Palms Agro Production Company K.S.C.P. and its subsidiary
State of Kuwait

Interim condensed consolidated financial information (Unaudited) and the review report
For the three month period ended 31 March 2024

Palms Agro Production Company K.S.C.P. and its Subsidiary
State of Kuwait

Interim condensed consolidated financial information (Unaudited) and review report
For the three month period ended 31 March 2024

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

TO THE SHAREHOLDERS
PALMS AGRO PRODUCTION COMPANY K.S.C.P.
STATE OF KUWAIT

Introduction
We have reviewed the accompanying interim condensed consolidated financial information of Palms Agro Production Company K.S.C.P. (the "Parent Company") and its subsidiary (together referred to as the "Group"), which comprise the interim condensed consolidated statement of financial position as at 31 March 2024, and the interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the three month period then ended. The Group's management is responsible for the 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 initially consists of making inquiries of personnel 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 International Accounting Standard 34: (Interim Financial Reporting).

Other Matter
The interim condensed consolidated financial information for the three month period ended 31 March 2023 was reviewed by another auditor, who expressed an unqualified conclusion on that information on 15 May 2023.

Report on Other Legal and Regulatory Requirements
Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Group. We further report that nothing has come to our attention indicating any violations of the Companies Law No. 1 of 2016 and its Executive Regulations, as amended, Law No. 7 of 2010 concerning the establishment of Capital Markets Authority and Organization of Securities Activity and its Executive Regulations, as amended, nor of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, have occurred during the three months period ended 31 March 2024, that might have had a material effect on business of the Group or its consolidated financial position.

Other Matter
The Parent Company's Annual General Assembly Meeting for the financial year ended 31 December 2023 (the "Annual General Meeting") has not been held until the date of approval of this interim condensed consolidated financial information. Therefore, the consolidated financial statements for the financial year ended 31 December 2023 have not been approved yet. We have been appointed as the auditor by the Parent Company's Board of Directors to review the interim condensed consolidated financial information for the three month period ended 31 March 2024. This appointment is subject to the approval of the Annual General Assembly Meeting of the Parent Company.

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

Kuwait: 14 May 2024

Palms Agro Production Company K.S.C.P. and its subsidiary
State of Kuwait

Interim condensed consolidated statement of financial position (Unaudited)
As at 31 March 2024

	Notes	31 March 2024 KD	(Audited) 31 December 2023 KD	31 March 2023 KD
ASSETS				
Non-current assets				
Property, plant and equipment		1,712,403	1,699,375	1,428,926
Right of use assets		173,133	74,933	103,593
Investment in an associate	3	504,558	469,447	245,617
		2,390,094	2,243,755	1,778,136
Current assets				
Inventories		1,065,567	1,081,150	1,118,587
Biological assets		244,683	241,416	285,209
Contract assets	10	77,608	94,176	542,517
Trade and other receivables	4	1,321,843	1,532,643	1,074,373
Due from a related party	5	6,464	6,464	6,464
Financial assets at fair value through profit or loss ("FVTPL")		13,349	19,024	28,482
Term deposit	6	1,050,000	1,050,000	-
Cash and cash equivalents	7	710,198	590,411	1,944,021
		4,489,712	4,615,284	4,999,653
Total assets		6,879,806	6,859,039	6,777,789
EQUITY AND LIABILITIES				
EQUITY				
Share capital		5,239,900	5,239,900	5,239,900
Share premium		225,000	225,000	225,000
Statutory reserve		1,033,497	1,033,497	1,033,497
Voluntary reserve		429,242	429,242	429,242
Treasury shares	8	(3,573)	(3,573)	(3,573)
Foreign currency translation reserve		56,959	56,874	53,892
Accumulated losses		(1,408,415)	(1,421,810)	(1,585,026)
Total equity		5,572,610	5,559,130	5,392,932
LIABILITIES				
Non-current liabilities				
Lease liabilities		147,975	47,493	74,292
Employees' end of service benefits		527,969	509,567	514,629
		675,944	557,060	588,921
Current liabilities				
Lease liabilities		34,564	32,890	46,580
Contract liabilities	10	39,473	69,207	89,845
Trade and other payables	9	557,215	640,752	659,511
		631,252	742,849	795,936
Total liabilities		1,307,196	1,299,909	1,384,857
Total equity and liabilities		6,879,806	6,859,039	6,777,789

The accompanying notes on pages 7 to 16 form an integral part of this interim condensed consolidated financial information.

Abdullah Musallam Al-Zamel
Chairman

Khaled Abdulaziz Al-Ghanim
Vice Chairman

Palms Agro Production Company K.S.C.P. and its subsidiary
State of Kuwait

Interim condensed consolidated statement of profit or loss (Unaudited)
For the three month period ended 31 March 2024

	Notes	Three months ended 31 March 2024 KD	Three months ended 31 March 2023 KD
Operating revenue	10	1,132,471	1,074,233
Operating costs		(667,838)	(565,611)
Gross profit		464,633	508,622
Finance costs		(2,286)	(1,412)
Change in fair value of biological assets		12,871	20,934
Write-back of provision for obsolete and slow-moving inventories		24,497	22,927
Provision for expected credit losses on contract assets		-	(626)
Provision for expected credit losses on trade and other receivables		(15,377)	(44,123)
General and administrative expenses		(245,661)	(226,785)
Selling and distribution expenses		(266,520)	(282,814)
Operating loss		(27,843)	(3,277)
Share of results of an associate		4,339	34,835
Reversal of impairment loss of an associate		30,687	-
Changes in fair value of financial assets at fair value through profit or loss ("FVTPL")		(5,675)	(8,620)
Interest income		12,710	17,877
Profit before National Labour Support Tax ("NLST") and Zakat		14,218	40,815
NLST		(588)	(1,988)
Zakat		(235)	(795)
Profit for the period		13,395	38,032
Basic and diluted earnings per share (fils)	11	0.26	0.73

The accompanying notes on pages 7 to 16 form an integral part of this interim condensed consolidated financial information.

Palms Agro Production Company K.S.C.P. and its subsidiary
State of Kuwait

Interim condensed consolidated statement comprehensive income (Unaudited)
For the three month period ended 31 March 2024

	Three months ended 31 March	
	2024	**2023**
	KD	KD
Profit for the period	13,395	38,032
Other comprehensive income/(loss) items:		
Items that may be reclassified subsequently to the interim condensed consolidated statement of profit or loss		
Foreign exchange differences on translation of foreign operations	85	(3,210)
Total other comprehensive income/(loss) for the period	85	(3,210)
Total comprehensive income for the period	13,480	34,822

The accompanying notes on pages 7 to 16 form an integral part of this interim condensed consolidated financial information.

Palms Agro Production Company K.S.C.P. and its subsidiary
State of Kuwait

Interim condensed consolidated statement of changes in equity (Unaudited)
For the three month period ended 31 March 2024

	Share capital KD	Share premium KD	Statutory reserve KD	Voluntary reserve KD	Treasury shares KD	Foreign currency translation reserve KD	Accumulated losses KD	Total equity KD
At 1 January 2023	5,239,900	225,000	1,033,497	429,242	(3,573)	57,102	(1,623,058)	5,358,110
Profit for the period	-	-	-	-	-	-	38,032	38,032
Other comprehensive loss for the period	-	-	-	-	-	(3,210)	-	(3,210)
Total comprehensive (loss)/income for the period	-	-	-	-	-	(3,210)	38,032	34,822
At 31 March 2023	5,239,900	225,000	1,033,497	429,242	(3,573)	53,892	(1,585,026)	5,392,932
At 1 January 2024	5,239,900	225,000	1,033,497	429,242	(3,573)	56,874	(1,421,810)	5,559,130
Profit for the period	-	-	-	-	-	-	13,395	13,395
Other comprehensive income for the period	-	-	-	-	-	85	-	85
Total comprehensive income for the period	-	-	-	-	-	85	13,395	13,480
At 31 March 2024	5,239,900	225,000	1,033,497	429,242	(3,573)	56,959	(1,408,415)	5,572,610

The accompanying notes on pages 7 to 16 form an integral part of this interim condensed consolidated financial information.

Palms Agro Production Company K.S.C.P. and its subsidiary
State of Kuwait

Interim condensed consolidated statement of cash flows (Unaudited)
For the three month period ended 31 March 2024

	Notes	Three months ended 31 March 2024 KD	Three months ended 31 March 2023 KD
OPERATING ACTIVITIES			
Profit before National Labour Support Tax ("NLST") and Zakat		14,218	40,815
Adjustments for:			
Depreciation on property, plant and equipment		80,890	57,468
Amortization on right of use assets		15,705	13,901
Finance costs		2,286	1,412
Change in fair value of biological assets		(12,871)	(20,934)
Write-off of biological assets		4,861	5,869
Write-back of provision for obsolete and slow-moving inventories		(24,497)	(22,927)
Provision for expected credit losses on contract assets		-	626
Provision for expected credit losses on trade and other receivables		15,377	44,123
Provision for employees' end of service benefits		23,007	22,673
Share of results of an associate	3	(4,339)	(34,835)
Reversal of impairment loss of an associate	3	(30,687)	-
Changes in fair value of financial assets at fair value through profit or loss ("FVTPL")		5,675	8,620
Interest income		(12,710)	(17,877)
		76,915	98,934
Changes in working capital:			
Inventories		40,080	42,582
Biological assets		4,743	(15,815)
Contract assets		16,568	(319,547)
Trade and other receivables		195,423	128,831
Contract liabilities		(29,734)	(3,453)
Trade and other payables		(84,258)	20,653
Net cash flows generated from / (used in) operations		219,737	(47,815)
Employees' end of service benefits paid		(4,605)	(5,792)
Net cash flows generated from / (used in) operating activities		215,132	(53,607)
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(93,918)	(118,447)
Interest income received		12,710	17,877
Net cash flows used in investing activities		(81,208)	(100,570)
FINANCING ACTIVITIES			
Dividends paid		(102)	(20)
Lease liabilities paid		(14,035)	(6,030)
Net cash flows used in financing activities		(14,137)	(6,050)
Net increase / (decrease) in cash and cash equivalents		119,787	(160,227)
Cash and cash equivalents at beginning of the period		590,411	2,104,248
Cash and cash equivalents at end of the period	7	710,198	1,944,021

The Group has the following non-cash transaction during the period which is not reflected in the consolidated statement of cash flows:

Non-cash transaction:		
Additions on right of use assets	113,905	-
Additions on lease liabilities	113,905	-

The accompanying notes on pages 7 to 16 form an integral part of this interim condensed consolidated financial information.

1. INCORPORATION AND ACTIVITY

Palms Agro Production Company K.S.C.P. (the "Parent Company"), is a public shareholding company incorporated as per the Memorandum of Incorporation dated 23 May 1982 under the Laws of the State of Kuwait and is listed on the Boursa Kuwait.

The Group principally operates in Kuwait and engages in import and export business of agricultural supplies, the execution of agricultural contracting work, establishment and management all types of nurseries and farms, reclamation and development of agricultural land, landscape gardening and ornamentation of public places and cities, utilising of financial surplus available to the Parent Company through investing it in portfolios managed by specialised companies and entities, import and circulation of veterinary medicines and concluding agency agreements, inaugurating and operation of veterinary clinics and centres and practicing the professional of veterinary medicine, trading in the Kuwait stock exchange, breeding and trading of chicken and eggs and execution of construction contracts work.

The Parent Company's head office is located at Al Rai, 4th ring road, plot No. 56 and its registered postal address is P.O. Box 1976, Safat 13020, State of Kuwait.

The Parent Company is a subsidiary of Bayan Holding Company K.S.C. (the "Ultimate Parent Company").

The interim condensed consolidated financial information for the three month period ended 31 March 2024 were authorised for the issue by the Parent Company's Board of Directors on 14 May 2024.

2. BASIS OF PREPARATION

This Group's interim condensed consolidated financial information has been prepared in accordance with IAS 34 Interim Financial Reporting. This interim condensed consolidated financial information does not include all the information and disclosures required for preparation of complete annual financial statements prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). In the opinion of Company's management, all adjustments (consisting of normal recurring accruals) considered necessary for fair presentation have been included.

The operating results for the three month period ended 31 March 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024. For further information, refer to the annual consolidated audited financial statements of the Group for the financial year ended 31 December 2023 ("Latest audited annual consolidated financial statements").

The interim condensed consolidated financial information has been presented in Kuwaiti Dinars ("KD") which is also the functional and presentation currency of the Group.

Certain comparative information in the interim condensed consolidated statement of financial position and the interim condensed consolidated statement of profit or loss has been reclassified to conform to the current period presentation. Such reclassification did not have any effect on the profit for the period and the interim condensed consolidated statement of equity of the Group (Note 15).

2.1 Changes in material accounting policies information

New standards, interpretations and amendments applied by the Group

The accounting policy information applied in the preparation of the interim condensed consolidated financial statements is consistent with those used in the preparation of the Group's audited annual consolidated financial statements for the financial year ended 31 December 2023, except for the application of new standards effective from 1 January 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments have been applied for the first time in 2024, but they do not have an impact on the interim condensed consolidated financial statements of the Group.

2. BASIS OF PREPARATION (CONTINUED)

2.1 Changes in material accounting policies information (Continued)

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7
In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier financing arrangements and require additional disclosure about these arrangements. The disclosure requirements in the amendments are intended to help users of financial statements understand the effects of supplier financing arrangements on the entity's liabilities, cash flows, and exposure to liquidity risk. The transition rules clarify that the entity is not required to provide disclosures at any interim periods in the year of initial application of the amendments.

The amendments had no material impact on the interim condensed consolidated financial information of the Group.

Amendments to IFRS 16: Lease liabilities in sale and leaseback
In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a lessee seller uses to measure the lease liability arising from a sale transaction and a leaseback, to ensure that the lessee seller does not recognize any amount of gain or loss that relates to a held right of use.

The amendments had no material impact on the interim condensed consolidated financial information of the Group.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current
In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify: • What is meant by a right to defer settlement;

- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right;
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, a requirement has been introduced that an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer payment is conditional on compliance with future covenants within twelve months.

The amendments had no material impact on the interim condensed consolidated financial information of the Group.

3. INVESTMENT IN AN ASSOCIATE

The details of the Group's associate is as follows:

		Voting rights and equity share %				Carrying value		
Name of associate	**Country of incorporation**	**31 March 2024**	**31 December 2023 (Audited)**	**31 March 2023**	**Activity**	**31 March 2024**	**31 December 2023 (Audited)**	**31 March 2023**
		%	%	%		KD	KD	KD
Al Dhafra Irrigation Systems L.L.C.	Emirate of Abu Dhabi, United Arab Emirates	33	33	33	Operation and maintenance for landscape, irrigation and forest	504,558	469,447	245,617

3. INVESTMENT IN AN ASSOCIATE (CONTINUED)

Summarised financial information in respect of the Group's associate is set out below:

	31 March 2024	31 December 2023 (Audited)	31 March 2023
	KD	KD	KD
Summary of the interim condensed financial position of the associate			
Current assets	2,484,031	2,006,480	187,517
Non-current assets	364,513	153,927	1,441,838
Total assets	2,848,544	2,160,407	1,629,355
Current liabilities	(975,945)	(336,190)	(316,317)
Non-current liabilities	(343,635)	(401,649)	(568,745)
Total liabilities	(1,319,580)	(737,839)	(885,062)
Net assets	1,528,964	1,422,568	744,293
Equity interest %	33%	33%	33%
Group's share of associate's net assets	504,558	469,447	245,617
Summary of the interim condensed statement of profit or loss of the associate			
Revenue	906,900	3,389,472	778,070
Expenses	(893,751)	(2,961,837)	(672,455)
Profit for the period / year / period	13,149	427,635	105,615
Group's share of results for the period / year / period	4,339	141,120	34,853
Contingent liabilities	2,049,615	1,425,192	1,232,472

Reconciliation to carrying amount:

	31 March 2024	31 December 2023 (Audited)	31 March 2023
	KD	KD	KD
At beginning of the period / year / period	469,447	213,992	213,992
Share of results	4,339	141,120	34,835
Reversal of impairment loss	30,687	114,563	-
Foreign currency translation reserve	85	(228)	(3,210)
At the end of the period / year / period	504,558	469,447	245,617

4. TRADE AND OTHER RECEIVABLES

	31 March 2024	31 December 2023 (Audited)	31 March 2023
	KD	KD	KD
Trade receivables	1,603,616	1,804,656	1,348,403
Less: provision for expected credit losses	(538,710)	(523,333)	(566,680)
	1,064,906	1,281,323	781,723
Retention	437,416	441,332	357,431
Less: provision for expected credit losses	(314,299)	(314,299)	(266,019)
	123,117	127,033	91,412
Advance payments to suppliers	79,276	27,368	100,953
Prepaid expenses	23,842	16,541	15,304
Other receivables	30,702	80,378	84,981
	1,321,843	1,532,643	1,074,373

Movement on provision for expected credit losses during the period/ year/ period is as follows:

	31 March 2024	31 December 2023 (Audited)	31 March 2023
	KD	KD	KD
At beginning of the period/ year / period	837,632	787,324	787,324
Charged during the period / year/ period	15,377	50,308	45,375
At the end of the period/ year / period	853,009	837,632	832,699

5. RELATED PARTY DISCLOSURES

The Group's related parties includes its associate, major shareholders, entities under common control, directors and executive officers of the Group, close members of their families and entities of which they are principal owners or over which they are able to exercise significant influence or joint control. Pricing policies and terms of these transactions are approved by the Group's management.

Related party balances and transactions are as follows:

	Associate	Other related parties	31 March 2024	31 December 2023 (Audited)	31 March 2023
	KD	KD	KD	KD	KD
Interim condensed consolidated statement of financial position					
Due from a related party					
Al Dhafra Irrigation Systems L.L.C.	6,464	-	6,464	6,464	6,464
Financial assets at fair value through profit or loss	-	9,565	9,565	9,565	9,565
Interim condensed consolidated statement of profit or loss					
Change in fair value of financial assets at fair value through profit or loss	-	-	-	8,620	-

5. RELATED PARTY DISCLOSURES (CONTINUED)

As at the date of the interim condensed consolidated financial information, the Group had receivables from the Ultimate Parent Company amounting to KD 8,911 (31 December 2023: KD 8,911 and 31 March 2023: KD 8,911), on which the Group has recognized a full provision.

Compensation of key management personnel

	Three months ended	
	31 March 2024	**31 March 2023**
	KD	KD
Salaries and short-term employee benefits	12,000	12,000
End of service benefits	3,462	3,420
	15,462	15,420

6. TERM DEPOSIT

As at 31 March 2024, the term deposit represent deposit denominated in Kuwaiti Dinars and placed with a local bank having an original maturity period of more than three months from the placement date and less than one year from the consolidated statement of financial position date and yield an effective interest rate of 4.375% per annum (31 December 2023: 4.375% and 31 March 2023: Nill).

7. CASH AND CASH EQUIVALENTS

For the purposes of the interim condensed consolidated statement of cash flows, cash and cash equivalents consist of the following:

	31 March 2024	**31 December 2023 (Audited)**	**31 March 2023**
	KD	KD	KD
Bank balances	562,349	443,941	420,910
Cash on hand	10,900	10,750	12,595
Short term deposits*	126,458	125,223	1,500,000
Cash held in a portfolio	10,491	10,497	10,516
	710,198	590,411	1,944,021

*The effective interest rate on the short-term deposit is 4% (31 December 2023: 4% and 31 March 2023: 4.75%) per annum and has a contractual maturity of less than three months from the deposit date.

8. TREASURY SHARES

	31 March 2024	**31 December 2023 (Audited)**	**31 March 2023**
Number of shares	83,200	83,200	83,200
Percentage to issued shares	0.16%	0.16%	0.16%
Market value (KD)	14,976	3,798	6,822
Cost (KD)	3,573	3,573	3,573

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

9. TRADE AND OTHER PAYABLES

	31 March 2024	31 December 2023 (Audited)	31 March 2023
	KD	KD	KD
Trade payables	50,596	104,244	83,889
Retention payables	2,348	2,078	463
Accrued expenses	221,836	216,016	75,808
Dividends payable	219,273	219,375	221,744
NLST	2,910	2,322	1,988
Zakat	1,164	929	795
Other payables	59,088	95,788	274,824
	557,215	640,752	659,511

10. OPERATING REVENUE

In the following table, revenue from contracts with customers is disaggregated by type of revenue, primary geographical market and timing of revenue recognition.

	Three months ended 31 March	
	2024	**2023**
	KD	KD
Type of goods or services		
Sale of goods	635,740	577,784
Rendering of services - plantation projects	496,731	496,449
Total revenues from contracts with customers	1,132,471	1,074,233
Geographical markets		
State of Kuwait	1,132,471	1,074,233
Timing of revenue recognition		
Goods and services rendered at a point in time	635,740	577,784
Goods and services provided over time	496,731	496,449
	1,132,471	1,074,233

Contract balances

	31 March 2024	31 March 2023
	KD	KD
Contract assets	77,608	542,517
*Contract liabilities	39,473	89,845

*Contract liabilities amounting to KD 39,473 (31 December 2023: KD 69,207 and 31 March 2023: KD 89,845) represent payments received to provide agricultural project services.

11. BASIC AND DILUTED EARNINGS PER SHARE (FILS)

Basic and diluted earnings per share is calculated by dividing the profit for the period by the weighted average number of shares outstanding during the period (after deducting treasury shares) as follows:

	Three months ended 31 March	
	2024	2023
	KD	KD
Profit for the period (KD)	13,395	38,032
Weighted average number of shares outstanding:		
Number of issued shares	52,399,000	52,399,000
Less: weighted average number of treasury shares	(83,200)	(83,200)
Weighted average number of outstanding shares	52,315,800	52,315,800
Basic and diluted earnings per share (fils)	0.26	0.73

12. SEGMENT REPORTING

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

The Group conducts its activities through the below main operating segments:
Commercial: Production and sale of nurseries and ornamental plans.
Projects: Gardening and maintenance services.
Investments: Investment in an associate, equity securities, term deposit and short-term deposit.

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

	31 March 2024			
	Commercial	Projects	Investments	Total
	KD	KD	KD	KD
Assets	3,496,052	1,672,433	1,711,321	6,879,806
Liabilities	838,917	468,279	-	1,307,196
Revenue	711,509	433,833	42,061	1,187,403
Expenses	(755,604)	(418,404)	-	(1,174,008)
Segment (loss)/ profit	(44,095)	15,429	42,061	13,395
Other disclosures:				
Cost of inventories recognised as an expense	(477,827)	-	-	(477,827)
Depreciation of property, plant and equipment	(57,587)	(23,303)	-	(80,890)
Amortisation of right of use assets	(14,665)	(1,040)	-	(15,705)
Capital expenditure	(90,353)	(3,566)	-	(93,919)
Share of results of an associate	-	-	4,339	4,339

12. SEGMENT REPORTING (CONTINUED)

	31 December 2023			
	Commercial	**Projects**	**Investments**	**Total**
	KD	KD	KD	KD
Assets	3,780,611	1,397,773	1,680,655	6,859,039
Liabilities	781,890	518,019	-	1,299,909
Revenue	2,921,462	1,436,710	302,815	4,660,987
Expenses	(3,063,258)	(1,396,481)	-	(4,459,739)
Segment (loss)/profit	(141,796)	40,229	302,815	201,248
Other disclosures:				
Cost of inventories recognised as an expense	(2,054,562)	-	-	(2,054,562)
Depreciation of property, plant and equipment	(224,471)	(50,405)	-	(274,876)
Amortisation of right of use assets	(56,080)	(4,206)	-	(60,286)
Capital expenditure	293,821	312,486	-	606,307
Share of results of an associate	-	-	141,120	141,120

	31 March 2023			
	Commercial	**Projects**	**Investments**	**Total**
	KD	KD	KD	KD
Assets	3,915,604	1,088,161	1,774,024	6,777,789
Liabilities	1,075,209	309,648	-	1,384,857
Revenue	688,940	406,227	44,092	1,139,259
Expenses	(748,302)	(308,176)	(44,749)	(1,101,227)
Segment (loss)/ profit	(59,362)	98,051	(657)	38,032
Other disclosures:				
Cost of inventories recognised as an expense	(436,715)	-	-	(436,715)
Depreciation of property, plant and equipment	(56,210)	(1,258)	-	(57,468)
Amortisation of right of use assets	(12,851)	(1,050)	-	(13,901)
Capital expenditure	(118,000)	(447)	-	(118,447)
Share of results of an associate	-	-	34,835	34,835

13. FAIR VALUE MEASUREMENT

The 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: Quoted (unadjusted) market prices in active markets for identical assets and liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The level within which the financial and non-financial assets are classified is determined based on the lowest level of significant input to the fair value measurement.

The financial and non-financial assets measured at fair value in the consolidated statement of financial position are grouped into the fair value hierarchy as follows:

31 March 2024	**Level 1**	**Level 2**	**Total**
	KD	KD	KD
Biological assets	-	244,683	244,683
Financial assets at fair value through profit or loss	9,565	3,784	13,349
	9,565	248,467	258,032

31 December 2023 (Audited)	**Level 1**	**Level 2**	**Total**
	KD	KD	KD
Biological assets	-	241,416	241,416
Financial assets at fair value through profit or loss	9,565	9,459	19,024
	9,565	250,875	260,440

31 March 2023	**Level 1**	**Level 2**	**Total**
	KD	KD	KD
Biological assets	-	285,209	285,209
Financial assets at fair value through profit or loss	9,565	18,917	28,482
	9,565	304,126	313,691

There were no transfers between fair value measurement levels during the period ended 31 March 2024.

14. ANNUAL GENERAL ASSEMBLY MEETING AND BOARD OF DIRECTORS' PROPOSAL

The Board of Directors in their meeting held on 28 March 2024 proposed the following:
- Extinguishment of accumulated losses utilizing the reserves by taking the necessary measures and required approvals from the regulatory authorities.
- Distribution of dividends for the financial year ended 31 December 2023 of 4 fils per share after the extinguishment of accumulated losses and taking the required approvals from the regulatory authorities.

14. ANNUAL GENERAL ASSEMBLY MEETING AND BOARD OF DIRECTORS' PROPOSAL (CONTINUED)

The Annual Ordinary General Assembly of the shareholders of the Parent Company held on 30 August 2023 approved the following:
- The consolidated financial statements of the Group for the financial year ended 31 December 2022.
- Not to distribute dividends for the year ended 31 December 2022.
- Approval of the penalties and violations report, that were imposed on the Group by the Capital Markets Authority during the financial year ended 31 December 2022.

The Parent Company's Annual General Assembly Meeting for the financial year ended 31 December 2023 (the "Annual General Meeting") has not been held until the date of approval of this interim condensed consolidated financial information. Therefore, the consolidated financial statements for the financial year ended 31 December 2023 have not been approved yet. The interim condensed consolidated financial information for the three-month period ended 31 March 2024 does not include any amendments that may be required if the Annual General Assembly does not approve the consolidated financial statements for the financial year ended 31 December 2023.

Furthermore, the auditor has been appointed by the Parent Company's Board of Directors to review the interim condensed consolidated financial information for the three month period ended 31 March 2024. This appointment is subject to the approval of the Annual General Assembly Meeting of the Parent Company.

15. RECLASSIFICATION OF COMPARATIVE FIGURES

Certain comparative information in the interim condensed consolidated statement of financial position and the interim condensed consolidated statement of profit or loss has been reclassified to conform to the current period presentation. This reclassification did not affect the previously disclosed profit for the period, the interim condensed consolidated statement of equity, or the opening balances for the previous comparison period, and therefore a third statement of the interim condensed consolidated financial position was not presented. Details of the reclassifications are shown below:

31 March 2023	As previously stated	Effect of reclassification	After reclassification
	KD	KD	KD
Interim condensed consolidated statement of financial position			
Contract assets	-	542,517	542,517
Trade and other receivables	1,324,240	(249,867)	1,074,373
Prepayments and other receivables	292,650	(292,650)	-
Interim condensed consolidated statement of profit or loss			
Finance costs	-	(1,412)	(1,412)
Change in fair value of biological assets	-	20,934	20,934
Write back of provision for obsolete and slow-moving inventories	-	22,927	22,927
Provision for expected credit losses for contract assets	-	(626)	(626)
Provision for expected credit losses on trade and other receivables	-	(44,123)	(44,123)
General and administrative expenses	(228,197)	1,412	(226,785)
Changes in fair value of financial assets at fair value through profit or loss ("FVTPL")	-	(8,620)	(8,620)
Other income	8,369	9,508	17,877