

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

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

For the nine month period ended 30 September 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 nine month period ended 30 September 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 September 2023, and the related interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the nine 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

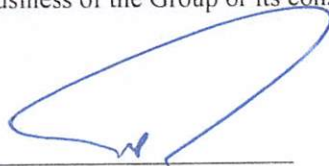
We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons 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 nine month period ended 30 September 2023, that might have had a material effect on the business of the Group or its consolidated financial position.



Faisal Saqer Al Saqer
License No. 172 "A"
BDO Al Nisf & Partners

Kuwait: 31 October 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 September 2023**

		(Audited)	
	30 September 2023	31 December 2022	30 September 2022
Notes	KD	KD	KD
ASSETS			
Non-current assets			
Property, plant and equipment	8,226,477	7,747,136	7,858,317
Right of use assets	1,189,459	1,202,606	1,233,808
	<u>9,415,936</u>	<u>8,949,742</u>	<u>9,092,125</u>
Current assets			
Inventories	5,900,603	7,925,825	5,694,552
Trade and other receivables	3 4,013,683	4,414,964	4,220,498
Term deposit	4 650,000	-	2,000,000
Cash and cash equivalents	5 4,038,493	2,622,592	1,841,236
	<u>14,602,779</u>	<u>14,963,381</u>	<u>13,756,286</u>
Total assets	<u>24,018,715</u>	<u>23,913,123</u>	<u>22,848,411</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	6 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	7 (164,740)	(164,740)	(164,740)
Treasury shares reserve	471,283	471,283	471,283
Foreign currency translation reserve	493,717	435,798	533,005
Retained earnings	1,183,396	1,205,452	1,089,868
Total equity	<u>18,699,273</u>	<u>18,663,410</u>	<u>18,500,820</u>
Liabilities			
Non-current liabilities			
Employees' end of service benefits	981,852	1,005,976	985,603
Lease liabilities	823,516	792,258	734,201
Term loan	8 717,939	-	-
	<u>2,523,307</u>	<u>1,798,234</u>	<u>1,719,804</u>
Current liabilities			
Lease liabilities	33,872	47,059	119,024
Trade and other payables	2,306,013	3,023,108	2,472,536
Murabaha payable	9 250,000	250,000	-
Term loan	8 170,000	-	-
Contract liabilities	36,250	131,312	36,227
	<u>2,796,135</u>	<u>3,451,479</u>	<u>2,627,787</u>
Total liabilities	<u>5,319,442</u>	<u>5,249,713</u>	<u>4,347,591</u>
Total equity and liabilities	<u>24,018,715</u>	<u>23,913,123</u>	<u>22,848,411</u>

The notes on pages 7 to 15 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 nine month period ended 30 September 2023**

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2023	2022	2023	2022
		KD	KD	KD	KD
Sales	10	3,653,328	3,768,470	11,758,521	10,569,552
Cost of sales		<u>(2,902,031)</u>	<u>(3,064,916)</u>	<u>(9,413,551)</u>	<u>(8,559,341)</u>
Gross profit		<u>751,297</u>	<u>703,554</u>	<u>2,344,970</u>	<u>2,010,211</u>
Other income		8,493	53,140	47,895	86,958
Profit income from term deposits		4,323	9,890	14,712	15,090
Gain on disposal of property, plant and equipment		230	-	1,749	-
Share of results of an associate		-	-	-	26,660
Gain on disposal of an associate		-	-	-	111,296
Provision for slow moving inventories		(66,800)	-	(131,300)	-
Provision for expected credit losses	3	(35)	(53,575)	(21,945)	(56,995)
Foreign exchange gain / (loss)		10,557	(7,972)	18,314	17,624
General and administrative expenses		(264,761)	(248,722)	(876,657)	(926,873)
Selling and distribution expenses		(42,589)	(36,930)	(137,466)	(120,947)
Finance costs		<u>(9,789)</u>	<u>(4,980)</u>	<u>(32,976)</u>	<u>(24,845)</u>
Profit before contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS"), National Labour Support Tax ("NLST") and Zakat		<u>390,926</u>	<u>414,405</u>	<u>1,227,296</u>	<u>1,138,179</u>
KFAS		(3,519)	(3,699)	(11,046)	(10,244)
NLST		(11,546)	(11,561)	(33,895)	(30,511)
Zakat		<u>(4,619)</u>	<u>(4,624)</u>	<u>(13,558)</u>	<u>(12,204)</u>
Profit for the period		<u>371,242</u>	<u>394,521</u>	<u>1,168,797</u>	<u>1,085,220</u>
Basic and diluted earnings per share (fils)	11	<u>3.74</u>	<u>3.98</u>	<u>11.78</u>	<u>10.94</u>

The notes on pages 7 to 15 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 nine month period ended 30 September 2023**

	Three months ended		Nine months ended	
	30 September		30 September	
	2023	2022	2023	2022
	KD	KD	KD	KD
Profit for the period	<u>371,242</u>	<u>394,521</u>	<u>1,168,797</u>	<u>1,085,220</u>
Other comprehensive income items:				
<i>Items that may be reclassified subsequently to the interim condensed consolidated statement of profit or loss:</i>				
Foreign currency translation differences	<u>40,846</u>	<u>89,710</u>	<u>57,919</u>	<u>183,501</u>
Total other comprehensive income for the period	<u>40,846</u>	<u>89,710</u>	<u>57,919</u>	<u>183,501</u>
Total comprehensive income for the period	<u>412,088</u>	<u>484,231</u>	<u>1,226,716</u>	<u>1,268,721</u>

The notes on pages 7 to 15 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 nine month period ended 30 September 2023**

	Share capital	Share premium	Statutory reserve	Voluntary reserve	Treasury shares	Treasury shares reserve	Foreign currency translation reserve	Retained earnings	Total equity
	KD	KD	KD	KD	KD	KD	KD	KD	KD
At 1 January 2023	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	-	-	-	-	-	-	-	1,168,797	1,168,797
Other comprehensive income for the period	-	-	-	-	-	-	57,919	-	57,919
Total comprehensive income for the period	-	-	-	-	-	-	57,919	1,168,797	1,226,716
Dividends (Note 14)	-	-	-	-	-	-	-	(1,190,853)	(1,190,853)
At 30 September 2023	<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>493,717</u>	<u>1,183,396</u>	<u>18,699,273</u>
At 1 January 2022	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	-	-	-	-	-	-	-	1,085,220	1,085,220
Other comprehensive income for the period	-	-	-	-	-	-	183,501	-	183,501
Total comprehensive income for the period	-	-	-	-	-	-	183,501	1,085,220	1,268,721
Effect of disposal of an associate	-	-	-	-	-	-	(104,571)	-	(104,571)
Dividends (Note 14)	-	-	-	-	-	-	-	(1,190,853)	(1,190,853)
At 30 September 2022	<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>533,005</u>	<u>1,089,868</u>	<u>18,500,820</u>

The notes on pages 7 to 15 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 nine month period ended 30 September 2023**

	Notes	Nine months ended 30 September	
		2023	2022
		KD	KD
OPERATING ACTIVITIES			
Profit for the period		1,168,797	1,085,220
<i>Adjustments for:</i>			
Depreciation		503,044	438,097
Amortization		71,488	69,811
Loss on lease modification		5,393	-
Profit income from term deposits		(14,712)	(15,090)
Gain on disposal of property, plant and equipment		(1,749)	-
Share of results of an associate		-	(26,660)
Gain on disposal of an associate		-	(111,296)
Provision for slow moving inventories		131,300	-
Provision for expected credit losses	3	21,945	56,995
Foreign exchange gain		(18,314)	(17,624)
Provision for employees' end of service benefits		104,278	73,190
Finance costs		32,976	24,845
		<u>2,004,446</u>	<u>1,577,488</u>
<i>Changes in working capital:</i>			
Inventories		1,893,922	(2,143,972)
Trade and other receivables		401,009	(1,140,829)
Trade and other payables		(779,390)	(490,681)
Contract liabilities		(95,062)	-
Cash flows generated from / (used in) operations		<u>3,424,925</u>	<u>(2,197,994)</u>
Employees' end of service benefits paid		(129,039)	(47,930)
Net cash flows generated from / (used in) operating activities		<u>3,295,886</u>	<u>(2,245,924)</u>
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(950,279)	(147,532)
Proceeds from sale of property, plant and equipment		1,749	-
Proceeds from disposal of an associate		-	2,623,536
Profit income from term deposits received		10,389	15,090
Placement of term deposits		(650,000)	(1,350,000)
Net cash flows (used in) / generated from investing activities		<u>(1,588,141)</u>	<u>1,141,094</u>
FINANCING ACTIVITIES			
Dividends paid		(1,130,366)	(1,138,125)
Payment of principal portion of lease liabilities		(46,159)	(40,497)
Term loan obtained		887,939	-
Finance costs paid		(31,168)	(24,845)
Net cash flows used in financing activities		<u>(319,754)</u>	<u>(1,203,467)</u>
Effect of foreign currency translation		27,910	74,280
Net increase / (decrease) in cash and cash equivalents		<u>1,415,901</u>	<u>(2,234,017)</u>
Cash and cash equivalents at beginning of the period		2,622,592	4,075,253
Cash and cash equivalents at end of the period	5	<u>4,038,493</u>	<u>1,841,236</u>

The notes on pages 7 to 15 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 nine month period ended 30 September 2023**

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 nine month period ended 30 September 2023 were authorised for issue in accordance with a resolution of the Board of Directors of the Parent Company on 31 October 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 nine month period ended 30 September 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:

**Notes to the interim condensed consolidated financial information (Unaudited)
For the nine month period ended 30 September 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

	30 September 2023	(Audited) 31 December 2022	30 September 2022
	KD	KD	KD
Trade receivables	3,684,991	3,960,471	3,919,205
Less: provision for expected credit loss	<u>(239,544)</u>	<u>(271,577)</u>	<u>(272,955)</u>
	3,445,447	3,688,894	3,646,250
Advance to suppliers	332,371	466,015	276,383
Prepayments	144,399	116,045	151,341
Refundable deposits	76,908	71,462	72,616
Staff receivables	8,619	11,765	13,822
Others	<u>5,939</u>	<u>60,783</u>	<u>60,086</u>
	<u>4,013,683</u>	<u>4,414,964</u>	<u>4,220,498</u>

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

	30 September 2023	(Audited) 31 December 2022	30 September 2022
	KD	KD	KD
At the beginning of the period/year/period	271,577	213,950	213,950
Charge during the period/year/period	21,945	57,035	56,995
Written off during the period/year/period	(54,942)	-	-
Foreign currency translation differences	964	592	2,010
At the end of the period/year/period	<u>239,544</u>	<u>271,577</u>	<u>272,955</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 nine month period ended 30 September 2023**

4. TERM DEPOSIT

Term deposit represents deposit denominated in Kuwaiti Dinars and placed with a local bank having an original maturity period of more than three months from the placement date and less than one year from the statement of financial position date. Term deposit yields an average profit rate of 4.4% per annum (31 December 2022: Nil and 30 September 2022: 3% per annum).

5. CASH AND CASH EQUIVALENTS

	30 September 2023	(Audited) 31 December 2022	30 September 2022
	KD	KD	KD
Bank balances	3,571,456	2,613,962	1,835,398
Cash on hand	4,502	8,630	5,838
Short term deposits (a)	462,535	-	-
	<u>4,038,493</u>	<u>2,622,592</u>	<u>1,841,236</u>

(a) The effective profit rate on short term deposits ranges from 3% to 4.40% per annum (31 December 2022 and 30 September 2022: Nil). These deposits have an original maturity period of less than 3 months from the placement date.

6. SHARE CAPITAL

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

7. TREASURY SHARES

	30 September 2023	(Audited) 31 December 2022	30 September 2022
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>250,093</u>	<u>234,099</u>	<u>235,553</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.

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

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

8. TERM LOAN

	30 September 2023	(Audited) 31 December 2022	30 September 2022
	KD	KD	KD
Non-current portion	717,939	-	-
Current portion	170,000	-	-
	<u>887,939</u>	<u>-</u>	<u>-</u>

Term loan represents credit refinance facility (the "facility") obtained from a local bank. The facility is used to finance purchases of equipment to expand the Group's production capacity and the establishment of a new warehouse. The facility carries a profit rate of 3.5% per annum and is repayable as shown below.

2023

Facility amount	Payable amount	Non - current portion	Current portion	Maturity date	
				Non-current portion	Current portion
KD	KD	KD	KD		
2,090,000	887,939	717,939	170,000	15 February 2030	15 August 2024

The facilities are secured by mortgage of the entire factory in favor of the bank. It also requires, among other matters, certain restrictions on the payment of dividends and disposal of its certain movable or immovable assets and a requirement to maintain a minimum leverage ratio (current assets to current liabilities) of 1.5:1. It also restricts the Group to merge with another company or alter its legal form or trade name.

9. MURABAHA PAYABLE

	30 September 2023	(Audited) 31 December 2022	30 September 2022
	KD	KD	KD
Gross amount	252,836	252,836	-
Less: deferred profit payable	(2,836)	(2,836)	-
	<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 November 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 nine month period ended 30 September 2023**

10. REVENUE

	For the nine months ended 30 September 2023				
	Industrial Packaging Division	Consumer Packaging Division	Flexible Packaging Division	Other income	Total
	KD	KD	KD	KD	KD
Sale of multi-wall paper	4,311,159	-	-	-	4,311,159
Sale of superior value and high quality bags and wrapping sheets	-	6,184,652	-	-	6,184,652
Sale of multi-ply printed and laminated films	-	-	1,262,710	-	1,262,710
Waste sale	-	-	-	44,235	44,235
Total revenue from contracts with customers	<u>4,311,159</u>	<u>6,184,652</u>	<u>1,262,710</u>	<u>44,235</u>	<u>11,802,756</u>
Geographical markets					
Kuwait	1,808,396	1,758,722	1,219,338	18,312	4,804,768
GCC	1,914,070	4,166,224	43,372	25,923	6,149,589
Asia	97,187	259,706	-	-	356,893
Africa	491,506	-	-	-	491,506
Total revenue from contracts with customers	<u>4,311,159</u>	<u>6,184,652</u>	<u>1,262,710</u>	<u>44,235</u>	<u>11,802,756</u>
Timing of revenue recognition					
Goods transferred at a point in time	4,311,159	6,184,652	1,262,710	44,235	11,802,756
Total revenue from contracts with customers	<u>4,311,159</u>	<u>6,184,652</u>	<u>1,262,710</u>	<u>44,235</u>	<u>11,802,756</u>
Revenue					
External customers	4,311,159	6,184,652	1,262,710	44,235	11,802,756
Total revenue from contracts with customers	<u>4,311,159</u>	<u>6,184,652</u>	<u>1,262,710</u>	<u>44,235</u>	<u>11,802,756</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 nine month period ended 30 September 2023**

10. REVENUE (CONTINUED)

	For the nine months ended 30 September 2022				
	Industrial Packaging Division	Consumer Packaging Division	Flexible Packaging Division	Other income	Total
	KD	KD	KD	KD	KD
Sale of multi-wall paper	4,008,202	-	-	-	4,008,202
Sale of superior value and high quality bags and wrapping sheets	-	5,413,727	-	-	5,413,727
Sale of multi-ply printed and laminated films	-	-	1,147,623	-	1,147,623
Waste sale	-	-	-	53,033	53,033
Total revenue from contracts with customers	<u>4,008,202</u>	<u>5,413,727</u>	<u>1,147,623</u>	<u>53,033</u>	<u>10,622,585</u>
Geographical markets					
Kuwait	1,441,414	1,890,724	1,100,419	25,535	4,458,092
GCC	2,134,446	3,284,373	47,204	27,498	5,493,521
Asia	7,840	238,630	-	-	246,470
Africa	424,502	-	-	-	424,502
Total revenue from contracts with cus- tomers	<u>4,008,202</u>	<u>5,413,727</u>	<u>1,147,623</u>	<u>53,033</u>	<u>10,622,585</u>
Timing of revenue recognition					
Goods transferred at a point in time	4,008,202	5,413,727	1,147,623	53,033	10,622,585
Total revenue from contracts with cus- tomers	<u>4,008,202</u>	<u>5,413,727</u>	<u>1,147,623</u>	<u>53,033</u>	<u>10,622,585</u>
Revenue					
External customers	4,008,202	5,413,727	1,147,623	53,033	10,622,585
Total revenue from contracts with cus- tomers	<u>4,008,202</u>	<u>5,413,727</u>	<u>1,147,623</u>	<u>53,033</u>	<u>10,622,585</u>

**Shuaiba Industrial Company K.P.S.C. and its subsidiary
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11. 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 September		Nine months ended 30 September	
	2023	2022	2023	2022
Profit for the period (KD)	371,242	394,521	1,168,797	1,085,220
<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
Basic and diluted earnings per share (fils)	3.74	3.98	11.78	10.94

12. 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 September		Nine months ended 30 September	
	2023 KD	2022 KD	2023 KD	2022 KD
Interim condensed consolidated statement of profit or loss				
<i>Key management compensation</i>				
• Salaries and other short-term benefits	35,302	50,115	138,907	189,207
• Termination benefits	4,138	4,142	12,419	12,423

13. 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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**Notes to the interim condensed consolidated financial information (Unaudited)
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13. SEGMENTAL INFORMATION (CONTINUED)

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

	Three months ended 30 September			
	2023	2022	2023	2022
	KD	KD	KD	KD
	Revenue		Segment results	
Industrial Packaging Division	1,438,882	1,407,262	183,777	160,938
Consumer Packaging Division	1,811,454	1,982,218	494,315	519,537
Flexible Packaging Division	402,992	378,990	73,205	23,079
	<u>3,653,328</u>	<u>3,768,470</u>	<u>751,297</u>	<u>703,554</u>
Other income			8,493	53,140
Profit income from term deposits			4,323	9,890
Gain on disposal of property, plant, and equipment			230	-
Provision for slow moving inventories			(66,800)	-
Provision for expected credit losses			(35)	(53,575)
Foreign exchange gain / (loss)			10,557	(7,972)
General and administrative expenses			(264,761)	(248,722)
Selling and distribution expenses			(42,589)	(36,930)
Finance costs			(9,789)	(4,980)
KFAS			(3,519)	(3,699)
NLST			(11,546)	(11,561)
Zakat			(4,619)	(4,624)
Profit for the period			<u>371,242</u>	<u>394,521</u>

	Nine months ended 30 September			
	2023	2022	2023	2022
	KD	KD	KD	KD
	Revenue		Segment results	
Industrial Packaging Division	4,311,159	4,008,202	530,231	475,714
Consumer Packaging Division	6,184,652	5,413,727	1,601,613	1,379,512
Flexible Packaging Division	1,262,710	1,147,623	213,126	154,985
	<u>11,758,521</u>	<u>10,569,552</u>	<u>2,344,970</u>	<u>2,010,211</u>
Other income			47,895	86,958
Profit income from term deposits			14,712	15,090
Gain on disposal of property, plant, and equipment			1,749	-
Share of results of an associate			-	26,660
Gain on disposal of an associate			-	111,296
Provision for slow moving inventories			(131,300)	-
Provision for expected credit losses			(21,945)	(56,995)
Foreign exchange gain			18,314	17,624
General and administrative expenses			(876,657)	(926,873)
Selling and distribution expenses			(137,466)	(120,947)
Finance costs			(32,976)	(24,845)
KFAS			(11,046)	(10,244)
NLST			(33,895)	(30,511)
Zakat			(13,558)	(12,204)
Profit for the period			<u>1,168,797</u>	<u>1,085,220</u>

**Notes to the interim condensed consolidated financial information (Unaudited)
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13. SEGMENTAL INFORMATION (CONTINUED)

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

	Three months ended 30 September		Nine months ended 30 September	
	2023	2022	2023	2022
	KD	KD	KD	KD
Kuwait	1,338,905	1,590,722	4,786,456	4,432,557
GCC	2,052,917	1,848,336	6,123,666	5,466,023
Asia	134,767	110,349	356,893	246,470
Africa	126,739	219,063	491,506	424,502
	3,653,328	3,768,470	11,758,521	10,569,552

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

14. 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).

15. CONTINGENT LIABILITIES

	(Audited)		
	30 September 2023	31 December 2022	30 September 2022
	KD	KD	KD
Contingent liabilities			
Letters of credit	-	90,171	-
Letters of guarantee	45,403	40,731	40,913
	45,403	130,902	40,913

16. 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.