

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

**Interim condensed consolidated financial information (Unaudited)
and review report**
For the nine month period ended 30 September 2024

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State of Kuwait**

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For the nine month period ended 30 September 2024

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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 subsidiaries (together referred to as the "Group") as at 30 September 2024, 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, 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 nine month period ended 30 September 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: 6 November 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 September 2024

		30 September 2024	(Audited) 31 December 2023	30 September 2023
	Notes	KD	KD	KD
ASSETS				
Non-current assets				
Goodwill	3	214,420	-	-
Property, plant and equipment		8,118,662	8,448,847	8,226,477
Right of use assets		1,451,609	1,201,816	1,189,459
		<u>9,784,691</u>	<u>9,650,663</u>	<u>9,415,936</u>
Current assets				
Inventories		4,186,974	5,171,706	5,900,603
Trade and other receivables	4	2,979,021	4,107,453	4,013,683
Term deposits		1,597,200	2,783,260	650,000
Cash and cash equivalents	5	6,016,413	2,950,883	4,038,493
		<u>14,779,608</u>	<u>15,013,302</u>	<u>14,602,779</u>
Total assets		<u>24,564,299</u>	<u>24,663,965</u>	<u>24,018,715</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		396,010	452,836	493,717
Retained earnings		975,599	1,297,411	1,183,396
Total equity		<u>18,547,711</u>	<u>18,926,349</u>	<u>18,699,273</u>
LIABILITIES				
Non-current liabilities				
Employees' end of service benefits		1,025,974	993,898	981,852
Lease liabilities		1,077,070	824,827	823,516
Term loan	8	367,939	717,939	717,939
		<u>2,470,983</u>	<u>2,536,664</u>	<u>2,523,307</u>
Current liabilities				
Lease liabilities		105,607	60,528	33,872
Trade and other payables		3,052,419	2,650,832	2,306,013
Murabaha payable	9	-	250,000	250,000
Contract liabilities		37,579	69,592	36,250
Term loan	8	350,000	170,000	170,000
		<u>3,545,605</u>	<u>3,200,952</u>	<u>2,796,135</u>
Total liabilities		<u>6,016,588</u>	<u>5,737,616</u>	<u>5,319,442</u>
Total equity and liabilities		<u>24,564,299</u>	<u>24,663,965</u>	<u>24,018,715</u>

The notes on pages 7 to 15 form an integral part of this interim condensed consolidated financial information.

Saleh Omran Abdullah Kattan
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 nine month period ended 30 September 2024

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2024	2023	2024	2023
		KD	KD	KD	KD
Sales	10	3,027,030	3,653,328	10,103,290	11,758,521
Cost of sales		(2,640,452)	(2,902,031)	(8,432,213)	(9,413,551)
Gross profit		<u>386,578</u>	<u>751,297</u>	<u>1,671,077</u>	<u>2,344,970</u>
Other income		15,400	8,493	50,919	47,895
Profit income from term deposits		26,131	4,323	54,882	14,712
Gain on disposal of property, plant and equipment		185,828	230	186,029	1,749
Provision for slow moving inventories		-	(66,800)	-	(131,300)
Provision for expected credit losses	4	-	(35)	-	(21,945)
Foreign exchange (loss) / gain		(1,424)	10,557	(12,563)	18,314
General and administrative expenses		(261,243)	(264,761)	(752,239)	(876,657)
Selling and distribution expenses		(36,427)	(42,589)	(118,568)	(137,466)
Finance costs		(18,483)	(9,789)	(65,497)	(32,976)
Profit before contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS"), National Labour Support Tax ("NLST") and Zakat		<u>296,360</u>	<u>390,926</u>	<u>1,014,040</u>	<u>1,227,296</u>
KFAS		(2,640)	(3,519)	(9,126)	(11,046)
NLST		(7,457)	(11,546)	(26,168)	(33,895)
Zakat		(2,983)	(4,619)	(10,467)	(13,558)
Profit for the period		<u>283,280</u>	<u>371,242</u>	<u>968,279</u>	<u>1,168,797</u>
Basic and diluted earnings per share (fils)	11	<u>2.85</u>	<u>3.74</u>	<u>9.76</u>	<u>11.78</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 subsidiaries
State of Kuwait

Interim condensed consolidated statement of comprehensive income (Unaudited)
For the nine month period ended 30 September 2024

	Three months ended		Nine months ended	
	30 September		30 September	
	2024	2023	2024	2023
	KD	KD	KD	KD
Profit for the period	<u>283,280</u>	<u>371,242</u>	<u>968,279</u>	<u>1,168,797</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>(59,251)</u>	<u>40,846</u>	<u>(56,826)</u>	<u>57,919</u>
Total other comprehensive (loss) / income for the period	<u>(59,251)</u>	<u>40,846</u>	<u>(56,826)</u>	<u>57,919</u>
Total comprehensive income for the period	<u>224,029</u>	<u>412,088</u>	<u>911,453</u>	<u>1,226,716</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 subsidiaries
State of Kuwait

Interim condensed consolidated statement of changes in equity (Unaudited)

For the nine month period ended 30 September 2024

	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 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	-	-	-	-	-	-	-	968,279	968,279
Other comprehensive loss for the period	-	-	-	-	-	-	(56,826)	-	(56,826)
Total comprehensive (loss) / income for the period	-	-	-	-	-	-	(56,826)	968,279	911,453
Dividends (Note 14)	-	-	-	-	-	-	-	(1,290,091)	(1,290,091)
At 30 September 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>396,010</u>	<u>975,599</u>	<u>18,547,711</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	-	-	-	-	-	-	-	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>

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 subsidiaries
State of Kuwait**

**Interim condensed consolidated statement of cash flows (Unaudited)
For the nine month period ended 30 September 2024**

	Notes	Nine months ended 30 September	
		2024	2023
		KD	KD
OPERATING ACTIVITIES			
Profit for the period		968,279	1,168,797
<i>Adjustments for:</i>			
Depreciation		588,081	503,044
Amortization		111,875	71,488
Loss on lease modification		-	5,393
Profit income from term deposits		(54,882)	(14,712)
Gain on disposal of property, plant and equipment		(186,029)	(1,749)
Provision for slow moving inventories		-	131,300
Provision for expected credit losses	4	-	21,945
Foreign exchange loss / (gain)		12,563	(18,314)
Provision for employees' end of service benefits		80,231	104,278
Finance costs		65,497	32,976
Provision for KFAS		9,126	11,046
Zakat		10,467	13,558
		<u>1,605,208</u>	<u>2,029,050</u>
<i>Changes in working capital:</i>			
Inventories		984,732	1,893,922
Trade and other receivables		788,985	401,010
Trade and other payables		305,029	(776,045)
Contract liabilities		(32,013)	(95,062)
Cash flows generated from operations		<u>3,651,941</u>	<u>3,452,875</u>
Employees' end of service benefits paid		(47,542)	(129,039)
KFAS paid		(13,855)	(12,953)
Zakat paid		(16,255)	(14,996)
Net cash flows generated from operating activities		<u>3,574,289</u>	<u>3,295,887</u>
INVESTING ACTIVITIES			
Acquisition of a subsidiary		(40,358)	-
Purchase of property, plant and equipment		(266,040)	(950,279)
Proceeds from disposal of property, plant and equipment		357,507	1,749
Maturity / (placement) of term deposits		1,186,060	(650,000)
Profit income from term deposits received		54,882	10,389
Net cash flows generated from / (used in) investing activities		<u>1,292,051</u>	<u>(1,588,141)</u>
FINANCING ACTIVITIES			
Payment of principal portion of lease liabilities		(63,786)	(46,159)
Dividends paid		(1,195,579)	(1,130,366)
Repayment of Murabaha payable		(250,000)	-
Term loan obtained		-	887,939
Repayment of term loan		(170,000)	-
Finance costs paid		(65,497)	(31,168)
Net cash flows used in financing activities		<u>(1,744,862)</u>	<u>(319,754)</u>
Effect of foreign currency translation differences		(55,948)	27,909
Net increase in cash and cash equivalents		<u>3,065,530</u>	<u>1,415,901</u>
Cash and cash equivalents at the beginning of the period		2,950,883	2,622,592
Cash and cash equivalents at the end of the period	5	<u>6,016,413</u>	<u>4,038,493</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:	Nine months ended 30 September	
	2024	2023
	KD	KD
Additions to right of assets	(366,283)	-
Additions to lease liabilities	366,283	-
Acquisition of a subsidiary	329,100	-
Dividends	94,512	60,487

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 subsidiaries
State of Kuwait**

**Notes to the interim condensed consolidated financial information (Unaudited)
For the nine month period ended 30 September 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 nine month period ended 30 September 2024 were authorised for issue in accordance with a resolution of the Board of Directors of the Parent Company on 6 November 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 nine month period ended 30 September 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 nine month period ended 30 September 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 KD (equivalent)	Adjustments KD (equivalent)	Fair values recognised after adjustments KD (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

The movement of goodwill during the period is as follows:

	30 September 2024 KD
At the date of acquisition	216,338
Foreign currency translation differences	(1,918)
At the end of the period	214,420

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

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

Notes to the interim condensed consolidated financial information (Unaudited)
For the nine month period ended 30 September 2024

4. TRADE AND OTHER RECEIVABLES

	30 September	(Audited)	
	2024	31 December	30 September
	KD	2023	2023
	KD	KD	KD
Trade receivables	2,951,315	3,593,829	3,684,991
Less: provision for expected credit losses	(237,975)	(238,853)	(239,544)
	<u>2,713,340</u>	<u>3,354,976</u>	<u>3,445,447</u>
Advance paid towards acquisition of a subsidiary	-	329,100	-
Advance to suppliers	-	167,626	332,371
Prepayments	138,036	107,959	144,399
Refundable deposits	43,815	81,500	76,908
Staff receivables	4,592	8,747	8,619
Others	79,238	57,545	5,939
	<u>2,979,021</u>	<u>4,107,453</u>	<u>4,013,683</u>

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

	30 September	(Audited)	
	2024	31 December	30 September
	KD	2023	2023
	KD	KD	KD
At the beginning of the period/year/period	238,853	271,577	271,577
Charge during the period/year/period	-	21,959	21,945
Utilized during the period/year/period	-	(54,941)	(54,941)
Foreign currency translation differences	(878)	258	963
At the end of the period/year/period	<u>237,975</u>	<u>238,853</u>	<u>239,544</u>

5. CASH AND CASH EQUIVALENTS

	30 September	(Audited)	
	2024	31 December	30 September
	KD	2023	2023
	KD	KD	KD
Bank balances	6,009,972	2,949,317	3,571,456
Cash with portfolio manager	209	207	208
Cash on hand	6,232	1,359	4,294
Short term deposits (a)	-	-	462,535
	<u>6,016,413</u>	<u>2,950,883</u>	<u>4,038,493</u>

(a) The effective profit rate on short term deposits ranges from 3% to 4.40% per annum. 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 2023 and 30 September 2023: KD 10,069,180) comprising of 100,691,795 shares of 100 fils each (31 December 2023 and 30 September 2023: 100,691,795 shares of 100 fils each) and all shares are paid in cash.

Shuaiba Industrial Company K.P.S.C. and its subsidiaries
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Notes to the interim condensed consolidated financial information (Unaudited)
For the nine month period ended 30 September 2024

7. TREASURY SHARES

	30 September 2024	(Audited) 31 December 2023	30 September 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)	276,265	229,736	250,093
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 September 2024	(Audited) 31 December 2023	30 September 2023
	KD	KD	KD
Non-current portion	367,939	717,939	717,939
Current portion	350,000	170,000	170,000
	<u>717,939</u>	<u>887,939</u>	<u>887,939</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:

Facility amount	Payable amount	Non - current portion	Current portion	Repayment date	
				Non-current portion	Current portion
KD	KD	KD	KD		
2,090,000	717,939	367,939	350,000	15 February 2030	15 August 2025

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 2024	(Audited) 31 December 2023	30 September 2023
	KD	KD	KD
Gross amount	-	252,836	252,836
Less: deferred profit payable	-	(2,836)	(2,836)
	<u>-</u>	<u>250,000</u>	<u>250,000</u>

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Notes to the interim condensed consolidated financial information (Unaudited)
For the nine month period ended 30 September 2024

9. MURABAHA PAYABLE (CONTINUED)

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.

The Group has repaid the entire amount of KD 250,000 during the period ended 30 September 2024.

10. REVENUE

	For the nine months ended 30 September 2024				
	Industrial Packaging Division	Consumer Packaging Division	Flexible Packaging Division	Other income	Total
	KD	KD	KD	KD	KD
Sale of multi-wall paper	4,480,860	-	-	-	4,480,860
Sale of superior value and high quality bags and wrapping sheets	-	4,499,355	-	-	4,499,355
Sale of multi-ply printed and laminated films	-	-	1,123,075	-	1,123,075
Waste sale	-	-	-	24,628	24,628
Total revenue from contracts with customers	<u>4,480,860</u>	<u>4,499,355</u>	<u>1,123,075</u>	<u>24,628</u>	<u>10,127,918</u>
Geographical markets					
Kuwait	1,743,261	1,588,934	1,087,180	12,912	4,432,287
GCC	2,390,032	2,823,399	35,895	11,716	5,261,042
Asia	63,684	87,022	-	-	150,706
Africa	283,883	-	-	-	283,883
Total revenue from contracts with customers	<u>4,480,860</u>	<u>4,499,355</u>	<u>1,123,075</u>	<u>24,628</u>	<u>10,127,918</u>
Timing of revenue recognition					
Goods transferred at a point in time	4,480,860	4,499,355	1,123,075	24,628	10,127,918
Total revenue from contracts with customers	<u>4,480,860</u>	<u>4,499,355</u>	<u>1,123,075</u>	<u>24,628</u>	<u>10,127,918</u>
Revenue					
External customers	4,480,860	4,499,355	1,123,075	24,628	10,127,918
Total revenue from contracts with customers	<u>4,480,860</u>	<u>4,499,355</u>	<u>1,123,075</u>	<u>24,628</u>	<u>10,127,918</u>

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10. REVENUE (CONTINUED)

	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>

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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 30 September		Nine months ended 30 September	
	2024	2023	2024	2023
Profit for the period (KD)	283,280	371,242	968,279	1,168,797
<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)	2.85	3.74	9.76	11.78

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	
	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	35,302	141,907	138,907
• Termination benefits	4,139	4,138	12,418	12,419

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-wallpaper 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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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			
	2024	2023	2024	2023
	KD	KD	KD	KD
	Revenue		Segment results	
Industrial Packaging Division	1,307,528	1,438,882	180,179	183,777
Consumer Packaging Division	1,387,039	1,811,454	148,293	494,315
Flexible Packaging Division	332,463	402,992	58,106	73,205
	<u>3,027,030</u>	<u>3,653,328</u>	<u>386,578</u>	<u>751,297</u>
Other income			15,400	8,493
Profit income from term deposits			26,131	4,323
Gain on disposal of property, plant and equipment			185,828	230
Provision for slow moving inventories			-	(66,800)
Provision for expected credit losses			-	(35)
Foreign exchange (loss) / gain			(1,424)	10,557
General and administrative expenses			(261,243)	(264,761)
Selling and distribution expenses			(36,427)	(42,589)
Finance costs			(18,483)	(9,789)
KFAS			(2,640)	(3,519)
NLST			(7,457)	(11,546)
Zakat			(2,983)	(4,619)
Profit for the period			<u>283,280</u>	<u>371,242</u>

	Nine months ended 30 September			
	2024	2023	2024	2023
	KD	KD	KD	KD
	Revenue		Segment results	
Industrial Packaging Division	4,480,860	4,311,159	742,634	530,231
Consumer Packaging Division	4,499,355	6,184,652	717,037	1,601,613
Flexible Packaging Division	1,123,075	1,262,710	211,406	213,126
	<u>10,103,290</u>	<u>11,758,521</u>	<u>1,671,077</u>	<u>2,344,970</u>
Other income			50,919	47,895
Profit income from term deposits			54,882	14,712
Gain on disposal of property, plant and equipment			186,029	1,749
Provision for slow moving inventories			-	(131,300)
Provision for expected credit losses			-	(21,945)
Foreign exchange (loss) / gain			(12,563)	18,314
General and administrative expenses			(752,239)	(876,657)
Selling and distribution expenses			(118,568)	(137,466)
Finance costs			(65,497)	(32,976)
KFAS			(9,126)	(11,046)
NLST			(26,168)	(33,895)
Zakat			(10,467)	(13,558)
Profit for the period			<u>968,279</u>	<u>1,168,797</u>

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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		Nine months ended	
	30 September		30 September	
	2024	2023	2024	2023
	KD	KD	KD	KD
Kuwait	1,344,989	1,338,905	4,419,375	4,786,456
GCC	1,624,206	2,052,917	5,249,326	6,123,666
Asia	11,006	134,767	150,706	356,893
Africa	46,829	126,739	283,883	491,506
	<u>3,027,030</u>	<u>3,653,328</u>	<u>10,103,290</u>	<u>11,758,521</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 September	31 December	30 September
	2024	2023	2023
	KD	KD	KD
Contingent liabilities			
Letters of credit	41,873	-	-
Letters of guarantee	53,560	62,602	45,403
	<u>95,433</u>	<u>62,602</u>	<u>45,403</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.