AL IMTIAZ INVESTMENT GROUP COMPANY- K.S.C. (CLOSED)
AND ITS SUBSIDIARIES (THE GROUP)
STATE OF KUWAIT

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED JUNE 30, 2013
(UNAUDITED)
WITH
REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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AND ITS SUBSIDIARIES (THE GROUP)
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CONTENTS

	Pages
Report on review of interim condensed consolidated financial information	
Interim condensed consolidated statement of financial position (Unaudited)	2
Interim condensed consolidated statement of profit or loss (Unaudited)	3
Interim condensed consolidated statement of profit or loss and other comprehensive income (Unaudited)	4
Interim condensed consolidated statement of changes in equity (Unaudited)	5
Interim condensed consolidated statement of cash flows (Unaudited)	6-7
Notes to interim condensed consolidated financial information (Unaudited)	8 -18

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
Al Imtiaz Investment Group Company - K.S.C. (Closed)
State of Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Al Imtiaz Investment Group Company - K.S.C. (Closed) (the Parent Company) and its subsidiaries (the Group) as of June 30, 2013 and the related interim condensed consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the six months 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 the basis of presentation set out in Note (2). 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 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 of Qualified Conclusion

No consolidated financial statements were available for the subsidiary Cavendish Learning Limited which was consolidated in the accompanying interim financial information based on unconsolidated audited financial statements for the year ended December 31, 2012 Note No. (3)..

Qualified Conclusion

Based on our review, except for the effects of the matter described in the Basis of Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with the basis of presentation set out in Note (2) to the interim condensed consolidated financial information.

Emphasis of matter

We draw attention to Note No. (4) relating to a legal dispute. this matter is not considered as a additional qualification to our conclusion.

Report on other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the Parent Company's books of account. We further report that, to the best of our knowledge and belief, we have not become aware of any material violations of the companies Law of 2012 as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association during the period ended June 30, 2013 that might have had a material effect on the Group's financial position or results of its operations.

We further report that, during the course of our review, we have not yet become aware of any material violations of the provisions of Law No. 32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the organization of banking business and its related regulations. We further report that, we have not yet become aware of any material violations of Executive Bylaws of Law No. 7 of 2010 regarding Capital Market Authority.

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State of Kuwait
October 8, 2013

AL IMTIAZ INVESTMENT GROUP COMPANY - K.S.C. (CLOSED) AND ITS SUBSIDIARIES (THE GROUP)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS OF JUNE 30, 2013
(All amounts are in Kuwaiti Dinars)

ASSETS	Note	June 30, 2013	December 31, 2012 (Audited) (Restated)	June 30, 2012
Cash and cash equivalents		10,153,455	21,699,369	22,359,724
Term deposits		270,603	421,174	4,898,120
Investments at fair value through statement of profit or loss		4,397,975	4,450,798	4,410,277
Accounts receivable and other debit balances	4	64,715,041	62,827,560	90,095,846
Murabaha receivables		761,153	724,726	1,612,171
Properties held for trading		7,855,737	7,855,737	8,705,737
Work in progress		302,975	400,296	733,927
Investment in subsidiaries	3	3,964,046	4,150,036	-
Other assets		6,606,148	7,234,805	5,918,665
Properties under development		22,011,230	22,011,230	22,165,729
Investments available for sale	5	109,743,324	103,982,413	124,971,527
Investment in associates	6	55,694,862	54,236,374	57,648,796
Investment properties		48,461,908	49,793,733	30,430,114
Fixed assets		27,588,526	28,210,878	24,442,007
Goodwill		3,260,275	3,144,478	10,074,441
Total assets		365,787,258	371,143,607	408,467,081
LIABILITIES AND EQUITY				
Liabilities:				
Accounts payable and other credit balances		45,734,453	52,147,997	51,601,153
Finance lease obligation		36,678,849	36,102,439	36,296,617
Murabaha and Wakala payable		31,195,827	31,396,158	56,446,448
End of service indemnity		3,786,153	3,574,797	3,290,047
Total Liabilities		117,395,282	123,221,391	147,634,265
Equity:				
Capital		113,361,735	113,361,735	113,361,735
Share premium		34,108,277	34,108,277	34,108,277
Treasury shares	7	(3,682,805)	(3,682,805)	(3,826,773)
Statutory reserve		16,089,426	16,089,426	16,089,426
Voluntary reserve		30,676,870	30,676,870	30,676,870
Other equity items	8	(4,640,562)	(7,165,293)	(412,531)
Retained earnings		28,146,480	30,724,433	39,155,241
Equity attributable to Parent Company's shareholders		214,059,421	214,112,643	229,152,245
Non - controlling interests		34,332,555	33,809,573	31,680,571
Total equity		248,391,976	247,922,216	260,832,816
Total liabilities and equity		365,787,258	371,143,607	408,467,081

The accompanying notes (1) to (18) form an integral part of the interim condensed consolidated financial information.

Khaled Sultan Bin Issa	Abdulrahman Mahmoud Zaman	Mohammed Ismail AL Ansari
Chairman	General Manager	Vice Chairman

AL IMTIAZ INVESTMENT GROUP COMPANY - K.S.C. (CLOSED) AND ITS SUBSIDIARIES (THE GROUP)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2013
(All amounts are in Kuwaiti Dinars)

	Note	Three months ended June 30, 2013	Three months ended June 30, 2012	Six months ended June 30, 2013	Six months ended June 30, 2012
Revenue:					
Net investment income	9	408,635	105,622	277,605	1,164,167
Murabaha income		10,210	37,036	16,720	48,002
Management, placement and subscription income		296,376	313,386	296,376	450,219
Rental income		310,618	323,215	616,893	652,576
Gain on partial sale of a subsidiary	6	-	-	-	8,940,759
Loss on partial sale of an associate		(227,721)	-	(227,721)	-
Group share of results from associates	6	566,292	(232,654)	1,316,164	(3,071,268)
Gain from partial sale of assets held for sale		-	-	-	3,417,427
Other income		641,409	1,970,528	797,328	2,014,016
Total revenue		2,005,819	2,517,133	3,093,365	13,615,898
Expenses and charges:					
General and administrative expenses		2,529,049	3,198,370	3,798,150	4,717,450
Finance cost		901,496	804,151	1,635,273	1,386,000
Management, placement and subscription cost		174,668	137,345	262,879	254,325
Foreign currency exchange gain		(17,968)	(358,525)	(18,010)	(184,273)
Impairment and other provisions	10	99,712	1,049,137	365,334	9,018,768
Reversal of impairment of investment in an associate	6	(253,030)	-	(253,030)	-
Depreciation		276,491	264,967	397,639	443,183
Total expenses and charges		3,710,418	5,095,445	6,188,235	15,635,453
Loss for the period before contribution to KFAS, NLST and Zakat		(1,704,599)	(2,578,312)	(3,094,870)	(2,019,555)
Contribution to Kuwait Foundation for the Advancement of Sciences		-	905	-	-
National Labor Support Tax		-	5,365	-	-
Zakat		-	836	-	-
Net loss for the period		(1,704,599)	(2,571,206)	(3,094,870)	(2,019,555)
Attributable to:					
Parent Company's shareholders		(1,189,165)	(2,819,601)	(2,577,953)	(2,068,215)
Non – controlling interests		(515,434)	248,395	(516,917)	48,660
Net loss for the period		(1,704,599)	(2,571,206)	(3,094,870)	(2,019,555)
Loss per share attributable to Parent Company's shareholders (Fils)	11	(1.08)	(2.55)	(2.34)	(1.87)

The accompanying notes (1) to (18) form an integral part of the interim condensed consolidated financial information.

AL IMTIAZ INVESTMENT GROUP COMPANY - K.S.C. (CLOSED) AND ITS SUBSIDIARIES (THE GROUP)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2013
(All amounts are in Kuwaiti Dinars)

	Three months ended June 30,		Six months ended June 30,	
	2013	2012	**2013**	2012
Net loss for the period	**(1,704,599)**	(2,571,206)	**(3,094,870)**	(2,019,555)
Other comprehensive income:				
Items that could be reclassified to consolidated statement of profit or loss:				
Changes in fair value of investments available for sale	**2,222,902**	258,179	**2,075,976**	1,683,595
Foreign currency translation adjustments	**(426,701)**	43,044	**(400,740)**	(25,886)
Share of other comprehensive (loss) income of associates	**(205,641)**	(23,165)	**404,919**	180,704
Other comprehensive income for the period	**1,590,560**	278,058	**2,080,155**	1,838,413
Total comprehensive loss for the period	**(114,039)**	(2,293,148)	**(1,014,715)**	(181,142)
Attributable to:				
Parent Company's shareholders	**401,395**	(2,541,543)	**(497,798)**	(229,802)
Non-controlling interests	**(515,434)**	248,395	**(516,917)**	48,660
Total comprehensive loss for the period	**(114,039)**	(2,293,148)	**(1,014,715)**	(181,142)

The accompanying notes from (1) to (18) form an integral part of the interim condensed consolidated financial information.

AL IMTIAZ INVESTMENT GROUP COMPANY - K.S.C. (CLOSED) AND ITS SUBSIDIARIES (THE GROUP)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2013
(All amounts are in Kuwaiti Dinars)

	Equity attributable to Parent Company's shareholders									
	Capital	Share premium	Treasury shares	Statutory reserve	Voluntary reserve	Other equity items (Note 8)	Retained earnings (Restated)	Subtotal	Non - controlling interests	Total
Balance as of December 31, 2012	113,361,735	34,108,277	(3,682,805)	16,089,426	30,676,870	(7,165,293)	30,724,433	214,112,643	33,809,573	247,922,216
Total comprehensive income (loss) for the period	-	-	-	-	-	2,080,155	(2,577,953)	(497,798)	(516,917)	(1,014,715)
Effect of purchase / sale of share in subsidiaries	-	-	-	-	-	444,576	-	444,576	-	444,576
Changes in non controlling interests	-	-	-	-	-	-	-	-	1,039,899	1,039,899
Balance as of June 30, 2013	**113,361,735**	**34,108,277**	**(3,682,805)**	**16,089,426**	**30,676,870**	**(4,640,562)**	**28,146,480**	**214,059,421**	**34,332,555**	**248,391,976**
Balance as of December 31, 2011	113,361,735	34,108,277	(2,078,050)	16,089,426	30,676,870	(2,326,712)	52,481,828	242,313,374	34,749,138	277,062,512
Total comprehensive income (loss) for the period	-	-	-	-	-	1,838,413	(2,068,215)	(229,802)	48,660	(181,142)
Cash dividend	-	-	-	-	-	-	(11,258,372)	(11,258,372)	-	(11,258,372)
Effect of purchase / sale of share in subsidiaries	-	-	-	-	-	53,440	-	53,440	-	53,440
Net movement of treasury shares	-	-	(1,748,723)	-	-	-	-	(1,748,723)	-	(1,748,723)
Gain on sale of treasury shares	-	-	-	-	-	22,328	-	22,328	-	22,328
Changes in non controlling interests	-	-	-	-	-	-	-	-	(3,117,227)	(3,117,227)
Balance as of June 30, 2012	113,361,735	34,108,277	(3,826,773)	16,089,426	30,676,870	(412,531)	39,155,241	229,152,245	31,680,571	260,832,816

The accompanying notes (1) to (18) form an integral part of the interim condensed consolidated financial information.

	Six months ended June 30,	
	2013	2012
Cash flows from financing activities:		
Cash dividend paid	-	(11,258,372)
Effect of purchase / sale share in subsidiaries	**444,576**	53,440
Finance lease obligation	-	25,242,315
Murabaha and Wakala payable	**(693,166)**	11,877,741
Finance cost paid	**(760,932)**	(1,308,071)
Net movement in treasury shares	-	(1,726,395)
Change in non-controlling interests	**522,981**	(10,377)
Net cash (used in) generated from financing activities	**(486,541)**	22,870,281
Net decrease in cash and cash equivalents	**(11,545,914)**	(6,084,398)
Cash and cash equivalents at the beginning of the period	**21,699,369**	28,444,122
Cash and cash equivalents at the end of the period	**10,153,455**	22,359,724

The accompanying notes (1) to (18) form an integral part of the interim condensed consolidated financial information.

1. Incorporation and activities

Al Imtiaz Investment Group Company is a Kuwaiti Shareholding Company (Closed) (The Parent Company) incorporated on April 30, 2005 in State of Kuwait. It is engaged in investments and related financial services. All the company's activities are approved by the Fatwa and Sharee'a Supervisory Board and are conducted in accordance with Islamic Sharee'a.

The Company's shares were listed in Kuwait stock exchange on April 19, 2012.

The Company's registered address is P. O. Box 29050, Safat – Zip Code 13151 - State of Kuwait.

The interim condensed consolidated financial information was authorized for issue by the Board of Directors on October 8, 2013.

The Companies Law issued on 26 November 2012 by Decree Law No. 25 of 2012 (the "Companies Law"), cancelled the Commercial Companies Law No. 15 of 1960. The Companies Law was subsequently amended on 27 March 2013 by Decree Law No. 97 of 2013 (the Decree). The Executive Regulation of the new amended law was issued on 29 September 2013 and was published in the official Gazette on 6 October 2013. As per article three of the executive regulation, the companies have one year from the date of publishing the executive regulation to comply with the new amended law.

As per the Extraordinary General Assembly held on April 26, 2012, the Parent Company's name was changed from "Al Imtiaz Investment Company – K.S.C. (Closed)" to "Al Imtiaz Investment Group Company – K.S.C. (Closed)", and the commercial register under Ref. No. 106905 dated June 19, 2012.

2. Significant accounting policies

The accompanying interim condensed consolidated financial information have been prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) except for IAS 39 requirements for collective provision which has been replaced by the Central Bank of Kuwait requirements for a minimum general provision. The policy of the Group for calculation of the impairment provisions for loans granted complies in all material respects with the specific provision requirements of the Central Bank of Kuwait.

Basis of presentation

The interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". The accounting policies used in the preparation of the interim condensed consolidated financial information for the period are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2012 except for the implementation of the following standards which are effective January 1, 2013:

IAS 1 Presentation of items of other comprehensive income

The amendments to IAS 1 require items of other comprehensive income to be grouped into two categories
a) Items that will not be reclassified, subsequently to consolidated statement of profit or loss.
b) Items that may be reclassified to consolidated statement of profit or loss when specific conditions are met.

IFRS 7 Financial Instruments Disclosures

The amendments to IFRS 7 require entities to disclose information about rights of offset and related arrangements for financial instruments under an enforceable master netting agreement or similar arrangement.

IFRS 10 Consolidated Financial Statements

The new Standard identifies the principles of control, determines how to identify whether an investor controls an investee and therefore must consolidate the investee, and sets out the principles for the preparation of consolidated financial statements. It introduces a single consolidation model that identifies control as the basis for consolidation for all types of entities, where control is based on whether an investor has power over the investee, exposure/rights to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the returns.

IFRS 12 Disclosure of Interests in other entities

The new Standard combines, enhances and replaces the disclosure requirements for subsidiaries, joint arrangements, associates and unconsolidated structured entities. It requires extensive disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on the entity's financial position, financial performance and cash flows.

IFRS 13 Fair Value Measurement

This IFRS
a) defines fair value.
b) sets out in a single IFRS a framework for measuring fair value.
c) requires disclosures about fair value measurements.

IFRS 13 applies when other IFRSs require or permit fair value measurements. It does not introduce any new requirements to measure an asset or a liability at fair value, change what is measured at fair value in IFRS or address how to present changes in fair value.

The interim condensed consolidated financial information does not include all of the information and notes required for complete financial statements prepared in accordance with International Financial Reporting Standards. In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included. Operating results for the period ended June 30, 2013 are not necessarily indicative of the results that may be expected for the year ending December 31, 2013. For further information, refer to the consolidated financial statements and notes thereto for the year ended December 31, 2012.

3. Acquisition of business

The parent company has consolidated the financial statements of Cavendish Learning Limited Company, which was acquired by 100% during 2012 based on unconsolidated audited financial statements of that company and its subsidiaries as of December 31, 2012 and The Parent Company management will consolidate the financial statements of Cavendish Learning Limited Company in the financial statements for the year ended December 31, 2013. Therefore the comparative figures for the year ended December 31, 2012 have been restated as follows:

Assets and Liabilities:	December 31, 2012
Cash and cash equivalents	174
Accounts receivable and other debit balances	4,430,488
Investment in subsidiaries	4,150,036
Accounts payable and other credit balances	(157,760)
	8,422,938
Total paid for acquisitions	(9,234,905)
Impairment loss	(811,967)

The Group recorded an impairment loss of KD 811,967 during the year ended December 31, 2012.

4. Accounts receivable and other debit balances

	June 30, 2013	December 31, 2012 (Audited) (Restated)	June 30, 2012
Due from related parties	6,815,092	10,370,808	27,953,966
Staff receivable	88,944	246,427	193,203
Advance payments on purchase of investments and lands	25,624,874	26,369,280	19,694,907
Due from sale of investments available for sale	1,511,873	1,546,640	4,611,747
Contracts receivable	14,346,449	6,171,547	7,982,869
Other debit balances	19,684,252	21,460,116	31,216,744
Provision for doubtful debts	(3,356,443)	(3,337,258)	(1,557,590)
	64,715,041	62,827,560	90,095,846

Advance payments on purchase of investments and lands include the cost of acquiring of 100% of Cavendish Compliance Company shares for KD 1,315,260 from a related party in the first quarter of 2012, a provision of KD 747,236 was taken for it during the year ended December 31, 2012.

Advance payments on purchase of investments and lands include local lands for KD 16,083,144 (December 31, 2012 : KD 16,083,144 , June 30, 2012 : Nil), the title of these lands have not been transferred under the Group name and its ownership has not been transferred yet in the name of the group, subsequently, they are in the process of sale this lands to a local company.

Due from related parties as of June 30, 2013 included an amount of KD 3,891,008 which is subject to a legal dispute relating to the ownership of subsidiaries shares as per Cavendish Learning Limited Company financial statements. Subsequently, a letter from the defendant lawyer was received relating to acceptance of his delegated of the settlement of dispute and transfer the shares ownership to Cavendish Learning Limited Company without conditions.

5. Investments available for sale

	June 30, 2013	December 31, 2012 (Audited)	June 30, 2012
Quoted securities	14,711,295	13,118,600	12,193,545
Unquoted securities	83,703,736	77,145,326	95,169,491
Funds and portfolios	11,328,293	13,718,487	17,608,491
	109,743,324	103,982,413	124,971,527

Investments available for sale include pledged investments of KD 18,274,802 (December 31, 2012 – KD 16,036,097, June 30, 2012 – KD 15,492,310) against Murabaha and Wakala payable and finance lease obligation.

The provisions balance established against impairment as of June 30, 2013 amounted to KD 49,481,303 (December 31, 2012 : KD 49,339,504, June 30, 2012: KD 49,300,792).

6. Investment in associates

	June 30, 2013	December 31, 2012 (Audited)	June 30, 2012
Balance at the beginning of the period / year	**54,236,374**	49,690,764	49,690,764
Additions	**-**	1,427,907	35,478
Transferred from subsidiaries	**-**	11,499,384	11,499,384
Cash dividend from associates	**-**	(245,696)	-
Disposal	**(515,625)**	(69,609)	-
Effect of elimination of gains from sale of financial assets of an associate	**-**	(126,133)	(686,266)
Group share of results of associates	**1,316,164**	(4,031,275)	(3,071,268)
Group share of changes in equity of associates	**404,919**	(723,545)	180,704
	55,441,832	57,421,797	57,648,796
Reversal (Impairment loss)	**253,030**	(3,185,423)	-
Balance at the end of the period / year	**55,694,862**	54,236,374	57,648,796

During 2012, the Group has sold a part of one of its subsidiaries (Triple E Holding Company) to a related party and another party which resulted in decrease in the Group's holding interest to 47% to become an associate. The sale transaction has resulted in a profit of KD 8,940,759, and the remaining share in the associate (a subsidiary formerly) was revalued by an independent valuer resulting in valuation profit of KD 11,060,616. The valuation profit of the remaining share wasn't recognized at the request of CMA. Accordingly, the remaining share of 47% was carried at book value of KD 11,499,384 at the request of CMA. Accordingly, the Group's management followed the applicable legal procedures to submit grievance to the committee of complaints and grievances at CMA and then filed a lawsuit against CMA to claim its right to recognize the profit resulting from the valuation of the remaining share in accordance with international financial reporting standards. A verdict has been issued in favor of the Group to cancel the decision of CMA. CMA has appealed such verdict and a verdict has been ruled on 22 September 2013 where the court resolved to accept the appeal in form, and in subject resolved to cancel the appealed verdict and reject the claim of Al Imtiaz Investment Group Company.

Accordingly, the remaining share in the associate (a subsidiary formerly) was stated at book value as it is in the consolidated financial statements for the year ended 31 December 2012.

7. Treasury shares

	June 30, 2013	December 31, 2012 (Audited)	June 30, 2012
Number of shares (share)	**31,128,527**	31,128,527	29,394,950
Percentage of issued shares (%)	**2.75%**	2.75%	2.59%
Market value (KD)	**2,272,382**	2,272,382	2,380,991
Cost	**3,682,805**	3,682,805	3,826,773

8. Other equity items

	Reserve profit on sale of treasury shares	Employee stock option reserve	Cumulative changes in fair value	Fixed assets revaluation surplus	Foreign currency translation adjustments	Effect of changes in associates' equity	Effect of purchase / sale of share in subsidiaries	Total
Balance as of 31 December 2012	40,118	1,023,828	(7,062,307)	164,415	(418,623)	(1,219,920)	307,196	(7,165,293)
Total comprehensive income (loss) for the period	-	-	2,075,976	-	(400,740)	404,919	-	2,080,155
Effect of purchase / sale of share in a subsidiary	-	-	-	-	-	-	444,576	444,576
Balance as of June 30, 2013	**40,118**	**1,023,828**	**(4,986,331)**	**164,415**	**(819,363)**	**(815,001)**	**751,772**	**(4,640,562)**
Balance as of 31 December 2011	-	1,023,828	(5,881,632)	-	(386,058)	(496,375)	3,413,525	(2,326,712)
Total comprehensive income (loss) for the period	-	-	1,683,595	-	(25,886)	180,704	-	1,838,413
Effect of purchase / sale of share in a subsidiary	-	-	-	-	-	-	53,440	53,440
Profit on sale of treasury shares	22,328	-	-	-	-	-	-	22,328
Balance as of June 30, 2012	22,328	1,023,828	(4,198,037)	-	(411,944)	(315,671)	3,466,965	(412,531)

9. Net investment income

	Three months ended June 30,		Six months ended June 30,	
	2013	2012	**2013**	2012
Realized gain from sale of investments at fair value through statement of profit or loss	**-**	-	**4,166**	-
Unrealized gain (loss) from investments at fair value through statement of profit or loss	**107,673**	7,152	**36,625**	(47,449)
Realized (loss) gain from sale of investments available for sale	**(68,757)**	(126,579)	**(132,905)**	702,194
Dividend income	**369,719**	225,049	**369,719**	509,422
	408,635	105,622	**277,605**	1,164,167

10. Impairment and other provisions

	Three months ended June 30,		Six months ended June 30,	
	2013	2012	**2013**	2012
Provision for doubtful debts	**19,185**	(109,082)	**19,185**	(109,082)
Provision of Murabaha receivables	**947**	10,747	**1,021**	(657,198)
Impairment of investments available for sale	**79,580**	1,147,472	**345,128**	9,785,048
	99,712	1,049,137	**365,334**	9,018,768

11. Loss per share

Loss per share is computed by dividing net loss attributable to Parent Company's shareholders by the weighted average number of outstanding shares during the period excluding treasury shares as follows:

	Three months ended June 30,		Six months ended June 30,	
	2013	2012	**2013**	2012
Net loss for the period attributable to the Parent company's shareholders (KD)	**(1,189,165)**	(2,819,601)	**(2,577,593)**	(2,068,215)
Weighted average number of outstanding share during the period (share)	**1,102,488,827**	1,105,069,421	**1,102,488,827**	1,104,848,793
Loss per share attributable to the Parent company's shareholders (fils)	**(1.08)**	(2.55)	**(2.34)**	(1.87)

12. Related party disclosures

The Group has entered into various transactions with related parties i.e. major shareholders, board of directors, executive officers of the group, associates and other related parties. The group's management approves pricing policies and terms of these transactions. Significant balances and transactions with group's related parties included are as follows:

Balances included in the interim condensed consolidated statement of financial position:	Associates	Major shareholders	Other related parties	June 30, 2013	December 31, 2012 (Audited)	June 30, 2012
Accounts receivable and other debit balances	39,683	-	6,775,409	6,815,092	10,490,107	27,957,947
Murabaha receivable	412,099	-	299,843	711,942	566,928	403,989
Accounts payable and other credit balances	6,517,877	-	3,353,487	9,871,364	10,056,679	14,047,742
Murabaha and wakala payable	1,267,890	20,811,971	1,620,975	23,700,836	23,300,719	48,462,785
Transactions included in the interim condensed consolidated statement of profit or loss:						
Net investment income	-	-	-	-		772,847
Murabaha income	7,934	-	6,716	14,650		4,000
Management, placement and subscription income	-	-	283,602	283,602		248,693
Rental income	110,635	-	-	110,635		65,229
Gain on partial sale of a subsidiary	-	-	-	-		2,740,965
Gain from partial sale of assets held for sale	-	-	-	-		3,417,427
Finance cost	23,086	573,240	46,951	643,277		1,239,502
Key management compensation:						
Salaries, incentive and bonuses				381,209		351,932
End of service indemnity				44,762		48,729
Post-employment benefits				151,266		140,079

13. Fiduciary assets

The aggregate value of assets held in a trust or fiduciary capacity by the Parent Company (Items off interim condensed consolidated statement of financial position) as of June 30, 2013 amounted to KD 58,674,620 (December 31, 2012 – KD 52,650,629, June 30, 2012 – KD 86,816,950).

14. Capital commitments and contingent liabilities

	June 30, 2013	December 31, 2012 (Audited)	June 30, 2012
Capital commitments against purchase of investments	**2,099,199**	2,099,199	2,099,199
Letters of guarantee	**23,520,302**	23,164,259	17,763,469
Letters of credit	**1,638,170**	3,510,800	2,859,123

15. Segment information

The management has classified the Group's products and services into the following operational segments:

- Financial investments
- Other

The following presents the related information of the Group's segment reports:

	Segment revenue		Segment profit (loss)	
	Six months ended June 30,		Six months ended June 30,	
	2013	2012	**2013**	2012
Financial investments	**1,379,568**	10,499,087	**(348,824)**	(14,766)
Other	**1,713,797**	3,116,812	**1,431,733**	2,971,572
Total	**3,093,365**	13,615,899	**1,082,909**	2,956,806
General and administrative expenses			**(3,798,150)**	(4,717,450)
Depreciation			**(397,639)**	(443,183)
Other			**18,010**	184,272
Net loss for the period			**(3,094,870)**	(2,019,555)

16. General assembly of the shareholders

The Annual General Assembly of the shareholders held on October 2, 2013 approved the distribution of cash dividend of 7 fils per share for the year ended December 31, 2012.

17. Fair value of financial instruments

The International Standard requires IFRS 7 disclosures about fair value measurement by measuring levels of the fair value of the following:

- 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 (as prices) or indirectly (derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The following table illustrate the Group's financial instruments measured at the fair value:

June 30, 2013	**Level 1**	**Level 2**	**Level 3**	**Total**
Investments at fair value through statement of profit or loss	**4,397,975**	**-**	**-**	**4,397,975**
Investments available for sale:				
Quoted equities	**14,711,295**	**-**	**-**	**14,711,295**
Funds and portfolios	**-**	**11,328,293**	**-**	**11,328,293**
Unquoted equities	**-**	**-**	**83,703,736**	**83,703,736**
Total	**19,109,270**	**11,328,293**	**83,703,736**	**114,141,299**

December 31, 2012	Level 1	Level 2	Level 3	Total
Investments at fair value through statement of profit or loss	4,450,798	-	-	4,450,798
Investments available for sale:				
Quoted equities	13,118,600	-	-	13,118,600
Funds and portfolios	-	13,718,487	-	13,718,487
Unquoted equities	-	-	77,145,326	77,145,326
Total	17,569,398	13,718,487	77,145,326	108,433,211

June 30, 2012	Level 1	Level 2	Level 3	Total
Investments at fair value through statement of profit or loss	4,410,277	-	-	4,410,277
Investments available for sale:				
Quoted equities	12,193,545	-	-	12,193,545
Funds and portfolios	-	17,608,491	-	17,608,491
Unquoted equities	-	-	95,169,491	95,169,491
Total	16,603,822	17,608,491	95,169,491	129,381,804

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. Be active if market prices were available immediately and regularly through stock market, trading, broker or a group sector or pricing services or regulatory agencies, and these prices represent the real and regular operations in the same market transactions. The quoted market price used for financial assets of the group is the last price (bid price) and these tools are included in the first level.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These methods use observable market data when available and depend little on the estimates for the facility, if all essential inputs needed to determine the fair value of the tool can be observed, this tool included the second level.

If there is one or more of the input core is based on observable market data, this tool included in the third level.

The settlement of fair value measurement for third level investments available for sale are as follows:

	Investments available for sale
June 30, 2013	
January 1, 2013	77,145,326
Net movement during the period	6,558,410
June 30, 2013	83,703,736
December 31, 2012	
January 1, 2012	109,577,281
Net movement during the year	(32,431,955)
December 31, 2012	77,145,326
June 30, 2012	
January 1, 2012	109,577,281
Net movement during the period	(14,407,790)
June 30, 2012	95,169,491

During the period / year, there was no transfers in or out of the third level.

18. Restated comparative figures

Comparative figures for the year ended December 31, 2012 has been restated to include the following balances in accordance with the unconsolidated audited financial statements for Cavendish Learning Limited Company.

Item	Balances as per financial statements for the year ended December 31, 2012 (Audited)	Amount Restated	Balances as per financial statements for the year ended December 31, 2012 (Restated)
Cash and cash equivalents	21,699,195	174	21,699,369
Accounts receivable and other debit balances	67,751,273	(4,923,713)	62,827,560
Investment in subsidiaries	-	4,150,036	4,150,036
Accounts payable and other credit balances	52,109,533	38,464	52,147,997
Retained earnings	31,536,400	(811,967)	30,724,433