Al Salam Group Holding Company

K.S.C (Public)
and its subsidiaries
Kuwait

Interim condensed consolidated financial information
for the six months ended June 30 ,2014
with review report
(Unaudited)

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K.S.C (Public)
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The Board of Directors,
Al Salam Group Holding Company
K.S.C (Public)
and its subsidiaries
Kuwait

Review report on the interim condensed consolidated financial information

Introduction
We have reviewed the accompanying interim condensed consolidated statement of financial position of Al Salam Group Holding Company - K.S.C (Public) - (the Parent Company) and its subsidiaries (together referred to as "the Group") - as of June 30,2014 and the interim condensed consolidated statements of income, comprehensive income, cash flows and changes in equity for the six 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 No. (34) "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of review
We conducted our review in accordance with the International Standard on Review Engagements 2410 "Review of interim Financial Information Performed by the Independent Auditors 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.

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 No. (34) "Interim Financial Reporting".

Report on review of other legal and regulatory matters
Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of the Parent Company and to the best of our knowledge and belief, no violations of the Companies' Law no. 25 of year 2012, as amended, and related Executive Regulations, law no. 7 of 2010 in respect of the establishment of Capital Market Authority and the organization of the securities activity and its regulation or of the Parent Company's Memorandum and Articles of Association during the six months period ended June 30,2014 that might have had a material effect on the Parent Company's business or its consolidated financial position.

Abdul Hussain M. Al- Rasheed
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Adel Al- Sanea
Auditors Registry No. 86 Category (A)
Kuwaiti Accounting Auditing
A member of H.L.B International

August 12, 2014
State of Kuwait

Al Salam Group Holding Company

K.S.C (Public)
and its subsidiaries
Kuwait

Interim condensed consolidated statement of financial position as of June 30, 2014
(Unaudited)
"All amounts are in Kuwaiti Dinar"

	Note	June 30, 2014	December 31, 2013 (Audited)	June 30, 2013
Assets				
Cash and cash equivalents		**228,789**	1,025,355	214,109
Investments at fair value - statement of income	6	**3,366,013**	5,056,560	6,745,545
Finance and Musharka		**-**	-	444,401
Accounts receivable and other debit balances	7	**3,514,428**	3,248,433	2,526,613
Available for sale investments	8	**12,670,787**	11,528,541	-
Investments in associates	9	**8,893,597**	8,894,726	22,568,875
Intangible assets		**4,649,170**	4,649,170	2,654,644
Property and equipment		**1,326,763**	1,377,020	1,072,776
Total assets		**34,649,547**	35,779,805	36,226,963
Liabilities and equity				
Liabilities				
Accounts payable and other credit balances	10	**2,673,749**	3,188,995	2,303,725
Provision for end of service indemnity		**108,992**	97,470	112,566
Total liabilities		**2,782,741**	3,286,465	2,416,291
Equity				
Share capital		**25,680,000**	25,680,000	25,680,000
Share premium		**5,904,559**	5,904,559	5,904,559
Statutory reserve		**616,237**	616,237	596,930
Voluntary reserve		**17,978**	17,978	17,978
Cumulative changes in fair value		**(2,447,031)**	(1,333,716)	21,927
Gains on sale of treasury shares		**730,372**	730,372	730,372
Retained earnings		**1,341,833**	846,613	830,946
Equity attributable to Shareholders of the Parent Company		**31,843,948**	32,462,043	33,782,712
Non-controlling interests		**22,858**	31,297	27,960
Total equity		**31,866,806**	32,493,340	33,810,672
Total liabilities and equity		**34,649,547**	35,779,805	36,226,963

Meshari Ahmed Al Majed
Chairman

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

Al Salam Group Holding Company

K.S.C (Public)
and its subsidiaries
Kuwait

Interim condensed consolidated statement of income for the six months ended June 30, 2014
(Unaudited)
"All amounts are in Kuwaiti Dinar"

	Note	Three months ended June 30,		Six months ended June 30,	
		2014	2013	**2014**	2013
Revenue					
Gains on investments	11	**37,699**	292	**238,126**	12,466
Net of revenue from contracts		**211,608**	98,380	**461,608**	297,067
Group's share in results of associates		**(1,129)**	(24,622)	**(1,129)**	(24,622)
General and administrative expenses		**(90,885)**	(67,967)	**(176,630)**	(121,839)
Net profit for the period before calculating contribution to Kuwait Foundation for the Advancement of Science, Zakat and National Labor Support Tax		**157,293**	6,083	**521,975**	163,072
Contribution to Kuwait Foundation for the Advancement of Science		**(1,402)**	(72)	**(4,666)**	(1,468)
Zakat		**(1,605)**	(80)	**(5,300)**	(1,705)
National Labor Support Tax		**(4,011)**	(199)	**(13,248)**	(4,261)
Net profit for the period		**150,275**	5,732	**498,761**	155,638
Attributable to:					
Shareholders of the Parent Company		**148,737**	4,945	**495,220**	153,264
Non-controlling interests		**1,538**	787	**3,541**	2,374
Net profit for the period		**150,275**	5,732	**498,761**	155,638
Earnings per share / (fils)	12	**0.58**	0.02	**1.93**	0.60

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

Al Salam Group Holding Company

K.S.C (Public)
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Kuwait

Interim condensed consolidated statement of comprehensive income for the six months ended June 30, 2014 (Unaudited)
"All amounts are in Kuwaiti Dinar"

	Three months ended June 30,		Six months ended June 30,	
	2014	2013	**2014**	2013
Net profit for the period	**150,275**	5,732	**498,761**	155,638
Other comprehensive income :				
Transferred to the statement of income as result of selling available for sale investments	**3,510**	-	**14,199**	-
Cumulative changes in fair value	**(1,905,318)**	-	**(1,127,494)**	-
Other comprehensive loss for the period	**(1,901,808)**	-	**(1,113,295)**	-
Total (comprehensive loss)/comprehensive income for the period	**(1,751,533)**	5,732	**(614,534)**	155,638
Attributable to:				
Shareholders of the Parent Company	**(1,753,065)**	4,945	**(618,095)**	153,264
Non-controlling interests	**1,532**	787	**3,561**	2,374
Total (comprehensive loss)/comprehensive income for the period	**(1,751,533)**	5,732	**(614,534)**	155,638

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

Al Salam Group Holding Company

K.S.C (Public)
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Interim condensed consolidated statement of cash flows for the six months ended June 30, 2014
(Unaudited)
"All amounts are in Kuwaiti Dinar"

	Six months ended June 30,	
	2014	2013
Cash flows from operating activities		
Net profit for the period	**498,761**	155,638
Adjustments		
Gains on investments	**(238,126)**	(12,466)
Depreciation of property and equipment	**129,911**	97,025
Group's share in results of associates	**1,129**	24,622
Provision for end of service indemnity	**11,522**	7,384
Operating profit before calculating the effect of change in working capital items	**403,197**	272,203
Investments at fair value - statement of income	**1,658,127**	-
Accounts receivable and other debit balances	**(265,995)**	(274,563)
Accounts payable and other credit balances	**(515,246)**	132,423
Net cash generated from operating activities	**1,280,083**	130,063
Cash flows from investing activities		
Property and equipment	**(79,654)**	(187,447)
Available for sale investments	**(1,984,995)**	-
Net cash used in investing activities	**(2,064,649)**	(187,447)
Cash flows from financing activities		
Movement of non-controlling interests	**(12,000)**	-
Net cash used in financing activities	**(12,000)**	-
Net decrease in cash and cash equivalents	**(796,566)**	(57,384)
Cash and cash equivalents at beginning of the period	**1,025,355**	271,493
Cash and cash equivalents at end of the period	**228,789**	214,109

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

Exhibit - E

Al Salam Group Holding Company
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Kuwait

Interim condensed consolidated statement of changes in equity for the six months ended June 30, 2014
(Unaudited)
"All amounts are in Kuwaiti Dinar"

	Equity attributable to Shareholders of the Parent Company									
	Share capital	Share premium	Statutory reserve	Voluntary reserve	Cumulative changes in fair value	Treasury shares	Retained earrings	Total	Non controlling interests	Total
Balance at January 1, 2013	24,000,000	5,904,559	596,930	17,978	21,927	730,372	2,357,682	33,629,448	25,586	33,655,034
Bonus shares	1,680,000	-	-	-	-	-	(1,680,000)	-	-	-
Net profit for the period	-	-	-	-	-	-	153,264	153,264	2,374	155,638
Total comprehensive income for the period	-	-	-	-	-	-	153,264	153,264	2,374	155,638
Balance at June 30, 2013	25,680,000	5,904,559	596,930	17,978	21,927	730,372	830,946	33,782,712	27,960	33,810,672
Balance at January 1, 2014	25,680,000	5,904,559	616,237	17,978	(1,333,716)	730,372	846,613	32,462,043	31,297	32,493,340
Net profit for the period	-	-	-	-	-	-	495,220	495,220	3,541	498,761
Other comprehensive income for the period	-	-	-	-	(1,113,315)	-	-	(1,113,315)	20	(1,113,295)
Total comprehensive income for the period	-	-	-	-	(1,113,315)	-	495,220	(618,095)	3,561	(614,534)
Dividends from subsidiary	-	-	-	-	-	-	-	-	(12,000)	(12,000)
Balance at June 30 ,2014	**25,680,000**	**5,904,559**	**616,237**	**17,978**	**(2,447,031)**	**730,372**	**1,341,833**	**31,843,948**	**22,858**	**31,866,806**

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

Al Salam Group Holding Company

K.S.C (Public)
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Notes to the interim condensed consolidated financial information for the six months ended June 30, 2014 (Unaudited)
"All amounts are in Kuwaiti Dinar unless stated otherwise"

1- Incorporation and activity

Al Salam Group Holding Company - K.S.C (Public) was incorporated on November 9, 1997.

The Parent Company's main activities are as follow:

- Owning shares in Kuwaiti or Foreign shareholding or limited liability companies, or participating in establishing these companies and managing and lending them and providing guarantees on their behalf to others.
- Lending the companies in which it owns shares and providing guarantees on behalf of those companies to others, providing that the holding Company's ownership percentage in the share capital of the borrowed Company must be at least 20%.
- Owning industrial equity of patents, industrial trademarks, industrial fees or any other rights related to that and renting them to other companies to utilize them inside Kuwait or abroad.
- Owning the necessary movables and properties to carry out its activity in accordance with the Law.

The Parent Company may have an interest in, or may participate in any form with the institutions that have a similar business or that will assist it to achieve its objectives inside or outside Kuwait. Also it may establish or participate in or acquire these institutions or join them.
The Company carrying out all its activities in accordance with Instructions of Islamic Sharia.
On September 29, 2013, the Ministry of Industry and Commerce issued Resolution of the Executive Regulation of Companies Law under no. 425/2013 this in accordance with requirements of Law and companies have to comply with requirements of this resolution during one year from its publication.

The registered address of the Parent Company is: Qibla – Plot (5) – Building (11) owned by Mousa Abdullwahab Al Naqy - Kuwait.

The Board of Directors approved this interim condensed consolidated financial information for the six months ended June 30, 2014 for issue on August 12, 2014.

2- Basis of presentation

This interim condensed consolidated financial information of the Parent Company has been prepared in compliance with the International Accounting Standard No. 34 "Interim Financial Reporting". The accounting policies used in the preparation of the interim condensed consolidated financial information are consistent, with those used in the preparation of the consolidated financial statements for the year ended December 31, 2013.
The interim condensed consolidated financial information does not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standard. In addition results for the six months ending June 30, 2014 are not necessarily indicative of the results that may be expected for the year ending December 31, 2014. For further information, refer to the Parent Company's audited consolidated financial statements for the year ended December 31, 2013.

3- Judgments and estimates

The preparation of interim condensed consolidated financial information requires management to make judgments, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets and liabilities, incomes and expenses. 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 the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2013.

4- Changes to accounting policies

Adoption of new IASB Standards and amendments during the period

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2013, except for the adoption of new standards and amendments effective as of 1 January 2014.
The Group applies, for the first time, certain standards and amendments that require restatement of previous financial statements. These include IFRS 13 Fair Value Measurement and amendments to IAS 1 Presentation of Financial Statements. As required by IAS 34, the nature and the effect of these changes are disclosed below.
Several other new standards and amendments apply for the first time in 2014. However, they do not impact the annual consolidated financial statements nor the interim condensed consolidated financial information of the Group.
The nature and the impact of each new standard/amendment is described below:

Standard or interpretation	Effective for annual periods beginning
IFRS 13 Fair Value Measurement	January 1, 2014
IFRS 7 Financial Instruments: Disclosures - amendments	January 1, 2014
Annual Improvements 2009-2011	January 1, 2014

IFRS 13 Fair Value Measurement

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The application of IFRS 13 has not materially impacted the fair value measurements carried out by the Group.
IFRS 13 also requires specific disclosures on fair values, some of which replace existing disclosure requirements in other standards, including IFRS 7 Financial Instruments: Disclosures. Some of these disclosures are specifically required for financial instruments by IAS 34, thereby affecting the interim condensed consolidated financial information period. The Group provides these disclosures in Note (16). The requirements of IAS 34 and transition provisions of IFRS 13 do not require comparative information for periods before initial application of IFRS 13. Consequentially, the Group does not provide the comparative information.

IFRS 7 Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7)

Qualitative and quantitative disclosures have been added to IFRS 7 'Financial Instruments: Disclosures' (IFRS 7) relating to gross and net amounts of recognised financial instruments that are (a) set off in the consolidated statement of financial position and (b) subject to enforceable master netting arrangements and similar agreements, even if not set off in the consolidated statement of financial position. As the Group is not setting off financial instruments in accordance with IAS 32 and does not have relevant offsetting arrangements, the amendment does not have an impact on the Group.

Annual Improvements 2009-2011 (the Annual Improvements)

The Annual Improvements 2009-2011 (the Annual Improvements) made several minor amendments to a number of IFRSs. The amendments relevant to the Group are summarised below:

Clarification of the requirements for opening consolidated statement of financial position (amendments to IAS 1):

- Clarifies that the appropriate date for the opening consolidated statement of financial position is the beginning of the preceding period (related notes are no longer required to be presented)

- Addresses comparative requirements for the opening consolidated statement of financial position when an entity changes accounting policies or makes retrospective restatements or reclassifications, in accordance with IAS 8.

Under IAS 34, the minimum items required for the interim condensed consolidated financial information do not include a third balance sheet.

Clarification of the requirements for comparative information provided beyond minimum requirements (amendments to IAS 1):

- Clarifies that additional financial statement information need not be presented in the form of a complete set of consolidated financial statements for periods beyond the minimum requirements
- Requires that any additional information presented should be presented in accordance with IFRS and the entity should present comparative information in the related notes for that additional information.

IASB Standards issued but not yet effective

At the date of authorization of these interim condensed consolidated financial information, certain new standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective, and have not been adopted early by the Group.

Management anticipates that all of the relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Group's interim condensed consolidated financial information is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Group's interim condensed consolidated financial information.

Standard or Interpretation	Effective for annual periods beginning
IFRS 9 Financial Instruments: Classification and Measurement	January 1, 2015
IAS 32 Financial Instruments: Presentation – amendments	January 1, 2014

IFRS 9 Financial Instruments

The IASB aims to replace IAS 39 Financial Instruments: Recognition and Measurement in its entirety. The replacement standard (IFRS 9) is being issued in phases. To date, the chapters dealing with recognition, classification, measurement and derecognition of financial assets and liabilities have been issued. These chapters are effective for annual periods beginning 1 January 2015. Further chapters dealing with impairment methodology and hedge accounting are still being developed. Further, in November 2011, the IASB tentatively decided to consider making limited modifications to IFRS 9's financial asset classification model to address application issues.

Although earlier application of this standard is permitted, the Technical Committee of the Ministry of Commerce and Industry of Kuwait decided on December 30, 2009, to postpone this early application till further notice.

Management has not yet to assess the impact that this amendment is likely to have on the interim condensed consolidated financial information of the Group. However, they do not expect to implement the amendments until all chapters of IFRS 9 have been published and they can comprehensively assess the impact of all changes.

Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)

The Amendments to IAS 32 add application guidance to address inconsistencies in applying IAS 32's criteria for offsetting financial assets and financial liabilities in the following two areas:

- The meaning of 'currently has a legally enforceable right of set-off'
- That some gross settlement systems may be considered equivalent to net settlement.

The Amendments are effective for annual periods beginning on or after 1 January 2014 and are required to be applied retrospectively. Management does not anticipate a material impact on the Group's interim condensed consolidated financial information from these Amendments.

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Notes to the interim condensed consolidated financial information for the six months ended June 30, 2014 (Unaudited)
"All amounts are in Kuwaiti Dinar unless stated otherwise"

5- Basis of consolidation

The interim condensed consolidated financial information includes the Parent Company's interim condensed financial information and its subsidiaries mentioned below:

	Shareholding percentage	Country of incorporation	Activity
Al Dosr International for General Trading and Contracting Company (W.L.L)	99%	Kuwait	General trading and contracting
Atlantic Group for General Trading and Contracting Company (W.L.L)	99%	Kuwait	General trading and contracting

Al Dosr International for General Trading and Contracting Company (W.L.L) owing subsidiaries and their details are as follows:

	Shareholding percentage	Country of incorporation	Activity
Asal Holding Company K.S.C (Holding)	99.2%	Kuwait	Holding
Reflection Group for General Trading and Contracting Company (W.L.L)	99%	Kuwait	General trading and contracting

- The interim financial information of the subsidiaries has been consolidated based on financial information prepared by the management as of June 30, 2014.

6- Investments at fair value - statement of income

	June 30, 2014	December 31, 2013 (Audited)	June 30, 2013
Investments in local shares -Quoted	**3,366,013**	4,967,560	6,656,545
Investments in local shares -Unquoted	**-**	89,000	89,000
	3,366,013	5,056,560	6,745,545

7- Accounts receivable and other debit balances

	June 30, 2014	December 31, 2013 (Audited)	June 30, 2013
Due from related parties (Note - 13)	**891,458**	881,900	402,655
Advance payments for purchasing investments	**329,168**	504,168	619,841
Trade receivables	**1,066,038**	688,866	343,393
Refundable deposits	**7,229**	2,229	5,000
Bank guarantees	**859,074**	865,069	941,710
Prepaid expenses	**338,908**	265,419	73,188
Staff receivables	**22,044**	35,782	64,644
Other	**509**	5,000	76,182
	3,514,428	3,248,433	2,526,613

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8- Available for sale investments

	June 30, 2014	December 31, 2013 (Audited)	June 30, 2013
Investments in local shares -Quoted	**6,128,870**	4,986,624	-
Investments in local shares-Unquoted	**6,541,917**	6,541,917	-
	12,670,787	11,528,541	-

- That the evaluation of investments in unquoted shares is in accordance with the operations of the estimated based on available information about the financial position and results of the activities of the investee companies and the future profits expected for these companies are also taken into account the prices of any trading modern known for shares with other parties in the investee companies or in similar companies.

9- Investments in associates

The details of these investments are as follows:

	Shareholding percentage %					
	June 30, 2014	December 31,2013 (Audited)	June 30, 2013	**June 30, 2014**	December 31,2013 (Audited)	June 30, 2013
India Holding Company K.S.C (Holding)	**%33.98**	%33.98	%33.98	**8,486,497**	8,487,626	8,460,958
Takaful International for Takaful Insurance K.S.C (Closed)	**%41.71**	%41.71	-	**407,100**	407,100	-
Al-Madina Finance and Investment K.S.C (Closed)	-	-	%39.05	-	-	14,107,917
				8,893,597	8,894,726	22,568,875

- The Group's share in results of India Holding K.S.C (Holding) has been recognized based on the audited financial information prepared by the management as of June 30, 2014.

- The Group's has not record its share in results of Takaful International for Takaful Insurance K.S.C (Closed) for the six months period ended June 30, 2014.

10- Accounts payable and other credit balances

	June 30, 2014	December 31, 2013 (Audited)	June 30, 2013
Due to related parties (Note -13)	**1,059,956**	1,649,428	1,418,655
Payables for purchasing property and equipment	**471,878**	586,533	199,948
Accrued expanses	**207,552**	169,610	141,196
Tax deductions	**313,990**	294,757	283,141
Dividends payables	**122,882**	112,249	113,199
Trade payables	**65,601**	47,822	32,130
Payables for purchasing investments	**333,217**	268,040	17,369
Staff-leave provision	**78,673**	60,556	58,954
Other	**20,000**	-	39,133
	2,673,749	3,188,995	2,303,725

11- Gains on investments

	Three months ended June 30,		Six months ended June 30,	
	2014	2013	**2014**	2013
Change in fair value of investments at fair value - statement of income	**(28,388)**	292	**(80,603)**	12,466
Net gains on sale of investments	**66,087**	-	**318,729**	-
	37,699	292	**238,126**	12,466

12- Earnings per share / (fils)

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

	Three months ended June 30,		Six months ended June 30,	
	2014	2013	**2014**	2013
Net profit for the period	**148,737**	4,945	**495,220**	153,264
Weighted average number of outstanding shares during the period	**256,800,000**	256,800,000	**256,800,000**	256,800,000
Earnings per share / (fils)	**0.58**	0.02	**1.93**	0.60

13- Related parties' transactions

Related parties comprise of associates, major shareholders, Board of Directors, key management personnel of the Group and companies which they controlled or jointly controlled or significantly influence. The Group's management approved the pricing policies and terms of these transactions. The balances and amounts due from/to related parties are interest free and have no specific maturity date except Finance and Musharka.

The balances and movement of transactions with related parties included in the interim condensed consolidated financial information are as follows:

Interim condensed consolidated statement of financial position :	**June 30,2014**	December 31, 2013 (Audited)	June 30, 2013
Finance and Musharka	-	-	444,401
Due from related parties (Note - 7)	**891,458**	881,900	402,655
Due to related parties (Note - 10)	**1,059,956**	1,649,428	1,418,655

14- Segmental information

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

Operating segments:
The Group's operating segments primarily operates concentrated on investing activity and general trading and contracting.

Geographical segments:
The Group operates in one main geographical segment that is local market in State of Kuwait.

15- General assembly of the Shareholders

On May 11, 2014, the annual general assembly of the Shareholders held and approved the consolidated financial statements for the financial year ended December 31, 2013 and approved the Board of Directors' proposals to not distribute dividends for the financial year ended December 31, 2013 and also not to distribute board of directors rewards for the financial year ended December 31, 2013.

16- Financial instruments

Categories of financial instruments
The Group's financial assets and liabilities have been classified in the interim condensed consolidated statement of financial position are as follows:

Financial assets	**June 30,2014**	December 31, 2013 (Audited)	June 30, 2013
Cash and cash equivalents	**228,789**	1,025,355	214,109
Investments at fair value - statement of income	**3,366,013**	5,056,560	6,745,545
Finance and Musharka	-	-	444,401
Accounts receivable and other debit balances	**3,514,428**	3,248,433	2,526,613
Available for sale investments	**12,670,787**	11,528,541	-
	19,780,017	20,858,889	9,930,668

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	June 30,2014	December 31, 2013 (Audited)	June 30, 2013
Financial liabilities			
Accounts payable and other credit balances	**2,673,749**	3,188,995	2,303,725

Fair value of financial instruments
Fair value of financial instruments is defined as the amounts at which the asset could be exchanged or a liability settled in a current transaction between knowledgeable willing parties in an arm's length transaction other than in forced or liquidation sale. The Group used recognized assumptions and methods to estimate the fair value of the financial instruments. The fair value of financial assets and financial liabilities are determined as follows:

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid market is determined with reference to quoted market prices.
- The fair value of other financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from identifiable current market transactions and dealer quotes for similar financial instruments.
- The fair values of financial instruments carried at amortized cost are not significantly different from their carrying values.

Fair value measurement recognized in the interim condensed consolidated statement of financial position
The Group adopted the amendments to IFRS 7 effective from January 1, 2011. These amendments require the Group to present certain information about financial instruments measured at fair value in the interim condensed consolidated statement of financial position.
The following table presents financial assets and financial liabilities measured at fair value in the interim condensed consolidated statement of financial position in accordance with the fair value hierarchy. This hierarchy group's financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and financial liabilities.
The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant inputs to the fair value measurement.

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

June 30, 2014:	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets:				
Investments at fair value - statement of income				
Quoted securities	**3,366,013**	-	-	**3,366,013**
Available for sale investments				
Quoted securities	**6,128,870**	-	-	**6,128,870**
Unquoted securities	-	-	**6,541,917**	**6,541,917**
	9,494,883	-	**6,541,917**	**16,036,800**
Liabilities:	-	-	-	-
Net fair value	**9,494,883**	-	**6,541,917**	**16,036,800**

June 30 , 2013:	Level 1	Level 2	Level 3	Total
Assets:				
Investments at fair value - statement of income				
Quoted securities	6,656,545	-	-	6,656,545
Unquoted securities	-	-	89,000	89,000
	6,656,545	-	89,000	6,745,545
Liabilities:	-	-	-	-
Net fair value	6,656,545	-	89,000	6,745,545