Ekttitab Holding Company - K.S.C (Public)
And its subsidiary
State of Kuwait
Interim Condensed Consolidated Financial Information
(Unaudited)
For the three months ended March 31, 2014
With Review Report

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Contents

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The Board of Directors
Ekttitab Holding Company
K.S.C (Public)
And its subsidiary
Kuwait

Review report on the interim condensed consolidated financial information

Introduction

We have reviewed the accompanying interim condensed consolidated financial information of Ekttitab Holding Company K.S.C (Public)- Kuwait "the parent company" and its subsidiary (together referred to as "the Group") which comprise the interim condensed consolidated statement of financial position as of March 31, 2014 and the related interim condensed consolidated statements of income, comprehensive income, cash flows and changes in equity for the three-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 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".

Explanatory paragraph

We draw attention to note (10) to the interim condensed consolidated financial information's which describes the uncertainty related to the outcome of the lawsuits between the Company and the creditors of Murabahat and Tawaruq contracts payable that are due and unpaid.

Report on review of other legal and regulatory matters

Furthermore, based on our review, the interim condensed financial information is in agreement with the books of the Parent Company. We further report that nothing has come to our attention indicating any contravention during the three-month period ended March 31, 2014 of the Companies' Law no. 25 of year 2012 as amended and related Executive Regulations or law no. 7 of year 2010 in respect of the establishment of Capital Market Authority and the organization of the securities activity and its regulation and the Company's memorandum and articles of association that might have had a material effect on the business of the Company or on its interim condensed consolidated statement of financial position.

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Member of AICPA

May 13, 2014

State of Kuwait

Ekttitab Holding Company
K.S.C (Public)
And its subsidiary

Interim Condensed Consolidated Statement of Financial Position as at March 31, 2014
(Unaudited)
(All amounts are in Kuwaiti Dinars)

	Note	March 31, 2014	December 31, 2013 (audited)	March 31, 2013
Assets				
Cash and cash equivalents	6	**1,324,849**	2,220,229	2,348,263
Investments at fair value – statement of income	7	**10,975,873**	11,040,475	4,834,001
Available for sale investments	8	**5,641,061**	6,231,057	5,552,753
Investment in Islamic instruments	9	**7,082,167**	12,521,413	12,521,413
Receivables and other debit balances		**114,968**	114,036	142,559
Due from related parties	13	**7,822,097**	1,880,232	4,730,933
Property and equipment		**1,819**	1,981	3,568
Total assets		**32,962,834**	34,009,423	30,133,490
Liabilities and equity				
Liabilities				
Murabahat and Tawaruq Contracts payable	10	**4,764,718**	4,764,718	7,062,729
Payables and other credit balances		**532,640**	692,413	459,708
Due to related parties	13	**181,729**	181,729	-
Total liabilities		**5,479,087**	5,638,860	7,522,437
Equity				
Share capital		**31,862,423**	31,862,423	22,862,423
Statutory reserve		**94,506**	94,506	94,506
Change in fair value reserve		**(3,555,269)**	(2,819,336)	(839,677)
(Accumulated loss)/retained earnings		**(889,069)**	(762,337)	426,401
Total equity attributable to the shareholders of the Parent company		**27,512,591**	28,375,256	22,543,653
Non-controlling interests		**(28,844)**	(4,693)	67,400
Total equity		**27,483,747**	28,370,563	22,611,053
Total liabilities and equity		**32,962,834**	34,009,423	30,133,490

Emad Hussain Nameh
Chairman

Abdul Mohsen Shahrayan
Vice chairman

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

Exhibit - B

Ekttitab Holding Company
K.S.C (Public)
And its subsidiary

Interim Condensed Consolidated Statement of Income For the three months ended March 31, 2014
(Unaudited)
(All amounts are in Kuwaiti Dinars)

	Note	The three months ended March 31 2014	2013
Revenue			
Revenue of activity		**38,663**	-
Costs of activity		**(25,850)**	-
		12,813	-
Losses on investments	11	**(48,480)**	(422,204)
Losses from foreign currency		**(2,906)**	-
Other revenue		**1,814**	28,082
		(36,759)	(394,122)
Expenses and other charges			
General and administrative expenses		**95,910**	105,080
Net loss for the period before deductions		**(132,669)**	(499,202)
Kuwait Foundation for Advancement of Science (KFAS)		-	-
National Labor Support Tax		-	-
Zakat expense		-	-
Net loss for the period		**(132,669)**	(499,202)
Attributable to:			
Shareholders of the parent company		**(126,886)**	(494,177)
Non-controlling interests		**(5,783)**	(5,025)
Net loss for the period		**(132,669)**	(499,202)
Loss per share (fils)	12	**(0.40)**	(2.16)

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

Ekttitab Holding Company
K.S.C (Public)
And its subsidiary

Interim Condensed Consolidated Statement of Comprehensive Income For the three months ended March 31, 2014 (Unaudited)
(All amounts are in Kuwaiti Dinars)

	The three months ended March 31	
	2014	2013
Net loss for the period	**(132,669)**	(499,202)
Other comprehensive income items:		
Items that may be reclassified subsequently to the statement of income		
Change in fair value of available for sale investments	**(908,712)**	(448,316)
Transferred to statement of income on sale of available for sale investments	**154,405**	214,734
Other comprehensive losses	**(754,307)**	(233,582)
Total comprehensive loss for the period	**(886,976)**	(732,784)
Attributable to:		
Shareholders of the Parent company	**(862,819)**	(709,560)
Non-controlling interests	**(24,157)**	(23,224)
Total comprehensive loss for the period	**(886,976)**	(732,784)

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

Ekttitab Holding Company
K.S.C (Public)
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Interim Condensed Consolidated Statement of Cash Flows For the three months ended March 31, 2014 (Unaudited)
(All amounts are in Kuwaiti Dinars)

	Note	Three months ended 31 March	
		2014	2013
Cash flows from operating activities			
Net loss for the period		**.(132,669)**	(499,202)
Adjustments:			
Losses from investments		**162**	422,204
Depreciation		**48,480**	1,485
Provision for doubtful debt		**-**	-
Operating loss before changes in operating assets and liabilities		**(84,027)**	(75,513)
Investments at fair value - statement of income		**222,238**	2,749,748
Receivables and other debit balances		**(932)**	-
Due from related parties		**(502,619)**	(3,559)
Payables and other credit balances		**(159,773)**	15,657
Net cash (used in)/generated from operating activities		**(525,113)**	2,686,333
Cash flows from investing activities			
Paid for purchase of available for sale investments		**(469,554)**	(8,249,935)
Proceeds from sale of available for sale investments		**99,127**	4,820,410
Dividends received		**-**	-
Net cash used in investing activities		**(370,427)**	(3,429,525)
Cash flows from financing activities			
Purchase of treasury shares		**(14,620)**	(3,805)
Sale of treasury shares		**14,780**	14,113
Net cash generated from financing activities		**160**	10,308
Net decrease in cash and cash equivalents		**(895,380)**	(732,884)
Cash and cash equivalents at the beginning of the period		**2,220,229**	3,081,147
Cash and cash equivalents at the end of the period	6	**1,324,849**	2,348,263

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

Ekttitab Holding Company
K.S.C (Public)
And its subsidiary

Interim Condensed Consolidated Statement of Changes in Equity For the three months ended March 31, 2014
(Unaudited)
(All amounts are in Kuwaiti Dinars)

	Equity attributed to the shareholders of the parent Company							
	Share capital	Treasury shares	Statutory reserve	Change in fair value reserve	(Accumulated losses)/ retained earnings	Total	Non-controlling interests	Total equity
Balance at January 1, 2013	22,862,423	(11,094)	94,506	(624,294)	921,305	23,242,846	90,683	23,333,529
Net loss for the period	-	-	-	-	(494,177)	(494,177)	(5,025)	(499,202)
Other comprehensive loss item								
Change in fair value of available for sale investments	-	-	-	(430,117)	-	(430,117)	(18,199)	(448,316)
Transferred to statement of income on sale of available for sale investments	-	-	-	214,734	-	214,734	-	214,734
Total other comprehensive loss items	-	-	-	(215,383)	-	(215,383)	(18,199)	(233,582)
Purchase of treasury shares	-	(3,805)	-	-	-	(3,805)	-	(3,805)
Sale of treasury shares	-	14,899	-	-	(727)	14,172	(59)	14,113
Balance at March 31, 2013	22,862,423	-	94,506	(839,677)	426,401	22,543,653	67,400	22,611,053
Balance at January 1, 2014	31,862,423	-	94,506	(2,819,336)	(762,337)	28,375,256	(4,693)	28,370,563
Net loss for the period	-	-	-	-	(126,886)	(126,886)	(5,783)	(132,669)
Other comprehensive loss for the period	-	-	-	(735,933)	-	(735,933)	(18,374)	(754,307)
Total other comprehensive loss for the period	-	-	-	(735,933)	(126,886)	(862,819)	(24,157)	(886,976)
Purchase of treasury shares	-	(14,620)	-	-	-	(14,620)	-	(14,620)
Sale of treasury shares	-	14,620	-	-	154	14,774	6	14,780
Balance at March 31, 2014	**31,862,423**	**-**	**94,506**	**(3,555,269)**	**(889,069)**	**27,512,591**	**(28,844)**	**27,483,747**

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

Ekttitab Holding Company
K.S.C (Public)
And its subsidiary

Notes to Interim Condensed Consolidated Financial Information For the three months ended March 31, 2014 (Unaudited)
(All amounts are in Kuwaiti Dinars unless otherwise stated)

1. Company's Overview

Ekttitab Holding Company (the Company) - K.S.C. (Public) - established in 1999. The Company is registered in the Commercial Register under No. 105414, and listed in Kuwait Stock Exchange on 19 December 2005.

The Company's activities are represented in carrying out all transactions related to establishing and acquiring companies with limited liability, Kuwaiti shareholding and foreign companies, borrowings and acting as grantor for such companies.

The number of the company's employees was 10 employees as of March 31, 2014 (2013: 9 employees).

The Company's office is located at Jassim Al Asfour Building – Kuwait city, P. O. Box 2799 Safat 13028 State of Kuwait.

On September 29, 2013, the Ministry of Industry and Commerce issued Decree, executive regulation no. 425 of 2013 the basis and rules which the company shall adapt to regularize its affairs with the Companies Law as amended from date of publishing in the official Gazette

This interim condensed consolidated financial information was approved for issuance by the Board of Directors on May 13, 2014.

2. Basis of presentation

The interim condensed financial information has been prepared to present interim financial information in compliance with the International Accounting Standard No. 34 which related to the interim financial reporting and the guidelines issued by the Kuwait Stock Exchange. The interim condensed financial information does not include all of the information and footnotes 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. The operating results for the interim period ended March 31, 2014 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2014 For further information, refer to the financial statements and notes thereto included in the company's annual report for the financial year ended December 31, 2013.

3. Significant accounting policies

This interim condensed financial information has been prepared in accordance with the accounting policies and methods of computation adopted in the last annual financial statements for the year ended December 31, 2013 except for changes arising from amendments to IFRS.

During the period, the Company adopted all amendments to IFRS, as well as the new standards and interpretations which came into effect for annual periods beginning on or after January 1, 2014. These changes are not expected to have an impact on the Company's financial information.

Ekttitab Holding Company
K.S.C (Public)
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Notes to Interim Condensed Consolidated Financial Information For the three months ended March 31, 2014 (Unaudited)
(All amounts are in Kuwaiti Dinars unless otherwise stated)

4. Critical accounting estimates and judgments

The preparation of financial information in conformity with International Financial Reporting Standards requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial information and the reported amounts of revenues and expenses during the period. Although these estimates are based on management's best knowledge of current events, actual results may differ from those estimates

5. Subsidiaries

The interim condensed consolidated financial statements include the financial statements of the parent company and its subsidiaries (together referred to as Group) as stated below:

			Ownership percentage%		
Company name	**Legal form**	**Country**	**March 31, 2014**	December 31, 2013 (audited)	March 31, 2013
Petro Integrated Business Holding Company	K.S.C. (Holding)	State of Kuwait	**96.25**	96.25	92.5

The financial information of the subsidiary as at March 31, 2014 was consolidated based on financial statements prepared by the management. The total assets of this Company amounted to KD 19,467,968 as at March 31, 2014 (KD 15,166,902 as at December 31, 2013) and net losses of KD 149,428 for the period ended March 31, 2014

6. Cash and cash equivalents

	March 31, 2014	December 31, 2013 (audited)	March 31, 2013
Cash on hand	**464**	637	126
Cash at bank and financial institutions	**788,236**	1,851,459	1,020,650
Cash at investments portfolios and Kuwait Clearing Company	**536,149**	368,133	1,327,487
	1,324,849	2,220,229	2,348,263

7. Investments at fair value – statements of income

	March 31, 2014	December 31, 2013 (audited)	March 31, 2013
Investments in local shares – quoted	**825,903**	1,047,189	1,643,239
Investments in local shares – unquoted	**9,775,844**	9,775,843	2,857,939
Investments in foreign shares – quoted	**164,395**	-	66,180
Investments in local funds – unquoted	**209,731**	217,443	266,643
	10,975,873	11,040,475	4,834,001

The fair value of the quoted investments is determined based on the last bid prices. The fair value of unquoted investments is determined based on the latest available financial information as at March 31, 2014 and December 31, 2013. The fair value of the investment in funds is determined based on the net assets value of those funds.

Investments in local quoted and unquoted shares include KD 64,858 as at March 31, 2014 (KD 64,858 as at December 31, 2013 – KD 74,345 as at March 31, 2013) recorded in the name of related parties, and there is a letters of assignment of ownership to these investments in favor of the Group.

Ekttitab Holding Company
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Notes to Interim Condensed Consolidated Financial Information For the three months ended March 31, 2014 (Unaudited)
(All amounts are in Kuwaiti Dinars unless otherwise stated)

8. Available for sale investments

	March 31, 2014	December 31, 2013 (audited)	March 31, 2013
Local quoted shares	**5,456,061**	6,046,057	5,367,753
Local unquoted shares	**185,000**	185,000	185,000
	5,641,061	6,231,057	5,552,753

Local unquoted of available for sale investments shares were carried at cost as its fair value could not be reliably determined, the Group's management believes that no indication of impairment of these investments.

9. Investment in Islamic instruments

	March 31, 2014	December 31, 2013 (audited)	March 31, 2013
Musharakat	**7,082,167**	12,521,413	12,521,413
	7,082,167	12,521,413	12,521,413
Average yield (%)	-	-	-

All Islamic instruments generated to related parties and matured during 2014.

The Group does not calculate fixed returns based on Sharia Supervisory board advice until the settlement of these contracts.

A list of guarantees received by the Group against investments in Islamic debt instruments In accordance with pledge contracted with related party:-

	March 31, 2014	December 31, 2013 (audited)	March 31, 2013
Investment portfolio mortgaged - second level - managed by related party	**3,346,709**	4,724,766	7,874,609
Unquoted foreign shares	**3,990,413**	3,990,413	574,207
Unquoted local shares	**7,952,486**	7,952,486	3,625,240

10. Murabahat and Tawaruq contracts payable

	March 31, 2014	December 31, 2013 (audited)	March 31, 2013
Murabahat and Tawaruq contracts payables from local financial institutions (Kuwaiti Dinar)	**4,764,718**	4,764,718	4,764,718
Murabahat payables from foreign financial institutions (Sterling Pound)	-	-	2,298,011
	4,764,718	4,764,718	7,062,729

Ekttitab Holding Company
K.S.C (Public)
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Notes to Interim Condensed Consolidated Financial Information For the three months ended March 31, 2014 (Unaudited)
(All amounts are in Kuwaiti Dinars unless otherwise stated)

	March 31, 2014	December 31, 2013 (audited)	March 31, 2013
Murabahat payables	**3,235,411**	3,235,411	5,533,422
Tawaruq contracts payables	**1,529,307**	1,529,307	1,529,307
	4,764,718	4,764,718	7,062,729

Murabahat and Tawaruq contracts payable were past due and not paid due to lawsuits between the Group and all creditors. The Group has stopped recognizing finance costs of Murabahat and Tawaruq contracts that were past due and unpaid since the due date. Such lawsuits are still in its initial stages and currently it is difficult to predict the resultant outcome thereof.

Murabahat payables are secured against investments at fair value through profit or loss and available for sale investment with fair value of KD 2,555,420 and KD 239,400 respectively as of March 31, 2014 (KD 2,785,800 as of December 31, 2013, KD 2,756,350 and KD 224,200 as of March 31, 2013).

11. (Losses)/Gains from investments

	Three months ended March 31	
	2014	2013
Investments at fair value – statement of income		
Realized profits	**165,396**	19,941
Change in fair value	**(7,760)**	(144,525)
	157,636	(124,584)
Available for sale investments		
Realized losses	**(206,116)**	(297,620)
	(206,116)	(297,620)
	(48,480)	(422,204)

12. Loss per share

Lossper share to shareholders of the Parent Company is calculated by dividing net loss for the period by the weighted average number of outstanding shares during the period as follows the calculation of loss per share:

	Three months ended March 31	
	2014	2013
Net loss for the period attributable to shareholders of the parent company	**(126,886)**	(494,177)
Weighted average number of outstanding shares during the period / (share)	**318,624,230**	228,583,835
Loss per share (fils)	**(0.40)**	(2.16)

13. Related party transactions

Related parties are the Company's shareholders who have representation in the Board of Directors, members of the Board of Directors and major shareholders. In the normal course of business, subject to the Company's management approval, there were transactions with related parties, the existing major shareholder, its subsidiary, the significant transactions and outstanding balances with related parties, other than what disclosed in other notes, were as follows:

	March 31, 2014	December 31, 2013 (audited)	March 31, 2013
Statement of Financial position			
Investments in Islamic instruments	**7,082,167**	12,521,413	12,521,413
Due from related parties	**7,822,097**	1,880,232	4,730,933
Financial investment purchase payable	-	168,330	-
Due to related parties	**181,729**	181,729	-
Cash at investments portfolios	**10,469**	-	19,449

These transactions are subject to the approval of the shareholders General Assembly.

Statement of income

The statement of income did not include transactions with related parties.

14. General assembly

The Ordinary General Assembly of Shareholders has not been held until the date of the prepared interim financial information to approve the annual financial statements for the company as of December 31, 2013

15. Financial instruments

Categories of financial instruments

The Group's financial assets and financial liabilities are categorized in the interim condensed consolidated statement of financial position as follows:

Financial assets:

	March 31, 2014	December 31, 2013 (audited)	March 31, 2013
Cash and cash equivalents	**1,324,849**	2,220,229	2,348,263
Investments at fair value – statement of income	**10,975,873**	11,040,475	4,834,001
Available for sale investments	**5,641,061**	6,231,057	5,552,753
Investment in Islamic instruments	**7,082,167**	12,521,413	12,521,413
Receivables and other debit balances	**114,968**	114,036	142,559
Due from related parties	**7,822,097**	1,880,232	4,730,933
	32,961,015	34,007,442	30,129,922

Ekttitab Holding Company
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Notes to Interim Condensed Consolidated Financial Information For the three months ended March 31, 2014 (Unaudited)
(All amounts are in Kuwaiti Dinars unless otherwise stated)

Financial liabilities:

	March 31, 2014	December 31, 2013 (audited)	March 31, 2013
Murabahat and Tawaruq Contract payable	4,764,718	4,764,718	7,062,729
Payables and other credit balances	532,640	692,413	459,708
	5,297,358	5,457,131	7,522,437

Fair value of financial instruments

The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The Group has used the assumptions and accepted methods in the assessment of fair values of financial instruments. The fair values of the Group's financial assets and financial liabilities are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active market are determined with reference to quoted market prices.
- The fair values of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flows analysis using prices from observable current market transactions and dealer quotes for similar instrument.

Fair value of the non-derivative financial instruments is not materially different from its respective carrying value.

The following table presents financial assets and liabilities measured at fair value in the Interim condensed consolidated statement of financial position in accordance with the fair value hierarchy, where the hierarchy classifies the financial assets and liabilities to three levels based on the importance of the inputs used in the measurement of the fair value of the financial assets and liabilities.

The hierarchy levels of fair value are set out below:

- Level 1: prices included (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 liability, either directly (as prices) or indirectly (inputs relating to prices).
- Level 3: inputs for assets and liabilities that are not based on observable market information (non observable information).

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.

	Level 1	Level 2	Level 3	Total
March 31, 2014				
Investments at fair value through statement of income				
Quoted shares	990,298	-	-	990,298
Unquoted shares	-	-	9,775,844	9,775,844
Investments funds	-	209,731	-	209,731
Available for sale investments				
Quoted shares	5,456,061	-	-	5,456,061
Net fair value	6,446,359	209,731	9,775,844	16,431,934

March 31, 2013	Level 1	Level 2	Level 3	Total
Investments at fair value through statement of income				
Quoted shares	1,709,419	–	–	1,709,419
Unquoted shares	–	–	2,857,939	2,857,939
Investments funds	–	266,643	–	266,643
Available for sale investments				
Quoted shares	5,367,753	–	–	5,367,753
Net fair value	7,077,172	266,643	2,857,939	10,201,754

There wear no transaction between the levels

16. Segment distribution

The Group's activities are mainly concentrated in the investment segment in state of Kuwait.