
The market for medical devices in Kuwait is expected to register a double digit CAGR of 11.0%. Demand for medical devices will be largely driven by private sector investments, increase in number of chronic diseases and healthcare infrastructure development. A number of healthcare projects are under construction in Kuwait. This will lead to increase in large number of medical devices in the country. New technologies such as artificial intelligence will be widely applied in the sector in various domains, although currently Middle East is yet to stride in these advanced technologies, as high-level medical devices is limited to few projects in the market which is expected to grow by manifold in the near future.

Launch of new technologically advanced products is one of the biggest reasons for their growth. Rise in obesity in Kuwait will increase the demand for diabetes testing devices. In terms of sales channel, offline sales will continue to dominate the market share but its share will decrease in the next five years.

Source: Research and Market.com

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Appendix

Historical Financial Statements of ATC

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Appendix 3: Historical Financial Statements of ATC

A. Historical Statements of Income

Historical Statement of Income	30-Sep-21		31-Dec-20		31-Dec-19		31-Dec-18		31-Dec-17	
	KWD	%	KWD	%	KWD	%	KWD	%	KWD	%
Revenue	**101,901,358**	**100.0%**	**142,885,681**	**100.0%**	**142,065,456**	**100.0%**	**149,134,669**	**100.0%**	**168,483,170**	**100.0%**
Cost of sales	(67,554,617)	-66.3%	(100,955,170)	-70.7%	(102,305,291)	-72.0%	(108,395,264)	-72.7%	(132,588,434)	-78.7%
Gross profit	**34,346,741**	**33.7%**	**41,930,511**	**29.3%**	**39,760,165**	**28.0%**	**40,739,405**	**27.3%**	**35,894,736**	**21.3%**
Sales and administrative expenses	(18,600,605)	-18.3%	(25,458,285)	-17.8%	(20,888,713)	-14.7%	(18,917,283)	-12.7%	(17,144,603)	-10.2%
Depreciation of right of use assets	(237,129)	-0.2%	(392,936)	-0.3%	(386,247)	-0.3%	-	0.0%	-	0.0%
Depreciation and amortization	(5,292,010)	-5.2%	(5,419,510)	-3.8%	(6,865,751)	-4.8%	(5,726,492)	-3.8%	(5,936,399)	-3.5%
Operating profit	10,216,997	10.0%	10,659,780	7.5%	11,619,454	8.2%	16,095,630	10.8%	12,813,734	7.6%
Other income	140,288	0.1%	1,088,322	0.8%	479,638	0.3%	144,386	0.1%	44,668	0.0%
Gain from sale of securities	-	0.0%	-	0.0%	-	0.0%	-	0.0%	184,335	0.1%
Share of loss of associates	(10,235)	0.0%	(1,328,436)	-0.9%	(2,406,387)	-1.7%	(2,410,252)	-1.6%	(67,087)	0.0%
Finance cost	(4,163,468)	-4.1%	(5,822,821)	-4.1%	(7,438,033)	-5.2%	(6,586,103)	-4.4%	(4,240,168)	-2.5%
Profit before contribution to KFAS, NLST, Zakat and remuneration of BOD	**6,183,582**	**6.1%**	**4,596,845**	**3.2%**	**2,254,672**	**1.6%**	**7,243,661**	**4.9%**	**8,735,482**	**5.2%**
Contribution to KFAS	(61,836)	-0.1%	(45,968)	0.0%	(22,547)	0.0%	(72,437)	0.0%	(87,355)	-0.1%
Contribution to NLST	(306,884)	-0.3%	(309,141)	-0.2%	(160,406)	-0.1%	(279,449)	-0.2%	(254,486)	-0.2%
Contribution to Zakat	(122,754)	-0.1%	(123,656)	-0.1%	(64,162)	0.0%	(111,780)	-0.1%	(101,794)	-0.1%
Remuneration to BOD	(118,750)	-0.1%	(150,000)	-0.1%	(165,000)	-0.1%	(135,000)	-0.1%	(135,000)	-0.1%
Net profit for the year	**5,573,358**	**5.5%**	**3,968,080**	**2.8%**	**1,842,557**	**1.3%**	**6,644,995**	**4.5%**	**8,156,847**	**4.8%**

Appendix 3: Historical Financial Statements of ATC

B. Historical Statements of Financial Position

Historical Statement of Financial Position	30-Sep-21		31-Dec-20		31-Dec-19		31-Dec-18		31-Dec-17	
	KWD	%	KWD	%	KWD	%	KWD	%	KWD	%
Assets										
Current assets										
Cash and cash equivalents	3,246,806	1.0%	3,885,096	1.2%	1,626,589	0.6%	1,968,308	0.7%	3,463,676	1.4%
Trade and other receivables	193,346,142	60.3%	196,247,870	60.4%	175,984,928	62.7%	192,608,558	64.7%	156,970,923	63.1%
Inventories	79,555,280	24.8%	80,483,458	24.8%	57,942,337	20.7%	62,221,017	20.9%	47,643,832	19.2%
	276,148,228	**86.2%**	**280,616,424**	**86.3%**	**235,553,854**	**84.0%**	**256,797,883**	**86.2%**	**208,078,431**	**83.7%**
Non-current assets				0.0%		0.0%		0.0%		0.0%
Investment securities	2,339,400	0.7%	2,339,400	0.7%	2,090,000	0.7%	2,090,000	0.7%	2,090,000	0.8%
Investment n associates	193,377	0.1%	134,280	0.0%	1,503,073	0.5%	3,906,844	1.3%	6,315,689	2.5%
Right of use assets	2,780,479	0.9%	2,731,520	0.8%	2,700,911	1.0%	-	0.0%	-	0.0%
Property and equipment	10,710,954	3.3%	9,576,134	2.9%	8,504,108	3.0%	6,834,350	2.3%	6,680,478	2.7%
Other assets	28,346,375	8.8%	29,622,333	9.1%	30,118,459	10.7%	28,149,208	9.5%	25,460,198	10.2%
	44,370,585	**13.8%**	**44,403,667**	**13.7%**	**44,916,551**	**16.0%**	**40,980,402**	**13.8%**	**40,546,365**	**16.3%**
Total assets	**320,518,813**	**100.0%**	**325,020,091**	**100.0%**	**280,470,405**	**100.0%**	**297,778,285**	**100.0%**	**248,624,796**	**100.0%**
Liabilities sand shareholders equity										
Current liabilities										
Bank over	8,196,871	2.6%	6,396,763	2.0%	4,599,584	1.6%	5,578,157	1.9%	4,008,189	1.6%
Trade and other payables	43,793,595	13.7%	61,776,679	19.0%	40,361,868	14.4%	48,903,110	16.4%	62,012,346	24.9%
Lease liabilities	686,954	0.2%	614,167	0.2%	859,497	0.3%	-	0.0%	-	0.0%
Term loans	52,163,165	16.3%	49,223,401	15.1%	21,831,281	7.8%	17,127,193	5.8%	15,102,000	6.1%
Murabaha and Tawaruq payables	80,058,734	25.0%	105,644,877	32.5%	106,054,955	37.8%	124,531,555	41.8%	82,382,119	33.1%
	184,899,319	**57.7%**	**223,655,887**	**68.8%**	**173,707,185**	**61.9%**	**196,140,015**	**65.9%**	**163,504,654**	**65.8%**
Non current liabilities				0.0%		0.0%		0.0%		0.0%
Trade and other payables	8,003,782	2.5%	4,577,687	1.4%	9,332,469	3.3%	9,783,079	3.3%	11,815,239	4.8%
Murabaha and Tawaruq payables	12,254,671	3.8%		0.0%		0.0%		0.0%	2,350,000	0.9%
Lease liabilities	57,598	0.0%	126,656	0.0%	327,588	0.1%	-	0.0%		0.0%
Term loans	41,249,000	12.9%	26,749,000	8.2%	30,575,000	10.9%	26,300,000	8.8%	10,199,000	4.1%
Post employment benefits	9,997,171	3.1%	9,228,279	2.8%	8,931,064	3.2%	7,607,023	2.6%	6,362,869	2.6%
	71,562,222	**22.3%**	**40,681,622**	**12.5%**	**49,166,121**	**17.5%**	**43,690,102**	**14.7%**	**30,727,108**	**12.4%**
Shareholders equity				0.0%		0.0%		0.0%		0.0%
Share capital	15,000,000	4.7%	15,000,000	4.6%	15,000,000	5.3%	15,000,000	5.0%	15,000,000	6.0%
Share premium	3,000,000	0.9%	3,000,000	0.9%	3,000,000	1.1%	3,000,000	1.0%	3,000,000	1.2%
Legal reserve	10,749,314	3.4%	10,749,314	3.3%	10,289,630	3.7%	10,064,163	3.4%	9,339,797	3.8%
Property revaluation reserve	3,746,377	1.2%	3,746,377	1.2%	3,340,630	1.2%	3,320,764	1.1%	3,360,264	1.4%
Investment fair value reserve	304,670	0.1%	235,338	0.1%	24,135	0.0%	(12,826)	0.0%	(14,233)	0.0%
Retained earnings	31,274,911	9.8%	27,951,553	8.6%	25,943,157	9.2%	26,576,067	8.9%	23,707,206	9.5%
	64,075,272	**20.0%**	**60,682,582**	**18.7%**	**57,597,552**	**20.5%**	**57,948,168**	**19.5%**	**54,393,034**	**21.9%**
Total liabilities and shareholders equity	**320,536,813**	**100.0%**	**325,020,091**	**100.0%**	**280,470,858**	**100.0%**	**297,778,285**	**100.0%**	**248,624,796**	**100.0%**