Hits Telecom Holding Co.

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

Interim condensed consolidated financial information for the Six months ended June 30, 2014 (Unaudited)

Hits Telecom Holding Co.

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

Interim condensed consolidated financial information for the Six months ended June 30, 2014 (Unaudited)

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Rödl
Middle East
Burgan - International Accountants
Ali Al Hassawi & Partners
P.O. Box: 22351 Safat 13084 Kuwait
Sharq - Dasman Complex - Block 2 - 9 Floor
Tel 22464574-6 /22426862-3 Fax: 22414956
Email: info-kuwait@rodlme.com
www.rodlme.com

HLB Kuwaiti Accountant Auditing
Certfied Public Accountants, Consultants . Business Advisors
Ahmed Al Jaber Street, Al-Matrouk Tower, 2nd Floor, P.O. Box 26888, Safat 13129, Kuwait.
Fax: 22403205 - Tel.: 22449454
a member of HLB international, A world-wide network of Independent Accounting Firms and Business Advisers.
E-mail: adel@hlbkuwait.com - www.hlbkuwait.com

The Board of Directors
Hits Telecom Holding Co.
K.S.C. (Public)
and its subsidiaries
State of Kuwait

Review Report on the Interim Condensed Consolidated Financial Information

We have reviewed the accompanying interim condensed consolidated statement of financial position of Hits Telecom Holding Co. K.S.C. (Public) - (the Parent Company) and its subsidiaries (together referred to as "the Group") as of June 30, 2014 and the related 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 company".

A review of interim condensed consolidated financial information consists of making inquires, 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 respect in accordance with International Accounting Standard No. (34) "Interim Financial Reporting".

Emphasis of Matters

Without qualifying our report, we draw attention to the following:

- Note (2) to the interim condensed consolidated financial information regarding the going-concern of some subsidiaries.
- Note (8) to the interim condensed consolidated financial information regarding the financial statements of associate company.
- Note (11) to the interim condensed consolidated financial information regarding the advance payments for purchasing investments.

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 accounting records of the Parent Company. We further report that, to the best of our knowledge and belief, no violations have occurred during the Six months period ended June 30, 2014 of the Companies Law No. 25 of 2012, as amended and related Executive Regulations, or law No. 7 of 2010 in respect of the establishment of Capital Market Authority and the organization of the securities activity and its Executive Regulation, or of the articles and memorandum of association of the Parent Company, that might have had a material effect on the business of the Group or on its interim condensed consolidated financial position.

Ali A. Al Hasawi
Licence No. 30 (A)
Rödl Middle East
Burgan - International Accountants

August 12, 2014.
State of Kuwait

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

Exhibit – A

Hits Telecom Holding Co.

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				
Non-current assets				
Property and equipment		**239,523**	299,659	8,706,184
Intangible assets	7	**14,729,384**	14,733,506	68,727,951
Investment in joint venture		**-**	-	361,557
Investment in an associate	8	**15,384,681**	15,618,963	-
Available for sale investments		**16,933,051**	16,932,230	10,724,666
		47,286,639	47,584,358	88,520,358
Current assets				
Inventory		**5,888,966**	9,131,061	5,751,844
Accounts receivable and other debit balances	9	**9,219,880**	7,092,023	9,465,451
Due from related parties	10	**1,717,645**	5,265,316	18,000,714
Advance payments for purchasing investments	11	**1,346,778**	2,946,778	5,946,778
Loan to associate		**21,353,283**	21,446,476	-
Finance, joint ventures and mudaraba		**911,209**	911,209	911,209
Cash and cash equivalents		**2,524,725**	1,815,444	1,142,379
		42,962,486	48,608,307	41,218,375
Total assets		**90,249,125**	96,192,665	129,738,733
Equity and liabilities				
Equity				
Share capital		**72,091,686**	72,091,686	72,091,686
Share premium		**6,846,580**	6,846,580	6,846,580
Other reserves		**147,896**	147,896	147,896
Treasury shares	12	**(6,837,335)**	(6,837,335)	(6,837,335)
Cumulative changes in fair value		**(5,644,077)**	(5,644,077)	(921,706)
Foreign currency translation reserve		**(450,642)**	(178,996)	(140,798)
Accumulated losses		**(5,344,125)**	(5,688,012)	(249,388)
Equity attributable to the shareholders of parent company		**60,809,983**	60,737,742	70,936,935
Non-controlling interests		**-**	-	3,869,606
		60,809,983	60,737,742	74,806,541
Non-current liabilities				
Provision for end of service indemnity		**309,426**	258,974	323,204
License obligations		**-**	-	9,817,491
Term loans		**728,044**	666,344	635,814
Loan from shareholders		**-**	-	512,495
Accounts payable and other credit balances		**-**	-	2,682,991
		1,037,470	925,318	13,971,995
Current liabilities				
Accounts payable and other credit balances		**12,271,731**	19,025,421	21,072,149
Due to related parties	10	**10,215,589**	4,150,586	4,028,805
License obligations		**-**	-	3,881,314
Term loans		**-**	-	624,331
Islamic debt instruments	13	**5,914,352**	11,353,598	11,353,598
		28,401,672	34,529,605	40,960,197
Total equity and liabilities		**90,249,125**	96,192,665	129,738,733

Dr. Khaled Y. Al Mutawa
Chairman

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

Hits Telecom Holding Co.

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	The Three months ended June 30		The Six months ended June 30	
		2014	2013	2014	2013
Revenue		**51,079,586**	10,841,302	**85,678,431**	28,303,113
Cost of sales		**(49,771,374)**	(9,416,755)	**(82,394,554)**	(25,496,375)
Gross profit		**1,308,212**	1,424,547	**3,283,877**	2,806,738
General and administrative expenses		**(1,111,048)**	(454,049)	**(2,601,997)**	(1,738,667)
Depreciation and amortization		**(35,149)**	(59,021)	**(73,395)**	(338,827)
Provision for Advance payments for purchasing investments		**(1,000,000)**	-	**(1,600,000)**	-
Finance charges		**(2,201)**	(1,314,248)	**(10,708)**	(1,363,217)
Written-off of property and equipment		-	-	-	(1,824,485)
Gain of losing control of subsidiary		-	-	-	26,628
Group's share in associate results		**(6,505)**	-	**(234,282)**	-
Mudaraba and joint venture income		-	322,804	-	636,783
Tax income		-	45,291	-	77,920
Other income		**1,283,846**	(162,943)	**1,630,840**	169,710
Profit/ (loss) for the period before calculating Contribution to Kuwait Foundation for the Advancement of Science, National Labor Support Tax and Zakat		**437,155**	(197,619)	**394,335**	(1,547,417)
Zakat		**(50,448)**	-	**(50,448)**	-
Profit/ (loss) for the period		**386,707**	(197,619)	**343,887**	(1,547,417)
Attributable to:					
Shareholders of the Parent Company		**386,707**	14,880	**343,887**	(249,388)
Non-controlling interests		-	(212,499)	-	(1,298,029)
		386,707	(197,619)	**343,887**	(1,547,417)
Earnings/(loss)/ per share (Fils)	14	**0.569**	0.022	**0.506**	(0.367)

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

Hits Telecom Holding Co.

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

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

	The Three months ended June 30		The Six months ended June 30	
	2014	2013	**2014**	2013
Net profit/ (loss) for the period	**386,707**	(197,619)	**343,887**	(1,547,417)
Other comprehensive income for the period:				
Foreign currency translation differences	**108,635**	61,203	**(271,646)**	807,040
Total other comprehensive (loss)/ other comprehensive income for the period	**108,635**	61,203	**(271,646)**	807,040
Total other comprehensive income/ other comprehensive (loss) for the period	**495,342**	(136,416)	**72,241**	(740,377)
Attributable to:				
Shareholders of the Parent Company	**495,342**	76,083	**72,241**	557,652
Non-controlling interests	**-**	(212,499)	**-**	(1,298,029)
	495,342	(136,416)	**72,241**	(740,377)

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

Hits Telecom Holding Co.

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

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

	The Six months ended June 30	
	2014	2013
Cash flows from operating activities		
Net profit/ (loss) for the period	**343,887**	(1,547,417)
Adjustments:		
Depreciation and amortization	**73,395**	338,827
Provision for end of service indemnity	**50,452**	(50,481)
Group's share from joint venture income	**-**	(636,783)
Gain of losing control of subsidiary	**-**	(26,628)
Gain on sale of property and equipment	**(536)**	-
Written-off of property and equipment	**-**	1,824,485
Provision for Advance payments for purchasing investments	**1,600,000**	-
Group's share in associate results	**234,282**	-
Finance charges	**10,708**	1,363,217
Adjusted profit before calculating the effect of changes in working capital items:	**2,312,188**	1,265,220
Inventory	**3,242,095**	406,710
Accounts receivable and other debit balances	**(2,034,664)**	2,531,565
Related parties	**4,173,428**	(14,378,130)
Accounts payable and other credit balances	**(6,753,690)**	(5,632,694)
Net cash generated from/ (used in) operating activities	**939,357**	(15,807,329)
Cash flows from investing activities		
Property and equipment	**(8,601)**	9,485,244
Intangible assets	**-**	3,851,855
Available for sale investments	**(821)**	(22,065)
Group's share from joint venture income received	**-**	620,986
Net cash (used in)/ generated from investing activities	**(9,422)**	13,936,020
Cash flows from financing activities		
License obligations	**-**	1,111,882
Term loans	**61,700**	(3,605,175)
Loan from shareholders	**-**	7,423
Islamic debt instruments	**-**	(375,500)
Finance charges paid	**(10,708)**	(1,363,217)
Change in non-controlling interests	**-**	4,019,572
Net cash generated from/ (used in) financing activities	**50,992**	(205,015)
Foreign currency translation reserve	**(271,646)**	807,040
Cash of disposed subsidiary	**-**	(367,577)
Net increase/ (decrease) in cash and cash equivalents	**709,281**	(1,636,861)
Cash and cash equivalents at the beginning of the period	**1,815,444**	2,779,240
Cash and cash equivalents at the end of the period	**2,524,725**	1,142,379

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

Exhibit - E

Hits Telecom Holding Co.

K.S.C (Public)
and its subsidiaries
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 the Parent company shareholders											
	Share capital	Share premium	Statutory reserve	General reserve	Other reserves	Treasury shares	Cumulative changes in fair value	Foreign currency translation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
Balance at January 1, 2013	72,091,686	34,149,954	462,499	462,499	147,896	(6,837,335)	(921,706)	(947,838)	(28,228,372)	70,379,283	1,148,063	71,527,346
Net loss for the period	-	-	-	-	-	-	-	-	(249,388)	(249,388)	(1,298,029)	(1,547,417)
Amortization accumulated losses	-	(27,303,374)	-	-	-	-	-	-	28,228,372	-	-	-
Total other comprehensive income for the period	-	-	(462,499)	(462,499)	-	-	-	807,040	-	807,040	-	807,040
Total comprehensive loss for the period	-	(27,303,374)	(462,499)	(462,499)	-	-	-	807,040	28,228,372	557,652	(1,298,029)	(740,377)
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	4,019,572	4,019,572
Balance as of June 30, 2013	72,091,686	6,846,580	-	-	147,896	(6,837,335)	(921,706)	(140,798)	(249,388)	70,936,935	3,869,606	74,806,541
Balance at January 1, 2014	72,091,686	6,846,580	-	-	147,896	(6,837,335)	(5,644,077)	(178,996)	(5,688,012)	60,737,742	-	60,737,742
Net profit for the period	-	-	-	-	-	-	-	-	343,887	343,887	-	343,887
Total other comprehensive loss for the period	-	-	-	-	-	-	-	(271,646)	-	(271,646)	-	(271,646)
Total comprehensive income for the period	-	-	-	-	-	-	-	(271,646)	343,887	72,241	-	72,241
Balance as of June 30, 2014	**72,091,686**	**6,846,580**	-	-	**147,896**	**(6,837,335)**	**(5,644,077)**	**(450,642)**	**(5,344,125)**	**60,809,983**	-	**60,809,983**

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

Hits Telecom Holding Co.

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

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- Company's brief

Hits Telecom Holding Company – K.S.C (Public) - was incorporated on May 22, 1999 in accordance with the Commercial Companies' Law of 1960 article No. 15, and its subsequent amendments. The Parent Company's shares are listed on Kuwaiti Stock Exchange Market.

The Parent Company's main objectives are:

- Owning shares in Kuwaiti and Non-Kuwaiti shareholding companies and owning shares or quotas in Kuwaiti and Non-Kuwaiti limited liability companies or participating in establishing, managing and sponsoring both kinds of companies to others related to communications segment only.
- Lending companies in which it holds shares and guaranteeing them to others, providing that the holding company's ownership percentage in the share capital of the borrowing company must be at least 20%.
- Owning industrial property rights of patents or industrial trademarks, or industrial charges or any other rights relating thereto, and leasing to other companies for utilization inside or outside the State of Kuwait related to communications segment only.
- Holding movables and real estates necessary to initiate its activity in accordance with the Law.
- Utilizing the surplus funds by investing them in investment portfolios managed by specialized companies and institutions.

The Parent Company has the right to participate and subscribe in any way, in other firms or institutions which operate in the same field or those which would assist in achieving its objectives in Kuwait or abroad and to establish, participate or purchase these firms or institutions or join them.

The registered main office of the Parent Company is: Jasem El-Asfour Tower – Soor Street – Kuwait City.

The Companies' Law no. 25 of year 2012 has been issued on November 26, 2012 and published in the newspaper on November 29, 2012 which leads to cancellation of companies' law no. 15 of year 1960. On March 27, 2013 the Companies' Law has been amended in accordance with the Law no. 97 of year 2013. As for article no (2) and (3) from the pattern, the executive regulations which will be issued by the Minister of Trading and Industry on September 26, 2014 will determine the rules and regulations which the company apply to be in conform with Companies' Law and its subsequent amendments.

The Board of Directors approved these interim condensed consolidated financial statements for the Six months ended June 30, 2014 for issue on August 12, 2014.

2- Going concern basis

The interim condensed consolidated financial information of some subsidiaries have been prepared based on going concern basis even with the accumulated losses of these companies exceeded their half or full share capital, due to the financial support submitted by the parent company for those subsidiaries companies.

- The investment value in Fawran Telecommunication company W.L.L. (a subsidiary – in Kingdom of Saudi Arabia) reach a negative amount of KD 883,853 as of June 30, 2014 as a result of achieving accumulated losses, which amounted to KD 1,199,202 as of June 30, 2014 that exceeding the company's share capital – The Group's management provided financial support for this company in order to improve its ability to continue on its business.

- The investment value in Hits Telecom Spain company S.A (a subsidiary to Elite Telecommunication Service for General Trading and Contracting Company) reach a negative amount of KD 1,203,436 as of June 30, 2014 as a result of achieving accumulated losses, which amounted to KD 1,569,254 as of June 30, 2014 that exceeding the company's share capital as well as increasing current liabilities than current assets with amount to KD 1,445,648 as of June 30, 2014 and in addition to the company's position of some traded legal issues, which may affect on the company's ability to continue as a going concern.

3- Basis of presentation

The interim condensed consolidated financial information has been prepared in compliance with the International Accounting Standard No. 34 "Interim Financial Reporting" and the guidelines issued by the Kuwait Stock Exchange Market

The interim condensed consolidated financial information does not contain all information and disclosures required for full consolidated financial statements prepared in accordance with International Financial Reporting Standard. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for fair presentation have been included. In addition results for the Six months period 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 group's audited consolidated financial statements for the year ended December 31, 2013.

4- Significant accounting policies

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

During the period, the Group 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 Group's consolidated financial information.

5- Critical accounting estimates and judgments

The preparation of interim condensed consolidated 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 interim condensed consolidated 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

6- Subsidiaries

The interim condensed consolidated financial information includes the interim condensed financial information of the parent company and its subsidiaries as following:

		Ownership percentage	
	Country of incorporation	June 30, 2014	December 31, 2013
Qanawat Telecom Company (W.L.L)	Saudi Arabia	**99%**	99%
Fawran Telecom Company (W.L.L)	Saudi Arabia	**99%**	99%
Elite Telecommunications Services for General Trading and Contracting company (W.L.L)	Kuwait	**99%**	99%

The interim condensed financial information for all subsidiaries has been consolidated based on the financial statements prepared by the management for the Six months period ended June 30, 2014. Total assets of these subsidiaries included in the interim condensed consolidated statement of financial position are KD 45,651,197 and their net profit included in the interim condensed consolidated statement of income are KD 601,802.

7- Intangible assets

- This item represents Goodwill amounting to KD 14,015,057 resulted from acquisition of a subsidiary company - (Qanawat Telecom Company (W.L.L) and a goodwill amounting to KD 693,329 resulted from (Hits Spain) telecom company (SA.) in previous years
- The management makes an impairment test for the Goodwill annually.

8- Investment in an associate

This investment represents the Group's share in the equity of Hits Africa Company (Ltd)- Cayman Island with percentage of 32.82% in share capital. The following movement occurred during the period:

	June 30, 2014	December 31, 2013 (audited)	June 30, 2013
Balance at beginning period/year/period	**15,618,963**	-	-
Additions period/year/period	-	16,189,296	-
Impairment in value during the period/year/period	-	(570,333)	-
Company share in operation results	**(234,282)**	-	
Balance at ending period/year/period	**15,384,681**	15,618,963	-

- The Group's share in associate company results has been recorded based on financial statements prepared by the management as of June 30, 2014 and annually, the management makes an impairment test to determine if there is any indicator on impairment goodwill and in the opinion of the Parent company's management there is no such indicator on impairment goodwill based on a prepared study by a certified consulting office, which issued its report on March 26, 2014.

9- Accounts receivable and other debit balances

	June 30, 2014	December 31, 2013 (audited)	June 30, 2013
Trade receivables	**1,062,550**	635,376	4,446,950
Accrued income	**4,621,795**	2,830,093	1,686,315
Deferred tax assets	**2,280,168**	2,311,903	2,178,447
Letters of guarantees	**545,418**	561,216	552,595
Prepaid expenses	**358,473**	389,470	350,343
Staff receivable	**1,975**	163,175	-
Refundable deposits	**3,060**	15,566	8,410
Advance payments to suppliers	**133,364**	-	241,190
Other	**213,077**	185,224	1,201
	9,219,880	7,092,023	9,465,451

10- Transactions with related parties

Related parties comprise of associates, major shareholders, directors and key management personnel of the Group's entities controlled, jointly controlled or significantly controlled by such parties. The Group's management decides on terms and conditions of these transactions. The amounts and balances due from/to related parties are interests free and have no fixed maturity except finance, joint ventures, Islamic debt instruments (Note-13) and loan to related party.

The balances and 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, joint ventures and mudaraba	**911,209**	911,209	911,209
Islamic debt instruments (Note -13)*	**5,914,352**	11,353,598	11,353,598
Loan from shareholders	-	-	512,945
Due from related parties	**1,717,645**	5,265,316	18,000,714
Due to related parties	**10,215,589**	4,150,586	4,028,805
Available for sale investments	**16,933,051**	16,932,230	-

	The Three months ended June 30		**The Six months ended June 30**	
Interim condensed consolidated statement of income	**2014**	2013	**2014**	2013
Mudaraba and joint venture income	-	322,804	-	636,783
Finance charges	**2,201**	1,314,248	**10,708**	1,363,217

* The item of due to related parties balance included an amount of K.D 5,439,246 resulting from right transfer to one of the Mudaraba contracts and finance Murabha (Note 13). The effect of this transaction has been eliminated from the interim condensed consolidated cash flows statement as it was a non cash transaction.

11- Advance payments for purchasing investments

This item represents the amounts paid in prior years for acquiring investments outside of Kuwait. As the ownership of these investments has not been transferred by the seller, (the Parent Company) has filed a request of arbitration against this party and based on the arbitration decision, (the Parent Company) has the right in all amounts paid plus the interests. As per the opinion of the Parent Company's external lawyer' the amount could be collected in full based on the final arbitration decision as the verdict is executable after receiving the verdict from the Brazil court which is expected to happen in the next year, the management has increased the provision during the period with an amount of KD 1,600,000.

The following movement occurred during the period:

	June 30, 2014	December 31, 2013 (audited)	June 30, 2013
Balance at beginning period/year/period	**5,946,778**	5,946,778	5,946,778
Provision for advance payments for purchasing investments	**(4,600,000)**	(3,000,000)	-
Balance at ending period/year/period	**1,346,778**	2,946,778	5,946,778

12- Treasury shares

	June 30, 2014	December 31, 2013 (audited)	June 30, 2013
Number of shares	**41,325,981**	41,325,981	41,325,981
Ownership percentage (%)	**%5.73**	%5.73	%5.73
Market value (KD)	**1,900,995**	2,686,189	2,562,211

13- Islamic debt instruments

- This item represents financing Mudaraba and Morabha contracts, some of them are engaged with related parties and they are matured within one year. The Group does not compute a fixed interest rates on these Mudaraba contracts profit which amounting to KD 5,366,560 according to permission from shari'a Control Authority until the settlement of these contracts.
- A portion of Islamic debts instruments with an amount of KD 547,792 are secured by a pledge on some of treasury shares (Note-12).
- During the current period, there is a right transfer on some of Mudaraba contracts and financial Murabaha concluded with related parties amounted to 5,439,246 KD and as a result those contracts have been transferred to credit accounts for related parties due within a year and the effect of this transaction have been eliminated from the interim condensed consolidated cash flow statement as it is a non cash transaction.

14- Earnings/(loss) per share (Fils)

Earnings/ (Loss) per share are computed by dividing the net profit/ (loss) of the Parent company for the period by the weighted average number of shares outstanding during the period as follow:

	The Three months ended June 30		The Six months ended June 30	
	2014	2013	**2014**	2013
Net profit/(loss) for the period	**386,707**	14,802	**343,887**	(249,388)
Weighted average numbers of outstanding shares during the period	**720,916,860**	720,916,860	**720,916,860**	720,916,860
Weighted average of the treasury shares	**(41,325,981)**	(41,325,981)	**(41,325,981)**	(41,325,981)
Weighted average number of shares, less treasury shares	**679,590,879**	679,590,879	**679,590,879**	679,590,879
Earning/(loss) per share (Fils)	**0.569**	0.022	**0.506**	(0.367)

15- Shareholders' General Assembly

- On June 26, 2014 the Shareholders General Assembly approved the consolidated financial statements for the year ended December 31, 2013 and decides to not distribute dividends for this year.

- On July 3, 2014, the extraordinary General Assembly of Shareholders was held and approved to increase the share capital from KD 72,091,686 (Seventy Two Million Ninety One Thousand Six Hundred and Eighty Six Kuwaiti Dinar) to KD 87,234,161(Eighty Seven Million Two Hundred Thirty Four Thousand and One Hundred Sixty One Kuwaiti Dinar) increased by allocating shares to creditors amounting to KD 15,142,475 (Fifteen Million One Hundred Forty Two Thousand and Four Hundred Seventy Five Kuwaiti Dinar) with a nominal value of Fils 100 per share, with a waiver of some existing shareholders for their right to subscribe, nor less than one subscription for the duration of legal and authorized the Board management controls and setting the conditions and rules for the recall of capital and disposal of fractional shares, if any, and the allocation of shares to creditors.

16- Segment information

The Group monitors the operating results of its segments separately for the purpose of making decisions about resource allocations performance assessment.

Operating segment
The Group primarily operates on one area of the business activity represented in communication field, accordingly information reported to the Group's decision makers for the purpose of resource allocation and performance assessment is more specifically focused on the types of communication activities

Geographic information

The Group operates in various geographic regions and the following table shows the distribution of the Group's income and non-current assets by region:

	Six months ended June 30, 2014		Six months ended June 30, 2013	
Region	**Income**	**Non-current assets**	Income	Non-current assets
State of Kuwait	**1,628,162**	**16,933,051**	98,625	39,330,733
Outside Kuwait				
Kingdom of Saudi Arabia	**84,875,369**	**14,245,252**	26,962,158	687,001
Spain	**805,740**	**723,655**	2,126,743	2,369,869
Africa	**-**	**15,384,681**	-	46,132,755
	87,309,271	**47,286,639**	29,187,526	88,520,358

17- Lawsuits

Until the interim condensed consolidated statement of financial position date the Group has been some potential lawsuits represented in cases pending at various levels of judgment with other parties and it could not determine their outcome. Therefore the Group's management believes that there is no need to make provision for these amounts until determining the outcome of these claims and issues.

18- Comparative figures

Certain comparative figures for the previous period have been reclassified to conform with the current period presentation (if any).