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, 2019
with review report
(Unaudited)

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, 2019
with review report
(Unaudited)

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Rödl
Middle East
Burgan International Accountants
Ali Al Hasawi & Co

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 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, 2019 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 management of the Group is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Accounting Standard No. 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed 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 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.

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 other legal and regulatory matters
Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the accounting books of the "Parent Company". We further report that, to the best of our knowledge and belief, no violations of the Companies Law no. 1 of year 2016 , related Executive Regulations as amended or law no. 7 of year 2010 in respect of the establishment of Capital Market Authority and the organization of the securities activity or the "Parent Company's" memorandum and articles of association and Regulations as amended, have occurred during the six months period ended June 30, 2019 that might have had a material effect on the business of the "Parent Company" or on its interim condensed consolidated financial position.

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

August 7, 2019
State of Kuwait

Exhibit – A

Al Salam Group Holding Company
K.S.C (Public)
and its subsidiaries
Kuwait

Interim condensed consolidated statement of financial position as of June 30, 2019
(Unaudited)
"All amounts are in Kuwaiti Dinar"

	Note	June 30, 2019 (Unaudited)	December 31, 2018 (Audited)	June 30, 2018 (Unaudited)
Assets				
Cash and cash equivalent		38,871	5,067	120,311
Investments at fair value through profit or loss	4	120,805	130,642	156,886
Accounts receivable and other debit balances	5	5,356,220	5,559,481	5,390,327
Inventory		42,112	30,286	-
Investments at fair value through other comprehensive income	6	2,938,833	3,100,576	4,591,782
Investments in associates	7	22,545,591	22,932,766	22,842,334
Intangible assets		3,364,665	3,364,665	3,364,665
Property and equipment		2,236,921	2,217,165	2,161,982
Right of use asset	8	73,575	-	-
Total assets		36,717,593	37,340,648	38,628,287
Liabilities and equity				
Liabilities				
Accounts payable and other credit balances	9	3,136,215	2,989,964	2,531,471
Lease liability		73,961	-	-
Provision for end of service indemnity		152,672	132,395	111,623
		3,362,848	3,122,359	2,643,094
Equity				
Share capital		26,964,000	26,964,000	26,964,000
Share premium		5,904,559	5,904,559	5,904,559
Statutory reserve		833,543	833,543	833,543
Voluntary reserve		17,978	17,978	17,978
Cumulative changes in fair value		(1,764,157)	(1,602,414)	(111,206)
Group's share in associates' reserves		103,746	316,367	161,614
Foreign currency translation reserve		4,039	-	-
Gains on sale of treasury shares		730,372	730,372	730,372
Accumulated losses		(1,796,273)	(1,432,650)	(827,398)
Equity attributable to Shareholders of the "Parent Company"		30,997,807	31,731,755	33,673,462
Non-controlling interests		2,356,938	2,486,534	2,311,731
Total equity		33,354,745	34,218,289	35,985,193
Total liabilities and equity		36,717,593	37,340,648	38,628,287

Ali Khalid Al-Qabandi
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 profit or loss for the six months ended June 30, 2019
(Unaudited)
"All amounts are in Kuwaiti Dinar"

	Note	The Three months ended June 30, 2019	The Three months ended June 30, 2018	The six months ended June 30, 2019	The six months ended June 30, 2018
Revenues					
Loss of investments	10	(177,854)	(220,690)	(171,045)	(254,299)
Net contracting (loss)/revenues		26,940	196,063	(20,483)	305,143
Group's share in associates' results		19,204	(58,522)	9,487	295,333
Other revenues		(25,759)	(32,901)	5,238	30,341
General and administrative expenses		(175,248)	(109,332)	(316,416)	(244,040)
Net (loss)/profit for the period		(332,717)	(225,382)	(493,219)	132,478
Attributable to:					
Shareholders of the "Parent Company"		(263,269)	(271,426)	(363,623)	61,203
Non-controlling interests		(69,448)	46,044	(129,596)	71,275
Net (loss)/profit for the period		(332,717)	(225,382)	(493,219)	132,478
(Loss)/earnings per share/(fils)	11	(0.976)	(1.006)	(1.349)	0.227

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 profit or loss and other comprehensive income for the six months ended June 30, 2019
(Unaudited)
"All amounts are in Kuwaiti Dinar"

	The Three months ended June 30,		The six months ended June 30,	
	2019	2018	**2019**	2018
Net (loss)/profit for the period	**(332,717)**	(225,382)	**(493,219)**	132,478
Other comprehensive income :				
Items that will be reclassified subsequently to the interim condensed consolidated statement of profit or loss:				
Cumulative changes in fair value	**(89,237)**	100,392	**(161,743)**	(175,686)
Group's share in associates' reserves	**(155,852)**	(7,829)	**(212,621)**	(32,279)
Foreign currency translation reserve	**4,039**	-	**4,039**	-
Other comprehensive income for the period	**(241,050)**	92,563	**(370,325)**	(207,965)
Total comprehensive income for the period	**(573,767)**	(132,819)	**(863,544)**	(75,487)
Attributable to:				
Shareholders of the "Parent Company"	**(504,319)**	(178,863)	**(733,948)**	(146,762)
Non-controlling interests	**(69,448)**	46,044	**(129,596)**	71,275
Total comprehensive income for the period	**(573,767)**	(132,819)	**(863,544)**	(75,487)

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

Exhibit – D

Al Salam Group Holding Company
K.S.C (Public)
and its subsidiaries
Kuwait

Interim condensed consolidated statement of changes in equity for the six months ended June 30, 2019
(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	Group's share in associate reserves	Foreign currency translation reserve	Gains on sale of treasury shares	Accumulated losses	Total equity attributable to shareholders of the "Parent Company"	Non controlling interests	Total
Balance at January 1, 2018	26,964,000	5,904,559	833,543	17,978	64,480	193,893	-	730,372	(697,354)	34,011,471	2,426,513	36,437,984
Transition adjustment on adoption of IFRS 9 at January 1, 2018	-	-	-	-	-	-	-	-	(191,247)	(191,247)	(186,057)	(377,304)
Balance at January 1, 2018 (Adjusted)	-	-	-	-	-	-	-	-	(888,601)	33,820,224	2,240,456	36,060,680
Net profit for the period	-	-	-	-	-	-	-	-	61,203	61,203	71,275	132,478
Other comprehensive income	-	-	-	-	(175,686)	(32,279)	-	-	-	(207,965)	-	(207,965)
Total comprehensive income for the period	-	-	-	-	(175,686)	(32,279)	-	-	61,203	(146,762)	71,275	(75,487)
Balance at June 30, 2018	26,964,000	5,904,559	833,543	17,978	(111,206)	161,614	-	730,372	(827,398)	33,673,462	2,311,731	35,985,193
Balance at January 1, 2019	26,964,000	5,904,559	833,543	17,978	(1,602,414)	316,367	-	730,372	(1,432,650)	31,731,755	2,486,534	34,218,289
Net loss for the period	-	-	-	-	-	-	-	-	(363,623)	(363,623)	(129,596)	(493,219)
Other comprehensive income	-	-	-	-	(161,743)	(212,621)	4,039	-	-	(370,325)	-	(370,325)
Total comprehensive income for the period	-	-	-	-	(161,743)	(212,621)	4,039	-	(363,623)	(733,948)	(129,596)	(863,544)
Balance at June 30, 2019	26,964,000	5,904,559	833,543	17,978	(1,764,157)	103,746	4,039	730,372	(1,796,273)	30,997,807	2,356,938	33,354,745

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 cash flows for the six months ended June 30, 2019
(Unaudited)
"All amounts are in Kuwaiti Dinar"

	The six months ended June 30,	
	2019	2018
Cash flows from operating activities		
Net (loss)/profit for the period	(493,219)	132,478
Adjustments		
Loss of investments	148,293	-
Change in fair value for investments at fair value through profit or loss	22,752	(38,381)
Loss on disposal of property and equipment	56,595	-
Depreciation of property and equipment	152,144	131,344
Right of use asset amortization	6,682	-
Lease liability's interest	1,204	-
Group's share in associates' results	(9,487)	(295,333)
Provision for end of service indemnity	33,259	11,557
Adjusted loss before calculating the effect of change in working capital items	(81,777)	(58,335)
Investments at fair value through profit or loss	-	72,428
Accounts receivable and other debit balances	203,261	(26,102)
Inventory	(11,826)	-
Accounts payable and other credit balances	(64,665)	(22,216)
Net cash generated from/(used in) operating activities	44,993	(34,225)
End of service indemnity paid	(12,982)	(6,497)
Net cash generated from/(used in) operating activities	32,011	(40,722)
Cash flows from investing activities		
Property and equipment	(17,579)	(145,557)
Paid for purchasing of investments at fair value through profit or loss	(212,215)	-
Proceeds from sale of investments at fair value through profit or loss	198,148	-
Paid for purchasing of share in associates	(38,233)	-
Proceeds from sale of share in associates	79,172	-
Investments in an associates	-	274,311
Paid for Lease liability	(7,500)	-
Net cash generated from investing activities	1,793	128,754
Net increase in cash and cash equivalent	33,804	88,032
Cash and cash equivalent at beginning of the period	5,067	32,279
Cash and cash equivalent at end of the period	38,871	120,311

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

Notes to the interim condensed consolidated financial information for the six months ended June 30, 2019
(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 "Parent company" carries on all its activities in accordance with the rules of the Islamic Sharia forgiving.

The registered address of the "Parent Company" is: Al-Sharq – Block 5 – Building 4 Bahbahani real-estate Company ownership- 16 Floor – Office No. 11.

The Board of Directors approved this interim condensed consolidated financial information for the six months ended June 30, 2019 for issue on August 7, 2019.

2- Significant accounting policies

2/1) Basis of preparation

The accompanying interim condensed consolidated financial information are prepared in accordance with IAS 34-"Interim Financial Reporting". These interim condensed consolidated financial information should be read in conjunction with the financial information of the Group for the year ended December 31, 2018.

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 Standards. In addition, results for six-month period ended June 30, 2019 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2019.

The preparation of the interim condensed consolidated financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended December 31, 2018.

The Group's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended December 31, 2018.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of newly effective and amended standards as set out below.

Newly effective standard and amendments and improvements to standards
The new International Financial Reporting Standard ("IFRS" or "standard") No. 16 has become effective with effect from January 1, 2019.

The nature and effect of the changes as a result of adoption of this new accounting standard is described below. Several other amendments and interpretations apply for the first time in 2019, but do not have an impact on the interim condensed consolidated financial information of the Group. Except for the adoption of IFRS 16. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

a. IFRS 16 Leases

IFRS 16 was issued in January 2016 and it replaces IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17.

The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under IFRS 16 is substantially unchanged from today's accounting under IAS 17. Lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between two types of leases: operating and finance leases.

The Group attend to apply IFRS 16 using the modified retrospective approach. Under this approach the Group does not restate its comparative figures but recognises the cumulative effect of adopting IFRS 16, as an adjustment to the opening balance of accumulated losses as of January 1, 2019. Accordingly, the Group's accompanying interim condensed consolidated financial information for the six months ended June 30, 2019 have been prepared in accordance with the requirements of IFRS 16 and there for the group recognized a right-of-use within assets and lease liabilities with in other liabilities.

b. Other amendments to Standards

The following interpretation and amendments to standards have also been applied by the Group in preparation of these interim condensed consolidated financial information. The amendments to the below standards did not have any material impact to the Group, but they may result in additional disclosures at the year end:

- IFRIC Interpretation 23 Uncertainty over Income Tax Treatment
- Amendments to IFRS 9: Prepayment Features with Negative Compensation
- Amendments to IAS 19: Plan Amendment, Curtailment or Settlement
- Amendments to IAS 28: Long-term interests in associates and joint ventures
- Annual Improvements 2015-2017 Cycle (issued in December 2017)
  - Amendments to IFRS 3 Business Combinations
  - Amendments to IFRS 11 Joint Arrangements
  - Amendments to IAS 12 Income Taxes
  - Amendments to IAS 23 Borrowing Costs

The adoption of the above did not result in any changes to previously reported net profit or equity of the Group.

New and amended standards not yet effective, but available for early adoption
The below new and amended IFRS that are available for early adoption for financial year ending December 31, 2019 are not effective until a later period, and they have not been applied in preparing these interim condensed consolidated financial information.

Adoption not expected to impact the Group's interim condensed consolidated financial information:

Effective date	Description
January 1, 2020	• Amendments to IFRS 3 • Amendments to References to the Conceptual Framework in IFRS Standards • Amendments to IAS 1 and IAS 8 on "Definition of Material"
January 1, 2022	• IFRS 17 Insurance Contracts
Effective date to be determined	• Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

2/2) Critical judgments and estimates

The preparation of interim condensed consolidated financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgments made by management in applying "the Group's" accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual audited consolidated financial statements as at and for the year ended December 31, 2018.

3- Investment in subsidiaries

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

	Shareholding percentage %				
	June 30, 2019 (Unaudited)	December 31, 2018 (Audited)	June 30, 2018 (Unaudited)	Country of incorporation	Activity
Al Dosr International for General Trading and Contracting Company (W.L.L) and its subsidiaries	99%	99%	99%	Kuwait	General trading and contracting
Atlantic Group for General Trading and Contracting Company (W.L.L)	99%	99%	99%	Kuwait	General trading and contracting

The interim condensed financial information of the subsidiaries has been consolidated based on financial information prepared by the management as of June 30, 2019.

4- Investments at fair value through profit or loss

	June 30, 2019 (Unaudited)	December 31, 2018 (Audited)	June 30, 2018 (Unaudited)
Investments in local shares - quoted	120,805	130,642	156,886

The investments have been evaluated in accordance with valuation instruments mentioned in note (15).

5- Accounts receivable and other debit balances

	June 30, 2019 (Unaudited)	December 31, 2018 (Audited)	June 30, 2018 (Unaudited)
Advance payments for purchasing investments	294,028	294,028	294,028
Trade receivables	3,632,289	3,483,453	1,870,180
Provision for expected credit losses	(1,422,664)	(1,422,664)	(527,304)
	2,503,653	2,354,817	1,636,904
Due from related parties (Note - 12)	1,158,337	1,479,420	1,854,949
Bank guarantees	1,022,733	1,154,182	1,367,746
Prepaid expenses	645,745	518,118	457,984
Staff receivables	16,039	40,722	20,411
Refundable deposits	9,379	12,222	13,079
Others	334	-	39,254
	5,356,220	5,559,481	5,390,327

The movements of provision for expected credit losses are as follows:

	June 30, 2019 (Unaudited)	December 31, 2018 (Audited)	June 30, 2018 (Unaudited)
Balance at beginning of the period/year/period	1,422,664	150,000	150,000
Transition adjustment of adoption of IFRS 9	-	1,272,664	377,304
Balance at end of the period/year/period	1,422,664	1,422,664	527,304

6- Investments at fair value through other comprehensive income

	June 30, 2019 (Unaudited)	December 31, 2018 (Audited)	June 30, 2018 (Unaudited)
Investments in local shares - quoted	401,571	563,314	702,745
Investments in local shares - unquoted	2,537,262	2,537,262	3,889,037
	2,938,833	3,100,576	4,591,782

The investments at fair value through other comprehensive income have been evaluated in accordance with evaluation methods that disclosed in (Note - 15).

7- Investments in associates

The details of these investments are as follow:

	Shareholding percentage %					
	June 30, 2019 (Unaudited)	December 31, 2018 (Audited)	June 30, 2018 (Unaudited)	June 30, 2019 (Unaudited)	December 31, 2018 (Audited)	June 30, 2018 (Unaudited)
India Holding Company K.S.C (Holding)	%33.98	%33.98	%33.98	8,362,890	8,363,123	8,408,146
Gulf Petroleum Investment Co. K.S.C (Public)	%15.065	%15.487	%15.148	6,351,836	6,689,772	6,754,023
Jiyad Holding Company - K.S.C (Public)	%20.567	%20.567	%20.567	7,830,865	7,879,871	7,680,165
				22,545,591	22,932,766	22,842,334

- During the current financial period, the Group decreased its ownership in the associate - Gulf Petroleum Investment Co. K.S.C (Public) by 0.422%, and therefore its ownership has become 15.065% instead of 15.487% and wherever the Group is still exercising a significant influence on the company's financial and operational policies, the investment is still held and categorized as investment in an associate.
- The investment in the associate –India Holding Company K.S.C.(Holding) includes a goodwill with an amount of KD 1,455,038.
- The Group's share in results of India Holding K.S.C (Holding) has been recognized and it's results loss with an amount of KD 233 based on interim condensed financial information prepared by the management as of March 31, 2019.
- The Group's share in results of Gulf Petroleum Investment Co. K.S.C (Public) has been recognized and it's results loss with an amount of KD 114,512 based on interim condensed financial information prepared by the management as of March 31, 2019.
- The group share in results of Jiyad Holding Company K.S.C. (Public) has been recognized and it's results profit with an amount of KD 124,232 based on interim condensed consolidated financial information as of June 30, 2019.

8- Right of use asset

This item represents the present value of the rents amounts which capitalized according to IFRS 16 that was adopted at beginning of the current financial year and which will be depreciated during related rent contracts.

9- Accounts payable and other credit balances

	June 30, 2019 (Unaudited)	December 31, 2018 (Audited)	June 30, 2018 (Unaudited)
Due to related parties (Note -12)	523,506	806,873	574,177
Purchasing of property and equipment's creditors	808,108	607,044	649,575
Accrued expenses	506,127	289,449	63,609
Trade payables	382,947	340,423	494,906
Purchasing of financial investments creditors	204,822	204,822	204,822
Advance payments from clients	134,753	165,941	-
Tax deductions	412,278	412,278	394,235
Accrued dividends	115,717	115,767	116,797
Provision for staff-leave	47,946	41,319	33,350
Others	11	6,048	-
	3,136,215	2,989,964	2,531,471

10- Loss of investments

	The three months ended June 30,		The six months ended June 30,	
	2019	2018	2019	2018
Change in fair value of investments at fair value through profit or loss	(18,592)	(218,452)	(22,752)	(38,382)
Losses on sale of investments at fair value through statement of profit or loss	-	(2,238)	-	(1,183)
Losses from selling associate's shares	(159,262)	-	(148,293)	(214,734)
	(177,854)	(220,690)	(171,045)	(254,299)

11- (Loss)/earnings per share/(fils)

(Loss)/earnings per share is calculated by dividing the net (loss)/profit for the period by the weighted average number of outstanding shares during the period as follow:

	The three months ended June 30,		The six months ended June 30,	
	2019	2018	2019	2018
Net (loss)/profit for the period	(263,269)	(271,426)	(363,623)	61,203
Weighted average number of outstanding shares during the period	269,640,000	269,640,000	269,640,000	269,640,000
(Loss)/earnings per share/(fils)	(0.976)	(1.007)	(1.349)	0.227

12- Related parties' transactions

Related parties comprise of associates, major shareholders, Board of Directors members, 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 for 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, 2019 (Unaudited)	December 31, 2018 (Audited)	June 30, 2018 (Unaudited)
Due from related parties (Note - 5)	1,158,337	1,479,420	1,854,949
Due to related parties (Note - 9)	523,506	806,873	574,177

Interim condensed consolidated statement of profit or loss:

Interim condensed consolidated statements of profit or loss does not include any transactions with related parties.

The transactions with related parties are subject to the approval of the Shareholders' General Assembly.

13- 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 market that is local market in State of Kuwait.

14- General Assembly and Proposed Dividends

The Ordinary Shareholders General Assembly had been held on May 6, 2019 and approved the consolidated financial statements for the financial year ended December 31, 2018 and approved the board of directors proposal to not distribute remuneration for members of the board of directors for the financial year ended December 31, 2018.

15- 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, 2019 (Unaudited)	December 31, 2018 (Audited)	June 30, 2018 (Unaudited)
Cash and cash equivalents	38,871	5,067	120,311
Investments at fair value through profit or loss	120,805	130,642	156,886
Accounts receivable and other debit balances	5,356,220	5,559,481	5,390,327
Investments at fair value through other comprehensive income	2,938,833	3,100,576	4,591,782
	8,454,729	8,795,766	10,259,306

Financial liabilities	June 30, 2019 (Unaudited)	December 31, 2018 (Audited)	June 30, 2018 (Unaudited)
Accounts payable and other credit balances	3,136,215	2,989,964	2,531,471
Lease liability	73,961	-	-
	3,210,176	2,989,964	2,531,471

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.

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.

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, 2019:	**Level 1**	**Level 3**	**Total**
Assets:			
Investments at fair value through profit or loss			
Quoted securities	**120,805**	-	**120,805**
Investments at fair value through other comprehensive income			
Quoted securities	**401,571**	-	**401,571**
Unquoted securities	-	**2,537,262**	**2,537,262**
	522,376	**2,537,262**	**3,059,638**
Liabilities:	-	-	-
Net fair value	**522,376**	**2,537,262**	**3,059,638**

June 30, 2018:	Level 1	Level 3	Total
Assets:			
Investments at fair value through profit or loss			
Quoted securities	156,886	-	156,886
Investments at fair value through other comprehensive income			
Quoted securities	702,745	-	702,745
Unquoted securities	-	3,889,037	3,889,037
	859,631	3,889,037	4,748,668
Liabilities:	-	-	-
Net fair value	859,631	3,889,037	4,748,668

- The fair value of other financial assets and liabilities approximate its carrying amount as of the interim condensed consolidated financial information date.
- The fair value of these other financial assets and liabilities has been determined according to the third level based on the management's estimations.