



**Livestock Transport & Trading Company (K.P.S.C.)  
and its Subsidiaries  
State of Kuwait**

**Interim Condensed Consolidated Financial Information  
For the six months ended 30 June 2014  
and Review Report  
(Unaudited)**



**Livestock Transport & Trading Company (K.P.S.C.)  
And its Subsidiaries  
State of Kuwait**

**Interim Condensed Consolidated Financial Information  
For the six months ended 30 June 2014  
and Review Report  
(Unaudited)**

<b>Contents</b>	<b>Page</b>
Independent Auditors' Review Report	1 - 2
Interim Condensed Consolidated Statement of Financial Position (Unaudited)	3
Interim Condensed Consolidated Statement of Income (Unaudited)	4
Interim Condensed Consolidated Statement of Comprehensive Income (Unaudited)	5
Interim Condensed Consolidated Statement of Changes in Equity (Unaudited)	6
Interim Condensed Consolidated Statement of Cash Flows (Unaudited)	7
Notes to the Interim Condensed Consolidated Financial Information (Unaudited)	8 - 17



**Deloitte & Touche  
Al-Wazzan & Co.**

Ahmed Al-Jaber Street, Sharq  
Dar Al-Awadi Complex, Floors 7 & 9  
P.O. Box 20174 Safat 13062 or  
P.O. Box 23049 Safat 13091  
Kuwait

Tel : + 965 22408844, 22438060  
Fax: + 965 22408855, 22452080  
[www.deloitte.com](http://www.deloitte.com)



Al Johara Tower, 6<sup>th</sup> Floor  
Khaled Ben Al Waleed Street, Sharq  
P.O. Box 25578, Safat 13116  
Kuwait  
Tel: +965 2242 6999  
Fax: +965 2240 1666  
[www.bdo.com.kw](http://www.bdo.com.kw)

**Livestock Transport & Trading Company  
Kuwaiti Public Shareholding Company  
State of Kuwait**

**Independent Auditors' Report on Review of Interim Condensed Consolidated Financial Information to the Board of Directors**

*Introduction*

We have reviewed the accompanying interim condensed consolidated statement of financial position of Livestock Transport & Trading Company (K.P.S.C.) "the Parent Company" and its Subsidiaries (together referred to as "the Group") as at 30 June 2014 and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended. The Parent Company's management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard No. (34) "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

*Scope of Review*

Except as explained in the following Basis of Qualified Conclusion paragraph, 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 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.

*Basis for Qualified Conclusion*

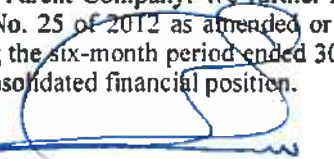
As disclosed in notes (8 & 14) to this interim condensed consolidated financial information, the government subsidy balance due from Ministry of Commerce and Industry amounted KD 16,330,630 as at 30 June 2014 (KD 16,330,630 as at 31 December 2013, KD 16,330,630 as at 30 June 2013). The Ministry did not approve the amount of subsidy. The provision made for this balance based on the management's estimates of the amounts that can be collected is KD 12,064,919 as at 30 June 2014 (KD 12,064,919 as at 31 December 2013, KD 7,799,919 as at 30 June 2013). We were unable to review the underlying assumptions and estimates of this provision. Had we been able to complete our review of the provision of subsidy due from Government, matters might have come to our attention indicating that adjustments might be necessary to the interim condensed consolidated financial information.


*Qualified Conclusion*

Except for the adjustments to the interim condensed consolidated financial information that we might have become aware of had it not been for the situation described above in Basis for Qualified Conclusion paragraph and 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 International Accounting Standard 34 - Interim Financial Reporting.

**Report on Other Legal and Regulatory Requirements**

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of 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 or of the Parent Company's Memorandum and Articles of Association 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 consolidated financial position.

  
**Bader A. Al-Wazzaq**  
Licence No. 62A  
Deloitte & Touche  
Al Wazzan & Co.

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



Interim Condensed Consolidated Statement of Financial Position as at 30 June 2014  
(Unaudited)  
(All amounts are in Kuwaiti Dinars)

	Note	30 June 2014	31 December 2013 (Audited)	30 June 2013
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	4	4,730,222	5,110,437	5,438,207
Investment properties		-	-	68,706
Investments in associates	5	541,157	435,899	515,897
Available for sale investments	6	1,425,201	1,612,682	1,519,881
		<u>6,696,580</u>	<u>7,159,018</u>	<u>7,542,691</u>
<b>Current assets</b>				
Inventories	7	3,710,288	6,579,280	6,769,131
Trade and other receivables	8	14,415,875	8,728,195	19,191,601
Investments at fair value through profit or loss	9	8,179,337	8,619,143	9,113,496
Cash and cash equivalents	10	9,064,297	13,707,089	4,445,449
		<u>35,369,797</u>	<u>37,633,707</u>	<u>39,519,677</u>
<b>Total assets</b>		<u>42,066,377</u>	<u>44,792,725</u>	<u>47,062,368</u>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital		21,659,057	21,659,057	21,659,057
Treasury shares	11	(1,647,126)	(1,647,126)	(1,647,126)
Share premium		4,967,805	4,967,805	4,967,805
Statutory reserve		11,825,560	11,825,560	11,825,560
Voluntary reserve		10,758,595	10,758,595	10,758,595
Other reserves	12	467,215	377,202	358,828
Accumulated losses		(11,988,697)	(10,494,588)	(8,010,562)
		<u>36,042,409</u>	<u>37,446,505</u>	<u>39,912,157</u>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Post-employment benefits		1,841,122	1,759,662	1,877,306
<b>Current liabilities</b>				
Trade and other payables	13	4,182,846	5,586,558	5,272,905
<b>Total liabilities</b>		<u>6,023,968</u>	<u>7,346,220</u>	<u>7,150,211</u>
<b>Total equity and liabilities</b>		<u>42,066,377</u>	<u>44,792,725</u>	<u>47,062,368</u>

The accompanying notes form an integral part of this interim condensed consolidated financial information.

  
Bader N. AlSubaiee  
Chairman

  
Mohammed Hamad Hassan Al Ibrahim  
Vice Chairman



**Interim Condensed Consolidated Statement of Income for the six months ended 30 June 2014  
(Unaudited)  
(All amounts are in Kuwaiti Dinars)**

	Note	Three months ended 30 June		Six months ended 30 June	
		2014	2013	2014	2013
Operating revenues		16,850,152	16,755,414	25,737,653	29,208,410
Operating costs		(17,931,586)	(14,181,751)	(25,356,600)	(24,388,530)
<b>Gross (loss)/ profit</b>		(1,081,434)	2,573,663	381,053	4,819,880
Other operating income		69,038	194,826	149,280	266,609
Marketing expenses		(346,654)	(374,491)	(691,199)	(707,927)
General and administrative expenses		(616,247)	(465,900)	(1,247,814)	(934,017)
Other operating expenses		-	-	(200,000)	-
<b>Operating (loss)/ Profit</b>		(1,975,297)	1,928,098	(1,608,680)	3,444,545
(Loss)/gain from investments	15	(447,750)	487,320	(226,925)	1,332,006
Group's share in associates' results		75,833	36,735	116,137	94,716
Foreign currency exchange differences		50,139	(96,889)	297,739	(70,816)
<b>Net (loss)/ profit before subsidiaries tax and deductions</b>		(2,297,075)	2,355,264	(1,421,729)	4,800,451
Income tax on subsidiaries		(33,843)	(31,288)	(44,380)	(49,001)
<b>Net (loss)/ profit after subsidiaries tax and before deductions</b>		(2,330,918)	2,323,976	(1,466,109)	4,751,450
National Labor Support Tax		27,990	(54,837)	-	(116,530)
Zakat		11,196	(21,934)	-	(46,611)
Board of Directors' remuneration		(14,000)	(7,000)	(28,000)	(14,000)
<b>Net (loss)/ profit for the period</b>		(2,305,732)	2,240,205	(1,494,109)	4,574,309
<b>(Loss)/ Earnings per share (fls)</b>	16	(11.02)	10.71	(7.14)	21.86

The accompanying notes form an integral part of this interim condensed consolidated financial information.



**Interim Condensed Consolidated Statement of Comprehensive Income for the six months ended 30 June 2014**  
**(Unaudited)**  
*(All amounts are in Kuwaiti Dinars)*

	<u>Three months ended 30 June</u>		<u>Six months ended 30 June</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Net (loss) / profit for the period	<u>(2,305,732)</u>	<u>2,240,205</u>	<u>(1,494,109)</u>	<u>4,574,309</u>
<b>Other comprehensive income items:</b>				
<i>Items that may be reclassified subsequently to statement of income:</i>				
Changes in fair value of available for sale investments	(53,488)	255	(187,481)	(18,400)
Impairment of available for sale investments	76,139	-	235,086	-
Foreign currency translation reserve	<u>(14,796)</u>	<u>(336,843)</u>	<u>42,408</u>	<u>(284,426)</u>
Total other comprehensive income items	<u>7,855</u>	<u>(336,588)</u>	<u>90,013</u>	<u>(302,826)</u>
<b>Total comprehensive (loss)/ income for the period</b>	<b><u>(2,297,877)</u></b>	<b><u>1,903,617</u></b>	<b><u>(1,404,096)</u></b>	<b><u>4,271,483</u></b>

The accompanying notes form an integral part of this interim condensed consolidated financial information.

**Livestock Transport & Trading Company (K.P.S.C.)  
and its Subsidiaries  
State of Kuwait**



**Interim Condensed Consolidated Statement of Changes in Equity for the six months ended 30 June 2014  
(Unaudited)**

*(All amounts are in Kuwaiti Dinars)*

	Share capital	Treasury shares	Share premium	Statutory reserve	Voluntary reserve	Other reserves (Note 12)	Accumulated losses	Total
Balance as at 1 January 2013	21,659,057	(1,647,126)	4,967,805	11,825,560	10,758,595	661,654	(12,584,871)	35,640,674
Net Profit for the period	-	-	-	-	-	-	4,574,309	4,574,309
Total other comprehensive income items	-	-	-	-	-	(302,826)	-	(302,826)
Balance as at 30 June 2013	21,659,057	(1,647,126)	4,967,805	11,825,560	10,758,595	358,828	(8,010,562)	39,912,157
Balance as at 1 January 2014	21,659,057	(1,647,126)	4,967,805	11,825,560	10,758,595	377,202	(10,494,588)	37,446,505
Net Loss for the period	-	-	-	-	-	-	(1,494,109)	(1,494,109)
Total other comprehensive income items	-	-	-	-	-	90,013	-	90,013
Balance as at 30 June 2014	21,659,057	(1,647,126)	4,967,805	11,825,560	10,758,595	467,215	(11,988,697)	36,042,409

The accompanying notes form an integral part of this interim condensed consolidated financial information.





**Interim Condensed Consolidated Statement of Cash Flows for the six months ended 30 June 2014  
(Unaudited)  
(All amounts are in Kuwaiti Dinars)**

	<b>Six months ended 30 June</b>	
	<b>2014</b>	<b>2013</b>
<b>Cash flows from operating activities</b>		
Net (loss) / profit for the period	(1,494,109)	4,574,309
Adjustments:		
Depreciation	987,029	910,460
Interests on deposits and call accounts	(58,008)	(17,338)
Provision for doubtful debts	200,000	-
Group's share in associates' results	(116,137)	(94,716)
Loss / (gain) from investments	226,925	(1,332,006)
Post-employment benefits	106,043	112,013
Operating profit before changes in working capital	(148,257)	4,152,722
Inventories	2,868,992	(1,480,581)
Trade and other receivables	(5,978,022)	(7,860,135)
Investment at fair value through profit or loss	447,967	(88,173)
Trade and other payables	(1,403,520)	2,089,910
Cash used in operating activities	(4,212,840)	(3,186,257)
Post-employment benefits paid	(26,716)	(57,014)
Net cash used in operating activities	(4,239,556)	(3,243,271)
<b>Cash flows from investment activities</b>		
Paid for purchase of property, plant and equipment	(493,234)	(385,847)
Dividends received	32,182	32,573
Interest received on deposits and call accounts	58,008	17,338
Net cash used in investing activities	(403,044)	(335,936)
<b>Cash flows from financing activities</b>		
Dividends paid	(192)	-
Net cash used in financing activities	(192)	-
Net decrease in cash and cash equivalents	(4,642,792)	(3,579,207)
Cash and cash equivalents at the beginning of the period	13,707,089	8,024,656
Cash and cash equivalents at the end of the period (note 10)	9,064,297	4,445,449

The accompanying notes form an integral part of this interim condensed consolidated financial information.





**Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2014  
(Unaudited)**

*(All amounts are in Kuwaiti Dinars unless otherwise stated)*

**1. Group's incorporation**

Livestock Transport and Trading Co. K.P.S.C. (the Parent Company) was incorporated pursuant to a memorandum of association of a Kuwait shareholding company authenticated by the Ministry of Justice - Real Estate Authentication and Registration Department under Ref. No. 70/D volume 2 on 24 November 1973. The founder's general assembly meeting held on 20 January 1974 formally declared the formation of the Parent Company. The Parent Company's registered head office is at Al-Salhiya Complex – Al-Salhiya - Kuwait. The principal shareholder of the Parent Company is Kuwait Investment Authority in the State of Kuwait.

The main objectives of the Parent Company are as follow:

- Carrying out all operations of producing transporting and trading in all kinds of meat throughout the State of Kuwait and abroad including food industries and opening the related restaurants; the construction and purchase of farms, pastures, land and real estate necessary to achieve the Group's objectives within the State of Kuwait or abroad; the import, export and manufacture of all cattle fodders and organic fertilizers; the possession, purchase and use of all means of marine and land transport necessary to achieve the Company's objectives; the import and export of the related necessary equipment; and investment in portfolios managed by specialized entities for the Company's interest.

The Group operates in three countries; Kuwait, United Arab Emirates and Australia, and transports and sells livestock to some countries in the Middle East.

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

	Share percentage (%)	Activity	Country
Rural Export and Trading (WA) PTY Ltd.	100	Trade in livestock and meat	Australia
Emirates Livestock and Meat Products Trading Company (under management)	100	Trade in livestock and meat	UAE

- The financial information for Rural Export and Trading (WA) PTY Ltd. has been consolidated based on financial information prepared by the subsidiary's management as at 30 June 2014.
- The subsidiaries' total assets amounted to KD 3,799,401 as at 30 June 2014 (KD 2,983,160 as at 31 December 2013, KD 3,971,991 as at 30 June 2013), and their total liabilities amounted to KD 441,286 as at 30 June 2014 (KD 438,857 as at 31 December 2013, KD 569,452 as at 30 June 2013), and their total revenues amounted to KD 2,134,114 for the six-month period ended 30 June 2014 (KD 2,260,104 for the six-month period ended 30 June 2013), and their net profit or (loss) amounted to KD 16,896 for the six-month period ended 30 June 2014 (KD (149,631) for the six-month period ended 30 June 2013).

On 26 May 2014, the General Assembly of the Parent Company's shareholders approved the consolidated financial statements for the year ended 31 December 2013.

The interim condensed financial information was authorized for issuance by the Board of Directors of the Parent Company on 26 August 2014.



Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2014

(Unaudited)

(All amounts are in Kuwaiti Dinars unless otherwise stated)

2. Basis of preparation

This interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard No. (34), "Interim Financial Reporting".

The interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements in accordance with International Financial Reporting Standards.

In the management's opinion, all necessary adjustments, including recurring accruals have been included in the interim condensed consolidated financial information for fair presentation. The operating results for the period ended 30 June 2014 are not necessarily indicative of results that may be expected for the year ending 31 December 2014. For further information, it is possible to refer to the consolidated financial statements and its related notes for the year ended 31 December 2013.

The accounting policies used in preparing the interim condensed consolidated financial information similar to those used in the preparation of consolidated financial statements for the year ended 31 December 2013 except for the adoption of the new and amended IFRS that have become effective from 1 January 2014 and those which are applicable to the Group:

IAS 32 Offsetting Financial Assets and Financial Liabilities

IAS 39 Novation of Derivatives and Continuation of Hedge Accounting

Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)

The adoption of these standards did not have any significant or material impact on the interim condensed consolidated financial information of the Group. Proper disclosure will be made as per such standards' requirements in the annual financial statement of the Group.

3. Fair value estimation

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

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

The table below gives information about how the fair values of the financial assets are determined:

	Fair value as at			Valuation date	Fair value hierarchy	Valuation technique(s) and Key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	30 June 2014	31 Dec 2013	30 June 2013					
		(Audited)						
<b><u>Available for sale investments</u></b>								
- Unquoted shares	1,197,793	1,385,274	1,292,473	30 June	2	Technical evaluation	N/A	N/A
<b><u>Investments at fair value through profit or loss</u></b>								
- Quoted shares	2,857,706	3,296,677	3,211,242	30 June	1	Last bid price	N/A	N/A
- Unquoted shares	105,174	105,174	105,174	30 June	3	Technical evaluation	N/A	N/A
- Funds	5,216,457	5,217,292	5,797,080	30 June	2	Net assets value	N/A	N/A

The carrying values of other financial assets and liabilities which equal approximately their fair values as at financial information date.



Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2014  
(Unaudited)

(All amounts are in Kuwaiti Dinars unless otherwise stated)

4. Property, plant and equipment

	30 June 2014	31 December 2013 (Audited)	30 June 2013
Net book value at the beginning of the period / year	5,110,437	6,175,768	6,175,768
Additions during the period / year	504,753	1,074,936	385,847
Net disposals during the period / year	(11,519)	(1,506)	-
Depreciation of the period / year	(987,029)	(1,871,925)	(910,460)
Financial information translation differences	113,580	(266,836)	(212,948)
Net book value at the end of the period / year	<u>4,730,222</u>	<u>5,110,437</u>	<u>5,438,207</u>

5. Investments in associates

	Country of Incorporation	Activity	Share percentage %	30 June 2014	31 December 2013 (Audited)	30 June 2013
Portland Pellet Suppliers (Partnership)	Australia	Livestock trading	50	491,204	375,419	465,310
Emirates Livestock and Meat Products Trading Company L.L.C	UAE	Livestock trading	49	49,952	60,479	50,586
National Tannery Co. (K.P.S.C.C.)	Kuwait	Tannery and leather trading	40	1	1	1
				<u>541,157</u>	<u>435,899</u>	<u>515,897</u>

- The Group's share in the result of the operation of Emirates Livestock and Meat Products Trading Company's (LLC) and Portland Pellet Suppliers – Partnership (Associate of Rural Export and Trading – WA PTY Ltd), for the six months ended 30 June 2014 and the six months ended 30 June 2013 have been recorded based on the financial information prepared by the management of these associates.

6. Available for sale investments

	30 June 2014	31 December 2013 (Audited)	30 June 2013
Investment in local securities (unquoted)	658,053	645,783	620,825
Investment in foreign securities (unquoted)	767,148	966,899	899,056
	<u>1,425,201</u>	<u>1,612,682</u>	<u>1,519,881</u>

- Available for sale investments include unquoted investments of KD 227,408 as at 30 June 2014 (KD 227,408 as at 31 December 2013, KD 227,403 as at 30 June 2013) carried at cost less impairment as its fair value cannot be reliably measured.
- Available for sale investments have been evaluated as per evaluation techniques disclosed in note 3.



Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2014

(Unaudited)

(All amounts are in Kuwaiti Dinars unless otherwise stated)

7. Inventories

	30 June 2014	31 December 2013	30 June 2013
		(Audited)	
Livestock and meat (net)	1,852,035	1,544,421	2,946,674
Fodder	552,736	275,358	791,709
Intestine	37,755	45,326	64,469
Medicines, fertilizers and others	15,930	17,567	29,608
	2,458,456	1,882,672	3,832,460
Goods in transit	57,109	3,620,764	1,681,144
Production materials and spare parts	1,194,723	1,075,844	1,255,527
	3,710,288	6,579,280	6,769,131

8. Trade and other receivables

	30 June 2014	31 December 2013	30 June 2013
		(Audited)	
Trade receivables	9,263,831	3,728,924	9,978,058
Governmental subsidy – due*	16,330,630	16,330,630	16,330,630
	25,594,461	20,059,554	26,308,688
Allowance for doubtful debts	(12,741,209)	(12,541,457)	(8,279,714)
	12,853,252	7,518,097	18,028,974
Advances to suppliers	1,201,759	616,653	527,123
Prepaid expenses	183,844	233,290	324,890
Accrued revenues	-	12,425	-
Refundable deposits	59,757	59,765	59,627
Deferred tax - asset	39,240	37,348	45,213
Staff receivables	4,067	4,805	3,171
Others	73,956	245,812	202,603
	14,415,875	8,728,195	19,191,601

- \* Governmental subsidy - represents a balance due from the Ministry of Commerce & Industry as subsidy to support the Company to meet the increasing prices of some foodstuffs and consumer goods, in accordance to the Council of Ministers Resolution 1308 dated 11 September 2011 (note 14). To the date, the Group's calculation of the subsidy has not been approved by the Ministry. The provision provided for this balance amounted to KD 12,064,919 as at 30 June 2014 (KD 12,064,919 as at 31 December 2013, KD 7,799,919 as at 30 June 2013).

9. Investments at fair value through profit or loss

	30 June 2014	31 December 2013	30 June 2013
		(Audited)	
Investment in quoted securities	2,857,706	3,296,677	3,211,242
Investment in unquoted securities	105,174	105,174	105,174
Investment funds	5,216,457	5,217,292	5,797,080
	8,179,337	8,619,143	9,113,496

- Investments at fair value through profit or loss have been evaluated as per evaluation techniques disclosed in note 3.



Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2014

(Unaudited)

(All amounts are in Kuwaiti Dinars unless otherwise stated)

10. Cash and cash equivalents

	30 June 2014	31 December 2013	30 June 2013
	(Audited)		
Cash on hand and at banks	3,174,119	1,814,142	4,236,045
Time deposits	5,221,300	11,670,317	-
Cash at investment portfolios	668,878	222,630	209,404
	<u>9,064,297</u>	<u>13,707,089</u>	<u>4,445,449</u>

The actual average interest rate on deposits was 0.78% as at 30 June 2014 (1.35% as at 31 December 2013; NIL as at 30 June 2013).

11. Treasury shares

	30 June 2014	31 December 2013	30 June 2013
	(Audited)		
Number of shares – share	7,377,383	7,377,383	7,377,383
Percentage to issued shares (%)	%3.41	%3.41	%3.41
Market value	1,741,062	1,829,591	1,386,948

The Parent Company is committed to keep reserves, share premium and retained earnings equivalent to cost of treasury shares throughout the period, in which they are held by the Parent Company, pursuant to instructions of the relevant regulatory authorities.

12. Other reserves

	Changes in fair value of investments available for sale reserve	Foreign currency translation reserve	Total
<b>Balance as at 1 January 2013</b>	(83,054)	744,708	661,654
Changes in fair value of available for sale investments	(18,400)	-	(18,400)
Foreign currency translation differences	-	(284,426)	(284,426)
<b>Balance as at 30 June 2013</b>	<u>(101,454)</u>	<u>460,282</u>	<u>358,828</u>
<b>Balance as at 1 January 2014</b>			
Changes in fair value of available for sale investments	9,350	367,852	377,202
Impairment in value	(187,481)	-	(187,481)
Foreign currency translation differences	235,086	-	235,086
<b>Balance as at 30 June 2014</b>	<u>-</u>	<u>42,408</u>	<u>42,408</u>
	<u>56,955</u>	<u>410,260</u>	<u>467,215</u>





Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2014  
(Unaudited)  
(All amounts are in Kuwaiti Dinars unless otherwise stated)

13. Trade and other payables

	30 June 2014	31 December 2013 (Audited)	30 June 2013
Trade payables	715,241	1,968,811	2,086,605
Advances from customers	127,219	234,741	190,001
Dividends accrued to shareholders	150,091	150,283	160,876
Accrued expenses	2,800,575	2,578,323	2,298,508
Accrued leave	208,097	198,801	218,309
Refundable deposits	17,000	110,000	-
Due to related parties	33,045	-	38,310
Board of Directors' remuneration	28,000	56,000	14,000
National Labor Support Tax	-	163,702	116,530
Zakat	-	65,481	46,612
Other payables	103,578	60,416	103,154
	<u>4,182,846</u>	<u>5,586,558</u>	<u>5,272,905</u>

14. Governmental subsidy

In accordance with the Council of Ministers Resolution No. 1308 dated 11 September 2011, regarding the Company purchasing and transporting of livestock to the Kuwait port (CIF) and selling the same to the state at cost plus a 15% profit margin. And in accordance with the Ministerial Decree No. 409 dated 8 July 2012, on the submission of the Ministry of Commerce and Industry financial support of KD 16.835 per head of sheep live or chilled or frozen complete freeze is entered to Kuwait from whatever source or means, and in effect until the date of 1 November 2012. The total revenues recognized as a governmental subsidy due to these decisions in the statement of income for the years ended 31 December 2011 and 2012 amounted to KD 10,727,466 and 9,888,513 respectively.

The revenues of governmental subsidy includes an amount of KD 1,665,502 for the year ended 31 December 2012, represents the amount recorded by the management which exceeds that stated in the Council of Ministerial Resolution No.1308, dated 11 September 2011. As per the Management's opinion, this increase is to cover all costs incurred for clearance, transportation, medical care, nutrition, dead livestock, and transportation to slaughterhouse, selling & marketing expenses and other expenses of livestock.

15. (Loss) / gain from investments

	Three months ended 30 June		Six months ended 30 June	
	2014	2013	2014	2013
<u>Investments at fair value through profit or loss</u>				
Profit from changes in fair value	(381,270)	469,632	(8,219)	1,251,067
Net gains on trading	9,659	17,688	16,380	80,939
	<u>(371,611)</u>	<u>487,320</u>	<u>8,161</u>	<u>1,332,006</u>
<u>Available for sale investments</u>				
Impairment loss	(76,139)	-	(235,086)	-
	<u>(447,750)</u>	<u>487,320</u>	<u>(226,925)</u>	<u>1,332,006</u>



Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2014  
(Unaudited)

(All amounts are in Kuwaiti Dinars unless otherwise stated)

16. (Loss) / earnings per share

Basic (loss) / earnings per share are calculated based on dividing the net (loss) / profit of the period by the weighted average number of common shares outstanding during the period as follows:

	Three months ended 30 June		Six months ended 30 June	
	2014	2013	2014	2013
Net (loss) / profit for the period	(2,305,732)	2,240,205	(1,494,109)	4,574,309
Weighted average number of outstanding shares (share)	209,213,192	209,213,192	209,213,192	209,213,192
(Loss) / earnings per share (fils)	(11.02)	10.71	(7.14)	21.86

17. Contingent liabilities

	30 June 2014	31 December 2013	30 June 2013
		(Audited)	
Letters of guarantee	1,309,229	1,309,229	1,341,154

18. Related parties transactions

The Related Parties are represented in main shareholders, member of Board of Directors, senior management and associate companies.

In the ordinary course of business, the Group entered into transactions with related parties during the period. These transactions are detailed below as follows:

	Six months ended 30 June		
	2014	2013	
<i>Transactions with Related parties transactions</i>			
Management fees paid to associate companies	45,155	45,402	
Key management benefits	43,235	66,573	
Board of Directors' remuneration	28,000	14,000	
	30 June 2014	31 December 2013	30 June 2013
<i>Balances resulted after the transactions</i>			
Key management long term benefits	307,329	300,325	470,159
Key management short term benefits	16,782	20,683	36,754
Due to related parties	33,045	-	38,310
Receivable Board of Directors' remuneration	28,000	56,000	14,000

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





Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2014  
(Unaudited)

(All amounts are in Kuwaiti Dinars unless otherwise stated)

19. Segmental financial information

19.1. Geographical segments for the revenues, results, assets and liabilities

The Group conducts its activities through three main geographical segments:

- Commercial segment includes purchasing, transporting, caring 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 specialized 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. The revenues, profits, assets and liabilities are measured as per the same accounting basis followed in preparing the consolidated financial statements. The following is the segment analysis which is consistent with the internal reports submitted to the management:

19.1.1 Revenues of segments

	Commercial segment		Food processing segment		Investments segment		Total		
	2014	2013	2014	2013	2014	2013	2014	2013	
In Thousands Kuwaiti Dinars									
Kuwait	20,468	23,877	3,316	3,230	(147)	1,370	23,637	28,477	
UAE	1,813	1,103	-	-	-	-	1,813	1,103	
Australia	141	998	-	-	94	74	235	1,072	
<b>Total</b>	<b>22,422</b>	<b>25,978</b>	<b>3,316</b>	<b>3,230</b>	<b>(53)</b>	<b>1,444</b>	<b>25,685</b>	<b>30,652</b>	
<b>Unallocated items:</b>									
Miscellaneous revenues							388	179	
<b>Total revenue</b>							<b>26,073</b>	<b>30,831</b>	

19.1.2 Results of segments

	Commercial segment		Food processing segment		Investments segment		Total		
	2014	2013	2014	2013	2014	2013	2014	2013	
In Thousands Kuwaiti Dinars									
Kuwait	170	4,870	91	(40)	(147)	1,370	114	6,200	
UAE	(5)	(191)	-	-	-	-	(5)	(191)	
Australia	126	181	-	-	94	74	220	255	
<b>Total</b>	<b>291</b>	<b>4,860</b>	<b>91</b>	<b>(40)</b>	<b>(53)</b>	<b>1,444</b>	<b>329</b>	<b>6,264</b>	
<b>Unallocated items:</b>									
Unallocated other income							388	178	
Unallocated other Cost							(2,211)	(1,868)	
<b>Net (loss)/ profit for the period</b>							<b>(1,494)</b>	<b>4,574</b>	





Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2014  
(Unaudited)  
(All amounts are in Kuwaiti Dinars unless otherwise stated)

19.2 Geographical distribution for the assets and liabilities

		30 June 2014			
		Kuwait	UAE	Australia	Total
		In Thousands Kuwaiti Dinars			
<b>Assets</b>		38,267	734	3,065	42,066
<b>Liabilities</b>		5,583	161	280	6,024

		31 December 2013 (Audited)			
		Kuwait	UAE	Australia	Total
		In Thousands Kuwaiti Dinars			
<b>Assets</b>		41,810	401	2,582	44,793
<b>Liabilities</b>		6,907	218	221	7,346

		30 June 2013			
		Kuwait	UAE	Australia	Total
		In Thousands Kuwaiti Dinars			
<b>Assets</b>		43,090	1,053	2,919	47,062
<b>Liabilities</b>		6,581	225	344	7,150