Client Profile

Commercial Registration No.	: 109081-1
Issuance date	: 31 December 2016
Shareholders	: Maher Bazzari Wasfia Ali Abd Asaad
Address	: Building 203 Road 20 Block 224 Muharraq Kingdom of Bahrain
Banker	: Bank of Bahrain & Kuwait
Auditors	: KSI Bahrain - Consultants & Public Accountants Office 54, Diplomat Tower 315 Road 1705, Block 317 Diplomatic Area, P.O. Box 11126 Manama, Bahrain

Report of the Board of Directors

The Directors of **Nadeen Optical Company W.L.L.** (the "Company") have great pleasure in presenting the annual report containing the audited financial statements for the year ended 31 December 2017.

Principal activities

The Company is engaged in the following business activities :

Sale/Trade in other machinery and equipment and parts

Sale/Trade of clothing, footwear, apparel accessories and leather articles

Repair of other personal and household goods

Other human health activities

Results

During the year under audit, the Company achieved a turnover of BD. 10,393 and a net (loss) of BD. (6,983).

Directors and management

The following served as Directors and were in charge of the management of the Company during the year ended 31 December 2017 :

Name of the Directors	Ownership (%)	Position
Maher Bazzari	79%	Chairman
Wasfia Ali Abd Asaad	21%	Vice Chairman

Auditors

The financial statements have been audited by KSI-Bahrain who has expressed their willingness and considered themselves eligible for re-appointment. The Directors take this opportunity to place on record his sincere appreciation to the staff for their loyalty and dedication, which has greatly helped to maintain the reputation and results of the Company.

Maher Bazzari
Chairman

KSI

KSI Bahrain-Consultants & Public Accountants
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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF NADEEN OPTICAL COMPANY W.L.L.

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of **Nadeen Optical Company W.L.L.** (the "Company"), which comprise the statement of financial position as at 31 December 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for qualified opinion paragraph, the accompanying financial statements present fairly and in all material respects, the financial position of the Company as at 31 December 2017, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

We did not observe the counting of physical inventories, stated at BD. 25,711 as at 31 December 2017, since the date was prior to our appointment as auditors. Owing to the nature of Company's inventory records, we were unable to satisfy ourselves as to the inventory quantities at that date by other audit procedures.

No proper supporting documents were available for cost of revenue and general & administrative expenses in the amount of BD. 2,967 and BD. 14,279, respectively, and there were no other audit procedures that we could perform to satisfy ourselves on the correctness of these amounts as stated in the statement of comprehensive income.

During the year, net funds introduced amounting to BD. 13,879 within the Shareholders' current account for which no supporting documents were available. We have been unable to ascertain whether any adjustments relating to this matter are necessary to the financial statements of the Company for the year ended 31 December 2017.

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 Financial position section of out report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Code of Ethics for Professional Accountants issued by the International Ethics Standard Board for Accountants (IESBA), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information obtained at the date of our report is the directors' report.

Our opinion on the financial statements do not cover the other information and we do not express any form of assurance conclusion thereon.

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF NADEEN OPTICAL COMPANY W.L.L. (Cont'd)

In connection with our audit of the 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is 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 Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF NADEEN OPTICAL COMPANY W.L.L. (Cont'd)

- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in out auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify out 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 to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the 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.

Report on Other Legal and Regulatory Requirements

As required by the Bahrain Commercial Companies Law, Decree No. 21 of 2001, we report that:

- The Company has maintained proper accounting records and the financial statements are in agreement therewith;
- We are not aware of any violations, of the Bahrain Commercial Companies Law or the terms of the Company's memorandum and articles of association having occurred during the year that might have had a material adverse effect on the business of the Company or on its financial position.
- Satisfactory information and explanations, were provided to us by the management in response to our requests.

Ahmed Alsulaiman
Managing Partner
Registration No. 175

Bahrain, 24 January 2019

KSI BAHRAIN CR.88550-1 Consultants & Public Accountants

Nadeen Optical Company W.L.L.
Muharraq - Bahrain

Statement of Financial Position as at 31 December 2017

Amounts are shown in Bahraini dinars

	Notes	
Assets		
Non-current assets		
Property, plant and equipment	5	520
Current assets		
Inventories		25,711
Bank balance		965
Total current assets		26,676
Total assets		**27,196**
Equity and liabilities		
Equity		
Share capital	6	20,000
Accumulated losses		(6,983)
Shareholders' current account		13,879
Total equity		26,896
Liabilities		
Current liabilities		
Accrued expenses		300
Total liabilities		300
Total equity and liabilities		**27,196**

Approved these financial statements and signed on behalf of it by;

Maher Bazzari
Chairman

KSI
BAHRAIN
CR.88550-1
Consultants & Public Accountants

Notes 1 to 8 form an integral part of these financial statements.

Nadeen Optical Company W.L.L.
Muharraq - Bahrain

Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2017

Amounts are shown in Bahraini dinars

	Notes	
Revenue		10,393
Cost of revenue		(2,967)
Results from operating activities		**7,426**
Expenses		
General and administrative expenses	7	(14,279)
Depreciation	5	(130)
Total expenses		**(14,409)**
Net (loss) for the year		**(6,983)**
Other comprehensive income		-
Total comprehensive (loss) for the year		**(6,983)**

Approved these financial statements and signed on behalf of it by;

KSI BAHRAIN CR.88550-1 Consultants & Public Accountants

Maher Bazzari
Chairman

Notes 1 to 8 form an integral part of these financial statements.

Nadeen Optical Company W.L.L.

Muharraq - Bahrain

Statement of changes in equity for the year ended 31 December 2017

Amounts are shown in Bahraini dinars

	Share capital	Accumulated losses	Shareholders' current account	Total equity
At 1 January 2017	20,000	-	-	20,000
Total comprehensive (loss) for the year	-	(6,983)	-	(6,983)
Net movement in current account	-	-	13,879	13,879
At 31 December 2017	**20,000**	**(6,983)**	**13,879**	**26,896**

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Nadeen Optical Company W.L.L.

Muharraq - Bahrain

Statement of cash flows for the year ended 31 December 2017

Amounts are shown in Bahraini dinars

OPERATING ACTIVITIES	
Total comprehensive (loss) for the year	(6,983)
Adjustments for :	
Depreciation	130
Changes in working capital	
Inventories	(25,711)
Accrued expenses	300
Net cash (used in) operating activities	**(32,264)**
INVESTING ACTIVITIES	
Acquisition of property, plant and equipment	(650)
Net cash (used in) investing activities	**(650)**
FINANCING ACTIVITIES	
Capital introduced	20,000
Net movement in current account	13,879
Net cash generated from financing activities	**33,879**
Net increase in cash and cash equivalents	**965**
Cash and cash equivalents - beginning of the year	-
Cash and cash equivalents - end of the year	**965**

KSI BAHRAIN CR.88550-1 Consultants & Public Accountants

Amounts are shown in Bahraini dinars

1 Organisation & activities

Nadeen Optical Company W.L.L. (The"Company") is a Limited Liability Company registered with the Ministry of Industry, Commerce & Tourism, Kingdom of Bahrain as follows:

Commercial Registration No.	: 109081-1
Issuance date	: 31 December 2016

The Company is engaged in the following business activities :

Sale/Trade in other machinery and equipment and parts

Sale/Trade of clothing, footwear, apparel accessories and leather articles

Repair of other personal and household goods

Other human health activities

2 Basis of Preparation and Other Significant Accounting Policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), being standards and interpretations issued by the International Accounting Standards Board (IASB) and the applicable provisions of the Bahrain Commercial Companies Law Decree No. 21 of 2001.

2.2 Basis of measurement

The Financial Statements have been prepared under the historical cost convention except for any modifications required by IFRS referred to in the accounting policies given, and are prepared in Bahraini Dinars which is the functional currency of the company .

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates . It also requires management to exercise judgment in the process of applying the company's accounting policies.

2.3 Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods

Information about significant assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustments within the next financial year and critical judgements in applying accounting policies on the amounts recognised in the financial statements.

2.4 Amendments and interpretations effective from 1 January 2015

The following amendments which became effective as of 1 January 2015 are relevant to the company. The adoption of these amendments had no significant impact on the financial statements:

2.4-1 IAS 32 - Offsetting Financial Assets and Financial Liabilities

The amendments clarify the offsetting criteria IAS 32 by explaining when an entity currently has a legally enforceable right to set off and when gross settlement is equivalent to net settlement.

2.4-2 IAS 19R - Employee Benefits

The amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service.

2.4-3 IAS 36 - Recoverable amount disclosures for non-financial assets

The amendments to IAS 36 remove the requirement to disclose the recoverable amount of a cash-generating unit (CGU) to which goodwill or other intangible assets with indefinite useful lives had been allocated when there has been no impairment or reversal of impairment of the related CGU. Furthermore, the amendments introduce additional disclosure requirements applicable to when the recoverable amount of an asset or a CGU is measured at fair value less costs of disposal. These new disclosures include the fair value hierarchy, key assumptions and valuation techniques used which are in line with the disclosure required by IFRS 13 Fair Value Measurements.

2.5 New Standards, amendments and interpretations issued but not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2015, and have not been applied in preparing these financial statements. Those which are relevant to the company are set out below. The company does not plan to early adopt these standards.

2.5-1 Amendments to IAS 19 Defined Benefit Plans: Employee Contributions

The amendments to IAS 19 clarify how an entity should account for contributions made by employees or third parties to defined benefit plan, based on whether those contributions are dependent on the number of years of service provided by the employee.

For contributions that are independent of the number of years of service, the entity may either recognize the contributions as a reduction in the service cost in the period in which the related service is rendered, or to attribute them to the employees periods of service using the project unit credit method; whereas for contributions that are dependent on the number of years of service, the entity is required to attribute them to the employees periods of service.

2.5-2 IFRS 9 - Financial Instruments

IFRS 9 published in July 2014, replaces the existing IAS 39' Financial Instruments: Recognition and Measurement'. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. The company is assessing the potential impact on its financial statements resulting from the application of IFRS 9.

2.5.3 IFRS 15 - Revenue from contracts with customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 - Revenue.

IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2017, with early adoption permitted. The company is assessing the potential impact on its financial statements resulting from the application of IFRS 15.

2.6 Going concern

These financial statements are prepared on the basis that the company is a going concern and will continue in operation for the foreseeable future and it has no intention or necessity to liquidate.

3 Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost includes expenditures that are directly attributable to the acquisition cost of the asset and bringing it the position where its ready for intended use (eg. transportation cost, insurance installation, etc...).

The cost of materials and direct labour any other costs directly attributable to bringing an asset to its working condition for their intended use when the company has an obligation to remove the assets or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they were located.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Where parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment. Any gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment and are recognised in profit or loss.

3.1-1 Depreciation

Depreciation is charged to the profit or loss on a straight-line basis over the estimated useful lives of each part of an item of a property and equipment. Assets are depreciated from the date they are available for use or, in respect of self-constructed assets, from the time an asset is completed and ready for service. Freehold land, projects in progress and inventories held for capital projects are not depreciated. The depreciation expenses is charged by allocating the cost over the fixed assets useful life at the following annual rate:

Assets class	Rate
Office equipments	20%
Furniture and fixtures	20%

3.2 Inventories

Inventories are stated at lower of cost or net realisable value. Cost is determined on a weighted average basis and includes expenditure incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less selling expenses.

3.3 Cash and cash equivalents

Cash and cash equivalents comprise of bank balance only.

3.4 Employees' terminal benefits

No provision is made for employees' terminal benefit as the payment of terminal benefits would be charged to statement of profit or loss and other comprehensive income as and when paid.

3.5 Other payables

Other payables are recognized initially at the transaction price and subsequently measured at amortized cost using effective interest method.

3.6 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the company's activities. Revenue is shown net of returns, rebates and discounts.

The company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.

Sales of goods

Sales of goods are recognized when the company sells a product to the customer as control passes to the customer on the day the transaction takes place. Sales are usually in cash or by credit card.

3.7 Expenses

Direct and indirect expenses relating to operations are charged directly. Expenses relating to management are charged to general and administrative expenses. All expenses are recognized on the accrual basis.

4 Critical accounting judgments and key estimations

The preparation of financial statements in conformity with approved IFRSs requires use of certain critical accounting estimates, judgments and assumptions. These are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Amounts are shown in Bahraini dinars

5 Property, plant & equipment

	Office equipments	Furniture & fixtures	Total
Cost			
Acquisition during the year	350	300	650
At 31 December 2017	350	300	650
Accumulated depreciation			
Charge for the year	70	60	130
At 31 December 2017	70	60	130
Net book value			
At 31 December 2017	**280**	**240**	**520**

6 Share capital

The share capital of the Company is BD 20,000 (Bahraini Dinars Twenty Thousand only) divided into 100 shares of BD 200 each.

Name of the shareholders	Number of shares	Ownership (%)	Amount (in BD)
Maher Bazzari	79	79	15,800
Wasfia Ali Abd Asaad	21	21	4,200
	100	**100**	**20,000**

7 General and administrative expenses

Staff cost	2,692
Rent and utilities	7,779
Miscellaneous expenses	3,808
	14,279

8 Comparative figures

There are no comparative figures in the current year, as this is the first audited financial statements of the Company.