



**Independent Petroleum Group Company - K.S.C.P.
and subsidiaries
State of Kuwait
Interim condensed consolidated financial information and
independent auditor's review report
for the nine months period ended 30 September 2024
(Unaudited)**



**Independent Petroleum Group Company K.S.C.P. and subsidiaries
State of Kuwait**

For the nine months period ended 30 September 2024

Index	Page
Independent auditor's report on review of interim condensed consolidated financial information	1 - 2
Interim condensed consolidated statement of income (unaudited)	3
Interim condensed consolidated statement of comprehensive income (unaudited)	4
Interim condensed consolidated statement of financial position (unaudited)	5
Interim condensed consolidated statement of changes in equity (unaudited)	6 - 7
Interim condensed consolidated statement of cash flows (unaudited)	8
Notes to the interim condensed consolidated financial information (unaudited)	9 - 17



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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

To the Board of Directors
Independent Petroleum Group Company - K.S.C.P.
State of Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Independent Petroleum Group Company – K.S.C.P. (“the Parent Company”) and its subsidiaries (collectively “the Group”) as at 30 September 2024 and the related interim condensed consolidated statements of income and comprehensive income for the three months and nine months periods then ended and the related interim condensed consolidated statements of changes in equity and cash flows for the nine months period then ended. Management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 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

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 this interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with 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 account of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended, its executive regulation, as amended, or of the Parent Company’s Memorandum of Incorporation and Articles of Association, as amended, during the nine months period ended 30 September 2024, that might have had a material effect on the Parent Company’s financial position or results of its operations.

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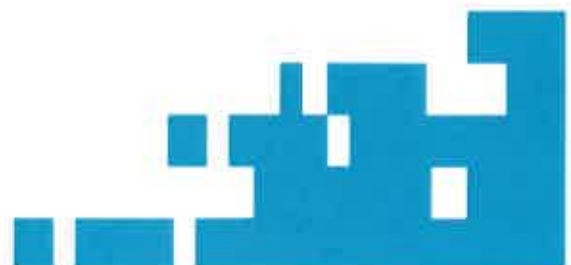
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We further report that, during the course of our review, we have not become aware of any violations of the provisions of Law no 7 of 2010, concerning the Capital Markets Authority and Organization of Security Activity, as amended and its executive regulations, as amended, during the nine months period ended 30 September 2024, that might have had a material effect on the Parent Company's financial position or result of its operations.

State of Kuwait
11 November 2024

A handwritten signature in blue ink, appearing to read "Nayef M. Al Bazie", is written over a horizontal line.

Nayef M. Al Bazie
Licence No. 91-A
RSM Albazie & Co.





**Independent Petroleum Group Company K.S.C.P. and subsidiaries
State of Kuwait**

Interim condensed consolidated statement of income (unaudited)

For the three months and nine months periods ended 30 September 2024

	Notes	Three months period ended 30 September		Nine months period ended 30 September	
		2024	2023	2024	2023
		KD '000	KD '000	KD '000	KD '000
Sales	15	295,497	295,294	913,826	735,362
Cost of sales		(284,826)	(289,586)	(888,629)	(719,190)
Gross profit		10,671	5,708	25,197	16,172
Net interest relating to oil marketing operations	3	(2,894)	(2,944)	(11,172)	(8,238)
Net results of oil marketing operations		7,777	2,764	14,025	7,934
Share of results of joint venture and associates	9 & 10	3,891	2,541	7,392	7,007
Dividend income	8	134	-	1,337	2,056
General and administrative Expenses		(391)	(455)	(1,572)	(1,580)
Staff costs		(1,256)	(1,227)	(4,194)	(4,061)
Depreciation		(348)	(399)	(1,057)	(1,276)
Net provisions charged	5	(10,833)	-	(16,697)	(5,596)
Unrealized gain (loss) from investments at fair value through statement of income		3,168	(1,225)	7,011	2,467
Net other (expenses) income	4	(159)	(257)	223	(1,206)
Profit for the period before provisions for contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labour Support Tax (NLST) and Zakat		1,983	1,742	6,468	5,745
Contribution to KFAS		(20)	(17)	(65)	(57)
Contribution to NLST and Zakat		(70)	(60)	(227)	(199)
Profit for the period		1,893	1,665	6,176	5,489
Earnings per share (fils)	6	10.47	9.21	34.16	30.36

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



Independent Petroleum Group Company K.S.C.P. and subsidiaries
State of Kuwait

Interim condensed consolidated statement of comprehensive income (unaudited)
For the three months and nine months periods ended 30 September 2024

	Three months period ended		Nine months period ended	
	30 September		30 September	
	2024	2023	2024	2023
	KD '000	KD '000	KD '000	KD '000
Profit for the period	<u>1,893</u>	<u>1,665</u>	<u>6,176</u>	<u>5,489</u>
Other comprehensive				
(loss) income:				
<u>Items that will not be</u>				
<u>reclassified subsequently</u>				
<u>to interim condensed</u>				
<u>consolidated statement</u>				
<u>of income</u>				
Changes in fair value of				
investments at fair value				
through other				
comprehensive income	(118)	(116)	(168)	(17)
<u>Items that may be</u>				
<u>reclassified subsequently</u>				
<u>to interim condensed</u>				
<u>consolidated statement</u>				
<u>of income</u>				
Foreign currency				
translation adjustments	<u>(627)</u>	<u>(173)</u>	<u>(512)</u>	<u>19</u>
Other comprehensive				
(loss) income for the				
period	<u>(745)</u>	<u>(289)</u>	<u>(680)</u>	<u>2</u>
Total comprehensive				
income for the period	<u>1,148</u>	<u>1,376</u>	<u>5,496</u>	<u>5,491</u>

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



**Independent Petroleum Group Company K.S.C.P. and subsidiaries
State of Kuwait**

Interim condensed consolidated statement of financial position (unaudited)


As at 30 September 2024

	Notes	30 September 2024 KD '000	31 December 2023 KD '000 (Audited)	30 September 2023 KD '000
ASSETS				
Cash on hand and at banks	7	99,453	79,298	81,172
Trade and other receivables		110,907	187,345	112,827
Inventories		20,068	27,236	73,899
Investments at fair value through statement of income	8	73,671	67,233	63,369
Investments at fair value through other comprehensive income	8	1,322	1,316	1,263
Current portion of other loans		12,525	13,543	14,397
Total current assets		317,946	375,971	346,927
Investments at fair value through other comprehensive income	8	26,987	27,186	27,344
Investment in joint venture	9	9,026	6,500	7,146
Investment in associates	10	30,463	31,465	29,990
Non-current portion of other loans		4,502	4,538	4,874
Right to use of asset		16,021	20,191	21,805
Property and equipment	11	26,453	27,619	28,131
Total non-current assets		113,452	117,499	119,290
Total assets		431,398	493,470	466,217
LIABILITIES AND EQUITY				
Current portion of due to banks	8	172,807	204,333	195,826
Trade and other payables		123,194	149,771	127,390
Current portion of term loans		-	-	1,200
Current portion of lease liabilities		1,071	4,995	1,411
Directors' fees payable		-	100	-
Total current liabilities		297,072	359,199	325,827
Non-current portion of due to banks	8	12,087	12,152	12,228
Non-current portion of term loans		-	-	5,506
Non-current portion of lease liabilities		15,568	15,691	20,815
Provision for staff indemnity		1,950	1,779	1,712
Total non-current liabilities		29,605	29,622	40,261
Total liabilities		326,677	388,821	366,088
Equity				
Share capital	12	18,841	18,841	18,841
Share premium		29,665	29,665	29,665
Legal reserve		9,420	9,420	9,420
General reserve		606	606	606
Fair value reserve		23,860	24,028	24,112
Foreign currency translation adjustments		(3,877)	(3,365)	(5,640)
Treasury shares reserve		1,429	1,429	1,429
Treasury shares	13	(2,770)	(2,770)	(2,770)
Retained earnings		27,547	26,795	24,466
Total equity		104,721	104,649	100,129
Total liabilities and equity		431,398	493,470	466,217

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

Ali Mohammed Al-Radwan
Chairman

Ghazi Fahad Al-Nafisi
Vice Chairman


Waleed Jaber Hadeed
Chief Executive Officer



**Independent Petroleum Group Company K.S.C.P. and subsidiaries
State of Kuwait**

Interim condensed consolidated statement of changes in equity (unaudited)

For the nine months period ended 30 September 2024

	Share capital KD '000	Share premium KD '000	Legal reserve KD '000	General reserve KD '000	Fair value reserve KD '000	Foreign currency translation adjustments KD '000	Treasury shares reserve KD '000	Treasury shares KD '000	Retained earnings KD '000	Total KD '000
Balance at 1 January 2024	18,841	29,665	9,420	606	24,028	(3,365)	1,429	(2,770)	26,795	104,649
Total comprehensive (loss) income for the period	-	-	-	-	-	-	-	-	6,176	6,176
Profit for the period	-	-	-	-	-	-	-	-	6,176	6,176
Other comprehensive loss	-	-	-	-	(168)	(512)	-	-	-	(680)
Total comprehensive (loss) income for the period	-	-	-	-	(168)	(512)	-	-	6,176	5,496
Transactions with owners, recognised directly in equity	-	-	-	-	-	-	-	-	-	-
Dividends for 2023 (Note 18)	-	-	-	-	-	-	-	-	(5,424)	(5,424)
Balance at 30 September 2024	18,841	29,665	9,420	606	23,860	(3,877)	1,429	(2,770)	27,547	104,721

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



Independent Petroleum Group Company K.S.C.P. and subsidiaries
State of Kuwait

Interim condensed consolidated statement of changes in equity (unaudited)

For the nine months period ended 30 September 2024

	Share capital KD '000	Share premium KD '000	Legal reserve KD '000	General reserve KD '000	Fair value reserve KD '000	Foreign currency translation adjustments KD '000	Treasury shares reserve KD '000	Treasury shares KD '000	Retained earnings KD '000	Total KD '000
Balance at 1 January 2023	18,841	29,665	9,420	606	24,129	(5,659)	1,429	(2,770)	24,401	100,062
Total comprehensive (loss) income for the period	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	5,489	5,489
Other comprehensive (loss) income	-	-	-	-	(17)	19	-	-	-	2
Total comprehensive (loss) income for the period	-	-	-	-	(17)	19	-	-	5,489	5,491
Transactions with owners, recognised directly in equity	-	-	-	-	-	-	-	-	-	-
Dividends for 2022 (Note 18)	-	-	-	-	-	-	-	-	(5,424)	(5,424)
Balance at 30 September 2023	18,841	29,665	9,420	606	24,112	(5,640)	1,429	(2,770)	24,466	100,129

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



**Independent Petroleum Group Company K.S.C.P. and subsidiaries
State of Kuwait**

Interim condensed consolidated statement of cash flows (unaudited)
For the nine months period ended 30 September 2024

	Notes	Nine months period ended 30 September	
		2024 KD '000	2023 KD '000
OPERATING ACTIVITIES			
Profit for the period before provisions for contribution to KFAS, NLST and Zakat		6,468	5,745
<i>Adjustments for:</i>			
Depreciation		1,057	1,276
Net provisions charged	5	16,697	5,596
Interest expense	3	13,493	10,674
Dividend income	8	(1,337)	(2,056)
Unrealised gain from investments at fair value through statement of income		(7,011)	(2,467)
Share of results from joint venture and associates	9 & 10	(7,392)	(7,007)
Interest income	3	(2,321)	(2,436)
Interest expense on lease liability		564	737
Amortisation of rights of use assets		4,170	4,672
Provision for staff indemnity		237	314
		24,625	15,048
<i>Changes in operating assets and liabilities:</i>			
Trade and other receivables		59,903	(45,242)
Other loans		1,054	6,173
Lease liabilities		(4,611)	(4,903)
Inventories		7,168	(22,158)
Trade and other payables		(27,169)	36,519
Net cash generated from (used in) operations		60,970	(14,563)
Interest income received		2,159	2,252
Payment to KFAS		(82)	(80)
Payment of staff indemnity		(58)	(34)
Directors' fees paid		(100)	(100)
Net cash flows generated from (used in) operating activities		62,889	(12,525)
INVESTING ACTIVITIES			
Dividends received		6,858	7,105
Purchase of property and equipment		(97)	(87)
Net cash flows generated from investing activities		6,761	7,018
FINANCING ACTIVITIES			
Due to banks		(31,591)	(5,399)
Repayment of term loans		-	(877)
Dividends paid	18	(5,424)	(5,424)
Interest paid		(13,111)	(10,189)
Net cash flows used in financing activities		(50,126)	(21,889)
Effect of foreign currency translation		631	55
Net change in cash on hand and at banks		20,155	(27,341)
Cash on hand and at banks at beginning of the period		79,298	108,513
Cash on hand and at banks at end of the period	7	99,453	81,172

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



**Independent Petroleum Group Company - K.S.C.P. and subsidiaries
State of Kuwait**

Notes to the interim condensed consolidated financial information (unaudited)
For the nine months period ended 30 September 2024

1. Incorporation and activities

Independent Petroleum Group Company - K.S.C.P. (the "Parent Company") was established on 11 September 1976, as a Kuwaiti Shareholding Company under commercial registration No. 24496. The shares of the Parent Company were listed on the Boursa Kuwait on 10 December 1995.

The objectives of the Parent Company and its wholly owned subsidiaries (the "Group") are as follows:

Benefit from national scientific and business expertise in petroleum and petrochemical industry to achieve the following objectives:

- a) Provide economic, technical and specialist advisory services to oil and petrochemicals producing and consuming governments and companies, in areas of marketing, refining, production, investment, financial affairs, planning, maritime transport, organization, training and other areas related to oil and petrochemicals;
- b) Conduct marketing researches, and gather and publish information about the oil and petrochemicals industry;
- c) Provide specialist services to the oil and petrochemicals consuming and producing governments to expedite communications and maintain consistent relationships among them;
- d) Initiate and carry out marketing operations and industrial projects for its own account or the account of oil and petrochemicals consuming and producing governments or in collaboration and participation with them in all areas of oil and petrochemical industry;
- e) Acquire facilities, tools, equipment and all other instruments used in oil and petrochemicals industry including manufacturing plants, transport means and others, for its own account or in participation with oil and petrochemicals producing and consuming governments and companies all over the world; and
- f) Act as agents and representatives for oil and petrochemicals producing and consuming governments and companies, and carry out all other operations required by company's activities, interests and objectives including sale, purchase and acquisition in all areas related to oil and petrochemicals.

The Parent Company may have interest or to participate in any manner with entities that carry on similar business or that may assist it with achieving its objectives in the State of Kuwait or abroad, and it may buy these entities or acquire them as subsidiaries.

The registered address of the Parent Company is P.O. Box 24027, Safat 13101, State of Kuwait.

The interim condensed consolidated financial information for the nine months period ended 30 September 2024, was authorized for issue by the Chairman on behalf of the Board of Directors on 11 November 2024.

2. Basis of preparation

a) Statement of compliance

The interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting".

The interim condensed consolidated financial information does not include all the information and notes required for complete annual consolidated financial statements prepared in accordance with International Financial Reporting Standards. In the opinion of the management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included in the accompanying interim condensed consolidated financial information. Operating results for the nine months period ended 30 September 2024 are not necessarily indicative of the results that may be expected for the year ending 31 December 2024. For further information, refer to the annual consolidated financial statements and notes thereto for the year ended 31 December 2023.



**Independent Petroleum Group Company - K.S.C.P. and subsidiaries
State of Kuwait**

**Notes to the interim condensed consolidated financial information (unaudited)
For the nine months period ended 30 September 2024**

The accounting policies used in the preparation of the interim condensed consolidated financial information for the period ended 30 September 2024, are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024.

The Group has not early adopted any other standards, interpretations or amendments that has been issued but not yet effective. Other amendments and interpretations apply for the first time in 2024, but they do not have an impact on the interim condensed consolidated financial information of the Group.

b) Judgments and estimates

The preparation of interim condensed consolidated financial information requires management to make judgments, 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 interim condensed consolidated financial information, the significant judgments made by management in applying the Group's accounting policies and key source of estimation uncertainty were the same as those that applied to the annual consolidated financial statements for the year ended 31 December 2023.

3. Net interest relating to oil marketing operations

	Three months period ended 30 September		Nine months period ended 30 September	
	2024	2023	2024	2023
	KD '000	KD '000	KD '000	KD '000
Interest income	798	828	2,321	2,436
Interest expense	(3,692)	(3,772)	(13,493)	(10,674)
	<u>(2,894)</u>	<u>(2,944)</u>	<u>(11,172)</u>	<u>(8,238)</u>

4. Net other (expenses) income

	Three months period ended 30 September		Nine months period ended 30 September	
	2024	2023	2024	2023
	KD '000	KD '000	KD '000	KD '000
Net foreign currency exchange (loss) gain	(159)	(257)	223	(1,206)
	<u>(159)</u>	<u>(257)</u>	<u>223</u>	<u>(1,206)</u>

5. Net provisions charged

	Three months period ended 30 September		Nine months period ended 30 September	
	2024	2023	2024	2023
	KD '000	KD '000	KD '000	KD '000
Net expected credit losses charged	(10,833)	-	(16,697)	(5,596)
	<u>(10,833)</u>	<u>-</u>	<u>(16,697)</u>	<u>(5,596)</u>



Independent Petroleum Group Company - K.S.C.P. and subsidiaries
State of Kuwait

Notes to the interim condensed consolidated financial information (unaudited)
For the nine months period ended 30 September 2024

During the period ended 30 September 2024, the Group has recognized provisions towards expected credit losses on trade receivables amounting to KD 16.7 million (30 September 2023: KD 5.6 million). The management has assessed that the provisions are a collective impact of the prevailing economic and political situation in the region, effect of market deterioration on the Group's local and international operations, default events including delay in payments during the period ended 30 September 2024.

6. Earnings per share

Earnings per share is computed by dividing the profit for the period by the weighted average number of shares outstanding during the period as follows:

	Three months period ended 30 September		Nine months period ended 30 September	
	2024 KD '000	2023 KD '000	2024 KD '000	2023 KD '000
Profit for the period	1,893	1,665	6,176	5,489
Weighted average number of issued shares outstanding during the period	188,407,500	188,407,500	188,407,500	188,407,500
Weighted average number of treasury shares outstanding during the period	(7,620,000)	(7,620,000)	(7,620,000)	(7,620,000)
Weighted average number of shares outstanding during the period	180,787,500	180,787,500	180,787,500	180,787,500
Earnings per share (fils)	10.47	9.21	34.16	30.36

7. Cash on hand and at banks

	30 September 2024 KD '000	31 December 2023 KD '000 (Audited)	30 September 2023 KD '000
Cash and bank balances	46,541	18,929	18,575
Call accounts and time deposits	52,912	60,369	62,597
	99,453	79,298	81,172

Time deposits earned interest at an average effective interest rate of 4.5% (31 December 2023: 4.5% and 30 September 2023: 3%) per annum and mature within 3 months (31 December 2023: 3 months and 30 September 2023: 3 months) from the placement date.



Independent Petroleum Group Company - K.S.C.P. and subsidiaries
State of Kuwait

Notes to the interim condensed consolidated financial information (unaudited)
For the nine months period ended 30 September 2024

8. Investments

	30 September 2024 KD '000	31 December 2023 KD '000 (Audited)	30 September 2023 KD '000
Investments at fair value through statement of income			
Managed portfolios	<u>73,671</u>	<u>67,233</u>	<u>63,369</u>
	30 September 2024 KD '000	31 December 2023 KD '000 (Audited)	30 September 2023 KD '000
Investments at fair value through other comprehensive income			
Unquoted securities (Current)	1,322	1,316	1,263
Unquoted securities (Non-current)	<u>26,987</u>	<u>27,186</u>	<u>27,344</u>
	<u>28,309</u>	<u>28,502</u>	<u>28,607</u>

Investments at fair value through statement of income with a carrying amount of KD 73.67 million (31 December 2023: KD 67.23 million and 30 September 2023: KD 63.37 million) are pledged as collateral against amounts due to banks.

Unquoted securities classified as investments at fair value through other comprehensive income includes the Group's investment in Vopak Horizon Fujairah Limited (VHFL) and Asia Petroleum Limited (APL) amounting to KD 25.25 million (31 December 2023: KD 25.44 million and 30 September 2023: KD 25.60 million) and KD 1.74 million (31 December 2023: KD 1.74 million and 30 September 2023: KD 1.74 million) respectively. At the reporting date, the Group determined that carrying value of above unquoted securities approximates to their fair value.

During the period ended 30 September 2024, the Group received a dividend of KD 1,337 thousand (30 September 2023: KD 2,056 thousand) from VHFL and APL.

9. Share of result from investment in joint venture

The Group has a 50% equity shareholding with equivalent voting power in Uniterminals Ltd, Lebanon. Following are the details of share of results from joint venture recorded during the period:

	Three months period ended 30 September		Nine months period ended 30 September	
	2024 KD '000	2023 KD '000	2024 KD '000	2023 KD '000
Uniterminals Ltd, Lebanon	<u>2,123</u>	<u>999</u>	<u>3,145</u>	<u>2,533</u>



Independent Petroleum Group Company - K.S.C.P. and subsidiaries
State of Kuwait

Notes to the interim condensed consolidated financial information (unaudited)
For the nine months period ended 30 September 2024

10. Share of results from investment in associates

Following are the details of share of results from associates recorded during the period:

	Three months period ended 30 September		Nine months period ended 30 September	
	2024 KD '000	2023 KD '000	2024 KD '000	2023 KD '000
Horizon Singapore Terminals Private Ltd	540	412	1,494	1,257
Arab Tank Terminals L.L.C.	201	(8)	348	76
Inpetro SARL	109	109	279	257
Horizon Djibouti Holdings Ltd.	507	564	1,167	1,389
Horizon Tangiers Terminals SA.	319	358	790	883
Galp-IPG Matola Terminal Limitada (GIMTL)	(14)	27	(75)	142
IPG-Galp Beira Terminal Limitada (IGBTL)	106	80	244	470
	1,768	1,542	4,247	4,474

11. Property and equipment

Property and equipment at 30 September 2024, includes KD 21.67 million (31 December 2023: KD 22.72 million and 30 September 2023: KD 23.21 million) related to vessels owned by one of the subsidiaries, D&K Holdings L.L.C.

12. Share capital

The authorised, issued and fully paid share capital consists of 188,407,500 shares of 100 fils each (31 December 2023: 188,407,500 shares of 100 fils each and 30 September 2023: 188,407,500 shares of 100 fils each).

13. Treasury shares

	30 September 2024	31 December 2023 (Audited)	30 September 2023
Number of shares	7,620,000	7,620,000	7,620,000
Percentage of issued shares	4%	4%	4%
Market value (KD Million)	3.54	3.36	3.47
Cost (KD Million)	2.77	2.77	2.77



**Independent Petroleum Group Company - K.S.C.P. and subsidiaries
State of Kuwait**

Notes to the interim condensed consolidated financial information (unaudited)
For the nine months period ended 30 September 2024

The Parent Company has allocated an amount equal to the cost of treasury shares from the available retained earnings as of 31 December 2023. Such amount will not be available for distribution during treasury shares holding period. Treasury shares are not pledged.

14. Related party transactions and balances

These represent transactions with related parties in the normal course of business. The related parties' transactions and balances included in the interim condensed consolidated financial information are as follows:

	Three months period ended 30 September		Nine months period ended 30 September	
	2024 KD '000	2023 KD '000	2024 KD '000	2023 KD '000
a) Revenues and expenses:				
<i>Sales</i>				
Joint venture	38,773	51,825	100,756	141,754
<i>Storage expense</i>				
Associate	1,514	1,873	5,088	5,592
b) Key management compensation				
Salaries and other short-term benefits	278	278	826	799
Termination benefits	27	26	79	89
c) Balances with related parties:				
	30 September 2024 KD '000	31 December 2023 KD '000 (Audited)	30 September 2023 KD '000	
<i>Joint Venture</i>				
Trade and other receivables	13,173	23,528	17,157	
<i>Associates</i>				
Other loans	17,027	18,081	19,271	
Trade and other payables	2,213	2,490	3,395	
Lease liabilities	16,639	20,686	22,226	



Independent Petroleum Group Company - K.S.C.P. and subsidiaries
State of Kuwait

Notes to the interim condensed consolidated financial information (unaudited)
For the nine months period ended 30 September 2024

15. Segment information

The Group primarily operates on trading of crude oil and petroleum products. The trading of crude oil and petroleum products is also related to storage and distribution operations. These operations are inter-related and subject to similar risks and returns. The management has determined that the Group is considered to have a single reportable operating segment.

The Group operates in different geographic locations. Information about the Group's reportable operating segment is summarised as follows:

	Three months period ended 30 September			
	2024		2023	
	Segment revenues KD '000	Segment results KD '000	Segment revenues KD '000	Segment results KD '000
Africa and Middle East	295,497	11,262	295,294	4,892
Asia and Far East	-	540	-	412
	295,497	11,802	295,294	5,304
Unallocated Group's items		(9,909)		(3,639)
Profit for the period		1,893		1,665
	Nine months period ended 30 September			
	2024		2023	
	Segment revenues KD '000	Segment results KD '000	Segment revenues KD '000	Segment results KD '000
Africa and Middle East	913,826	21,260	735,362	15,739
Asia and Far East	-	1,494	-	1,257
	913,826	22,754	735,362	16,996
Unallocated Group's items		(16,578)		(11,507)
Profit for the period		6,176		5,489



**Independent Petroleum Group Company - K.S.C.P. and subsidiaries
State of Kuwait**

Notes to the interim condensed consolidated financial information (unaudited)
For the nine months period ended 30 September 2024

	Africa and Middle East KD '000	Europe KD '000	Asia and Far east KD '000	Total KD '000
30 September 2024				
Segment assets	110,907	-	-	110,907
Unallocated Group's assets	-	-	-	320,491
Total assets	110,907	-	-	431,398
Segment liabilities	34,238	44,693	-	78,931
Unallocated Group's liabilities	-	-	-	247,746
Total liabilities	34,238	44,693	-	326,677
31 December 2023 (Audited)				
Segment assets	187,345	-	-	187,345
Unallocated Group's assets	-	-	-	306,125
Total assets	187,345	-	-	493,470
Segment liabilities	68,904	34,490	8,209	111,603
Unallocated Group's liabilities	-	-	-	277,218
Total liabilities	68,904	34,490	8,209	388,821
30 September 2023				
Segment assets	111,567	-	1,260	112,827
Unallocated Group's assets	-	-	-	353,390
Total assets	111,567	-	1,260	466,217
Segment liabilities	62,265	27,027	-	89,292
Unallocated Group's liabilities	-	-	-	276,796
Total liabilities	62,265	27,027	-	366,088

16. Contingent liabilities and commitments

	30 September 2024 KD '000	31 December 2023 KD '000 (Audited)	30 September 2023 KD '000
<i>Contingent liabilities:</i>			
Letters of guarantee and bid bonds	11,743	15,517	10,392
Letters of credit	122,434	196,954	150,141
	134,177	212,471	160,533
<i>Commitments:</i>			
Investments in projects	6,734	6,734	4,145



Independent Petroleum Group Company - K.S.C.P. and subsidiaries
State of Kuwait

Notes to the interim condensed consolidated financial information (unaudited)
For the nine months period ended 30 September 2024

17. Fair value estimation

IFRS 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

	Fair value hierarchy			Total KD'000
	Level 1 KD'000	Level 2 KD'000	Level 3 KD'000	
30 September 2024				
Investments at fair value through other comprehensive income	-	1,322	26,987	28,309
Investments at fair value through statement of income	73,671	-	-	73,671
	<u>73,671</u>	<u>1,322</u>	<u>26,987</u>	<u>101,980</u>
31 December 2023 (Audited)				
Investments at fair value through other comprehensive income	-	1,316	27,186	28,502
Investments at fair value through statement of income	67,233	-	-	67,233
	<u>67,233</u>	<u>1,316</u>	<u>27,186</u>	<u>95,735</u>
30 September 2023				
Investments at fair value through other comprehensive income	-	1,263	27,344	28,607
Investments at fair value through statement of income	63,369	-	-	63,369
	<u>63,369</u>	<u>1,263</u>	<u>27,344</u>	<u>91,976</u>

During the period, there were no transfers between the levels of the fair value hierarchy.

18. Annual General Assembly

The Shareholders' Annual General Assembly held on 6 February 2024, approved the annual audited consolidated financial statements for the year ended 31 December 2023 and payment of a cash dividend of 30 fils per share for the year ended 31 December 2023.

The Shareholders' Annual General Assembly held on 6 February 2023, approved the annual audited consolidated financial statements for the year ended 31 December 2022 and payment of a cash dividend of 30 fils per share for the year ended 31 December 2022.