

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

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

For the six month period ended 30 June 2024

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

Interim condensed consolidated financial information (Unaudited) and review report
For the six month period ended 30 June 2024

Contents	Pages
Report on review of interim condensed consolidated financial information	1
Interim condensed consolidated statement of financial position (Unaudited)	2
Interim condensed consolidated statement of profit or loss (Unaudited)	3
Interim condensed consolidated statement of comprehensive income (Unaudited)	4
Interim condensed consolidated statement of changes in equity (Unaudited)	5
Interim condensed consolidated statement of cash flows (Unaudited)	6
Notes to the interim condensed consolidated financial information (Unaudited)	7-16

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 subsidiaries (together referred to as the “Group”) as at 30 June 2024, 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

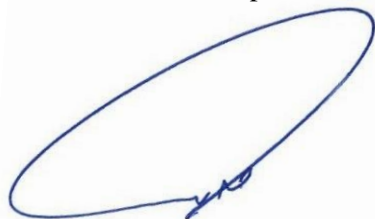
We conducted our review in accordance with the International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons 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, or Law No. 7 of 2010 concerning 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 2024, that might have had a material effect on business of the Group or its consolidated financial position.



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

Kuwait: 25 July 2024

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

Interim condensed consolidated statement of financial position (Unaudited)
As at 30 June 2024

		(Audited)	
	30 June 2024	31 December 2023	30 June 2023
Notes	KD	KD	KD
ASSETS			
Non-current assets			
Goodwill	3 215,726	-	-
Property, plant and equipment	8,259,540	8,448,847	8,126,396
Right of use assets	1,488,570	1,201,816	1,210,597
	<u>9,963,836</u>	<u>9,650,663</u>	<u>9,336,993</u>
Current assets			
Inventories	3,722,511	5,171,706	6,841,932
Trade and other receivables	4 3,495,221	4,107,453	4,628,707
Term deposits	844,000	2,783,260	-
Bank balances and cash	5 6,644,258	2,950,883	2,510,047
	<u>14,705,990</u>	<u>15,013,302</u>	<u>13,980,686</u>
Total assets	<u>24,669,826</u>	<u>24,663,965</u>	<u>23,317,679</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	3,082,610	3,082,610	2,928,668
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	455,261	452,836	452,871
Retained earnings	692,319	1,297,411	812,154
Total equity	<u>18,323,682</u>	<u>18,926,349</u>	<u>18,287,185</u>
LIABILITIES			
Non-current liabilities			
Employees' end of service benefits	1,021,575	993,898	974,006
Lease liabilities	1,090,981	824,827	825,001
Term loan	8 717,939	717,939	-
	<u>2,830,495</u>	<u>2,536,664</u>	<u>1,799,007</u>
Current liabilities			
Lease liabilities	98,033	60,528	33,872
Trade and other payables	2,959,979	2,650,832	2,861,093
Murabaha payable	9 250,000	250,000	250,000
Contract liabilities	37,637	69,592	86,522
Term loan	8 170,000	170,000	-
	<u>3,515,649</u>	<u>3,200,952</u>	<u>3,231,487</u>
Total liabilities	<u>6,346,144</u>	<u>5,737,616</u>	<u>5,030,494</u>
Total equity and liabilities	<u>24,669,826</u>	<u>24,663,965</u>	<u>23,317,679</u>

The notes on pages 7 to 16 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 subsidiaries
State of Kuwait

Interim condensed consolidated statement of profit or loss (Unaudited)

For the six month period ended 30 June 2024

	Notes	Three months ended		Six months ended	
		30 June		30 June	
		2024	2023	2024	2023
		KD	KD	KD	KD
Sales	10	3,296,580	3,927,701	7,076,260	8,105,193
Cost of sales		(2,748,673)	(3,141,802)	(5,791,761)	(6,511,520)
Gross profit		<u>547,907</u>	<u>785,899</u>	<u>1,284,499</u>	<u>1,593,673</u>
Other income		21,933	24,288	35,519	39,402
Profit income from term deposits		13,505	-	28,751	10,389
Gain on disposal of property, plant and equipment		201	-	201	1,519
Provision for slow moving inventories		-	(64,500)	-	(64,500)
Provision for expected credit losses	4	-	(37)	-	(21,910)
Foreign exchange (loss) / gain		(9,925)	4,702	(11,139)	7,757
General and administrative expenses		(226,559)	(278,102)	(490,996)	(611,896)
Selling and distribution expenses		(35,910)	(39,661)	(82,141)	(94,877)
Finance costs		(30,923)	(14,025)	(47,014)	(23,187)
Profit before contribution to Kuwait Foundation for the Advancement of Sciences (“KFAS”), National Labour Support Tax (“NLST”) and Zakat		<u>280,229</u>	<u>418,564</u>	<u>717,680</u>	<u>836,370</u>
KFAS		(1,643)	(3,767)	(6,486)	(7,527)
NLST		(4,877)	(12,529)	(18,711)	(22,349)
Zakat		(1,951)	(5,011)	(7,484)	(8,939)
Profit for the period		<u>271,758</u>	<u>397,257</u>	<u>684,999</u>	<u>797,555</u>
Basic and diluted earnings per share (fils)	11	<u>2.74</u>	<u>4</u>	<u>6.90</u>	<u>8.04</u>

The notes on pages 7 to 16 form an integral part of this interim condensed consolidated financial information.

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

Interim condensed consolidated statement of comprehensive income (Unaudited)

For the six month period ended 30 June 2024

	Three months ended		Six months ended	
	30 June		30 June	
	2024	2023	2024	2023
	KD	KD	KD	KD
Profit for the period	<u>271,758</u>	<u>397,257</u>	<u>684,999</u>	<u>797,555</u>
Other comprehensive (loss) / 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>(2,591)</u>	<u>11,496</u>	<u>2,425</u>	<u>17,073</u>
Total other comprehensive (loss) / income for the period	<u>(2,591)</u>	<u>11,496</u>	<u>2,425</u>	<u>17,073</u>
Total comprehensive income for the period	<u><u>269,167</u></u>	<u><u>408,753</u></u>	<u><u>687,424</u></u>	<u><u>814,628</u></u>

The notes on pages 7 to 16 form an integral part of this interim condensed consolidated financial information.

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

Interim condensed consolidated statement of changes in equity (Unaudited)

For the six month period ended 30 June 2024

	<u>Share capital</u>	<u>Share premium</u>	<u>Statutory reserve</u>	<u>Voluntary reserve</u>	<u>Treasury shares</u>	<u>Treasury shares reserve</u>	<u>Foreign currency translation reserve</u>	<u>Retained earnings</u>	<u>Total equity</u>
	KD	KD	KD	KD	KD	KD	KD	KD	KD
At 1 January 2024	10,069,180	2,294,444	3,082,610	1,423,325	(164,740)	471,283	452,836	1,297,411	18,926,349
Profit for the period	-	-	-	-	-	-	-	684,999	684,999
Other comprehensive income for the period	-	-	-	-	-	-	2,425	-	2,425
Total comprehensive income for the period	-	-	-	-	-	-	2,425	684,999	687,424
Dividends (Note 14)	-	-	-	-	-	-	-	(1,290,091)	(1,290,091)
At 30 June 2024	<u>10,069,180</u>	<u>2,294,444</u>	<u>3,082,610</u>	<u>1,423,325</u>	<u>(164,740)</u>	<u>471,283</u>	<u>455,261</u>	<u>692,319</u>	<u>18,323,682</u>
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	-	-	-	-	-	-	-	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 14)	-	-	-	-	-	-	-	(1,190,853)	(1,190,853)
At 30 June 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>452,871</u>	<u>812,154</u>	<u>18,287,185</u>

The notes on pages 7 to 16 form an integral part of this interim condensed consolidated financial information.

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

Interim condensed consolidated statement of cash flows (Unaudited)
For the six month period ended 30 June 2024

	Notes	Six months ended 30 June	
		2024	2023
		KD	KD
OPERATING ACTIVITIES			
Profit for the period		684,999	797,555
<i>Adjustments for:</i>			
Depreciation		390,781	327,159
Amortization		78,787	47,366
Loss on lease modification		-	5,393
Profit income from term deposits		(28,751)	(10,389)
Gain on disposal of property, plant and equipment		(201)	(1,519)
Provision for slow moving inventories		-	64,500
Provision for expected credit losses	4	-	21,910
Foreign exchange loss / (gain)		11,139	(7,757)
Provision for employees' end of service benefits		45,322	86,714
Provision for employees' end of service benefits no longer required		-	(3,327)
Finance costs		47,014	23,187
Provision for KFAS		6,486	7,527
Zakat		7,484	8,939
		<u>1,243,060</u>	<u>1,367,258</u>
<i>Changes in working capital:</i>			
Inventories		1,449,195	1,019,393
Trade and other receivables		271,809	(227,896)
Trade and other payables		208,907	(230,797)
Contract liabilities		(31,955)	(44,790)
Cash flows generated from operations		<u>3,141,016</u>	<u>1,883,168</u>
Employees' end of service benefits paid		(17,526)	(115,551)
KFAS paid		(13,855)	-
Zakat paid		(16,255)	(14,996)
Net cash flows generated from operating activities		<u>3,093,380</u>	<u>1,752,621</u>
INVESTING ACTIVITIES			
Acquisition of a subsidiary		(40,358)	-
Purchase of property, plant and equipment		(55,171)	(696,677)
Proceeds from disposal of property, plant and equipment		201	1,519
Maturity of term deposits		2,783,260	-
Placement of term deposits		(844,000)	-
Profit income from term deposits received		28,751	10,389
Net cash flows generated from / (used in) investing activities		<u>1,872,683</u>	<u>(684,769)</u>
FINANCING ACTIVITIES			
Payment of principal portion of lease liabilities		(50,499)	(41,301)
Dividends paid		(1,184,850)	(1,123,541)
Finance costs paid		(47,014)	(23,187)
Net cash flows used in financing activities		<u>(1,282,363)</u>	<u>(1,188,029)</u>
Effect of foreign currency translation differences		9,675	7,632
Net increase / (decrease) in bank balances and cash		<u>3,693,375</u>	<u>(112,545)</u>
Bank balances and cash at beginning of the period		2,950,883	2,622,592
Bank balances and cash at end of the period	5	<u>6,644,258</u>	<u>2,510,047</u>

The Group has the following non-cash transactions during the year which is not reflected in the interim condensed consolidated statement of cash flows:

Non-cash transactions:	Six months ended 30 June	
	2024	2023
	KD	KD
Additions to right of assets	(366,283)	-
Additions to lease liabilities	366,283	-
Acquisition of a subsidiary	329,100	-
Dividends	105,241	67,312

The notes on pages 7 to 16 form an integral part of this interim condensed consolidated financial information.

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

Notes to the interim condensed consolidated financial information (Unaudited)

For the six month period ended 30 June 2024

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 the 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 2024 were authorised for issue in accordance with a resolution of the Board of Directors of the Parent Company on 25 July 2024.

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 2023 (“last annual audited consolidated financial statements”). It does not include all the information required for a complete set of IFRS Accounting Standards 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 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024. 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 material 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 2023, except for the application of new standards effective as of 1 January 2024, 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 subsidiaries
State of Kuwait

Notes to the interim condensed consolidated financial information (Unaudited)

For the six month period ended 30 June 2024

2. BASIS OF PREPARATION (CONTINUED)

Changes in material accounting policies (Continued)

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

Several amendments are applied for the first time in 2024, but they do not have an impact on the interim condensed consolidated financial information of the Group.

- Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7.
- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback.
- Amendments to IAS 1: Classification of Liabilities as Current or Non-current.

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 material 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. BUSINESS COMBINATIONS

On 28 February 2024 (the "acquisition date"), one of the Group's subsidiaries, Al-Lub Industrial Company S.P.C. (the "Subsidiary"), acquired 100% equity interest in Al-Aber Global Industrial Company S.P.C., a single person company incorporated in Kingdom of Saudi Arabia (the "Ultimate Subsidiary") at a purchase consideration of Saudi Riyal 4,500,000 (equivalent to KD 369,458). The Subsidiary completed the purchase price allocation ("PPA") exercise to determine the fair values of assets acquired and the goodwill.

Al-Aber Global Industrial Company S.P.C.	Carrying values	Adjustments	Fair values recognised after adjustments
	KD	KD	KD
	(equivalent)	(equivalent)	(equivalent)
Assets			
Property, plant, and equipment	153,120	-	153,120
Total identifiable net assets (net assets acquired)	153,120	-	153,120
Purchase consideration	-	-	369,458
Goodwill arised on acquisition	-	-	216,338

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

Notes to the interim condensed consolidated financial information (Unaudited)

For the six month period ended 30 June 2024

3. BUSINESS COMBINATIONS (CONTINUED)

The movement of goodwill during the period is as follows:

	30 June 2024
	<u>KD</u>
At the date of acquisition	216,338
Foreign currency translation differences	<u>(612)</u>
At the end of the period	<u><u>215,726</u></u>

The Ultimate Subsidiary was consolidated based on management accounts prepared by the management of the Group.

4. TRADE AND OTHER RECEIVABLES

	30 June 2024	(Audited) 31 December 2023	30 June 2023
	<u>KD</u>	<u>KD</u>	<u>KD</u>
Trade receivables	3,473,957	3,593,829	4,371,634
Less: provision for expected credit losses	<u>(238,676)</u>	<u>(238,853)</u>	<u>(238,853)</u>
	3,235,281	3,354,976	4,132,781
Advance paid towards acquisition of a subsidiary	-	329,100	-
Advance to suppliers	-	167,626	221,868
Prepayments	195,134	107,959	169,468
Refundable deposits	6,675	81,500	83,733
Staff receivables	5,310	8,747	7,644
Others	<u>52,821</u>	<u>57,545</u>	<u>13,213</u>
	<u><u>3,495,221</u></u>	<u><u>4,107,453</u></u>	<u><u>4,628,707</u></u>

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

	30 June 2024	(Audited) 31 December 2023	30 June 2023
	<u>KD</u>	<u>KD</u>	<u>KD</u>
At the beginning of the period/year/period	238,853	271,577	271,577
Charge during the period/year/period	-	21,959	21,910
Utilized during the period/year/period	-	(54,941)	(54,942)
Foreign currency translation differences	<u>(177)</u>	<u>258</u>	<u>308</u>
At the end of the period/year/period	<u><u>238,676</u></u>	<u><u>238,853</u></u>	<u><u>238,853</u></u>

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

Notes to the interim condensed consolidated financial information (Unaudited)

For the six month period ended 30 June 2024

5. BANK BALANCES AND CASH

	30 June	(Audited) 31 December	30 June
	2024	2023	2023
	KD	KD	KD
Bank balances	6,639,108	2,949,317	2,502,593
Cash on hand and with portfolio manager	209	207	-
Cash on hand	4,941	1,359	7,454
	<u>6,644,258</u>	<u>2,950,883</u>	<u>2,510,047</u>

6. SHARE CAPITAL

The authorized, issued and paid up share capital is KD 10,069,180 (31 December 2023: KD 10,069,180 and 30 June 2023: KD 10,069,180) comprising of 100,691,795 shares of 100 fils each (31 December 2023: 100,691,795 and 30 June 2023: 100,691,795 shares of 100 fils each) and all shares are paid in cash.

7. TREASURY SHARES

	30 June	(Audited) 31 December	30 June
	2024	2023	2023
Number of shares	1,454,028	1,454,028	1,454,028
Percentage to issued shares (%)	1.44%	1.44%	1.44%
Market value (KD)	258,817	229,736	221,012
Cost (KD)	164,740	164,740	164,740

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.

8. TERM LOAN

	30 June	(Audited) 31 December	30 June
	2024	2023	2023
	KD	KD	KD
Non-current portion	717,939	717,939	-
Current portion	170,000	170,000	-
	<u>887,939</u>	<u>887,939</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:

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

Notes to the interim condensed consolidated financial information (Unaudited)

For the six month period ended 30 June 2024

8. TERM LOAN (CONTINUED)

Facility amount	Payable amount	Non - current portion	Current portion	Repayment 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

	(Audited)		
	30 June 2024	31 December 2023	30 June 2023
	KD	KD	KD
Gross amount	252,836	252,836	252,836
Less: deferred profit payable	(2,836)	(2,836)	(2,836)
	<u>250,000</u>	<u>250,000</u>	<u>250,000</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 28 July 2024. 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 subsidiaries
State of Kuwait

Notes to the interim condensed consolidated financial information (Unaudited)

For the six month period ended 30 June 2024

10. REVENUE

	For the six months ended 30 June 2024				
	Industrial Packaging Division	Consumer Packaging Division	Flexible Packaging Division	Other income	Total
	KD	KD	KD	KD	KD
Sale of multi-wall paper	3,173,332	-	-	-	3,173,332
Sale of superior value and high quality bags and wrapping sheets	-	3,112,316	-	-	3,112,316
Sale of multi-ply printed and laminated films	-	-	790,612	-	790,612
Waste sale	-	-	-	12,531	12,531
Total revenue from contracts with customers	<u>3,173,332</u>	<u>3,112,316</u>	<u>790,612</u>	<u>12,531</u>	<u>7,088,791</u>
Geographical markets					
Kuwait	1,257,916	1,061,752	754,718	5,132	3,079,518
GCC	1,614,678	1,974,548	35,894	7,399	3,632,519
Asia	63,684	76,016	-	-	139,700
Africa	237,054	-	-	-	237,054
Total revenue from contracts with customers	<u>3,173,332</u>	<u>3,112,316</u>	<u>790,612</u>	<u>12,531</u>	<u>7,088,791</u>
Timing of revenue recognition					
Goods transferred at a point in time	3,173,332	3,112,316	790,612	12,531	7,088,791
Total revenue from contracts with customers	<u>3,173,332</u>	<u>3,112,316</u>	<u>790,612</u>	<u>12,531</u>	<u>7,088,791</u>
Revenue					
External customers	3,173,332	3,112,316	790,612	12,531	7,088,791
Total revenue from contracts with customers	<u>3,173,332</u>	<u>3,112,316</u>	<u>790,612</u>	<u>12,531</u>	<u>7,088,791</u>

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

Notes to the interim condensed consolidated financial information (Unaudited)

For the six month period ended 30 June 2024

10. REVENUE (CONTINUED)

	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
Total revenue from contracts with customers	<u>2,872,277</u>	<u>4,373,198</u>	<u>859,718</u>	<u>36,356</u>	<u>8,141,549</u>
Geographical markets					
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
Total revenue from contracts with customers	<u>2,872,277</u>	<u>4,373,198</u>	<u>859,718</u>	<u>36,356</u>	<u>8,141,549</u>
Timing of revenue recognition					
Goods transferred at a point in time	2,872,277	4,373,198	859,718	36,356	8,141,549
Total revenue from contracts with customers	<u>2,872,277</u>	<u>4,373,198</u>	<u>859,718</u>	<u>36,356</u>	<u>8,141,549</u>
Revenue					
External customers	2,872,277	4,373,198	859,718	36,356	8,141,549
Total revenue from contracts with customers	<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 subsidiaries
State of Kuwait

Notes to the interim condensed consolidated financial information (Unaudited)

For the six month period ended 30 June 2024

11. BASIC AND DILUTED EARNINGS PER SHARE (FILS)

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		Six months ended	
	30 June		30 June	
	2024	2023	2024	2023
Profit for the period (KD)	271,758	397,257	684,999	797,555
<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)	2.74	4	6.90	8.04

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		Six months ended	
	30 June		30 June	
	2024	2023	2024	2023
	KD	KD	KD	KD
Interim condensed consolidated statement of profit or loss				
<i>Key management compensation</i>				
• Salaries and other short-term benefits	35,302	68,302	106,605	103,605
• Termination benefits	4,139	4,140	8,279	8,281

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.

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

Notes to the interim condensed consolidated financial information (Unaudited)

For the six month period ended 30 June 2024

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 June			
	2024	2023	2024	2023
	KD	KD	KD	KD
	Revenue		Segment results	
Industrial Packaging Division	1,455,745	1,408,051	243,326	190,353
Consumer Packaging Division	1,467,157	2,132,904	236,045	552,110
Flexible Packaging Division	373,678	386,746	68,536	43,436
	<u>3,296,580</u>	<u>3,927,701</u>	<u>547,907</u>	<u>785,899</u>
Other income			21,933	24,288
Profit income from term deposits			13,505	-
Gain on disposal of property, plant and equipment			201	-
Provision for slow moving inventories			-	(64,500)
Provision for expected credit losses			-	(37)
Foreign exchange (loss) / gain			(9,925)	4,702
General and administrative expenses			(226,559)	(278,102)
Selling and distribution expenses			(35,910)	(39,661)
Finance costs			(30,923)	(14,025)
KFAS			(1,643)	(3,767)
NLST			(4,877)	(12,529)
Zakat			(1,951)	(5,011)
Profit for the period			<u>271,758</u>	<u>397,257</u>

	Six months ended 30 June			
	2024	2023	2024	2023
	KD	KD	KD	KD
	Revenue		Segment results	
Industrial Packaging Division	3,173,332	2,872,277	562,455	346,454
Consumer Packaging Division	3,112,316	4,373,198	568,744	1,107,298
Flexible Packaging Division	790,612	859,718	153,300	139,921
	<u>7,076,260</u>	<u>8,105,193</u>	<u>1,284,499</u>	<u>1,593,673</u>
Other income			35,519	39,402
Profit income from term deposits			28,751	10,389
Gain on disposal of property, plant and equipment			201	1,519
Provision for slow moving inventories			-	(64,500)
Provision for expected credit losses			-	(21,910)
Foreign exchange (loss) / gain			(11,139)	7,757
General and administrative expenses			(490,996)	(611,896)
Selling and distribution expenses			(82,141)	(94,877)
Finance costs			(47,014)	(23,187)
KFAS			(6,486)	(7,527)
NLST			(18,711)	(22,349)
Zakat			(7,484)	(8,939)
Profit for the period			<u>684,999</u>	<u>797,555</u>

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

Notes to the interim condensed consolidated financial information (Unaudited)

For the six month period ended 30 June 2024

13. SEGMENTAL INFORMATION (CONTINUED)

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

	Three months ended		Six months ended	
	30 June		30 June	
	2024	2023	2024	2023
	KD	KD	KD	KD
Kuwait	1,404,362	1,498,508	3,074,386	3,447,551
GCC	1,756,845	2,139,168	3,625,120	4,070,749
Asia	73,020	167,285	139,700	222,126
Africa	62,353	122,740	237,054	364,767
	<u>3,296,580</u>	<u>3,927,701</u>	<u>7,076,260</u>	<u>8,105,193</u>

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 meeting of shareholders held on 3 April 2024 approved the following:

- The consolidated financial statements of the Group for the year ended 31 December 2023.
- Distribution of cash dividends of 13% equivalent to 13 fils per share (31 December 2022: 12% equivalent to 12 fils per share) on outstanding shares excluding treasury shares, amounting to KD 1,290,091 for the financial year ended 31 December 2023 (2022: KD 1,190,853) to the shareholders of the Parent Company's record as at the accrual date 30 April 2024.
- KD 30,000 as a remuneration to be paid to the Board of Directors' for the financial year ended 31 December 2023 (2022: KD 30,000).

15. CONTINGENT LIABILITIES AND COMMITMENTS

	(Audited)		
	30 June	31 December	30 June
	2024	2023	2023
	KD	KD	KD
Contingent liabilities			
Letters of credit	64,364	-	15,872
Letters of guarantee	<u>53,560</u>	<u>62,602</u>	<u>36,563</u>
	<u>117,924</u>	<u>62,602</u>	<u>52,435</u>

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.