



**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 three month period ended 31 March 2026



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Contents	Pages
Report on review of condensed consolidated interim financial information	1
Condensed consolidated interim statement of financial position	2
Condensed consolidated interim statement of income	3
Condensed consolidated interim statement of comprehensive income	4
Condensed consolidated interim statement of changes in equity	5
Condensed consolidated interim statement of cash flows	6
Notes to the condensed consolidated interim financial information	7-21



The Board of Directors of 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 31 March 2026 and the related condensed consolidated interim statements of income, statement of comprehensive income, statements of changes in equity and statement of cash flows for the three 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 of Incorporation and Articles of Association, as amended, have occurred during the three month period ended 31 March 2026, that might have had a material effect on the business of the Parent Company or its financial position.

We further report that, during the course of our review, we have not become aware of any violations during the three month period ended 31 March 2026 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 Parent Company or its financial position.

Mohammed Ahmad Al Rasheed
License No. 217
PricewaterhouseCoopers (Al-Shatti &Co.)

14 May 2026
Kuwait

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Condensed consolidated interim statement of financial position (Unaudited)

As at 31 March 2026

(All amounts are in Kuwaiti Dinar unless otherwise stated)

	Notes	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
Assets				
Non-current assets				
Property, plant and equipment	5	25,163,362	26,162,311	37,824,408
Investment in an associate		474,515	548,669	540,567
Right-of-use assets		820,487	895,081	971,962
Financial assets at fair value through other comprehensive income	4	309,976	309,883	287,297
		<u>26,768,340</u>	<u>27,915,944</u>	<u>39,624,234</u>
Current assets				
Inventories	6	4,406,642	3,642,472	5,163,741
Trade and other receivables	7	7,146,411	10,016,661	12,370,645
Bank balances and cash	8	1,062,116	1,235,231	2,870,120
		<u>12,615,169</u>	<u>14,894,364</u>	<u>20,404,506</u>
Asset classified as held for sale	18	-	4,909,058	-
		<u>12,615,169</u>	<u>19,803,422</u>	<u>20,404,506</u>
Total assets		<u>39,383,509</u>	<u>47,719,366</u>	<u>60,028,740</u>
Equity and liabilities				
Equity				
Share capital		21,659,057	21,659,057	21,659,057
Share premium	20	-	4,967,805	4,967,805
Treasury shares	9	(1,647,126)	(1,647,126)	(1,647,126)
Statutory reserve	20	10,282,495	11,825,560	11,825,560
Voluntary reserve	20	-	489,130	4,489,130
Other reserves	10	(43,923)	(158,704)	48,834
Accumulated losses		(14,594,985)	(20,681,700)	(16,309,600)
Net equity		<u>15,655,518</u>	<u>16,454,022</u>	<u>25,033,660</u>
Liabilities				
Non-current liabilities				
Employees' end of service benefits		1,770,938	1,744,361	1,696,316
Bank borrowing	11	10,000,000	10,000,000	11,800,000
Lease liabilities – non-current		583,858	692,098	658,468
		<u>12,354,796</u>	<u>12,436,459</u>	<u>14,154,784</u>
Current liabilities				
Bank borrowing	11	1,931,331	1,820,865	1,949,799
Bank overdraft	8	1,593,321	9,930,840	10,770,147
Trade and other payables	12	7,635,757	6,838,900	7,804,985
Lease liabilities – current		212,786	238,280	315,365
		<u>11,373,195</u>	<u>18,828,885</u>	<u>20,840,296</u>
Total liabilities		<u>23,727,991</u>	<u>31,265,344</u>	<u>34,995,080</u>
Total equity and liabilities		<u>39,383,509</u>	<u>47,719,366</u>	<u>60,028,740</u>


Jassim Abdullah AlHajri
Chairman


Ahmad Abdullateef Alateeqi
Chief Executive Officer

The notes on pages 7 to 21 form an integral part of this condensed consolidated interim financial information.

Condensed consolidated interim statement of income (Unaudited)

For the three month period ended 31 March 2026

(All amounts are in Kuwaiti Dinar unless otherwise stated)

	Notes	Three months ended 31 March	
		2026 (Unaudited)	2025 (Unaudited)
Operating revenue		8,096,326	11,470,160
Operating costs		(7,017,757)	(10,000,253)
Gross profit		1,078,569	1,469,907
Other operating income		198,933	190,260
Gain on sale of asset classified as held for sale	18	597,352	-
Marketing expenses		(356,192)	(449,537)
General and administrative expenses	13	(1,111,712)	(1,393,259)
Other operating expenses	19	(1,291,772)	(139,026)
(Charge)/reversal of impairment of trade and other receivables		(9,177)	39,151
Operating loss		(893,999)	(282,504)
Net investment income		382	1,770
Group's share in an associate's results		14,429	39,194
Finance costs		(165,366)	(247,540)
Foreign currency exchange gain		114,127	25,354
Loss before subsidiaries' tax		(930,427)	(463,726)
Reversal of income tax on subsidiaries		17,142	11,011
Loss for the period		(913,285)	(452,715)
Basic and diluted losses per share (fils)	14	(4.37)	(2.16)

The notes on pages 7 to 21 form an integral part of this condensed consolidated interim financial information.

Condensed consolidated interim statement of comprehensive income (Unaudited)

For the three month period ended 31 March 2026

(All amounts are in Kuwaiti Dinar unless otherwise stated)

	Notes	Three months ended 31 March	
		2026 (Unaudited)	2025 (Unaudited)
Loss for the period		(913,285)	(452,715)
Other comprehensive gain/(loss)			
<i>Items that may be reclassified to the condensed consolidated interim statement of income:</i>			
Exchange differences on translation of foreign operations	10	114,688	(59,003)
<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	93	3
Other comprehensive gain/(loss) for the period		114,781	(59,000)
Total comprehensive loss for the period		(798,504)	(511,715)

The notes on pages 7 to 21 form an integral part of this condensed consolidated interim financial information.

Condensed consolidated interim statement of cash flows (Unaudited)

For the three month period ended 31 March 2026

(All amounts are in Kuwaiti Dinar unless otherwise stated)

	Notes	Three months ended 31 March	
		2026 (Unaudited)	2025 (Unaudited)
Cash flows from operating activities			
Loss for the period		(913,285)	(452,715)
Adjustments for:			
Depreciation – property, plant and equipment	5	1,049,029	1,346,607
Depreciation – right of use assets		74,216	114,612
(Gain)/loss on sale of property, plant and equipment		(15,896)	33
Gain on sale of asset classified as held for sale	18	(597,352)	-
Net investment income		(382)	(1,770)
Finance cost – lease liability		13,852	17,961
Finance cost – bank borrowing and overdraft		151,514	229,579
Charge/(reversal) of impairment of trade and other receivables		9,177	(39,151)
Provision for obsolete and slow-moving inventory		-	21,876
Group’s share in associate’s results		(14,429)	(39,194)
Foreign currency exchange gain		(114,127)	(25,354)
Employees’ end of service benefits		56,450	123,447
		(301,233)	1,295,931
Changes in working capital:			
Inventories		(770,089)	(1,315,100)
Trade and other receivables		2,855,404	(1,271,285)
Trade and other payables		910,984	(988,740)
Cash generated from/(used in) operations		2,695,066	(2,279,194)
Employees’ end of service benefits paid		(31,168)	(16,199)
Net cash flows generated from/(used in) operating activities		2,663,898	(2,295,393)
Cash flows from investing activities			
Purchase of property, plant and equipment	5	(29,012)	(2,375,443)
Proceeds from disposal of property, plant and equipment		29,788	31,352
Proceeds from disposal of asset classified as held for sale		5,506,410	-
Dividend received from associate		104,300	-
Investment income received		382	1,770
Net cash flows generated from/(used in) investing activities		5,611,868	(2,342,321)
Cash flows from financing activities			
Interest paid on bank borrowings and overdraft		(41,048)	(103,579)
Dividends paid		-	(9)
Principal element of lease payments		(146,961)	(117,487)
Net cash flows used in financing activities		(188,009)	(221,075)
Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at beginning of the period	8	(8,695,609)	(2,951,787)
Effects of exchange rate changes on cash and cash equivalents		76,647	(89,451)
Cash and cash equivalents at end of the period	8	(531,205)	(7,900,027)
Non-cash transactions:			
Voluntary reserve	20	(489,130)	-
Share premium	20	(4,967,805)	-
Statutory reserve	20	(1,543,065)	-
Accumulated losses	20	7,000,000	-

The notes on pages 7 to 21 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 three month period ended 31 March 2026

(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 Incorporation and Articles 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 Bursa 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 butchereries and exhibitions of selling meat and its products of all kinds.

**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 three month period ended 31 March 2026

(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
	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (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 31 March 2026.

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 31 March 2026.

The condensed consolidated interim financial information was authorised for issue by Parent Company's Board of Directors' on 14 May 2026.

2. BASIS OF PREPARATION

These condensed consolidated interim financial information for the three-month reporting period ended 31 March 2026 have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim report does not include all of the notes normally included in an annual consolidated financial statements. Accordingly, this report should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2025.

Operating results for the three month period ended 31 March 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025. For further information, refer to the annual audited consolidated financial statements of the Group for the financial year ended 31 December 2025.

**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 three month period ended 31 March 2026

(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.

During the period ended 31 March 2026, the Group incurred a net loss of KD 913,285 (31 March 2025: net loss of KD 452,715) and, as of that date, the Group has accumulated losses of KD 14,594,985 (31 December 2025: KD 20,681,700 and 31 March 2025: KD 16,309,600).

The Parent Company's Ordinary Annual General Assembly meeting ("AGM"), held on 5 March 2026, approved the utilisation of an amount of KD 7,000,000 from the Group's reserves to offset the accumulated losses of the Group. Accordingly, accumulated losses have been partially offset through transfers from the reserve (Note 20).

Management has assessed the Group's ability to continue as a going concern and is satisfied that the Group has sufficient resources to continue its operations for the foreseeable future. The assessment takes into consideration the Group's ongoing operating activities, which continue to generate cash flows, as well as the Group's overall liquidity position.

In addition, the Group has access to existing unutilised credit facilities with local banks, which are available to support working capital requirements and settlement of supplier obligations, if required. The Group has not experienced any instances of overdue payments to suppliers or banks as at the reporting date.

Management is not aware of any material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern. Accordingly, the condensed consolidated interim financial information has been prepared on a going concern basis.

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 2025 and the corresponding interim reporting period. Also see (a) and (b) below.

(a) New and amended standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period, and the Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2026:

- Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments
- Annual improvements to IFRS Accounting Standards – Volume 11

The amendments listed above did not have a material impact on the amounts recognised in prior periods and are not expected to significantly affect the current period.

(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 the current reporting period and have not been adopted by the Group. The management of the Group is in the process of assessing the impact of these new standards, interpretation and amendments which will be adopted in the Group's condensed consolidated interim financial statements as and when they are applicable.

**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 three month period ended 31 March 2026

(All amounts are in Kuwaiti Dinar unless otherwise stated)

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 2025. However, since late February 2026, geopolitical developments in the Middle East have increased economic uncertainty and market volatility across the region. Management has assessed the impact of these developments on the Group's operations and financial position and concluded that there is no material impact as at 31 March 2026. In its assessment, management considered the potential effect on fair values and impairments among other estimates based on available information at the reporting date. Management will continue to monitor the situation and reassess its judgments and estimates as further information becomes available.

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:

	Level 1	Level 2	Level 3	Total fair value
31 March 2026 (Unaudited)				
Financial assets at fair value through other comprehensive income	1,212	21,959	286,805	309,976
31 December 2025 (Audited)				Total fair value
Financial assets at fair value through other comprehensive income	1,223	21,865	286,795	309,883
31 March 2025 (Unaudited)				Total fair value
Financial assets at fair value through other comprehensive income	1,221	22,125	263,951	287,297

**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 three month period ended 31 March 2026

(All amounts are in Kuwaiti Dinar unless otherwise stated)

4. FAIR VALUE ESTIMATION (Continued)

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

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
Quoted securities	1,212	1,223	1,221
Unquoted foreign securities	286,805	286,795	263,951
Unquoted local securities	21,959	21,865	22,125
	309,976	309,883	287,297

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.

The following table represents the changes in Level 3 instruments:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
Opening balance	286,795	263,951	263,951
Change in fair value	10	22,844	-
Ending balance	286,805	286,795	263,951

5. PROPERTY, PLANT AND EQUIPMENT

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
Opening balance	26,162,311	36,802,652	36,802,652
Additions	29,012	3,191,218	2,375,443
Disposals	(52,780)	(2,503,581)	(40,800)
Depreciation relating to disposals	38,888	2,350,958	9,415
Depreciation charge	(1,049,029)	(5,564,517)	(1,346,607)
Transfer to asset held for sale - cost	-	(27,336,090)	-
Impairment charges	-	(3,302,000)	-
Transfer to held for sale - accumulated depreciation	-	22,427,032	-
Foreign currency translation differences	34,960	96,639	24,305
	25,163,362	26,162,311	37,824,408

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and its subsidiaries
State of Kuwait**

Notes to the condensed consolidated interim financial information (Unaudited)

For the three month period ended 31 March 2026

(All amounts are in Kuwaiti Dinar unless otherwise stated)

5. PROPERTY, PLANT AND EQUIPMENT (Continued)

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

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
Operating costs	882,398	4,716,430	1,119,641
Marketing expenses	68,068	266,878	59,767
General and administrative expenses (Note 13)	98,563	581,209	167,199
	<u>1,049,029</u>	<u>5,564,517</u>	<u>1,346,607</u>

Machinery and equipment included in property, plant and equipment with a carrying value of KD 3,013 as at 31 March 2026 (31 December 2025: KD 3,937; 31 March 2025: KD 7,424) are mortgaged as a security against long term borrowing (Note 11).

Vessel included in property, plant and equipment with a carrying value of KD 10,339,927 as at 31 March 2025 (31 December 2025: KD 10,587,972; 31 March 2025: KD 11,355,095) is mortgaged as a security against long term borrowing (Note 11).

6. INVENTORIES

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
Livestock and meat	4,458,342	3,377,875	3,451,681
Fodder	151,512	179,850	124,237
Medicines, fertilisers and others	493,736	696,169	787,491
Goods in transit	-	-	715,353
Production materials and spare parts	541,630	621,237	814,357
	<u>5,645,220</u>	<u>4,875,131</u>	<u>5,893,119</u>
Less: Provision for obsolete, slow-moving inventory and count differences *	<u>(1,238,578)</u>	<u>(1,232,659)</u>	<u>(729,378)</u>
	<u>4,406,642</u>	<u>3,642,472</u>	<u>5,163,741</u>

* During year ended 31 December 2025 and 31 December 2024, the Group identified variances during the physical inventory count at one of its subsidiaries. A provision has been recorded for the identified variances based on the information available up to the reporting date. The Group is continuing its investigation into these discrepancies and will make any necessary adjustments to the financial statements once the investigation is completed and further information becomes available.

**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 three month period ended 31 March 2026

(All amounts are in Kuwaiti Dinar unless otherwise stated)

7. TRADE AND OTHER RECEIVABLES

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
Trade receivables	7,997,223	7,553,427	9,928,638
Accrued Government subsidy*	13,225,205	16,330,630	16,330,630
	21,222,428	23,884,057	26,259,268
Loss allowance	(16,431,603)	(16,416,757)	(16,379,767)
	4,790,825	7,467,300	9,879,501
Advances to suppliers	631,312	635,574	749,186
Prepaid expenses	115,522	288,093	392,890
Refundable deposits	120,447	126,557	126,056
Staff receivables	16,376	127,104	21,968
Others	1,471,929	1,372,033	1,201,044
	7,146,411	10,016,661	12,370,645

* 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 13,225,205 (31 December 2025: KD 16,330,630, 31 March 2025: 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.

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.

As at 31 March 2026, the loss allowance maintained against the total accrued government subsidy balance amounted to KD 13,225,205 (31 December 2025: KD 13,258,704, 31 March 2025: KD 13,258,704).

On 15 March 2026, the Parent Company received the not provided accrued government subsidy of an amount of KD 3,105,425 from the Ministry. Management in process to get the required approvals to write-off the provided for amount of KD 13,225,205.

**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 three month period ended 31 March 2026

(All amounts are in Kuwaiti Dinar unless otherwise stated)

8. CASH AND CASH EQUIVALENTS

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
Cash on hand and at banks	1,022,193	1,195,163	2,841,651
Cash at investment portfolios	39,923	40,068	28,469
Bank balances and cash	1,062,116	1,235,231	2,870,120
Less: bank overdraft	(1,593,321)	(9,930,840)	(10,770,147)
Cash and cash equivalents	(531,205)	(8,695,609)	(7,900,027)

9. TREASURY SHARES

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (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	708,229	789,380	774,625

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.

10. OTHER RESERVES

	Change in fair value reserve	Foreign currency translation reserve	Total
At 1 January 2026	(37,265)	(121,439)	(158,704)
Change in fair value of financial assets at fair value through other comprehensive income	93	-	93
Foreign currency translation differences	-	114,688	114,688
31 March 2026 (Unaudited)	(37,172)	(6,751)	(43,923)
At 1 January 2025	(59,854)	167,688	107,834
Change in fair value of financial assets at fair value through other comprehensive income	3	-	3
Foreign currency translation differences	-	(59,003)	(59,003)
31 March 2025 (Unaudited)	(59,851)	108,685	48,834

**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 three month period ended 31 March 2026

(All amounts are in Kuwaiti Dinar unless otherwise stated)

11. BANK BORROWING

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
Current portion	1,931,331	1,820,865	1,949,799
Non-current portion	10,000,000	10,000,000	11,800,000

Current portion includes accrued interest amounting to KD 131,331 (31 December 2025: KD 20,865 and, 31 March 2025: KD 149,799).

Bank borrowings represent loans denominated in Kuwaiti Dinars ("KD") obtained from a local bank ("the lender") with a maximum limit amounting to KD 14,500,000 and carry an effective interest rate of 3.5% (31 December 2025: 3.5%, 31 March 2025: 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 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%).

Bank borrowings are secured by machinery and equipment and vessels included in property, plant and equipment amounting to KD 3,013 and KD 10,339,927 respectively (31 December 2025: KD 3,937 and KD 10,587,972, 31 March 2025: KD 7,424 and KD 11,355,095) (Note 5).

12. TRADE AND OTHER PAYABLES

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
Trade payables	3,813,292	1,766,655	4,318,258
Advances from customers	225,055	1,322,027	521,986
Dividends payable (Note 16)	40,048	40,048	40,982
Accrued expenses	2,890,205	3,408,473	2,636,846
Refundable deposits	340,886	154,652	133,171
Other payables	326,271	147,045	153,742
	7,635,757	6,838,900	7,804,985

**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 three month period ended 31 March 2026

(All amounts are in Kuwaiti Dinar unless otherwise stated)

13. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended 31 March	
	2026 (Unaudited)	2025 (Unaudited)
Staff costs	590,909	715,195
Maintenance, repair and utilities	124,631	119,762
Depreciation - property, plant and equipment (Note 5)	98,563	167,199
Insurance	49,050	49,211
Depreciation - right-of-use asset	20,230	62,629
Professional fees	44,481	54,084
Subscription, registration and certification fees	15,306	31,107
Bank charges	29,261	37,548
Rent	14,250	22,862
Transportation expenses	6,753	13,355
Stationary and office supplies	1,804	3,005
Other expenses	116,474	117,302
	<u>1,111,712</u>	<u>1,393,259</u>

14. BASIC AND DILUTED LOSSES PER SHARE

Basic and diluted losses 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 31 March	
	2026 (Unaudited)	2025 (Unaudited)
Loss for the period	(913,285)	(452,715)
Weighted average number of outstanding shares (less treasury shares)	<u>209,213,192</u>	<u>209,213,192</u>
Losses per share (fils)	<u>(4.37)</u>	<u>(2.16)</u>

The Parent Company had no outstanding dilutive shares.

15. CONTINGENT LIABILITIES

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
Letters of guarantee	<u>1,623,941</u>	<u>1,623,816</u>	<u>1,685,416</u>

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.

**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 three month period ended 31 March 2026

(All amounts are in Kuwaiti Dinar unless otherwise stated)

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	
	Three months ended		Three months ended		Three months ended		Three months ended	
	31 March		31 March		31 March		31 March	
	2026	2025	2026	2025	2026	2025	2026	2025
	KD 000's							
Kuwait	3,843	3,604	2,723	2,536	-	2	6,566	6,142
UAE	1,836	4,599	-	-	-	-	1,836	4,599
Australia	455	541	-	-	14	39	469	580
South Africa	36	380	-	-	-	-	36	380
Total	6,170	9,124	2,723	2,536	14	41	8,907	11,701

* 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

Notes to the condensed consolidated interim financial information (Unaudited)
For the three month period ended 31 March 2026
(All amounts are in Kuwaiti Dinar unless otherwise stated)

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		
	Three months ended		Three months ended		Three months ended		Three months ended		
	31 March	2025	31 March	2025	31 March	2025	31 March	2025	
	2026	2025	2026	2025	2026	2025	2026	2025	
	KD 000's								
Kuwait	(547)	(40)	129	92	-	-	2	(418)	54
UAE	(293)	(493)	-	-	-	-	-	(293)	(493)
Australia	(161)	(6)	-	-	14	14	32	(147)	26
South Africa	(55)	(40)	-	-	-	-	-	(55)	(40)
Total	(1,056)	(579)	129	92	14	-	34	(913)	(453)

17.1.3 Segmental distribution of assets and liabilities (Unaudited)

	Commercial segment		Food processing segment		Investments segment		Total					
	31		31		31		31					
	December	31 March	December	31 March	December	31 March	December	31 March				
	2025	2025	2025	2025	2025	2025	2025	2025				
	2026	2025	2026	2025	2026	2025	2026	2025				
	KD 000's											
Assets	33,169	40,671	5,431	6,738	5,392	784	310	828	39,384	47,719	60,029	
Liabilities	23,728	31,202	-	63	265	-	-	-	-	23,728	31,265	34,995

Notes to the condensed consolidated interim financial information (Unaudited)

For the three month period ended 31 March 2025

(All amounts are in Kuwaiti Dinar unless otherwise stated)

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)

	31 March 2026 (KD 000's)				Total
	Kuwait	UAE	Australia	South Africa	
Assets	32,385	3,750	1,688	1,561	39,384
Liabilities	21,205	1,638	649	236	23,728

	31 December 2025 (Audited) (KD 000's)				Total
	Kuwait	UAE	Australia	South Africa	
Assets	40,460	3,913	1,758	1,588	47,719
Liabilities	29,294	1,395	316	260	31,265

	31 March 2025 (KD 000's)				Total
	Kuwait	UAE	Australia	South Africa	
Assets	49,882	6,880	1,808	1,459	60,029
Liabilities	31,410	2,421	533	631	34,995

18. GAIN ON SALE OF ASSET CLASSIFIED AS HELD FOR SALE

	Three months ended 31 March	
	2026 (Unaudited)	2025 (Unaudited)
Gain on sale of asset classified as held for sale *	597,352	-

* In November 2025, the board of directors of the Parent Company approved a plan to dispose one of its vessels "MV Al Messilah". The vessel met the classification criteria as held for sale in accordance with IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations, as management was committed to the plan, the assets was available for immediate sale in its present condition, and the sale was considered highly probable. Accordingly, the vessel was reclassified as an asset held for sale.

Notes to the condensed consolidated interim financial information (Unaudited)

For the three month period ended 31 March 2025

(All amounts are in Kuwaiti Dinar unless otherwise stated)

18. GAIN ON SALE OF ASSET CLASSIFIED AS HELD FOR SALE (Continued)

On 24 December 2025, the Parent Company entered into a binding sale and purchase agreement with the buyer. The legal transfer of ownership and delivery of the vessel occurred on 8 January 2026.

19. OTHER OPERATING EXPENSES

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

20. ANNUAL GENERAL ASSEMBLY MEETING

The Parent Company's Ordinary Annual General Assembly meeting ("AGM"), held on 30 April 2026, approved the annual consolidated financial statements for the financial year ended 31 December 2025.

In addition, the Parent Company's Ordinary Annual General Assembly meeting ("AGM"), held on 5 March 2026, approved the utilisation of an amount of KD 7,000,000 from the Group's reserves to offset the accumulated losses of the Group. Accordingly, accumulated losses have been partially offset through transfers from the following reserves:

- KD 489,130 from the voluntary reserve
- KD 1,543,065 from the statutory reserve
- KD 4,967,805 from the share premium