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سوق الكويت للأوراق المالية

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**Al-Mowasat Healthcare Company K.S.C. (Closed)
and subsidiaries
State of Kuwait**

**Condensed consolidated interim financial information
and independent auditors' review report for the nine month
period ended 30 September 2013**

3rd Quarter Report

1-8 NOV 2013

إدارة مركز المعلومات والتوثيق الآلي

سوق الكويت للأوراق المالية

صفحة 1 من 1

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**Al-Mowasat Healthcare Company K.S.C. (Closed)
and subsidiaries
State of Kuwait**

**Condensed consolidated interim financial information
and independent auditors' review report for the nine month
period ended 30 September 2013**

Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries
State of Kuwait

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Independent Auditors' Report on Review of Condensed Consolidated Interim Financial Information

**The Board of Directors
Al-Mowasat Healthcare Company K.S.C. (Closed)
State of Kuwait**

Introduction

We have reviewed the accompanying 30 September 2013 condensed consolidated interim financial information of Al-Mowasat Healthcare Company K.S.C. (Closed) ("the Company") and its subsidiaries (together referred to as "the Group"), which comprises the condensed consolidated statement of financial position as at 30 September 2013, the condensed consolidated statements of profit or loss and comprehensive income for the three and nine month periods ended 30 September 2013, the condensed consolidated statements of changes in equity and cash flows for the nine month period ended 30 September 2013, and notes to the condensed consolidated interim financial information. The Company's management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, *Interim Financial Reporting*. Our responsibility is to express a conclusion on this condensed consolidated interim 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 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 30 September 2013 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, *Interim Financial Reporting*.



Report on Review of Other Legal and Regulatory Requirements

Furthermore, based on our review, the condensed consolidated interim financial information is in agreement with the accounting records. We further report that nothing has come to our attention indicating any contravention during the nine month period ended 30 September 2013, of the Companies Law No. 25 of 2012, as amended, or of the Company's memorandum and articles of association, that might have had material effect on the Group's activities or on its consolidated financial position.

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of KPMG Safi Al-Mutawa & Partners
Member firm of KPMG International

Yahia Abdullah Al-Foudari
License No 83 "A"
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Kuwait: 11 November 2013

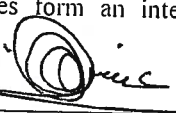
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BOUBYAN Auditing Office

Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries
State of Kuwait

Condensed consolidated statement of financial position
as at 30 September 2013

	Note	30 September 2013 KD	31 December 2012 KD (Audited)	30 September 2012 KD
Assets				
Property and equipment		22,520,346	23,246,291	23,309,825
Intangible assets		133,967	148,555	149,263
Equity-accounted investee		18,750	18,750	18,750
Available-for-sale investments	4	1,237,132	1,208,885	1,368,385
Other assets		10,494	10,494	10,494
Non-current assets		<u>23,920,689</u>	<u>24,632,975</u>	<u>24,856,717</u>
Inventories		778,048	657,230	819,474
Trade and other receivables		15,676,804	13,478,815	13,689,496
Cash and bank balances		429,917	550,713	278,214
Current assets		<u>16,884,769</u>	<u>14,686,758</u>	<u>14,787,184</u>
Total assets		<u>40,805,458</u>	<u>39,319,733</u>	<u>39,643,901</u>
Equity				
Share capital		9,680,000	9,680,000	9,680,000
Share premium		2,022,875	2,022,875	2,022,875
Statutory reserve		1,290,146	1,290,146	1,057,600
Voluntary reserve		1,256,490	1,256,490	1,023,944
Cumulative changes in fair value		(144,018)	(172,265)	(169,115)
Foreign currency translation reserve		18,119	18,119	4,871
Retained earnings		4,874,327	4,172,088	3,990,884
Equity attributable to shareholders of the Company		<u>18,997,939</u>	<u>18,267,453</u>	<u>17,611,059</u>
Non-controlling interests		(34,102)	(34,102)	(36,247)
Total equity		<u>18,963,837</u>	<u>18,233,351</u>	<u>17,574,812</u>
Liabilities				
Tawaroq payables		1,477,080	2,183,522	2,202,259
Ijara payables		10,147,445	10,266,540	10,039,053
Murabaha payables		193,235	250,357	448,134
Trade payables		-	-	280,545
Post employment benefits		2,368,527	1,999,255	1,930,763
Non-current liabilities		<u>14,186,287</u>	<u>14,699,674</u>	<u>14,900,754</u>
Tawaroq payables		1,067,342	795,044	964,412
Ijara payables		437,644	394,236	840,407
Murabaha payables		248,286	374,643	250,000
Trade and other payables		5,902,062	4,822,785	5,113,516
Current liabilities		<u>7,655,334</u>	<u>6,386,708</u>	<u>7,168,335</u>
Total liabilities		<u>21,841,621</u>	<u>21,086,382</u>	<u>22,069,089</u>
Total equity and liabilities		<u>40,805,458</u>	<u>39,319,733</u>	<u>39,643,901</u>

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


 Adnan M. Al-Wazzan
 Chairman

Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries
State of Kuwait

Condensed consolidated statement of profit or loss
for the three and nine month periods ended 30 September 2013

	Note	Three month period ended 30 September		Nine month period ended 30 September	
		2013	2012	2013	2012
		KD	KD	KD	KD
Revenue	5	5,763,190	5,059,803	18,446,526	16,804,808
Operating expenses					
Material costs		(1,371,610)	(1,241,003)	(4,312,527)	(4,130,109)
Staff costs		(2,848,888)	(2,453,216)	(8,908,168)	(7,778,137)
Other operating expenses		(582,021)	(507,947)	(1,820,941)	(1,609,528)
Depreciation and amortization		(383,385)	(370,073)	(1,149,321)	(1,136,478)
Results from operating activities		<u>577,286</u>	<u>487,564</u>	<u>2,255,569</u>	<u>2,150,556</u>
Other income		64,750	65,282	194,250	195,137
Finance costs		<u>(216,335)</u>	<u>(231,076)</u>	<u>(661,339)</u>	<u>(704,652)</u>
Profit for the period before contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS"), National Labour Support Tax ("NLST"), Zakat and Board of Directors' remuneration		425,701	321,770	1,788,480	1,641,041
KFAS		(3,831)	(2,896)	(16,096)	(14,769)
NLST		(14,889)	(11,439)	(59,397)	(50,128)
Zakat		(5,926)	(4,896)	(23,992)	(20,877)
Board of Directors' remuneration		<u>(6,252)</u>	<u>(6,250)</u>	<u>(18,756)</u>	<u>(18,750)</u>
Profit for the period		<u>394,803</u>	<u>296,289</u>	<u>1,670,239</u>	<u>1,536,517</u>
Earnings per share - (fils) (basic and diluted)	7	<u>4.08</u>	<u>3.06</u>	<u>17.25</u>	<u>15.87</u>

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

Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries
State of Kuwait

Condensed consolidated statement of comprehensive income
for the three and nine month periods ended 30 September 2013

	Three month period ended		Nine month period ended	
	30 September		30 September	
	2013	2012	2013	2012
	KD	KD	KD	KD
Profit for the period	394,803	296,289	1,670,239	1,536,517
<i>Other comprehensive (loss)/ income</i>				
<i>Items that are or may be reclassified</i>				
<i>subsequently to statement of income</i>				
Changes in fair value of available-for-sale investments	(6,399)	(69,292)	28,247	(34,646)
<i>Total items that are or may be</i>				
<i>reclassified subsequently to statement of</i>				
<i>income</i>	(6,399)	(69,292)	28,247	(34,646)
Other comprehensive (loss) / income				
for the period	(6,399)	(69,292)	28,247	(34,646)
Total comprehensive income for the				
period	<u>388,404</u>	<u>226,997</u>	<u>1,698,486</u>	<u>1,501,871</u>

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

Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries
State of Kuwait

Condensed consolidated statement of changes in equity
for the nine month period ended 30 September 2013

-----Attributable to shareholders of the Company-----										
	Share capital KD	Share premium KD	Statutory reserve KD	Voluntary reserve KD	Cumulative changes in fair value KD	Foreign currency translation reserve KD	Retained earnings KD	Total KD	Non-controlling interests KD	Total equity KD
Balance at 1 January 2012	9,680,000	2,022,875	1,057,600	1,023,944	(134,469)	4,871	3,422,367	17,077,188	(36,247)	17,040,941
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	1,536,517	1,536,517	-	1,536,517
Other comprehensive loss										
Changes in fair value of available-for-sale investments	-	-	-	-	(34,646)	-	-	(34,646)	-	(34,646)
Total other comprehensive loss	-	-	-	-	(34,646)	-	-	(34,646)	-	(34,646)
Total comprehensive (loss) / income for the period	-	-	-	-	(34,646)	-	1,536,517	1,501,871	-	1,501,871
Transactions with shareholders of the Company directly recognized in equity										
Dividend (refer note 11)	-	-	-	-	-	-	(968,000)	(968,000)	-	(968,000)
Balance at 30 September 2012	9,680,000	2,022,875	1,057,600	1,023,944	(169,115)	4,871	3,990,884	17,611,059	(36,247)	17,574,812
Balance at 1 January 2013	9,680,000	2,022,875	1,290,146	1,256,490	(172,265)	18,119	4,172,088	18,267,453	(34,102)	18,233,351
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	1,670,239	1,670,239	-	1,670,239
Other comprehensive income										
Changes in fair value of available-for-sale investments	-	-	-	-	28,247	-	-	28,247	-	28,247
Total other comprehensive income	-	-	-	-	28,247	-	-	28,247	-	28,247
Total comprehensive income for the period	-	-	-	-	28,247	-	1,670,239	1,698,486	-	1,698,486
Transactions with shareholders of the Company directly recognized in equity										
Dividend (refer note 11)	-	-	-	-	-	-	(968,000)	(968,000)	-	(968,000)
Balance at 30 September 2013	9,680,000	2,022,875	1,290,146	1,256,490	(144,018)	18,119	4,874,327	18,997,939	(34,102)	18,963,837

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

Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries
State of Kuwait

Condensed consolidated statement of cash flows
for the nine month period ended 30 September 2013

	Nine month period ended 30 September	
	2013	2012
	KD	KD
Cash flows from operating activities		
Profit for the period before contribution to KFAS, NLST, Zakat and Board of Directors' remuneration	1,788,480	1,641,041
<i>Adjustments for:</i>		
Depreciation and amortization	1,149,321	1,136,478
Finance costs	661,339	704,652
Other income	(194,250)	(195,137)
Provision for post employment benefits	392,614	304,802
Provision for doubtful debts	218,142	141,904
	<u>4,015,646</u>	<u>3,733,740</u>
<i>Changes in:</i>		
- inventories	(120,818)	40,517
- trade and other receivables	(2,221,880)	(1,104,228)
- trade and other payables	359,720	(935,598)
Cash generated from operating activities	<u>2,032,668</u>	<u>1,734,431</u>
Post employment benefits paid	<u>(23,342)</u>	<u>(82,629)</u>
<i>Net cash from operating activities</i>	<u>2,009,326</u>	<u>1,651,802</u>
Cash flows from investing activities		
Acquisition of property and equipment	(480,431)	(861,737)
Proceeds from sale of property and equipment	71,643	-
<i>Net cash used in investing activities</i>	<u>(408,788)</u>	<u>(861,737)</u>
Cash flows from financing activities		
Repayments of tawaroq payables	(466,738)	(542,754)
Repayments of ijara payables	(118,823)	(837,099)
Receipt of murabaha payables	-	750,000
Repayments of murabaha payables	(179,174)	(51,866)
Finance costs paid	(589,914)	(704,634)
Dividend paid	(366,685)	(348,480)
<i>Net cash used in financing activities</i>	<u>(1,721,334)</u>	<u>(1,734,833)</u>
Net decrease in cash and bank balances	<u>(120,796)</u>	<u>(944,768)</u>
Cash and bank balances at beginning of the period	<u>550,713</u>	<u>1,222,982</u>
Cash and bank balances at end of the period	<u>429,917</u>	<u>278,214</u>

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

**Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries
State of Kuwait**

**Notes to the condensed consolidated interim financial information
for the nine month period ended 30 September 2013**

1. Reporting entity

Al-Mowasat Healthcare Company K.S.C. (Closed) ("the Company") was established in Kuwait on 12 September 1998 as a Kuwaiti Shareholding Company and was listed on the Kuwait Stock Exchange on 9 October 2006. The registered office of the Company is located at Shuwaikh, Plot 52, P.O.Box 1251 Safat 13013.

The Group is engaged in providing healthcare and medical services, owning real estate and investing excess funds in shares through a portfolio manager.

The Company can also have an interest in or participate in any manner with other entities carrying out similar or complementary activities in order to achieve its objectives inside and outside of Kuwait, and to acquire or merge with those entities.

The condensed consolidated interim financial information as at and for the nine month ended 30 September 2013 comprise the Company and its subsidiaries (together referred to as "the Group") and the Group's interest in an equity-accounted investee.

Ownership interest in certain subsidiaries is held by affiliates of the Company as nominees, on behalf and for the benefit of the Group.

The condensed consolidated interim financial information were authorised for issue by the Company's Board of Directors on 10 November 2013.

2. Basis of preparation

a) Statement of compliance

This condensed consolidated interim financial information has been prepared in accordance with IAS 34 *Interim Financial Reporting* and the Kuwait Stock Exchange instructions No. 2 of 1998. It does not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2012.

On 29 November through a decree, Companies Law No. 25 of 2012 ("the Law") was issued and later amended by Law No. 97 of 2013 dated 27 March 2013 ("the Decree"). The Law came into effect from the date it was published in Kuwait's Official Gazette. According to article 2 and 3 of the Decree, Executive Regulations have been issued by the Ministry of Commerce and Industry in September 2013. These Executive Regulations determine the basis and rules which the company shall adopt to regularise its affairs with the Companies Law, as amended. The Company's management is of the view that application of the provisions of the Law has no material impact on the Company's activities or on its consolidated financial position.

**Notes to the condensed consolidated interim financial information
for the nine month period ended 30 September 2013**

b) Judgments and estimates

In preparing this condensed interim financial information, management makes 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.

The significant judgments made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2012.

3. Significant accounting policies

Except as described below, the accounting policies applied in this condensed consolidated interim financial information are the same as those applied in the Group's consolidated financial statements for the year ended 31 December 2012. The following changes in accounting policies are also expected to be reflected in the Group's financial statements as at and for the year ending 31 December 2013.

IFRS 10 Consolidated Financial Statements

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

IFRS 12 Disclosure of Interests in Other Entities

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

IFRS 13 Fair Value Measurement

The new standard defines fair value, sets out in a single IFRS a framework for measuring fair value and requires disclosures about fair value measurements. IFRS 13 applies when other IFRSs require or permit fair value measurements. It does not introduce any new requirements to measure an asset or a liability at fair value, change what is measured at fair value in IFRS or address how to present changes in fair value.

IAS 1 Presentation of Financial Statements – Amendment

The amendments to IAS 1 change the grouping of items presented in other comprehensive income. Items that could be reclassified to profit or loss at a future point in time would be presented separately from items that will never be reclassified. The amendment affects presentation only and has no impact on the Company's financial position or performance.

**Notes to the condensed consolidated interim financial information
for the nine month period ended 30 September 2013**

IAS 28 Investments in Associates and Joint Ventures

As a consequence of the new IFRS 11 *Joint Arrangements*, and IFRS 12 *Disclosure of Interests in Other Entities*, IAS 28 *Investments in Associates* has been renamed as IAS 28 *Investments in Associates and Joint Ventures*, and describes the application of the equity method to investments in joint ventures in addition to associates.

IFRS 7 Disclosures- Offsetting Financial Assets and Financial Liabilities- Amendment

These amendments require an entity to disclose information about rights to set-off and related arrangements. The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity's financial position. The new disclosures are required for all recognised financial instruments that are set off in accordance with IAS 32 *Financial Instruments: Presentation*. The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are set off in accordance with IAS 32.

IAS 34 Interim financial reporting and segment information for total assets and liabilities- Amendment

The amendment clarifies the requirements in IAS 34 relating to segment information for total assets and liabilities for each reportable segment to enhance consistency with the requirements in IFRS 8 *Operating Segments*. Total assets and liabilities for a reportable segment need to be disclosed only when the amounts are regularly provided to the chief operating decision maker and there has been a material change in the total amount disclosed in the entity's previous annual consolidated financial statements for that reportable segment.

Application of the above standards did not have any significant impact on the condensed consolidated interim financial information of the Group.

4. Available-for-sale investments

	30 September 2013 KD	31 December 2012 KD (Audited)	30 September 2012 KD
Quoted equity securities-local	305,515	277,268	436,768
Unquoted equity securities-local	931,617	931,617	931,617
	<u>1,237,132</u>	<u>1,208,885</u>	<u>1,368,385</u>

Unquoted financial assets are carried at cost, less impairment if any, due to the unpredictable nature of their future cash flows and the lack of other suitable methods for arriving at a reliable fair value for these financial assets. There is no active market for these financial assets and there have been any recent market transactions that provide evidence of current fair value. The Group intends to hold these investments for long term.

Notes to the condensed consolidated interim financial information
for the nine month period ended 30 September 2013

5. Revenue

	Three month period ended		Nine month period ended	
	30 September		30 September	
	2013	2012	2013	2012
	KD	KD	KD	KD
Service income	4,645,183	3,913,007	14,704,187	13,076,169
Pharmacy sales	1,059,095	1,049,590	3,482,542	3,496,738
Other operating income	58,912	97,206	259,797	231,901
	<u>5,763,190</u>	<u>5,059,803</u>	<u>18,446,526</u>	<u>16,804,808</u>

6. Related parties

Related parties include significant shareholders, subsidiary companies, associate companies, directors and executive officers of the Group, close members of their families and companies of which they are the principal owners or over which they are able to exercise significant influence.

Pricing policies and terms of related party transactions are approved by the Group's management.

The aggregate value of related party transactions and outstanding balances disclosed in this condensed consolidated interim financial information are as follows:

	Three month period ended		Nine month period ended	
	30 September		30 September	
	2013	2012	2013	2012
	KD	KD	KD	KD
Related parties transaction				
Entities with significant influence over the Group- <i>other income</i>	64,750	65,282	194,250	195,137
Other related parties - <i>service income</i>	16,297	-	27,420	-
Key management compensation				
Short term employee benefits	77,900	38,574	111,092	82,247
Board of Directors' remuneration	6,252	6,250	18,756	18,750
	30 September	31 December	30 September	
	2013	2012	2012	
	KD	KD	KD	
		(Audited)		
Related party balances				
<i>Trade receivables</i>	324,191	296,771	323,104	
<i>Due from related parties</i>				
Entities with significant influence over the Group	6,416,805	6,152,165	6,473,816	
Other related parties	1,583,273	1,640,703	1,614,042	
Key management personnel	478,439	336,147	85,604	
	<u>8,478,517</u>	<u>8,129,015</u>	<u>8,173,462</u>	

Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries
State of Kuwait

Notes to the condensed consolidated interim financial information
for the nine month period ended 30 September 2013

	30 September 2013 KD	31 December 2012 KD (Audited)	30 September 2012 KD
<i>Due to related parties</i>			
Key management employees	3,595	3,595	3,595
Other related parties	734,174	797,412	530,003
	<u>737,769</u>	<u>801,007</u>	<u>533,598</u>
<i>Available-for-sale investments</i>	1,237,132	1,208,885	1,368,385

7. Earnings per share

Basic earnings per share is calculated by dividing net profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period. There are no potential dilutive ordinary shares.

The information necessary to calculate the earnings per share is as follows:

	Three month period ended 30 September		Nine month period ended 30 September	
	2013	2012	2013	2012
Profit for the period (KD)	394,803	296,289	1,670,239	1,536,517
Net weighted average number of shares issued	96,800,000	96,800,000	96,800,000	96,800,000
Earnings per share- (fils) (basic and diluted)	4.08	3.06	17.25	15.87

8. Operating segments

Operating segments are identified based on internal management reporting information that is regularly reviewed by the Board of Directors, which is the chief operating decision maker, to allocate resources to the segment and to assess its performance.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the condensed consolidated interim financial information.

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different types of services and are managed separately because they require different business and marketing strategies.

Healthcare: Healthcare includes medical care, pharmacies and other related services.

Investment: Investing surplus cash in investment portfolios.

Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries
State of Kuwait

Notes to the condensed consolidated interim financial information
for the nine month period ended 30 September 2013

	Healthcare services KD	Investment and others KD	Consolidated KD
Three month period ended 30 September 2013			
Segment revenue	5,763,190	64,750	5,827,940
Segment expenses	(5,411,418)	(21,719)	(5,433,137)
Profit for the period	<u>351,772</u>	<u>43,031</u>	<u>394,803</u>
Three month period ended 30 September 2012			
Segment revenue	5,059,803	65,282	5,125,085
Segment expenses	(4,780,982)	(47,814)	(4,828,796)
Profit for the period	<u>278,821</u>	<u>17,468</u>	<u>296,289</u>
Nine month period ended 30 September 2013			
Segment revenue	18,446,526	194,250	18,640,776
Segment expenses	(16,883,383)	(87,154)	(16,970,537)
Profit for the period	<u>1,563,143</u>	<u>107,096</u>	<u>1,670,239</u>
Nine month period ended 30 September 2012			
Segment revenue	16,804,808	195,137	16,999,945
Segment expenses	(15,341,012)	(122,416)	(15,463,428)
Profit for the period	<u>1,463,796</u>	<u>72,721</u>	<u>1,536,517</u>
30 September 2013			
Equity-accounted investee	-	18,750	18,750
Segments assets	34,407,562	6,397,896	40,805,458
Segment liabilities	19,958,749	1,882,872	21,841,621
31 December 2012- (Audited)			
Equity-accounted investee	-	18,750	18,750
Segments assets	33,133,840	6,185,893	39,319,733
Segment liabilities	18,882,243	2,204,139	21,086,382
30 September 2012			
Equity-accounted investee	-	18,750	18,750
Segments assets	33,391,946	6,251,955	39,643,901
Segment liabilities	19,725,753	2,343,336	22,069,089

**Notes to the condensed consolidated interim financial information
for the nine month period ended 30 September 2013**

9. Fair values of financial instruments

Financial instruments comprise of financial assets and financial liabilities. Fair values of all financial instruments are not materially different from their carrying values except financial assets available for sale carried at cost. For financial assets and financial liabilities that are liquid or having a short-term maturity (less than three months) it is assumed that the carrying amounts approximate to their fair value. This assumption is also applied to demand deposits, savings accounts without a specific maturity and variable rate financial instruments.

Fair value hierarchy

The following table analyses the financial assets which are measured at fair value in the consolidated statement of financial position in accordance with the fair value hierarchy.

This hierarchy groups financial assets into three levels based on the significance of inputs used in measuring the fair value of the financial assets. The different levels have been defined as follows:

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 either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: inputs that are unobservable. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The Group measures quoted available-for-sale investments at fair value using quoted market prices and classified under level 1 (refer note 4).

10. Financial risk management

All aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2012.

11. General assembly

The annual general meeting held on 25 June 2013 approved the following:

- Consolidated financial statements for the year ended 31 December 2012
- Board of Directors' remuneration amounting to KD 25,000 (2011: KD 25,000), and
- Cash dividend of 10% of paid-up-capital amounting to KD 968,000 for the year ended 31 December 2012 (31 December 2011: cash dividend of 10% of paid-up-capital amounting to KD 968,000).