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

**Interim condensed consolidated financial information and review  
report for the six month period ended  
30 June 2014 (Unaudited)**

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**Interim condensed consolidated financial information (Unaudited)  
For the six month period ended 30 June 2014**

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**Independent auditors' report on review of interim condensed consolidated financial information to the Board of Directors' of Shuaiba Industrial Company K.P.S.C.**

***Introduction***

We have reviewed the accompanying interim condensed consolidated statement of financial position of Shuaiba Industrial Company K.P.S.C. ("the Parent Company") and its subsidiary (together referred to as "the Group") as at 30 June 2014, 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 preparation and 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 the IAS 34.

***Report on other Legal and Regulatory Requirements***

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the accounting records of the Parent Company. We further report that, to the best of our knowledge and belief, no violations of the Companies Law No. 25 of 2012, as amended, nor of the Articles and Memorandum of Association of the Parent Company, as amended, have occurred during the six month period ended 30 June 2014 that might have had a material effect on the business of the Group or on its interim condensed consolidated financial position.

  
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Qais M. Al Nisf  
Licence No. 38 "A"  
BDO Al Nisf & Partners

Kuwait: 23 July 2014

  
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Barrak Al-Ateeqi  
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Member firm of B.K.R. International


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

**Interim condensed consolidated statement of financial position (Unaudited)  
As at 30 June 2014**

		(Unaudited) 30 June 2014 KD	(Audited) 31 December 2013 KD	(Unaudited) 30 June 2013 KD
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	3	8,631,859	8,831,688	8,821,125
Investment in associate		2,412,725	2,550,930	2,488,470
Available for sale financial assets	4	36,843	36,843	140,358
		<u>11,081,427</u>	<u>11,419,461</u>	<u>11,449,953</u>
<b>Current assets</b>				
Inventories		3,322,615	3,258,961	2,829,940
Trade receivables		2,706,464	2,618,960	2,250,586
Other receivables		219,000	130,525	206,780
Due from related parties	11	94,753	-	-
Financial assets at fair value through profit or loss	5	272,108	347,740	538,364
Cash and cash equivalents	6	1,672,684	1,766,750	972,705
		<u>8,287,624</u>	<u>8,122,936</u>	<u>6,798,375</u>
<b>Total assets</b>		<u>19,369,051</u>	<u>19,542,397</u>	<u>18,248,328</u>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	7	6,444,275	6,137,405	6,137,405
Share premium		2,294,444	2,294,444	2,294,444
Statutory reserve		1,653,044	1,653,044	1,505,648
Voluntary reserve		1,562,036	1,562,036	1,414,640
Treasury shares	8	(253,265)	(253,265)	(253,265)
Treasury shares reserve		404,979	404,979	404,979
Foreign currency translation reserve		20,808	20,668	58,900
Retained earnings		4,186,500	4,579,106	4,354,592
<b>Total equity</b>		<u>16,312,821</u>	<u>16,398,417</u>	<u>15,917,343</u>
<b>Non-current liabilities</b>				
Non-current portion of term loans	9	597,941	477,941	577,941
Provision for staff indemnity		453,193	408,119	371,152
		<u>1,051,134</u>	<u>886,060</u>	<u>949,093</u>
<b>Current liabilities</b>				
Trade and other payables		1,805,096	2,057,920	1,181,892
Current portion of term loans	9	200,000	200,000	200,000
		<u>2,005,096</u>	<u>2,257,920</u>	<u>1,381,892</u>
<b>Total liabilities</b>		<u>3,056,230</u>	<u>3,143,980</u>	<u>2,330,985</u>
<b>Total equity and liabilities</b>		<u>19,369,051</u>	<u>19,542,397</u>	<u>18,248,328</u>

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

Chairman of the Board of Directors



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

**Interim condensed consolidated statement of profit or loss (Unaudited)  
Period ended 30 June 2014**

	Three month period ended 30 June		Six month period ended 30 June	
	2014	2013	2014	2013
Note	KD	KD	KD	KD
Sales	3,532,375	3,622,770	6,556,211	6,520,101
Cost of sales	(2,736,183)	(2,857,673)	(5,143,234)	(5,240,314)
<b>Gross profit</b>	<b>796,192</b>	<b>765,097</b>	<b>1,412,977</b>	<b>1,279,787</b>
Unrealised (loss) / gain on financial assets at fair value through profit or loss	(30,009)	13,714	(75,632)	43,465
Gain on sale of financial assets at fair value through profit or loss	-	81,055	-	86,592
Gain on sale of available for sale financial assets	-	38,877	-	38,877
Share of results of associate	29,499	108,871	42,275	203,733
Foreign exchange gain / (loss)	118	(9,120)	(3,898)	11,294
Profit on disposal of property, plant and equipment	-	-	-	691
Other income	26,782	13,955	47,813	37,391
General and administrative expenses	(197,361)	(179,814)	(378,485)	(334,014)
Selling and distribution expenses	(196,946)	(241,275)	(355,130)	(427,734)
Provision for doubtful debts	-	(10,000)	-	(10,000)
Finance costs	(15,078)	(13,928)	(25,842)	(27,206)
<b>Profit before provision for contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labour Support Tax (NLST) and Zakat</b>	<b>413,197</b>	<b>567,432</b>	<b>664,078</b>	<b>902,876</b>
KFAS	(3,718)	(5,107)	(5,976)	(8,126)
NLST	(10,330)	(14,187)	(16,602)	(22,572)
Zakat	(4,251)	(5,871)	(7,091)	(9,355)
<b>Profit for the period</b>	<b>394,898</b>	<b>542,267</b>	<b>634,409</b>	<b>862,823</b>
<b>Earnings per share (basic and diluted) (fils)</b>	<b>10</b>	<b>6.27</b>	<b>10.07</b>	<b>13.69</b>

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

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

Interim condensed consolidated statement of changes in equity (Unaudited)  
Period ended 30 June 2014

	Share capital KD	Share premium KD	Statutory reserve KD	Voluntary reserve KD	Treasury shares KD	Treasury shares reserve KD	Fair value reserve KD	Foreign currency translation reserve KD	Retained earnings KD	Total equity KD
Balance at 1 January 2014	6,137,405	2,294,444	1,653,044	1,562,036	(253,265)	404,979	-	20,668	4,579,106	16,398,417
Profit for the period	-	-	-	-	-	-	-	-	634,409	634,409
Other comprehensive income for the period	-	-	-	-	-	-	-	140	-	140
Total comprehensive income for the period	-	-	-	-	-	-	-	140	-	140
Bonus shares issued	306,870	-	-	-	-	-	-	-	634,409	634,549
Dividends paid	-	-	-	-	-	-	-	-	(306,870)	-
Balance at 30 June 2014	6,444,275	2,294,444	1,653,044	1,562,036	(253,265)	404,979	-	20,808	4,186,500	(720,145)
Balance at 1 January 2013	6,137,405	2,294,444	1,505,648	1,414,640	(253,265)	404,979	(31,696)	16,216	4,091,889	15,580,260
Profit for the period	-	-	-	-	-	-	-	-	862,823	862,823
Other comprehensive income for the period	-	-	-	-	-	-	31,696	42,684	-	74,380
Total comprehensive income for the period	-	-	-	-	-	-	31,696	42,684	-	74,380
Dividends paid	-	-	-	-	-	-	-	-	(600,120)	(600,120)
Balance at 30 June 2013	6,137,405	2,294,444	1,505,648	1,414,640	(253,265)	404,979	-	58,900	4,354,592	15,917,343

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

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

**Interim condensed consolidated statement of cash flows (Unaudited)  
Period ended 30 June 2014**

	Note	Six month period ended 30 June	
		2014 KD	2013 KD
<b>OPERATING ACTIVITIES</b>			
Profit for the period		634,409	862,823
Adjustments for:			
Depreciation		224,089	222,957
Unrealised loss / (gain) on financial assets at fair value through profit or loss		75,632	(43,465)
Gain on sale of financial assets at fair value through profit or loss		-	(86,592)
Share of results of associate		(42,475)	(203,733)
Profit on disposal of property, plant and equipment		-	(691)
Gain on sale of available for sale investment		-	(38,877)
Finance costs		25,842	27,206
Provision for staff indemnity		55,152	24,514
Provision for doubtful debts		-	10,000
		<u>972,649</u>	<u>774,142</u>
Movements in working capital:			
Inventories		(63,654)	292,750
Trade receivables		(87,504)	(474,901)
Other receivables		(88,475)	(101,052)
Due from related parties		(94,753)	66,000
Trade and other payables		(252,824)	(420,073)
Notes payable		-	(204,765)
<b>Cash generated from\ (used in) operations</b>		<u>385,439</u>	<u>(67,899)</u>
Staff indemnity paid		(10,084)	(1,931)
<b>Net cash generated from \ (used in) operating activities</b>		<u>375,355</u>	<u>(69,830)</u>
<b>INVESTING ACTIVITIES</b>			
Net movement of financial assets at fair value through profit or loss		-	69,669
Purchase of property, plant and equipment		(24,258)	(78,981)
Proceeds on sale of available for sale financial assets		-	118,877
Proceeds on disposal of property, plant and equipment		-	691
Dividend received from associate		180,366	67,100
<b>Net cash generated from investing activities</b>		<u>156,108</u>	<u>177,356</u>
<b>FINANCING ACTIVITIES</b>			
Net movement of term loans		120,000	(100,000)
Dividends paid		(720,145)	(553,573)
Finance costs paid		(25,842)	(28,295)
<b>Net cash used in financing activities</b>		<u>(625,987)</u>	<u>(681,868)</u>
Effect of foreign currency translation		458	2,048
<b>Net decrease in cash and cash equivalents</b>		<u>(94,066)</u>	<u>(572,294)</u>
Cash and cash equivalents at beginning of the period		1,766,750	1,544,999
<b>Cash and cash equivalents at end of the period</b>	6	<u>1,672,684</u>	<u>972,705</u>

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



**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 Kuwait Stock Exchange.

The Parent Company is engaged in the manufacture and sale of paper products. At the annual general assembly held on 29 March 2009, the shareholders approved the Group to conduct its activities in accordance with Islamic Sharia Principles.

The Parent Company is domiciled in Kuwait and the address of its principal place of business is Plot No. 150, Street No. 30, Block No.3, Subhan, State of Kuwait.

The interim condensed consolidated financial information of the Group for the six month period ended 30 June 2014 were authorised for issue by the Chairman of the Board of Directors on behalf of the Board of Directors of the Parent Company on 23 July 2014.

**2. BASIS OF PREPARATION**

These interim condensed consolidated financial information have been prepared in accordance with IAS 34, Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2013 annual consolidated financial statements. In the opinion of management all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included.

Operating results for the six month period ended 30 June 2014 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2014.

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

The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those used in the preparation of annual consolidated financial statements for the year ended 31 December 2013, except for the following:

- ***Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)***  
Amendments were made to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements to:
  - provide 'investment entities' (as defined) an exemption from the consolidation of particular subsidiaries and instead require that an investment entity measure the investment in each eligible subsidiary at fair value through profit or loss in accordance with IFRS 9 Financial Instruments or IAS 39 Financial Instruments: Recognition and Measurement;
  - require additional disclosure about why the entity is considered an investment entity, details of the entity's unconsolidated subsidiaries, and the nature of relationship and certain transactions between the investment entity and its subsidiaries;
  - require an investment entity to account for its investment in a relevant subsidiary in the same way in its consolidated and separate financial statements (or to only provide separate financial statements if all subsidiaries are unconsolidated).

These amendments became effective on 1 January 2014. These amendments had no impact on the Group.

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

▪ ***IAS 32 Offsetting Financial Assets and Financial Liabilities***

The amendment to IAS 32 Financial Instruments: Presentation clarifies certain aspects because of diversity in application of the requirements on offsetting, focusing on the following aspects:

- the meaning of 'currently has a legally enforceable right of set-off';
- the application of simultaneous realisation and settlement;
- the offsetting of collateral amounts;
- the unit of account for applying the offsetting requirements.

These amendments became effective on 1 January 2014. These amendments had no impact on the Group.

▪ ***IAS 36 Recoverable Amount Disclosures for Non-Financial Assets***

The amendment to IAS 36 Impairment reduces the circumstances in which the recoverable amount of assets or cash-generating units is required to be disclosed, clarify the disclosures required, and to introduce an explicit requirement to disclose the discount rate used in determining impairment (or reversals) where recoverable amount (based on fair value less costs of disposal) is determined using a present value technique.

These amendments became effective on 1 January 2014. These amendments had no impact on the Group.

**Basis of consolidation**

This interim condensed consolidated financial information for the six month period ended 30 June 2014 includes the Parent Company and its wholly owned subsidiary - Advance Technologies (International Agencies) Company W.L.L. The financial information of this subsidiary has been consolidated based on management accounts. The Group's management do not expect any material differences in the figures if reviewed financial information would have been available as at 30 June 2014.

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

Notes to the interim condensed consolidated financial information (Unaudited)  
Period ended 30 June 2014

3. PROPERTY, PLANT AND EQUIPMENT

Cost	Leasehold	Buildings	Machinery	Furniture and	Motor	Capital work	Total
	land			fixtures	vehicles	in progress	
	KD	KD	KD	KD	KD	KD	KD
Balance at 1 January 2013	555,000	3,569,483	6,863,020	648,320	253,747	10,349	11,899,919
Additions	-	-	-	-	-	317,489	317,489
Transfers	-	30,988	-	79,428	21,400	(131,816)	-
Disposals	-	-	-	-	(54,048)	-	(54,048)
Foreign currency exchange difference	-	1,980	2,253	(178)	44	(2)	4,097
Balance at 31 December 2013	555,000	3,602,451	6,865,273	727,570	221,143	196,020	12,167,457
Additions	-	-	-	-	-	24,258	24,258
Transfers	-	-	-	8,875	6,000	(14,875)	-
Foreign currency exchange difference	-	-	-	-	-	2	2
Balance at 30 June 2014	555,000	3,602,451	6,865,273	736,445	227,143	205,405	12,191,717
Accumulated depreciation							
Balance at 1 January 2013	-	715,823	1,570,735	495,739	195,135	-	2,977,432
Charge for the year	-	136,451	234,743	56,191	18,654	-	446,039
Relating to disposals	-	-	-	-	(47,609)	-	(47,609)
Reversal of impairment	-	-	(40,184)	-	-	-	(40,184)
Foreign currency exchange difference	-	27	43	18	3	-	91
Balance at 31 December 2013	-	852,301	1,765,337	551,948	166,183	-	3,335,769
Charge for the period	-	69,705	116,926	28,228	9,230	-	224,089
Foreign currency exchange difference	-	-	-	-	-	-	-
Balance at 30 June 2014	-	922,006	1,882,263	580,176	175,413	-	3,559,858
Carrying amount							
As at 30 June 2014	555,000	2,680,445	4,983,010	156,269	51,730	205,405	8,631,859
As at 31 December 2013	555,000	2,750,150	5,099,936	175,622	54,960	196,020	8,831,688
As at 30 June 2013	555,000	2,821,950	5,196,735	179,844	55,486	12,110	8,821,125
Annual depreciation rates	-	3.33%	3.33%	20%	20%	-	-

The Group's certain property, plant and equipment have been assigned as security for the term loan facility granted to the Group (see note 9).  
The buildings are constructed on leasehold land from the government of Kuwait and the government of Dubai.

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

**Notes to the interim condensed consolidated financial information (Unaudited)  
Period ended 30 June 2014**

**4. AVAILABLE FOR SALE FINANCIAL ASSETS**

	(Unaudited) 30 June 2014 <u>KD</u>	(Audited) 31 December 2013 <u>KD</u>	(Unaudited) 30 June 2013 <u>KD</u>
Quoted securities	-	-	103,515
Unquoted securities	36,843	36,843	36,843
	<u>36,843</u>	<u>36,843</u>	<u>140,358</u>

Unquoted securities amounting to KD 36,843 (31 December 2013: KD 36,843 and 30 June 2013: KD 36,843) are carried at cost since their fair values could not be measured reliably. The management is not aware of any impairment of these investments. Available for sale financial assets are managed by a portfolio manager, under a portfolio management agreement.

**5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	(Unaudited) 30 June 2014 <u>KD</u>	(Audited) 31 December 2013 <u>KD</u>	(Unaudited) 30 June 2013 <u>KD</u>
<b>Trading:</b>			
Local quoted securities	192,108	249,740	429,364
Local funds	80,000	98,000	109,000
	<u>272,108</u>	<u>347,740</u>	<u>538,364</u>

Financial assets at fair value through profit or loss are managed by a portfolio manager, under a portfolio management agreement.

**6. CASH AND CASH EQUIVALENTS**

	(Unaudited) 30 June 2014 <u>KD</u>	(Audited) 31 December 2013 <u>KD</u>	(Unaudited) 30 June 2013 <u>KD</u>
Cash at bank and on hand	1,671,103	1,339,010	968,586
Short term deposits	-	425,000	-
Cash balance with portfolio manager	1,581	2,740	4,119
	<u>1,672,684</u>	<u>1,766,750</u>	<u>972,705</u>

The Group's short term deposits with banks yield an average rate of nil (31 December 2013: 0.62% and 30 June 2013: nil) per annum and mature within 90 days from the date of deposit.

**7. SHARE CAPITAL**

The authorized, issued and paid up share capital is KD 6,444,275 (31 December 2013: KD 6,137,405 and 30 June 2013: KD 6,137,405) comprising of 64,442,750 shares of 100 fils each (31 December 2013 and 30 June 2013: 61,374,047 shares of 100 fils each) and all shares are in cash.

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

**Notes to the interim condensed consolidated financial information (Unaudited)  
Period ended 30 June 2014**

**8. TREASURY SHARES**

	(Unaudited) 30 June 2014	(Audited) 31 December 2013	(Unaudited) 30 June 2013
Number of shares	1,430,352	1,362,240	1,361,956
Percentage of issued shares	2.22%	2.22%	2.22%
Market value (KD)	429,106	347,371	299,630
Cost (KD)	253,265	253,265	253,265

Reserves of the Parent Company equivalent to the cost of treasury shares have been earmarked as non-distributable.

**9. TERM LOANS**

	(Unaudited) 30 June 2014 KD	(Audited) 31 December 2013 KD	(Unaudited) 30 June 2013 KD
Current portion	200,000	200,000	200,000
Non-current portion	597,941	477,941	577,941
	<u>797,941</u>	<u>677,941</u>	<u>777,941</u>

Term loans from local banks carry finance cost at 3.5% (31 December 2013 and 30 June 2013: 3.5%) per annum.

Group's certain property, plant and equipment and time deposits are pledged as collateral against the term loans obtained from a local bank (note 3).

**10. EARNINGS PER SHARE**

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 month period ended 30 June		Six month period ended 30 June	
	2014	2013	2014	2013
Earnings per share is calculated as follows:				
Profit for the period (KD)	394,898	542,267	634,409	862,823
Weighted average number of shares outstanding:				
Number of issued shares	64,442,750	64,442,750	64,442,750	64,442,750
Less: Weighted average number of treasury shares	<u>(1,430,352)</u>	<u>(1,430,352)</u>	<u>(1,430,352)</u>	<u>(1,430,352)</u>
Weighted average number of shares outstanding	<u>63,012,398</u>	<u>63,012,398</u>	<u>63,012,398</u>	<u>63,012,398</u>
Earnings per share (Basic and diluted) (fils)	<u>6.27</u>	<u>8.61</u>	<u>10.07</u>	<u>13.69</u>

Earnings per share was 9.04 fils for the three month period ended 30 June 2013 and 14.38 fils for the six month period ended 30 June 2013 before retrospective adjustment to the number of shares following the bonus issue during 2014.

## 11. RELATED PARTY 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:

	(Unaudited) 30 June 2014 KD	(Audited) 31 December 2013 KD	(Unaudited) 30 June 2013 KD
<b>Statement of financial position</b>			
a) Due from related parties:			
• Other related parties	94,753	-	-
		<b>Six months ended 30 June</b>	
		2014 KD	2013 KD
<b>Statement of profit or loss</b>			
b) Key management compensation			
• Salaries and other short-term benefits		149,085	71,676
• Termination benefits		10,019	2,942

## 12. SEGMENT 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.
- *Trading Division:* Importing and trading in various types of paper related products such as photo copier paper, offset paper, NCR, coated paper and ink.

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

**Notes to the interim condensed consolidated financial information (Unaudited)  
Period ended 30 June 2014**

**12. SEGMENT INFORMATION (Continued)**

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

	Three month period ended 30 June			
	2014	2013	2014	2013
	KD	KD	KD	KD
	<b>Revenue</b>		<b>Segment result</b>	
Industrial Packaging Division	2,373,191	2,584,218	503,814	515,764
Consumer Packaging Division	875,531	799,178	264,465	224,560
Flexible Packaging Division	168,858	216,928	12,594	22,943
Trading Division	114,795	22,446	15,319	1,830
	<u>3,532,375</u>	<u>3,622,770</u>	<u>796,192</u>	<u>765,097</u>
Unrealised (loss) / gain on financial assets at fair value through profit or loss			(30,009)	13,714
Gain on sale of financial assets at fair value through profit or loss			-	81,055
Gain on sale of available for sale financial assets			-	38,877
Share of results of associate			29,499	108,871
Foreign exchange gain / (loss)			118	(9,120)
Profit on disposal of property, plant and equipment			-	-
Other income			26,782	13,955
General and administrative expenses			(197,361)	(179,814)
Selling and distribution expenses			(196,946)	(241,275)
Provision for doubtful debts			-	(10,000)
Finance costs			(15,078)	(13,928)
KFAS			(3,718)	(5,107)
NLST			(10,330)	(14,187)
Zakat			(4,251)	(5,871)
<b>Profit for the period</b>			<u>394,898</u>	<u>542,267</u>

	Six month period ended 30 June			
	2014	2013	2014	2013
	KD	KD	KD	KD
	<b>Revenue</b>		<b>Segment result</b>	
Industrial Packaging Division	4,306,026	4,520,839	859,598	838,870
Consumer Packaging Division	1,691,870	1,503,513	482,292	378,551
Flexible Packaging Division	371,193	434,733	46,769	56,623
Trading Division	187,122	61,016	24,318	5,743
	<u>6,556,211</u>	<u>6,520,101</u>	<u>1,412,977</u>	<u>1,279,787</u>
Unrealised (loss) / gain on financial assets at fair value through profit or loss			(75,632)	43,465
Gain on sale of financial assets at fair value through profit or loss			-	86,592
Gain on sale of available for sale financial assets			-	38,877
Impairment loss on sale of available for sale financial assets			-	-
Share of results of associate			42,275	203,733
Foreign exchange (loss) / gain			(3,898)	11,294
Profit on disposal of property, plant and equipment			-	691
Dividend income			-	-
Other income			47,813	37,391
General and administrative expenses			(378,485)	(334,014)
Selling and distribution expenses			(355,130)	(427,734)
Provision for doubtful debts			-	(10,000)
Finance costs			(25,842)	(27,206)
KFAS			(5,976)	(8,126)
NLST			(16,602)	(22,572)
Zakat			(7,091)	(9,355)
<b>Profit for the period</b>			<u>634,409</u>	<u>862,823</u>

**12. SEGMENT INFORMATION (Continued)**

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

	Three month period ended 30 June		Six month period ended 30 June	
	2014	2013	2014	2013
	KD	KD	KD	KD
	Revenue		Revenue	
Kuwait	1,233,021	1,136,516	2,378,232	2,171,200
GCC	1,917,939	1,727,479	3,419,406	2,995,804
Asia	201,950	456,200	478,403	642,597
Africa	179,465	302,575	280,170	710,500
	<u>3,532,375</u>	<u>3,622,770</u>	<u>6,556,211</u>	<u>6,520,101</u>

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

**13. ANNUAL GENERAL ASSEMBLY MEETING**

The Annual General Assembly meetings of shareholders held on 16 April 2014, approved the annual audited consolidated financial statements of the Group for the year ended 31 December 2013 and approved a cash dividend of 12% equivalents to 12 fils per share (2012: 10% equivalent to 10 fils per share) and bonus share of 5% equivalent to 5 shares for each 100 shares (2012: Nil) to the shareholders of record as of the date of the Annual General Assembly.

**14. FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE**

Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs are unobservable inputs for the asset or liability.

30 June 2014	Level 1	Level 2	Total
	KD	KD	KD
<b>Financial assets at fair value through profit or loss</b>			
Local quoted securities	192,108	-	192,108
Local funds	-	80,000	80,000
<b>Total</b>	<u>192,108</u>	<u>80,000</u>	<u>272,108</u>



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14. FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (Continued)

31 December 2013	Level 1 KD	Level 2 KD	Total KD
<b>Financial assets at fair value through profit or loss</b>			
Local quoted securities	249,740	-	249,740
Local funds	-	98,000	98,000
<b>Total</b>	<b>249,740</b>	<b>98,000</b>	<b>347,740</b>
<b>30 June 2013</b>	<b>Level 1 KD</b>	<b>Level 2 KD</b>	<b>Total KD</b>
<b>Financial assets at fair value through profit or loss</b>			
Local quoted securities	429,364	-	429,364
Local funds	-	109,000	109,000
<b>Total</b>	<b>429,364</b>	<b>109,000</b>	<b>538,364</b>

15. CONTINGENT LIABILITIES AND COMMITMENTS

	(Unaudited) 30 June 2014 KD	(Audited) 31 December 2013 KD	(Unaudited) 30 June 2013 KD
<b>Contingent liabilities</b>			
Letters of credit	224,847	376,778	961,431
Letters of guarantee	47,747	12,520	122,975
	<b>272,594</b>	<b>389,298</b>	<b>1,084,406</b>

Operating lease commitments

The minimum operating lease commitments under non-cancelable operating leases are as follows:

	(Unaudited) 30 June 2014 KD	(Audited) 31 December 2013 KD	(Unaudited) 30 June 2013 KD
Not later than one year	50,080	34,089	34,315
Later than one year but not later than five years	200,320	132,356	127,260