



شركة الخليج للكابلات والصناعات الكهربائية ش.م.ك.ع
Gulf Cable & Electrical Industries Co. K.S.C.P

cables that pulse with life

Ref: GC/167 /22 الإشارة :

Date: 31 MAR 2022 التاريخ :

M/S.: Boursa Kuwait Company

Greeting,

Subject: Results of Board of Directors meeting held on 31/03/2022


With reference to the above subject, we are pleased to inform you that the Board of Directors held its meeting on 31/03/2022 at 1:00 pm where the consolidated financial statements of the year ended 31/12/2021 have been discussed and approved.

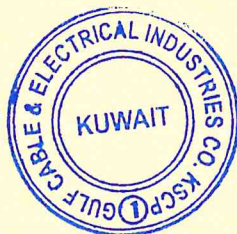
Please find enclosed the financial statements form for the year ended 31/12/2021 along with auditor report.

Pursuant to the requirements of Boursa Kuwait rule book issued under resolution (1) 2018 and since Gulf Cable Co. has been classified within the "Premier Market", Gulf Cable Co. is glad to announce that the analyst conference will be conducted on Thursday 07 April 2022 at 1:30 PM local time through a conference call.

The Interested parties could communicate with GC. Via Email (Investor.relations@gulfcable.com) to obtain the invitation and other details.

Best regards


Bader Naser Al-Kharafi
Chairman





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Financial Results Form Kuwaiti Company (KWD)

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

Company Name		اسم الشركة
Gulf Cable & Electrical Industries Co. (K.S.C.P)		شركة الخليج للكابلات والصناعات الكهربائية (ش.م.ك.ع)
Financial Year Ended on	2021-12-31	نتائج السنة المالية المنتهية في
Board of Directors Meeting Date	2022-03-31	تاريخ اجتماع مجلس الإدارة
Required Documents		المستندات الواجب إرفاقها بالنموذج
Approved financial statements. Approved auditor's report This form shall not be deemed to be complete unless the documents mentioned above are provided		نسخة من البيانات المالية المعتمدة نسخة من تقرير مراقب الحسابات المعتمد لا يعتبر هذا النموذج مكتملاً ما لم يتم وإرفاق هذه المستندات

التغيير (%)	السنة المقارنة	السنة الحالية	البيان
Change (%)	Comparative Year 2020-12-31	Current Year 2021-12-31	Statement
188.22%	5,571,085	16,057,067	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
185.19%	27 فلس	77 فلس	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
(10.98%)	97,840,852	87,100,406	الموجودات المتداولة Current Assets
56.01%	202,776,779	316,354,655	إجمالي الموجودات Total Assets
56.76%	12,547,406	19,669,893	المطلوبات المتداولة Current Liabilities
439.21%	16,476,592	88,844,213	إجمالي المطلوبات Total Liabilities
22.14%	185,858,389	227,005,800	إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم Total Equity attributable to the owners of the Parent Company
2.62%	79,254,111	81,331,941	إجمالي الإيرادات التشغيلية Total Operating Revenue
172.32%	6,438,383	17,533,040	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)
—	لا توجد خسائر متراكمة No Accumulated Losses	لا توجد خسائر متراكمة No Accumulated Losses	الخسائر المتراكمة / رأس المال المدفوع Accumulated Loss / Paid-Up Share Capital





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البيان	الربع الرابع الحالي	الربع الرابع المقارن	التغيير (%)
Statement	Fourth quarter Current Year	Fourth quarter Comparative Year	Change (%)
	2021-12-31	2020-12-31	
صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company	10,192,266	83,454	12113.03%
ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share	49 Fils	0.4 Fils	12150.00%
إجمالي الإيرادات التشغيلية Total Operating Revenue	33,922,629	18,748,277	80.94%
صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)	10,934,230	516,065	2018.77%

• Not Applicable for first Quarter

• لا ينطبق على الربع الأول

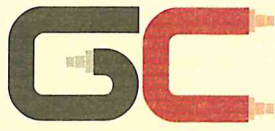
سبب ارتفاع/انخفاض صافي الربح (الخسارة)	Increase/Decrease in Net Profit (Loss) is due to
يعزى الإرتفاع في صافي الربح للسنة الحالية مقارنة مع العام السابق الى إرتفاع مجمل الربح وتسجيل ربح ناتج من صفقة شراء شركة زميلة .	The increase in net profit for the current year compared to the previous year is due to the increase in gross profit and to recognize a gain on bargain purchase of an associate company.

بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)	51,832	Total Revenue realized from dealing with related parties (value, KWD)
بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)	222,458	Total Expenditures incurred from dealing with related parties (value, KWD)



هاتف: ٢٤٦٧٥٢٤٤ - فاكس: ٢٤٦٧٥٨٥٠ - ٢٤٦٧٥٣٠٥ - صندوق بريد ١١٩٦ الصفاة - الرمز البريدي ١٣٠١٢ - برقياً وأبر جلف - سجل تجاري ٢٣٢١٣
Tel.: 24675244 - 24645500 - Fax: 24675850 - 24675305 - P.O.Box : 1196 Safat Code No. 13012 - Kuwait - Cable : WIREGULF - Com. Reg. 23213
Website : www.gulfcable.com - E-mail : info@gulfcable.com - رأس المال المصدر والمدفوع د.ك. 20,993,131 Issued and paid up Capital KD 20,993,131

10 - 2020



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Auditor Opinion			رأي مراقب الحسابات
1.	Unqualified Opinion	<input checked="" type="checkbox"/>	1. رأي غير متحفظ
2.	Qualified Opinion	<input type="checkbox"/>	2. رأي متحفظ
3.	Disclaimer of Opinion	<input type="checkbox"/>	3. عدم إبداء الرأي
4.	Adverse Opinion	<input type="checkbox"/>	4. رأي معاكس

In the event of selecting item No. 2, 3 or 4,
the following table must be filled out, and this form is not
considered complete unless it is filled.

بحال اختيار بند رقم 2 أو 3 أو 4 يجب تعبئة
الجدول التالي، ولا يعتبر هذا النموذج مكتملاً ما لم يتم تعبئته

لا ينطبق Not Applicable	نص رأي مراقب الحسابات كما ورد في التقرير
لا ينطبق Not Applicable	شرح تفصيلي بالحالة التي استدعت مراقب الحسابات لإبداء الرأي
لا ينطبق Not Applicable	الخطوات التي ستقوم بها الشركة لمعالجة ما ورد في رأي مراقب الحسابات
لا ينطبق Not Applicable	الجدول الزمني لتنفيذ الخطوات لمعالجة ما ورد في رأي مراقب الحسابات





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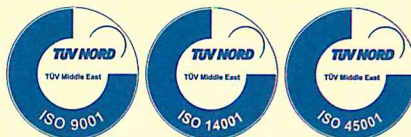
الإشارة :

Date:

التاريخ :

Corporate Actions		استحقاقات الأسهم (الإجراءات المؤسسية)
النسبة	القيمة	
60%	60 فلس للسهم الواحد 60 Fils per share	توزيعات نقدية Cash Dividends
لا يوجد NIL	لا يوجد NIL	توزيعات أسهم منحة Bonus Share
لا يوجد NIL	لا يوجد NIL	توزيعات أخرى Other Dividend
—	—	عدم توزيع أرباح No Dividends
—	لا يوجد NIL	زيادة رأس المال Capital Increase
—	لا يوجد NIL	تخفيض رأس المال Capital Decrease

ختم الشركة Company Seal	التوقيع Signature	المسمى الوظيفي Title	الاسم Name
		رئيس مجلس الإدارة Chairman	بدر ناصر الخرافي Bader Naser Al-Kharafi



Independent auditor's report

To the Shareholders of
Gulf Cable and Electrical Industries Company – KPSC
Kuwait

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Gulf Cable and Electrical Industries Company - KPSC ("the Parent Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2021, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the 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 31 December 2021, and its consolidated financial performance and its consolidated cash flows for the 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), and we have fulfilled our 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 have determined the matters described below as the key audit matters.

Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer. The Group recognizes revenue when it transfers control of a product or service to a customer. The Group follows a five-step process to recognize revenue as disclosed in the accounting policy related to revenue recognition (note 4.6). This is an area of audit focus as management assumptions are required to apply the revenue recognition criteria to each separately identifiable component of revenue. This can result in circumstances which require careful consideration to determine how revenue should be recognized.

Our audit procedures included testing the operating effectiveness of associated internal controls and performing substantive audit procedures. We also performed analytical reviews and reviewed management accounts to identify any material new revenue streams. Our testing procedures included reviewing customer contracts, checking delivery records and price lists, and checking that the recognition criteria of IFRS were met. We also assessed the adequacy of the Group's disclosures of its revenue recognition policy, the judgements involved and other related disclosures.

Revenue by segment is disclosed in Note 26.

Independent Auditor's Report to the Shareholders of Gulf Cable and Electrical Industries Company – KPSC (continued)

Valuation of unquoted investments

The Group's investments in unquoted investments classified as at fair value through other comprehensive income represent a significant part of the Group's total assets and categorized within Level 3 of the fair value hierarchy as disclosed in the Note 30 to the consolidated financial statements. The valuation of these investments is inherently subjective as it is primarily based either on external independent valuations or on entity-developed internal models and not on quoted prices in active markets or other observable inputs. Therefore, there is significant measurement uncertainty involved in those valuations. As a result, the valuation of those instruments was significant to our audit. We have, therefore, spent significant audit efforts in assessing the appropriateness of the valuations and underlying assumptions.

Our audit procedures included agreeing carrying value of the unquoted investments to the Group's internal or external valuations prepared using valuation techniques, assessing and challenging the appropriateness of estimates, assumptions and valuation methodology and obtained supporting documentation and explanations to corroborate the valuations.

Other information included in the Group's Annual Report for the year ended 31 December 2021

Management is responsible for the other information. Other information consists of the information included in the Group's annual Report for the year ended 31 December 2021, other than the consolidated financial statements and our auditor's report thereon. We obtained the report of the Parent Company's Board of Directors, prior to the date of our auditor's report, and we expect to obtain the remaining sections of the Annual Report after the date of our auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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, 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.

Independent Auditor's Report to the Shareholders of Gulf Cable and Electrical Industries Company – KPSC (continued)

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 our 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 entities 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.

Independent Auditor's Report to the Shareholders of Gulf Cable and Electrical Industries Company – KPSC (continued)

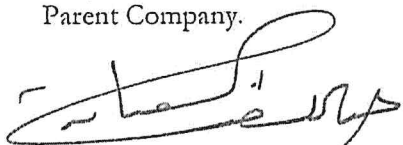
Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

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 our 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, the Executive Regulations, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, have occurred during the year ended 31 December 2021 that might have had a material effect on the business or financial position of the Parent Company.

We further report that, to the best of our knowledge and belief, no violations of the provisions of Law No. 7 of 2010 concerning the Capital Markets Authority ("CMA") and its relevant regulations have occurred during the year ended 31 December 2021 that might have had a material effect on the business or financial position of the Parent Company.



Abdullatif M. Al-Aiban (CPA)
(Licence No. 94-A)
of Grant Thornton – Al-Qatami, Al-Aiban & Partners

Kuwait
31 March 2022

Consolidated statement of profit or loss


	Note	Year ended 31 Dec. 2021 KD	Year ended 31 Dec. 2020 KD
Revenue			
Sales and contracting revenue		68,490,740	76,148,034
Cost of revenue	7	(54,929,195)	(67,390,625)
Gross profit		13,561,545	8,757,409
Dividend income		1,614,982	3,069,163
Other investment losses		(19,563)	(2,664)
Share of results of associates		411,251	39,578
Gain on bargain purchase of an associate	13a	10,834,531	-
Interest and other income		39,669	129,613
Foreign currency exchange gain		201,756	342,653
		26,644,171	12,335,752
Expenses and other charges			
General and administrative expenses	7	(5,070,842)	(3,701,465)
Commercial expenses	7	(1,794,983)	(1,576,008)
Provision for doubtful debts – net		(1,810,016)	(365,912)
Provision for other receivables		(57,900)	-
(Provision)/reversal of provision for obsolete and slow-moving inventories – net		(27,074)	143,095
Finance costs	8	(350,316)	(397,079)
		(9,111,131)	(5,897,369)
Profit before taxation and Directors' remuneration		17,533,040	6,438,383
Taxation	9	(1,100,947)	(567,609)
Directors' remuneration		(310,000)	(310,000)
Profit for the year		16,122,093	5,560,774
Profit for the year attributable to:			
Owners of the Parent Company		16,057,067	5,571,085
Non-controlling interests		65,026	(10,311)
Profit for the year		16,122,093	5,560,774
Basic and diluted earnings per share attributable to the owners of the Parent Company	11	77 Fils	27 Fils

The notes set out on pages 11 to 52 form an integral part of these consolidated financial statements.



Consolidated statement of financial position

	Note	31 Dec. 2021 KD	31 Dec. 2020 KD
Assets			
Non-current assets			
Goodwill	6.3	3,603,180	-
Property, plant and equipment	12	9,771,992	7,160,670
Right-of-use assets		612,883	-
Investment in associates	13	86,168,913	1,103,929
Investments at fair value through other comprehensive income	14	129,097,281	96,671,328
		229,254,249	104,935,927
Current assets			
Inventories	15	35,196,042	41,319,685
Trade accounts receivable	16	31,788,814	29,606,122
Other receivables and prepayments		1,134,062	657,532
Cash and cash equivalents	17	18,981,488	26,257,513
		87,100,406	97,840,852
Total assets		316,354,655	202,776,779
Equity and liabilities			
Equity			
Share capital	18	20,993,131	20,993,131
Share premium	18	29,160,075	29,160,075
Treasury shares	19	(575,724)	(454,480)
Statutory, voluntary and general reserves	20	70,459,281	68,740,454
Other components of equity	21	82,741,073	47,981,962
Retained earnings		24,227,964	19,437,247
Total equity attributable to the owners of the Parent Company		227,005,800	185,858,389
Non-controlling interests		504,642	441,798
Total equity		227,510,442	186,300,187
Non-current liabilities			
Provision for employees' end of service benefits		4,410,937	3,929,186
Term loans	22	26,334,495	-
Islamic financing facilities	23	38,000,000	-
Lease liabilities		428,888	-
		69,174,320	3,929,186
Current liabilities			
Trade accounts payable		2,038,235	1,702,884
Other payables and accruals	24	9,662,081	7,179,352
Lease liabilities		151,416	-
Term loans-current portion	22	5,818,161	3,646,476
Islamic financing facilities-current portion	23	2,000,000	-
Due to banks	17	-	18,694
		19,669,893	12,547,406
Total liabilities		88,844,213	16,476,592
Total equity and liabilities		316,354,655	202,776,779


Bader Naser Al-Kharafi
Chairman

The notes set out on pages 11 to 52 form an integral part of these consolidated financial statements.

