



**Livestock Transport and Trading Company K.P.S.C.
and its subsidiaries
State of Kuwait**

Condensed consolidated interim financial information (Unaudited)
and independent auditor's review report for the nine month period ended 30 September 2024



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The Board of Directors

Livestock Transport and Trading Company K.P.S.C. State of Kuwait

Report on review of condensed consolidated interim financial information

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Livestock Transport and Trading 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 condensed consolidated interim statements of income and comprehensive income for the three month and nine month periods then ended and the statements of changes in equity and cash flows for the nine month period then ended and explanatory notes. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34"). Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim financial statements 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 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34").

Report on review of other legal and regulatory requirements

Furthermore, based on our review, the condensed consolidated interim 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 nor of the Parent Company's Memorandum 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 the business of the Group or its consolidated financial position.

We further report that, during the course of our review, we have not become aware of any violations during the nine month period ended 30 September 2024 of the provisions of Law No. 7 of 2010 concerning the Capital Markets Authority and its related regulations, that might have had a material effect on the business of the Group or its consolidated financial position.


Khalid Ebrahim Al-Shatti
Licence No. 175
PricewaterhouseCoopers (Al-Shatti & Co.)

13 November 2024
Kuwait

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Condensed consolidated interim statement of financial position (Unaudited)

As at 30 September 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

	Notes	30 September 2024 (Unaudited)	31 December 2023 (Audited)	30 September 2023 (Unaudited)
Assets				
Non-current assets				
Property, plant and equipment	5	33,748,794	34,230,657	34,553,938
Investment in an associate		563,251	527,223	482,287
Right-of-use assets		1,077,454	1,435,154	703,056
Financial assets at fair value through other comprehensive income	4	287,102	289,744	290,095
		<u>35,676,601</u>	<u>36,482,778</u>	<u>36,029,376</u>
Current assets				
Inventories	6	4,207,939	5,403,031	4,784,667
Trade and other receivables	7	11,642,033	10,752,940	12,714,077
Bank balances and cash	8	1,260,532	2,513,507	2,585,621
		<u>17,110,504</u>	<u>18,669,478</u>	<u>20,084,365</u>
Total assets		<u>52,787,105</u>	<u>55,152,256</u>	<u>56,113,741</u>
Equity and liabilities				
Equity				
Share capital		21,659,057	21,659,057	21,659,057
Share premium		4,967,805	4,967,805	4,967,805
Treasury shares	9	(1,647,126)	(1,647,126)	(1,647,126)
Statutory reserve		11,825,560	11,825,560	11,825,560
Voluntary reserve		4,489,130	4,489,130	4,489,130
Other reserves	10	99,727	227,268	184,184
Accumulated losses		(11,896,799)	(10,869,121)	(12,212,168)
Net equity		<u>29,497,354</u>	<u>30,652,573</u>	<u>29,266,442</u>
Liabilities				
Non-current liabilities				
Employees' end of service benefits		1,588,849	1,598,123	1,558,802
Bank borrowing	11	12,700,000	13,600,000	14,500,000
Lease liabilities – non-current		660,421	1,008,357	418,888
		<u>14,949,270</u>	<u>16,206,480</u>	<u>16,477,690</u>
Current liabilities				
Bank borrowing	11	1,954,570	1,940,667	2,198,085
Bank overdraft	8	492,748	1,509,832	2,751,506
Trade and other payables	12	5,481,231	4,424,078	5,156,585
Lease liabilities – current		411,932	418,626	263,433
		<u>8,340,481</u>	<u>8,293,203</u>	<u>10,369,609</u>
Total liabilities		<u>23,289,751</u>	<u>24,499,683</u>	<u>26,847,299</u>
Total equity and liabilities		<u>52,787,105</u>	<u>55,152,256</u>	<u>56,113,741</u>


Nael Mohammad AlHumoud
Chairman


Ahmed Al-Majed
Acting Chief Executive Officer

The notes on pages 7 to 20 form an integral part of this condensed consolidated interim financial information.



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Condensed consolidated interim statement of income (Unaudited)

For the nine month period ended 30 September 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2024	2023	2024	2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Operating revenue		7,855,495	8,236,831	33,666,711	33,668,054
Operating costs		(7,575,985)	(7,734,286)	(28,999,011)	(28,853,000)
Gross profit		279,510	502,545	4,667,700	4,815,054
Other operating income		33	214,162	442,226	609,379
Marketing expenses		(454,075)	(383,110)	(1,319,916)	(1,131,093)
General and administrative expenses	13	(1,296,119)	(1,350,125)	(4,141,117)	(3,965,721)
Other operating expenses	18	(149,301)	(11,905)	(264,406)	(1,029,275)
Impairment of trade and other receivables		(16,117)	(49,724)	(56,566)	(95,392)
Operating loss		(1,636,069)	(1,078,157)	(672,079)	(797,048)
Net investment income		33,526	2,400	33,656	29,340
Group's share in an associate's results		2,733	15,417	32,163	40,927
Finance costs		(163,462)	(248,518)	(550,053)	(711,349)
Foreign currency exchange gain		307,977	229,700	168,087	205,342
Loss before subsidiaries' tax		(1,455,295)	(1,079,158)	(988,226)	(1,232,788)
(Income tax expense) / reversal of income tax on subsidiaries		(1,063)	(6,081)	(39,452)	8,015
Loss after subsidiaries' tax		(1,456,358)	(1,085,239)	(1,027,678)	(1,224,773)
National Labour Support Tax ("NLST")		10,717	-	-	-
Zakat		4,287	-	-	-
Loss for the period		(1,441,354)	(1,085,239)	(1,027,678)	(1,224,773)
Basic and diluted loss per share (fils)	14	(6.89)	(5.19)	(4.91)	(5.85)

Condensed consolidated interim statement of comprehensive income (Unaudited)

For the nine month period ended 30 September 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2024 (Unaudited)	2023 (Unaudited)	2024 (Unaudited)	2023 (Unaudited)
Loss for the period		(1,441,354)	(1,085,239)	(1,027,678)	(1,224,773)
Other comprehensive (loss) / income:					
<i>Items that may be reclassified to the condensed consolidated interim statement of income:</i>					
Exchange differences on translation of foreign operations	10	(36,552)	(18,834)	(127,396)	139,146
<i>Items that will not be reclassified to the condensed consolidated interim statement of income:</i>					
Changes in fair value of financial assets at fair value through other comprehensive income	10	(119)	(1,184)	(145)	(13,769)
Other comprehensive (loss) / income for the period		(36,671)	(20,018)	(127,541)	125,377
Total comprehensive loss for the period		(1,478,025)	(1,105,257)	(1,155,219)	(1,099,396)

The notes on pages 7 to 20 form an integral part of this condensed consolidated interim financial information.

Condensed consolidated interim statement of changes in equity (Unaudited)

For the nine month period ended 30 September 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

	Share capital	Share premium	Treasury shares	Statutory reserve	Voluntary reserve	Other reserves	Accumulated losses	Net equity
At 1 January 2024	21,659,057	4,967,805	(1,647,126)	11,825,560	4,489,130	227,268	(10,869,121)	30,652,573
Loss for the period	-	-	-	-	-	-	(1,027,678)	(1,027,678)
Other comprehensive loss for the period	-	-	-	-	-	(127,541)	-	(127,541)
Total comprehensive loss for the period	-	-	-	-	-	(127,541)	(1,027,678)	(1,155,219)
At 30 September 2024 (Unaudited)	21,659,057	4,967,805	(1,647,126)	11,825,560	4,489,130	99,727	(11,896,799)	29,497,354
At 1 January 2023	21,659,057	4,967,805	(1,647,126)	11,825,560	4,489,130	58,807	(10,987,395)	30,365,838
Loss for the period	-	-	-	-	-	-	(1,224,773)	(1,224,773)
Other comprehensive income for the period	-	-	-	-	-	125,377	-	125,377
Total comprehensive income / (loss) for the period	-	-	-	-	-	125,377	(1,224,773)	(1,099,396)
At 30 September 2023 (Unaudited)	21,659,057	4,967,805	(1,647,126)	11,825,560	4,489,130	184,184	(12,212,168)	29,266,442

The notes on pages 7 to 20 form an integral part of this condensed consolidated interim financial information

Condensed consolidated interim statement of cash flows (Unaudited)

For the nine month period ended 30 September 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

	Notes	For the nine months ended 30	
		September	
		2024	2023
		(Unaudited)	(Unaudited)
Cash flows from operating activities			
Loss for the period		(1,027,678)	(1,224,773)
Adjustments for:			
Depreciation – property, plant and equipment	5	3,417,034	3,214,096
Depreciation – right of use assets		326,919	309,650
Gain on sale of property, plant and equipment		(12,906)	(9,135)
Net investment income		(33,656)	(29,340)
Interest expense – lease liability		71,712	53,703
Interest expense – bank borrowing and overdraft		478,341	657,647
Impairment of trade and other receivables		56,566	95,392
Group’s share in associate’s results		(32,163)	(40,927)
Foreign currency exchange gain		(168,087)	(205,342)
Employees’ end of service benefits		223,811	204,462
		<u>3,299,893</u>	<u>3,025,433</u>
Changes in working capital:			
Inventories		1,195,092	2,566,607
Trade and other receivables		(938,084)	(2,317,516)
Trade and other payables		1,226,065	1,478,873
		<u>4,782,966</u>	<u>4,753,397</u>
Cash generated from operations		4,782,966	4,753,397
Employees’ end of service benefits paid		(231,733)	(46,251)
		<u>4,551,233</u>	<u>4,707,146</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	5	(2,933,503)	(2,307,090)
Proceeds from disposal of property, plant and equipment		32,267	11,669
Financial assets at fair value through other comprehensive income		2,497	680,237
Investment income received		33,656	29,340
		<u>(2,865,083)</u>	<u>(1,585,844)</u>
Cash flows from financing activities			
Repayment of bank borrowing		(1,021,951)	(950,000)
Interest paid on bank borrowings and overdraft		(342,487)	(481,513)
Dividends paid		(825)	(529)
Principal element of lease payments		(396,106)	(389,478)
		<u>(1,761,369)</u>	<u>(1,821,520)</u>
Net (decrease) / increase in cash and cash equivalents			
		(75,219)	1,299,782
Cash and cash equivalents at beginning of the period	8	1,003,675	(1,723,716)
Effects of exchange rate changes on cash and cash equivalents		(160,672)	258,049
		<u>767,784</u>	<u>(165,885)</u>
Cash and cash equivalents at end of the period			
Non-cash transaction			
Right-of-use assets		30,880	(62,955)
Lease liabilities		(30,880)	62,955

The notes on pages 7 to 20 form an integral part of this condensed consolidated interim financial information.

**Livestock Transport and Trading Company K.P.S.C.
and its subsidiaries
State of Kuwait**

Notes to the condensed consolidated interim financial information (Unaudited)

For the nine month period ended 30 September 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

1. INCORPORATION AND ACTIVITIES

Livestock Transport and Trading Company K.P.S.C. (the "Parent Company") was incorporated in accordance with the memorandum of association authenticated at the Ministry of Justice - Real Estate Registration and Authentication Department under No. 70 /D/Vol. 2 on 24 November 1973. On 20 January 1974, the Parent Company has been incorporated in accordance with the resolution of the founders' General Assembly meeting of the Parent Company.

The head office of the Parent Company is located at Sulaibiya, Agricultural Area, Block 12, Kuwait. Kuwait Investment Authority is the principal shareholder in the Parent Company. The Parent Company is listed on Boursa Kuwait.

The Parent Company's objectives are as follows:

1. To carry out all operations of producing, transporting and trading in all kinds of meat.
2. To construct and buy farms, pastures, barns, land and real estate deemed necessary to achieve the Parent Company's objectives.
3. To carry out all transportation operations deemed necessary or for others similar businesses.
4. To own, buy and utilise means of marine and land transportation necessary to achieve the Parent Company's objectives. In addition, utilise air transport necessary.
5. To run any business or processing activity relating to meat production and transportation, wool and leather trade.
6. To own, lease and rent of real estates, buildings, workshops, docks and stores.
7. To import and export marine equipment necessary for the Parent Company's vessels.
8. To import, export and manufacture all kinds of fodder.
9. The Parent Company may conduct all transactions and all other actions necessary to facilitate achieving its objectives.
10. Utilisation of financial surplus through investment in portfolios managed by specialised Companies and Authorities.
11. To run any trade or industry for food processing, opening restaurants and preparing healthy food.
12. To run any trade or manufacture of foodstuffs.
13. To run any trade or manufacture of fertilizers.
14. Import, export, breeding and sale of livestock.
15. Importing, exporting, manufacturing and selling medicines, veterinary tools and supplies, and veterinary medicine.
16. To run any trade or manufacture of animal and pet food.
17. Agricultural Contracting.
18. Delivery of consumer and food orders.
19. To run any trade or industry related to supermarkets and/or mini supermarkets and/or groceries.
20. To run the activities of butchery and butcheries and exhibitions of selling meat and its products of all kinds.

**Livestock Transport and Trading Company K.P.S.C.
and its subsidiaries
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Notes to the condensed consolidated interim financial information (Unaudited)

For the nine month period ended 30 September 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

1. INCORPORATION AND ACTIVITIES (Continued)

The condensed consolidated interim financial information includes the financial information of the Parent Company and its subsidiaries (together referred to as the "Group"):

Name of subsidiaries	Shareholding interest (%)			Activity	Country of incorporation
	30 September 2024 (Unaudited)	31 December 2023 (Audited)	30 September 2023 (Unaudited)		
Rural Export and Trading (WA) PTY Ltd.	100	100	100	Trade in livestock and meat	Australia
Trans Emirates Livestock Trading Company L.L.C.	100	100	100	Trade in livestock and meat	UAE
Al Shuwaikh Company for Managing and Establishing Commercial and Industrial Projects S.P.C.	100	100	100	Establishment and management of commercial and industrial projects	Kuwait
Al Mawashi (PTY) Ltd.	100	100	100	Trade in livestock and meat	South Africa
Al Messilah United for Sea and Shore Shipping Company W.L.L.	100	100	100	Sea transportation of miscellaneous goods	Kuwait
Al Kuwait Vessel for Sea and Shore Shipping Company W.L.L.	100	100	100	Sea transportation of miscellaneous goods	Kuwait

The Group operates in four countries; Kuwait, United Arab Emirates ("UAE"), Australia and South Africa and transports and sells livestock to certain countries in the Middle East. The financial information of the subsidiaries has been consolidated based on financial information prepared by management as at 30 September 2024.

During September 2022, the Parent Company incorporated two new subsidiaries "Al Messilah United for Sea and Shore Shipping Company W.L.L." and "Al Kuwait Vessel for Sea and Shore Shipping Company W.L.L.". The two subsidiaries did not start operations and their share capital has not been paid as at 30 September 2024.

The condensed consolidated interim financial information was authorised for issue by Parent Company's Board of Directors' on 13 November 2024.

2. BASIS OF PREPARATION

The condensed consolidated interim financial information has been prepared in accordance with the International Accounting Standard 34, Interim Financial Reporting. The condensed consolidated interim financial information does not include all the information and notes required for complete annual consolidated financial statements prepared in accordance with IFRS Accounting Standards. In the opinion of 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 annual audited consolidated financial statements of the Group for the financial year ended 31 December 2023.

**Livestock Transport and Trading Company K.P.S.C.
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Notes to the condensed consolidated interim financial information (Unaudited)

For the nine month period ended 30 September 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

2. BASIS OF PREPARATION (Continued)

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

The accounting policies adopted in the preparation of the condensed consolidated interim financial information are consistent with those followed in the preparation of annual consolidated financial statements for the year ended 31 December 2023 and the corresponding interim reporting period. Also see (a) and (b) below.

(a) New and amended standards adopted by the Group:

The Group has adopted the following relevant amendments to IFRS which are effective for periods beginning on and after 1 January 2024, and have no impact on the Group:

- Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants – Amendments to IAS 1
- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16
- Supplier finance arrangements – Amendments to IAS 7 and IFRS 7
- Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) Impact of new standards (issued but not yet adopted by the Group):

Certain new accounting standards and interpretations have been published that are not mandatory for 30 September 2024 reporting periods and have not been early adopted by the Group. The standards, interpretations and amendments issued relevant to the Group, but are not yet effective are disclosed below:

- Amendments to IAS 21 - Lack of Exchangeability
- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability

The Group is in the process of evaluating the impact of these standards and they are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

3. JUDGEMENT AND ESTIMATES

The preparation of condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited annual consolidated financial statements as at and for the year ended 31 December 2023.

**Livestock Transport and Trading Company K.P.S.C.
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Notes to the condensed consolidated interim financial information (Unaudited)

For the nine month period ended 30 September 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

4. FAIR VALUE ESTIMATION

The fair values of financial assets and liabilities are estimated as follows:

- Level 1:** Quoted prices in active markets for quoted financial instruments.
Level 2: Quoted prices in active markets for similar instruments. Quoted prices for identical assets or liabilities in market that is not active. Inputs other than quoted prices that are observable for assets and liabilities.
Level 3: Inputs for the asset or liabilities that are not based on observable market data.

The following table shows the fair value measurement hierarchy of the Group's financial assets recorded at fair value:

30 September 2024 (Unaudited)	Level 1	Level 2	Level 3	Total fair value
Financial assets at fair value through other comprehensive income	1,226	21,925	263,951	287,102
	Level 1	Level 2	Level 3	Total fair value
31 December 2023 (Audited)	1,233	22,085	266,426	289,744
Financial assets at fair value through other comprehensive income	Level 1	Level 2	Level 3	Total fair value
30 September 2023 (Unaudited)	6,565	22,432	261,098	290,095
Financial assets at fair value through other comprehensive income	Level 1	Level 2	Level 3	Total fair value

Financial assets at fair value through other comprehensive income comprise the following:

	30 September 2024 (Unaudited)	31 December 2023 (Audited)	30 September 2023 (Unaudited)
Quoted securities	1,226	1,233	6,565
Unquoted foreign securities	21,925	22,085	22,432
Unquoted local securities	263,951	266,426	261,098
	287,102	289,744	290,095

The method of valuation used in Level 3 has been consistent with that used in the recent annual consolidated financial statements, which is measured at fair value estimated using various models like discounted cash flow model, which includes some assumptions that are not supportable by observable market prices or rates or the latest financial statements or information available on these investments the future financial flows of which are unpredictable.

**Livestock Transport and Trading Company K.P.S.C.
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Notes to the condensed consolidated interim financial information (Unaudited)

For the nine month period ended 30 September 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

4. FAIR VALUE ESTIMATION (Continued)

The following table represents the changes in Level 3 instruments:

	30 September 2024	31 December 2023	30 September 2023
	(Unaudited)	(Audited)	(Unaudited)
Opening balance	266,426	267,128	267,128
Disposals	(2,475)	-	-
Change in fair value	-	(702)	(6,030)
Ending balance	263,951	266,426	261,098

5. PROPERTY, PLANT AND EQUIPMENT

	30 September 2024	31 December 2023	30 September 2023
	(Unaudited)	(Audited)	(Unaudited)
Opening balance	34,230,657	35,541,399	35,541,399
Additions	2,933,503	3,000,836	2,307,090
Disposals	(447,511)	(22,578)	(10,846)
Depreciation relating to disposals	428,150	19,951	8,312
Depreciation charge	(3,417,034)	(4,307,997)	(3,214,096)
Foreign currency translation differences	21,029	(954)	(77,921)
	33,748,794	34,230,657	34,553,938

The depreciation charge for the period has been allocated in the condensed consolidated interim statement of income as follows:

	30 September 2024	31 December 2023	30 September 2023
	(Unaudited)	(Audited)	(Unaudited)
Operating costs	2,907,274	3,675,233	2,704,913
Marketing expenses	156,813	158,752	111,965
General and administrative expenses (Note 13)	352,947	474,012	397,218
	3,417,034	4,307,997	3,214,096

Machinery and equipment included in property, plant and equipment with a carrying value of KD 9,952 as at 30 September 2024 (31 December 2023: KD 15,414; 30 September 2023: KD 17,907) are mortgaged as a security against long term borrowing (Note 11).

Vessel included in property, plant and equipment with a carrying value of KD 11,862,090 as at 30 September 2024 (31 December 2023: KD 12,624,335; 30 September 2023: KD 12,880,972) is mortgaged as a security against long term borrowing (Note 11).

**Livestock Transport and Trading Company K.P.S.C.
and its subsidiaries
State of Kuwait**

Notes to the condensed consolidated interim financial information (Unaudited)

For the nine month period ended 30 September 2024

(All amounts are in Kuwaiti Dinar unless otherwise stated)

6. INVENTORIES

	30 September 2024	31 December 2023	30 September 2023
	(Unaudited)	(Audited)	(Unaudited)
Livestock and meat	2,000,904	1,552,397	2,919,560
Fodder	193,295	156,657	379,516
Medicines, fertilisers and others	1,113,110	914,254	701,135
	3,307,309	2,623,308	4,000,211
Goods in transit	-	1,955,728	-
Production materials and spare parts	900,630	823,995	784,456
	4,207,939	5,403,031	4,784,667

7. TRADE AND OTHER RECEIVABLES

	30 September 2024	31 December 2023	30 September 2023
	(Unaudited)	(Audited)	(Unaudited)
Trade receivables	8,058,581	7,887,442	8,636,253
Accrued Government subsidy*	16,330,630	16,330,630	16,330,630
	24,389,211	24,218,072	24,966,883
Loss allowance	(16,383,014)	(16,341,427)	(16,411,826)
	8,006,197	7,876,645	8,555,057
Advances to suppliers	2,159,699	1,397,645	1,993,516
Prepaid expenses	383,885	353,131	514,513
Refundable deposits	127,125	101,765	112,395
Staff receivables	24,299	22,286	30,685
Others	940,828	1,001,468	1,507,911
	11,642,033	10,752,940	12,714,077

* Pursuant to Council of Ministers resolution No. 1308 dated 11 September 2011 regarding the Parent Company's purchase and transfer of livestock to Kuwait port (CIF) and selling the same at cost plus 15% margin, the Ministerial Decree No. 409 which was issued on 8 July 2012 regarding the Ministry of Commerce and Industry's financial support of KD 16.835 per head of sheep live or chilled or completely frozen which was entered into Kuwait from whatever source or means, and in effect until 1 November 2012.

The government subsidy due from Ministry of Commerce and Industry (the "Ministry") as a result of the subsidy granted to the Parent Company to meet the increased prices of certain foodstuff and consumer goods in accordance with the previous ministerial decrees amounted to KD 16,330,630 (31 December 2023: KD 16,330,630, 30 September 2023: KD 16,330,630). The Group's subsidy was not approved by the Ministry due to a dispute regarding the subsidy per head. Further, there were two legal cases filed by the Parent Company against the Ministry claiming the subsidy due amount.

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7. TRADE AND OTHER RECEIVABLES (Continued)

The outcome of the two legal cases was not in favour of the Parent Company, accordingly management had appealed against the verdict. On 28 December 2022, a verdict was issued by the Court of cassation to refuse the appeal and uphold the earlier decision of the court.

No additional loss allowance was charged as a result of the final outcome of the two legal cases, as full loss allowance was maintained during the prior years.

Loss allowance of KD 33,500 (31 December 2023: KD 33,500, 30 September 2023: 33,500) was maintained against the remaining government subsidy balance amounting to KD 3,105,426 (31 December 2023: KD 3,105,426, 30 September 2023: KD 3,105,426) as this amount was not part of the dispute.

As at 30 September 2024, the loss allowance maintained against the total accrued government subsidy balance amounted to KD 13,258,704 (31 December 2023: KD 13,258,704, 30 September 2023: KD 13,258,704).

8. CASH AND CASH EQUIVALENTS

	30 September 2024	31 December 2023	30 September 2023
	(Unaudited)	(Audited)	(Unaudited)
Cash on hand and at banks	1,232,589	2,487,458	2,559,291
Cash at investment portfolios	27,943	26,049	26,330
Bank balances and cash	1,260,532	2,513,507	2,585,621
Less: bank overdraft	(492,748)	(1,509,832)	(2,751,506)
Cash and cash equivalents	767,784	1,003,675	(165,885)

9. TREASURY SHARES

	30 September 2024	31 December 2023	30 September 2023
	(Unaudited)	(Audited)	(Unaudited)
Number of shares	7,377,383	7,377,383	7,377,383
Percentage of issued shares (%)	3.41%	3.41%	3.41%
Market value	811,512	722,984	789,380

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 the relevant instructions of the regulatory authorities.

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10. OTHER RESERVES

	<u>Change in fair value reserve</u>	<u>Foreign currency translation reserve</u>	<u>Total</u>
At 1 January 2024	(59,901)	287,169	227,268
Change in fair value of financial assets at fair value through other comprehensive income	(145)	-	(145)
Foreign currency translation differences	-	(127,396)	(127,396)
30 September 2024 (Unaudited)	(60,046)	159,773	99,727
At 1 January 2023	(45,781)	104,588	58,807
Change in fair value of financial assets at fair value through other comprehensive income	(13,769)	-	(13,769)
Foreign currency translation differences	-	139,146	139,146
30 September 2023 (Unaudited)	(59,550)	243,734	184,184

11. BANK BORROWING

	<u>30 September 2024 (Unaudited)</u>	<u>31 December 2023 (Audited)</u>	<u>30 September 2023 (Unaudited)</u>
Current portion	1,954,570	1,940,667	2,198,085
Non-current portion	12,700,000	13,600,000	14,500,000

Current portion includes accrued interest amounting to KD 154,570 (31 December 2023: KD 18,716 and, 30 September 2023: KD 176,134).

Bank borrowings represent two loans denominated in Kuwaiti Dinars (“KD”) obtained from a local bank (“the lender”) with a maximum limit amounting to KD 24,121,981 and carry an effective interest rate of 3.5% (31 December 2023: 3.5%, 30 September 2023: 3.5%) per annum. The bank borrowing is used to finance purchasing equipment and vessels.

During 2022, the Parent Company had requested from the lender to defer the first four instalments of one of the two loans. The original due dates of the deferred instalments were 15 December 2022, 15 June 2023, 15 December 2023 and 15 June 2024 with total amount of KD 3,500,000. The new due dates of the instalments are 15 December 2028, 15 June 2029, 15 December 2029, and 15 June 2030.

On 22 December 2022, the lender approved the Parent Company’s request to defer the first four instalments amounting to KD 3,500,000 of one of the loans. The deferred instalments carry interest rate of 1% in addition to the original interest rate (3.5%).

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11. BANK BORROWING (Continued)

Bank borrowings are secured by machinery and equipment and vessels included in property, plant and equipment amounting to KD 9,952 and KD 11,862,090 respectively (31 December 2023: KD 15,414 and KD 12,624,335, 30 September 2023: KD 17,907 and KD 12,880,972) (Note 5).

12. TRADE AND OTHER PAYABLES

	30 September 2024 (Unaudited)	31 December 2023 (Audited)	30 September 2023 (Unaudited)
Trade payables	2,576,031	1,897,967	2,573,141
Advances from customers	820,632	450,144	747,640
Dividends payable (Note 16)	41,036	41,861	42,167
Accrued expenses	1,825,075	1,774,973	1,531,607
Refundable deposits	129,099	155,230	76,125
Other payables	89,358	103,903	185,905
	<u>5,481,231</u>	<u>4,424,078</u>	<u>5,156,585</u>

13. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended 30 September		Nine months ended 30 September	
	2024 (Unaudited)	2023 (Unaudited)	2024 (Unaudited)	2023 (Unaudited)
Staff costs	612,096	647,671	1,871,282	1,859,272
Maintenance, repair and utilities	172,231	178,850	714,786	572,422
Depreciation - property, plant and equipment (Note 5)	128,378	147,988	352,947	397,218
Insurance	66,610	54,886	189,276	148,420
Depreciation - right-of-use asset	57,235	59,402	175,813	176,029
Professional fees	42,608	79,367	138,154	196,367
Subscription, registration and certification fees	66,276	40,001	148,830	90,067
Bank charges	19,359	5,357	78,749	79,543
Rent	16,938	2,277	55,000	10,093
Transportation expenses	12,638	7,000	36,343	36,306
Stationary and office supplies	2,672	6,195	12,272	25,293
Other expenses	99,078	121,131	367,665	374,691
	<u>1,296,119</u>	<u>1,350,125</u>	<u>4,141,117</u>	<u>3,965,721</u>

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14. BASIC AND DILUTED LOSS PER SHARE

Basic and diluted loss per share are calculated by the loss for the period by the weighted average number of shares outstanding (less treasury shares) during the period as follows:

	Three months ended 30 September		Nine months ended 30 September	
	2024 (Unaudited)	2023 (Unaudited)	2024 (Unaudited)	2023 (Unaudited)
Loss for the period	(1,441,354)	(1,085,239)	(1,027,678)	(1,224,773)
Weighted average number of outstanding shares (less treasury shares)	209,213,192	209,213,192	209,213,192	209,213,192
Loss per share (fils)	(6.89)	(5.19)	(4.91)	(5.85)

The Parent Company had no outstanding dilutive shares.

15. CONTINGENT LIABILITIES

	30 September 2024 (Unaudited)	31 December 2023 (Audited)	30 September 2023 (Unaudited)
Letters of guarantee	1,539,454	1,618,132	1,563,194

Letter of guarantees are issued by the Group to mainly governmental entities to ensure the fulfillment of the Group's contractual obligations towards governmental lessors and customers.

16. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent, major shareholders, directors and key management personnel of the Group, their close family members, and entities controlled, or significantly influenced by the Parent Company. In the ordinary course of business, and subject to the approval of the Group's management, transactions were made with such related parties during the period ended 30 September.

Detail of the significant related party transactions and balances are as follows:

Transactions	Three months ended 30 September		Nine months ended 30 September	
	2024 (Unaudited)	2023 (Unaudited)	2024 (Unaudited)	2023 (Unaudited)
Key management benefits	153,827	144,088	403,494	377,133

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16. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

	30 September 2024	31 December 2023	30 September 2023
Balances	(Unaudited)	(Audited)	(Unaudited)
Key management long term balances - included in employees' end of service benefits	142,255	267,496	256,713
Key management short term balances - included in accrued expenses	52,876	129,007	66,036
Dividends payable (Note 12)	41,036	41,861	42,167

All transactions with related parties are subject to the approval of Shareholders' General Assembly.

17. OPERATING SEGMENTS

17.1 Geographical and operational segments of the revenues, results, assets and liabilities

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses and whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which separate financial information is available.

The Group conducts its activities through three main operational segments:

- Commercial segment includes purchasing, transporting, ranching and selling the live and slaughtered sheep and all skins, intestines and fertilizers. Purchasing and selling fodder and also purchasing and selling chilled and frozen meat in wholesale and retail.
- Food processing segment includes meat processing and its classification in all products and selling it in wholesale.
- Investments segment include investment portfolios managed by specialised companies, and deposits.

The segments results are reported to the senior executive management of the Group, as well as the revenues and results of the Group's business, assets and liabilities are reported in accordance with the geographical locations where the Group conducts its activities. Revenue, profits, assets and liabilities are measured according to the same accounting bases followed in preparation of annual consolidated financial statements. Segment analysis in line with internal reports submitted to management is as follows:

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17. OPERATING SEGMENTS (Continued)

**17.1 Geographical and operational segments of the revenues, results, assets and liabilities
(Continued)**

17.1.1 Segments revenues (Unaudited)

	Commercial segment		Food processing segment		Investments segment		Total Nine months ended	
	Nine months ended 30 September		Nine months ended 30 September		Nine months ended 30 September		30 September	
	2024	2023	2024	2023	2024	2023	2024	2023
	KD 000's							
Kuwait	12,967	18,721	4,723	2,632	15	29	17,705	21,382
UAE	11,222	8,287	-	-	-	-	11,222	8,287
Australia	735	965	-	-	32	41	767	1,006
South Africa	4,481	3,673	-	-	-	-	4,481	3,673
Total	29,405	31,646	4,723	2,632	47	70	34,175	34,348

* Total reconciles to the following statement of income items:

- Operating revenue
- Other operating income
- Net investment income
- Group's share in an associate's results

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17. OPERATING SEGMENTS (Continued)

17.1 Geographical and operational segments of the revenues, results, assets and liabilities (Continued)

17.1.2 Segments results (Unaudited)

	Commercial segment		Food processing segment		Investments segment		Total	
	Nine months ended		Nine months ended		Nine months ended		Nine months ended	
	30 September		30 September		30 September		30 September	
	2024	2023	2024	2023	2024	2023	2024	2023
	KD 000's							
Kuwait	127	(888)	23	177	15	29	165	(682)
UAE	(933)	(353)	-	-	-	-	(933)	(353)
Australia	(360)	(128)	-	-	32	41	(328)	(87)
South Africa	68	(103)	-	-	-	-	68	(103)
Total	(1,098)	(1,472)	23	177	47	70	(1,028)	(1,225)

17.1.3 Segmental distribution of assets and liabilities (Unaudited)

	Commercial segment		Food processing segment		Investments segment		Total					
	31		31		31		31					
	30 September	December 2023	30 September	30 September	30 September	30 September	30 September	December 2023	30 September			
	2024	(Audited)	2023	2024	(Audited)	2023	2024	(Audited)	2023			
	KD 000's											
Assets	51,652	49,028	53,085	285	5,307	2,257	850	817	772	52,787	55,152	56,114
Liabilities	23,010	24,491	26,673	280	9	174	-	-	-	23,290	24,500	26,847

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17. OPERATING SEGMENTS (Continued)

17.1 Geographical and operational segments of the revenues, results, assets and liabilities (Continued)

17.1.4 Geographical distribution of assets and liabilities (Unaudited)

	30 September 2024 (KD 000's)				
	Kuwait	UAE	Australia	South Africa	Total
Assets	42,844	6,924	1,753	1,266	52,787
Liabilities	21,043	1,533	337	377	23,290

	31 December 2023 (Audited) (KD 000's)				
	Kuwait	UAE	Australia	South Africa	Total
Assets	45,563	6,421	1,754	1,414	55,152
Liabilities	22,702	1,180	473	145	24,500

	30 September 2023 (KD 000's)				
	Kuwait	UAE	Australia	South Africa	Total
Assets	45,733	6,546	2,303	1,532	56,114
Liabilities	24,994	1,231	478	144	26,847

18. OTHER OPERATING EXPENSES

Other operating expenses represents expenses incurred while the vessels were idle.

19. ANNUAL GENERAL ASSEMBLY MEETING

The Parent Company's Ordinary Annual General Assembly meeting ("AGM"), held on 28 March 2024, approved the annual consolidated financial statements for the financial year ended 31 December 2023.

20. SIGNIFICANT MATTERS DURING THE PERIOD

During the period ended 30 September 2024 the Group has fully settled one of its bank borrowings by paying the last installment amounting to KD 1,021,951.