

**Shuaiba Industrial Company K.P.S.C. and its subsidiary  
State of Kuwait**

**Interim condensed consolidated financial information (Unaudited)  
and review report**

For the six month period ended 30 June 2023

**Shuaiba Industrial Company K.P.S.C. and its subsidiary  
State of Kuwait**

**Interim condensed consolidated financial information (Unaudited) and review report**  
For the six month period ended 30 June 2023

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**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION****To The Board of Directors,  
Shuaiba Industrial Company K.P.S.C.  
State of Kuwait*****Introduction***

We have reviewed the accompanying interim condensed consolidated statement of financial position of Shuaiba Industrial Company K.P.S.C. (the "Parent Company") and its subsidiary (together referred to as the "Group") as at 30 June 2023, and the related interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six month period then ended. The Parent Company's management is responsible for the preparation and fair presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

***Scope of review***

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

***Conclusion***

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

***Report on other legal and regulatory requirements***

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report that nothing has come to our attention indicating any violations of the Companies' Law No. 1 of 2016, and its Executive Regulations, as amended, and Law No. 7 of 2010 regarding the Establishment of the Capital Markets Authority and Organization of Securities Activity and its Executive Regulations, as amended, nor of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, have occurred during the six month period ended 30 June 2023, that might have had a material effect on the business of the Group or its consolidated financial position.



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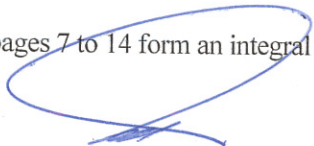
**Faisal Saqer Al Saqer  
License No. 172 "A"  
BDO Al Nisf & Partners****Kuwait: 25 July 2023**

Shuaiba Industrial Company K.P.S.C. and its subsidiary  
State of Kuwait

Interim condensed consolidated statement of financial position (Unaudited)  
As at 30 June 2023

		(Audited)	
	30 June 2023	31 December 2022	30 June 2022
	KD	KD	KD
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	8,126,396	7,747,136	7,925,845
Right of use assets	1,210,597	1,202,606	1,249,791
	<u>9,336,993</u>	<u>8,949,742</u>	<u>9,175,636</u>
<b>Current assets</b>			
Inventories	6,841,932	7,925,825	3,997,490
Trade and other receivables	3 4,628,707	4,414,964	3,815,659
Term deposits	-	-	2,000,000
Bank balances and cash	4 2,510,047	2,622,592	2,759,893
	<u>13,980,686</u>	<u>14,963,381</u>	<u>12,573,042</u>
<b>Total assets</b>	<u>23,317,679</u>	<u>23,913,123</u>	<u>21,748,678</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	5 10,069,180	10,069,180	10,069,180
Share premium	2,294,444	2,294,444	2,294,444
Statutory reserve	2,928,668	2,928,668	2,784,455
Voluntary reserve	1,423,325	1,423,325	1,423,325
Treasury shares	6 (164,740)	(164,740)	(164,740)
Treasury shares reserve	471,283	471,283	471,283
Foreign currency translation reserve	452,871	435,798	443,295
Retained earnings	812,154	1,205,452	695,347
<b>Total equity</b>	<u>18,287,185</u>	<u>18,663,410</u>	<u>18,016,589</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Employees' end of service benefits	974,006	1,005,976	985,795
Lease liabilities	825,001	792,258	814,057
	<u>1,799,007</u>	<u>1,798,234</u>	<u>1,799,852</u>
<b>Current liabilities</b>			
Lease liabilities	33,872	47,059	36,359
Trade and other payables	2,861,093	3,023,108	1,859,649
Murabaha payable	7 250,000	250,000	-
Contract liabilities	86,522	131,312	36,229
	<u>3,231,487</u>	<u>3,451,479</u>	<u>1,932,237</u>
<b>Total liabilities</b>	<u>5,030,494</u>	<u>5,249,713</u>	<u>3,732,089</u>
<b>Total equity and liabilities</b>	<u>23,317,679</u>	<u>23,913,123</u>	<u>21,748,678</u>

The notes on pages 7 to 14 form an integral part of this interim condensed consolidated financial information.

  
**Saleh Omran Abdullah Kannan**  
Chairman

**Shuaiba Industrial Company K.P.S.C. and its subsidiary  
State of Kuwait**

**Interim condensed consolidated statement of profit or loss (Unaudited)**

For the six month period ended 30 June 2023

	Notes	Three months ended		Six months ended	
		30 June		30 June	
		2023	2022	2023	2022
		KD	KD	KD	KD
Sales	8	3,927,701	3,544,484	8,105,193	6,801,082
Cost of sales		(3,141,802)	(2,859,392)	(6,511,520)	(5,494,425)
<b>Gross profit</b>		<u>785,899</u>	<u>685,092</u>	<u>1,593,673</u>	<u>1,306,657</u>
Other income		24,288	18,845	39,402	33,818
Profit income from term deposits		-	4,622	10,389	5,200
Gain on disposal of property, plant and equipment		-	-	1,519	-
Share of results of an associate		-	-	-	26,660
Gain on disposal of an associate		-	111,296	-	111,296
Provision for slow moving inventories		(64,500)	-	(64,500)	-
Provision for expected credit losses	3	(37)	(18)	(21,910)	(3,420)
Foreign exchange gain		4,702	25,881	7,757	25,596
General and administrative expenses		(278,102)	(451,639)	(611,896)	(678,151)
Selling and distribution expenses		(39,661)	(41,936)	(94,877)	(84,017)
Finance costs		(14,025)	(10,189)	(23,187)	(19,865)
<b>Profit before contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS"), National Labour Support Tax ("NLST") and Zakat</b>		<u>418,564</u>	<u>341,954</u>	<u>836,370</u>	<u>723,774</u>
KFAS		(3,767)	(3,109)	(7,527)	(6,545)
NLST		(12,529)	(8,804)	(22,349)	(18,950)
Zakat		(5,011)	(3,521)	(8,939)	(7,580)
<b>Profit for the period</b>		<u><u>397,257</u></u>	<u><u>326,520</u></u>	<u><u>797,555</u></u>	<u><u>690,699</u></u>
<b>Basic and diluted earnings per share (fils)</b>	9	<u><u>4</u></u>	<u><u>3.29</u></u>	<u><u>8.04</u></u>	<u><u>6.96</u></u>

The notes on pages 7 to 14 form an integral part of this interim condensed consolidated financial information.

**Shuaiba Industrial Company K.P.S.C. and its subsidiary  
State of Kuwait**

**Interim condensed consolidated statement of comprehensive income (Unaudited)**  
For the six month period ended 30 June 2023

	<b>Three months ended</b>		<b>Six months ended</b>	
	<b>30 June</b>		<b>30 June</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	KD	KD	KD	KD
<b>Profit for the period</b>	<u>397,257</u>	<u>326,520</u>	<u>797,555</u>	<u>690,699</u>
<b>Other comprehensive income items:</b>				
<i>Items that may be reclassified subsequently to the interim condensed consolidated statement of profit or loss:</i>				
Foreign currency translation differences	<u>11,496</u>	<u>60,501</u>	<u>17,073</u>	<u>93,791</u>
<b>Total other comprehensive income for the period</b>	<u>11,496</u>	<u>60,501</u>	<u>17,073</u>	<u>93,791</u>
<b>Total comprehensive income for the period</b>	<u><u>408,753</u></u>	<u><u>387,021</u></u>	<u><u>814,628</u></u>	<u><u>784,490</u></u>

The notes on pages 7 to 14 form an integral part of this interim condensed consolidated financial information.

Shuaiba Industrial Company K.P.S.C. and its subsidiary  
State of Kuwait

Interim condensed consolidated statement of changes in equity (Unaudited)

For the six month period ended 30 June 2023

	Share capital KD	Share premium KD	Statutory reserve KD	Voluntary reserve KD	Treasury shares KD	Treasury shares reserve KD	Foreign currency translation reserve KD	Retained earnings KD	Total equity KD
<b>At 1 January 2023</b>	10,069,180	2,294,444	2,928,668	1,423,325	(164,740)	471,283	435,798	1,205,452	18,663,410
Profit for the period	-	-	-	-	-	-	-	797,555	797,555
Other comprehensive income for the period	-	-	-	-	-	-	17,073	-	17,073
Total comprehensive income for the period	-	-	-	-	-	-	17,073	797,555	814,628
Dividends (Note 12)	-	-	-	-	-	-	-	(1,190,853)	(1,190,853)
<b>At 30 June 2023</b>	<u>10,069,180</u>	<u>2,294,444</u>	<u>2,928,668</u>	<u>1,423,325</u>	<u>(164,740)</u>	<u>471,283</u>	<u>452,871</u>	<u>812,154</u>	<u>18,287,185</u>
<b>At 1 January 2022</b>	10,069,180	2,294,444	2,784,455	1,423,325	(164,740)	471,283	454,075	1,195,501	18,527,523
Profit for the period	-	-	-	-	-	-	-	690,699	690,699
Other comprehensive income for the period	-	-	-	-	-	-	93,791	-	93,791
Total comprehensive income for the period	-	-	-	-	-	-	93,791	690,699	784,490
Effect of disposal of an associate	-	-	-	-	-	-	(104,571)	-	(104,571)
Dividends (Note 12)	-	-	-	-	-	-	-	(1,190,853)	(1,190,853)
<b>At 30 June 2022</b>	<u>10,069,180</u>	<u>2,294,444</u>	<u>2,784,455</u>	<u>1,423,325</u>	<u>(164,740)</u>	<u>471,283</u>	<u>443,295</u>	<u>695,347</u>	<u>18,016,589</u>

The notes on pages 7 to 14 form an integral part of this interim condensed consolidated financial information.

**Shuaiba Industrial Company K.P.S.C. and its subsidiary  
State of Kuwait**

**Interim condensed consolidated statement of cash flows (Unaudited)**  
For the six month period ended 30 June 2023

	Notes	Six months ended 30 June	
		2023 KD	2022 KD
<b>OPERATING ACTIVITIES</b>			
Profit for the period		797,555	690,699
<i>Adjustments for:</i>			
Depreciation		327,159	292,392
Amortization		47,366	46,471
Loss on lease modification		5,393	-
Profit income from term deposits		(10,389)	(5,200)
Gain on disposal of property, plant and equipment		(1,519)	-
Share of results of an associate		-	(26,660)
Gain on disposal of an associate		-	(111,296)
Provision for slow moving inventories		64,500	-
Provision for expected credit losses	3	21,910	3,420
Foreign exchange gain		(7,757)	(25,596)
Provision for employees' end of service benefits		86,714	48,450
Provision for employees' end of service benefits no longer required		(3,327)	-
Finance costs		23,187	19,865
		<u>1,350,792</u>	<u>932,545</u>
<i>Changes in working capital:</i>			
Inventories		1,019,393	(448,048)
Trade and other receivables		(227,896)	(675,916)
Trade and other payables		(229,327)	(1,103,568)
Contract liabilities		(44,790)	2
<b>Cash flows generated from / (used in) operations</b>		<u>1,868,172</u>	<u>(1,294,985)</u>
Employees' end of service benefits paid		(115,551)	(21,076)
<b>Net cash flows generated from / (used in) operating activities</b>		<u>1,752,621</u>	<u>(1,316,061)</u>
<b>INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(696,677)	(121,633)
Proceeds from sale of property, plant and equipment		1,519	-
Proceeds from disposal of an associate		-	2,623,536
Profit income from term deposits received		10,389	5,200
Maturity of term deposits		-	(1,350,000)
<b>Net cash flows (used in) / generated from investing activities</b>		<u>(684,769)</u>	<u>1,157,103</u>
<b>FINANCING ACTIVITIES</b>			
Dividends paid		(1,123,541)	(1,138,125)
Payment of principal portion of lease liabilities		(41,301)	(35,238)
Finance costs paid		(23,187)	(19,865)
<b>Net cash flows used in financing activities</b>		<u>(1,188,029)</u>	<u>(1,193,228)</u>
Effect of foreign currency translation		7,632	36,826
<b>Net decrease in bank balances and cash</b>		<u>(112,545)</u>	<u>(1,315,360)</u>
Bank balances and cash at beginning of the period		2,622,592	4,075,253
<b>Bank balances and cash at end of the period</b>	4	<u>2,510,047</u>	<u>2,759,893</u>

The notes on pages 7 to 14 form an integral part of this interim condensed consolidated financial information.



**Shuaiba Industrial Company K.P.S.C. and its subsidiary  
State of Kuwait**

**Notes to the interim condensed consolidated financial information (Unaudited)**

For the six month period ended 30 June 2023

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**1. GENERAL INFORMATION**

Shuaiba Industrial Company K.P.S.C. (the “Parent Company”) is a public shareholding company incorporated in 1978 under the Laws of the State of Kuwait and is listed on Boursa Kuwait.

The Parent Company’s objectives are as follows:

1. Manufacture of paper cement bags for packing of cement and similar products.
2. Import and export material required for the Parent Company’s objectives.

The Parent Company may have interests or participate in any suitable way with entities that engage in similar business activities or that may help the Parent Company achieve its objectives inside Kuwait and abroad. The Parent Company may also purchase such entities or affiliate them.

At the Annual General Assembly held on 29 March 2010, the shareholders approved the Group to conduct its activities in accordance with Islamic Sharia Principles.

The address of the Parent Company’s registered office is P.O. Box, 10088, Shuaiba 65451, State of Kuwait.

The interim condensed consolidated financial information of the Group for the six month period ended 30 June 2023 were authorised for issue in accordance with a resolution of the Board of Directors of the Parent Company on 25 July 2023.

**2. BASIS OF PREPARATION**

This interim condensed consolidated financial information has been prepared in accordance with IAS 34 “Interim Financial Reporting” and should be read in conjunction with the Group’s last annual audited consolidated financial statements as at and for the year ended 31 December 2022 (“last annual audited consolidated financial statements”). It does not include all the information required for a complete set of International Financial Reporting Standards (“IFRSs”) consolidated financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s interim condensed consolidated financial position and performance since the last annual audited consolidated financial statements.

In the opinion of the management, all adjustments consisting of normal recurring accruals considered necessary for fair presentation have been included. Operating results for the six month period ended 30 June 2023 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2023. For further information, refer to the last annual audited consolidated financial statements of the Group.

The interim condensed consolidated financial information has been presented in Kuwaiti Dinars (“KD”) which is the functional and presentation currency of the Group.

**Changes in significant accounting policies**

**New standards, interpretations, and amendments applied by the Group**

The accounting policies adopted in the preparation of this interim condensed consolidated financial information are consistent with those adopted in the preparation of the annual consolidated financial statements of the Group for the financial year ended 31 December 2022, except for the application of new standards effective as of 1 January 2023, which do not have a material impact on the interim condensed consolidated financial information of the Group. Summary of these amendments is provided below:

**Shuaiba Industrial Company K.P.S.C. and its subsidiary  
State of Kuwait**

**Notes to the interim condensed consolidated financial information (Unaudited)**  
For the six month period ended 30 June 2023

**2. BASIS OF PREPARATION (CONTINUED)**

**Changes in significant accounting policies (Continued)**

**New standards, interpretations, and amendments applied by the Group (continued)**

Several amendments are applied for the first time in 2023, but they do not have an impact on the interim condensed consolidated financial information of the Group.

- IFRS 17: Insurance Contracts.
- Definition of Accounting Estimates- Amendments to IAS (8).
- Disclosure of Accounting Policies- Amendments to IAS (1) and IFRS Practice Statement (2).

The Group has not applied any standards, interpretations, or amendments issued but not yet effective.

**Use of judgements and estimates**

In preparing this interim condensed consolidated financial information, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in adopting the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual audited consolidated financial statements.

**3. TRADE AND OTHER RECEIVABLES**

	<b>30 June 2023</b>	<b>(Audited) 31 December 2022</b>	<b>30 June 2022</b>
	KD	KD	KD
Trade receivables	4,371,634	3,960,471	3,418,725
Less: provision for expected credit loss	(238,853)	(271,577)	(217,907)
	<u>4,132,781</u>	<u>3,688,894</u>	<u>3,200,818</u>
Advanced to suppliers	221,868	466,015	269,961
Prepayments	169,468	116,045	214,488
Refundable deposits	83,733	71,462	70,455
Staff receivables	7,644	11,765	13,643
Others	13,213	60,783	46,294
	<u>4,628,707</u>	<u>4,414,964</u>	<u>3,815,659</u>

The movement in the provision for expected credit losses is as follows:

	<b>30 June 2023</b>	<b>(Audited) 31 December 2022</b>	<b>30 June 2022</b>
	KD	KD	KD
At the beginning of the period/year/period	271,577	213,950	213,950
Charge during the period/year/period	21,910	57,035	3,420
Written off during the period/year/period	(54,942)	-	-
Foreign currency translation differences	308	592	537
At the end of the period/year/period	<u>238,853</u>	<u>271,577</u>	<u>217,907</u>

**Shuaiba Industrial Company K.P.S.C. and its subsidiary  
State of Kuwait**

**Notes to the interim condensed consolidated financial information (Unaudited)**  
For the six month period ended 30 June 2023

**4. BANK BALANCES AND CASH**

	<b>30 June 2023</b>	<b>(Audited) 31 December 2022</b>	<b>30 June 2022</b>
	KD	KD	KD
Bank balances	2,502,593	2,613,962	2,749,859
Cash on hand	7,454	8,630	10,034
	<u>2,510,047</u>	<u>2,622,592</u>	<u>2,759,893</u>

**5. SHARE CAPITAL**

The authorized, issued and paid up share capital is KD 10,069,180 (31 December 2022: KD 10,069,180 and 30 June 2022: KD 10,069,180) comprising of 100,691,795 shares of 100 fils each (31 December 2022: 100,691,795 and 30 June 2022: 100,691,795 shares of 100 fils each) and all shares are paid in cash.

**6. TREASURY SHARES**

	<b>30 June 2023</b>	<b>(Audited) 31 December 2022</b>	<b>30 June 2022</b>
Number of shares	<u>1,454,028</u>	<u>1,454,028</u>	<u>1,454,028</u>
Percentage to issued shares (%)	<u>1.44%</u>	<u>1.44%</u>	<u>1.44%</u>
Market value (KD)	<u>221,012</u>	<u>234,099</u>	<u>311,162</u>
Cost (KD)	<u>164,740</u>	<u>164,740</u>	<u>164,740</u>

The Parent Company is committed to retain reserves, share premium and retained earnings equivalent to the cost of treasury shares throughout the period, in which they are held by the Parent Company, pursuant to instructions of the relevant regulatory authorities.

**7. MURABAHA PAYABLE**

	<b>30 June 2023</b>	<b>(Audited) 31 December 2022</b>	<b>30 June 2022</b>
	KD	KD	KD
Gross amount	252,836	252,836	-
Less: deferred profit payable	<u>(2,836)</u>	<u>(2,836)</u>	<u>-</u>
	<u>250,000</u>	<u>250,000</u>	<u>-</u>

Murabaha payable represents short term Islamic banking facilities amounted to KD 250,000 obtained by the Parent Company from a local bank, carrying a profit rate of 1.5% per annum over the Central Bank of Kuwait discount rate having maturity date of 20 August 2023. The facilities are used to finance the working capital of the Group to cover the Group's operational requirements.

**Shuaiba Industrial Company K.P.S.C. and its subsidiary  
State of Kuwait**

**Notes to the interim condensed consolidated financial information (Unaudited)**  
For the six month period ended 30 June 2023

**8. REVENUE**

	For the six months ended 30 June 2023				
	Industrial Packaging Division	Consumer Packaging Division	Flexible Packaging Division	Other income	Total
	KD	KD	KD	KD	KD
Sale of multi-wall paper	2,872,277	-	-	-	2,872,277
Sale of superior value and high quality bags and wrapping sheets	-	4,373,198	-	-	4,373,198
Sale of multi-ply printed and laminated films	-	-	859,718	-	859,718
Waste sale	-	-	-	36,356	36,356
<b>Total revenue from contracts with customers</b>	<u>2,872,277</u>	<u>4,373,198</u>	<u>859,718</u>	<u>36,356</u>	<u>8,141,549</u>
<b>Geographical markets</b>					
Kuwait	1,170,712	1,445,121	831,718	15,931	3,463,482
GCC	1,293,140	2,749,609	28,000	20,425	4,091,174
Asia	43,658	178,468	-	-	222,126
Africa	364,767	-	-	-	364,767
<b>Total revenue from contracts with customers</b>	<u>2,872,277</u>	<u>4,373,198</u>	<u>859,718</u>	<u>36,356</u>	<u>8,141,549</u>
<b>Timing of revenue recognition</b>					
Goods transferred at a point in time	2,872,277	4,373,198	859,718	36,356	8,141,549
<b>Total revenue from contracts with customers</b>	<u>2,872,277</u>	<u>4,373,198</u>	<u>859,718</u>	<u>36,356</u>	<u>8,141,549</u>
<b>Revenue</b>					
External customers	2,872,277	4,373,198	859,718	36,356	8,141,549
<b>Total revenue from contracts with customers</b>	<u>2,872,277</u>	<u>4,373,198</u>	<u>859,718</u>	<u>36,356</u>	<u>8,141,549</u>

**Shuaiba Industrial Company K.P.S.C. and its subsidiary  
State of Kuwait**

**Notes to the interim condensed consolidated financial information (Unaudited)**  
For the six month period ended 30 June 2023

**8. REVENUE (CONTINUED)**

	For the six months ended 30 June 2022				
	Industrial Packaging Division	Consumer Packaging Division	Flexible Packaging Division	Other income	Total
	KD	KD	KD	KD	KD
Sale of multi-wall paper	2,600,940	-	-	-	2,600,940
Sale of superior value and high quality bags and wrapping sheets	-	3,431,509	-	-	3,431,509
Sale of multi-ply printed and laminated films	-	-	768,633	-	768,633
Waste sale	-	-	-	25,956	25,956
<b>Total revenue from contracts with customers</b>	<u>2,600,940</u>	<u>3,431,509</u>	<u>768,633</u>	<u>25,956</u>	<u>6,827,038</u>
<b>Geographical markets</b>					
Kuwait	971,992	1,131,354	738,489	14,331	2,856,166
GCC	1,423,509	2,164,034	30,144	11,625	3,629,312
Asia	-	136,121	-	-	136,121
Africa	205,439	-	-	-	205,439
<b>Total revenue from contracts with customers</b>	<u>2,600,940</u>	<u>3,431,509</u>	<u>768,633</u>	<u>25,956</u>	<u>6,827,038</u>
<b>Timing of revenue recognition</b>					
Goods transferred at a point in time	2,600,940	3,431,509	768,633	25,956	6,827,038
<b>Total revenue from contracts with customers</b>	<u>2,600,940</u>	<u>3,431,509</u>	<u>768,633</u>	<u>25,956</u>	<u>6,827,038</u>
<b>Revenue</b>					
External customers	2,600,940	3,431,509	768,633	25,956	6,827,038
<b>Total revenue from contracts with customers</b>	<u>2,600,940</u>	<u>3,431,509</u>	<u>768,633</u>	<u>25,956</u>	<u>6,827,038</u>

**Shuaiba Industrial Company K.P.S.C. and its subsidiary  
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**Notes to the interim condensed consolidated financial information (Unaudited)**  
For the six month period ended 30 June 2023

**9. BASIC AND DILUTED EARNINGS PER SHARE**

Basic and diluted earnings per share is computed by dividing the profit for the period by the weighted average number of shares outstanding during the period, excluding treasury shares.

	Three months ended 30 June		Six months ended 30 June	
	2023	2022	2023	2022
Profit for the period (KD)	397,257	326,520	797,555	690,699
<i>Weighted average number of shares outstanding:</i>				
Number of issued shares	100,691,795	100,691,795	100,691,795	100,691,795
Less: weighted average number of treasury shares	(1,454,028)	(1,454,028)	(1,454,028)	(1,454,028)
Weighted average number of shares outstanding	99,237,767	99,237,767	99,237,767	99,237,767
<b>Basic and diluted earnings per share (fils)</b>	<b>4</b>	<b>3.29</b>	<b>8.04</b>	<b>6.96</b>

**10. RELATED PARTY BALANCES AND TRANSACTIONS**

Related parties represent major shareholders, directors and key management personnel of the Group, and entities controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Parent Company's management. Balances and transactions with related parties are as follows:

	Three months ended 30 June		Six months ended 30 June	
	2023	2022	2023	2022
	KD	KD	KD	KD
<b>Interim condensed consolidated statement of profit or loss</b>				
<i>Key management compensation</i>				
• Salaries and other short-term benefits	68,302	89,083	103,605	139,092
• Termination benefits	4,140	4,140	8,281	8,281

**11. SEGMENTAL INFORMATION**

The Group identifies its operating segments based on internal management reporting information that is regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Parent Company's Chief Executive Officer is the Group's chief operating decision maker and has grouped the Group's products into the following operating segments.

- *Industrial Packaging Division:* Produces and supplies multi-wall paper sacks for industrial use.
- *Consumer Packaging Division:* Produces and supplies various types of superior value and high quality bags and wrapping sheets to major regional and international chains.
- *Flexible Packaging Division:* Produces and supplies multi-ply printed and laminated films, including aluminum foil lamination.

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**11. SEGMENTAL INFORMATION (CONTINUED)**

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

	<b>Three months ended 30 June</b>			
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	KD	KD	KD	KD
	<b>Revenue</b>		<b>Segment results</b>	
Industrial Packaging Division	1,408,051	1,392,629	190,353	159,636
Consumer Packaging Division	2,132,904	1,797,385	552,110	468,205
Flexible Packaging Division	386,746	354,470	43,436	57,251
	<u>3,927,701</u>	<u>3,544,484</u>	785,899	685,092
Other income			24,288	18,845
Profit income from term deposits			-	4,622
Gain on disposal of an associate			-	111,296
Provision for slow moving inventories			(64,500)	-
Provision for expected credit losses			(37)	(18)
Foreign exchange gain			4,702	25,881
General and administrative expenses			(278,102)	(451,639)
Selling and distribution expenses			(39,661)	(41,936)
Finance costs			(14,025)	(10,189)
KFAS			(3,767)	(3,109)
NLST			(12,529)	(8,804)
Zakat			(5,011)	(3,521)
<b>Profit for the period</b>			<u>397,257</u>	<u>326,520</u>

	<b>Six months ended 30 June</b>			
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	KD	KD	KD	KD
	<b>Revenue</b>		<b>Segment results</b>	
Industrial Packaging Division	2,872,277	2,600,940	346,454	314,776
Consumer Packaging Division	4,373,198	3,431,509	1,107,298	859,975
Flexible Packaging Division	859,718	768,633	139,921	131,906
	<u>8,105,193</u>	<u>6,801,082</u>	1,593,673	1,306,657
Other income			39,402	33,818
Profit income from term deposits			10,389	5,200
Gain on disposal of property, plant and equipment			1,519	-
Share of results of an associate			-	26,660
Gain on disposal of an associate			-	111,296
Provision for slow moving inventories			(64,500)	-
Provision for expected credit losses			(21,910)	(3,420)
Foreign exchange gain			7,757	25,596
General and administrative expenses			(611,896)	(678,151)
Selling and distribution expenses			(94,877)	(84,017)
Finance costs			(23,187)	(19,865)
KFAS			(7,527)	(6,545)
NLST			(22,349)	(18,950)
Zakat			(8,939)	(7,580)
<b>Profit for the period</b>			<u>797,555</u>	<u>690,699</u>

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**11. SEGMENTAL INFORMATION (CONTINUED)**

The following is an analysis of the Group's revenue by geographical area for the period:

	<b>Three months ended</b>		<b>Six months ended</b>	
	<b>30 June</b>		<b>30 June</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	KD	KD	KD	KD
Kuwait	1,498,508	1,468,330	3,447,551	2,841,835
GCC	2,139,168	1,936,707	4,070,749	3,617,687
Asia	167,285	79,386	222,126	136,121
Africa	122,740	60,061	364,767	205,439
	<u>3,927,701</u>	<u>3,544,484</u>	<u>8,105,193</u>	<u>6,801,082</u>

For the purpose of monitoring segment performance the Group does not allocate its total assets and liabilities between segments.

**12. ANNUAL GENERAL ASSEMBLY MEETING**

The Annual General Assembly meetings of shareholders held on 20 April 2023 approved the following:

- The consolidated financial statements of the Group for the year ended 31 December 2022.
- Distribution of cash dividend of 12% equivalent to 12 fils per share (31 December 2021: 12% equivalent to 12 fils per share) on outstanding shares excluding treasury shares, amounting to KD 1,190,853 for the financial year ended 31 December 2022 (2021: KD 1,190,853) to the shareholders of the Parent Company's record as at the accrual date 16 May 2023.
- KD 30,000 as a remuneration to be paid to the Board of Directors for the financial year ended 31 December 2022 (2021: KD 30,000).

**13. CONTINGENT LIABILITIES AND COMMITMENTS**

	<b>(Audited)</b>		
	<b>30 June</b>	<b>31 December</b>	<b>30 June</b>
	<b>2023</b>	<b>2022</b>	<b>2022</b>
	KD	KD	KD
<b>Contingent liabilities</b>			
Letters of credit	15,872	90,171	-
Letters of guarantee	36,563	40,731	40,744
	<u>52,435</u>	<u>130,902</u>	<u>40,744</u>

**14. COMPARATIVE FIGURES**

Certain comparative information has been reclassified to conform to the current year's presentation. Such reclassification did not affect previously reported profit or loss, equity or opening balances of the earliest comparative period presented and accordingly a third statement of consolidated financial position is not presented.