Interim condensed consolidated financial information and review report

Al-Deera Holding Company – KPSC and Subsidiaries

Kuwait

30 September 2016 (Unaudited)

Contents

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Report on review of interim condensed consolidated financial information

To the board of directors of
Al-Deera Holding Company – KPSC
Kuwait

Introduction
We have reviewed the accompanying interim condensed consolidated statement of financial position of Al-Deera Holding Company (Kuwaiti Public Shareholding Company) (the "Parent Company") and its subsidiaries (collectively the "Group") as of 30 September 2016 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 nine-month period then ended. Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 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 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 interim condensed consolidated financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34, "Interim Financial Reporting".

Emphasis of matter
At 30 September 2016, the current liabilities of Al-Deera Holding Company and its subsidiaries exceeded current assets by KD12,460,893. These conditions may indicate inability of an entity to continue as a going concern.

Report on review of interim condensed consolidated financial information of Al-Deera Holding Company – KPSC (continued)

Report on review of other legal and regulatory requirements

Based on our review, the interim condensed consolidated financial information is in agreement with the 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 2016 and its Executive Regulations, or of the Memorandum of Incorporation and Articles of Association of the Parent Company, as amended, have occurred during the nine-month period ended 30 September 2016 that might have had a material effect on the business or financial position of the Parent Company.

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Kuwait
14 November 2016

Interim condensed consolidated statement of profit or loss

	Notes	Three months ended 30 Sept. 2016 (Unaudited) KD	Three months ended (Restated) 30 Sept. 2015* (Unaudited) KD	Nine months ended 30 Sept. 2016 (Unaudited) KD	Nine months ended (Restated) 30 Sept. 2015* (Unaudited) KD
Continuing operations					
Revenue					
Change in fair value of investments at fair value through profit or loss		(477,067)	(139,309)	(477,577)	(66,207)
Profit on sale of available for sale investments		-	-	-	887,858
Loss on sale of investments at fair value through profit or loss		-	-	(17)	(209)
Share of results of associates		99,730	(295,367)	333,312	93,419
Loss on sale of associates	8	-	-	(1,737,737)	(427,412)
Loss on sale of subsidiary	5	-	-	(62,528)	(525,926)
Reversal of a liability no longer required		-	-	-	1,191,404
Gain on settlement of term loan	11	12,169,007	-	12,169,007	-
Dividend income		150	874	150	4,767
Interest and other income		43,452	36,788	150,588	43,412
(Loss)/gain on foreign exchange		-	(9,455)	66,050	(847,502)
		11,835,272	(406,469)	10,441,258	353,604
Expenses and other charges					
Staff costs		(120,656)	(84,330)	(423,035)	(287,375)
General, administrative and other expenses		(59,608)	(128,430)	(210,687)	(293,237)
Finance costs		(125,479)	(344,518)	(641,114)	(1,066,833)
Impairment of goodwill of a subsidiary	7	(1,573,097)	-	(1,573,097)	-
Impairment of investment in associates	8	(2,456,980)	-	(2,456,980)	-
Impairment of available for sale investments	9	(3,710,520)	-	(3,710,520)	(169,960)
Provision for doubtful debts		(784,885)	-	(784,885)	-
Write off of bad debts		(60,266)	-	(60,266)	-
		(8,891,491)	(557,278)	(9,860,584)	(1,817,405)
Profit/(loss) for the period from continuing operations		2,943,781	(963,747)	580,674	(1,463,801)
Discontinued operations					
Profit for the period from discontinued operations	5	-	251,421	156,320	523,353
Total profit/(loss) for the period before provision for National Labour Support Tax (NLST) and Zakat		2,943,781	(712,326)	736,994	(940,448)

The notes set out on pages 11 to 27 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of profit or loss (continued)

	Notes	Three months ended 30 Sept. 2016 (Unaudited) KD	Three months ended (Restated) 30 Sept. 2015* (Unaudited) KD	Nine months ended 30 Sept. 2016 (Unaudited) KD	Nine months ended (Restated) 30 Sept. 2015* (Unaudited) KD
NLST		(26,604)	-	(26,604)	-
Zakat		(10,642)	-	(10,642)	-
Profit/(loss) for the period		**2,906,535**	(712,326)	**699,748**	(940,448)
Attributable to:					
Shareholders of the parent company		**2,912,775**	(874,968)	**626,150**	(1,494,975)
Non-controlling interests		**(6,240)**	162,642	**73,598**	554,527
		2,906,535	(712,326)	**699,748**	(940,448)
Basic and diluted earnings/(loss) per share attributable to the shareholders of the parent company	6				
- From continuing operations		**14.76**	(4.93)	**2.85**	(8.61)
- From discontinued operations		**-**	0.50	**0.32**	1.03
Total-Fils		**14.76**	(4.43)	**3.17**	(7.58)

* Amount shown here do not correspond with the previously reported interim condensed consolidated financial information for the nine-month period ended 30 September 2015 as a result of adjustments made for discontinued operations as detailed in note 5.

Interim condensed consolidated statement of profit or loss and other comprehensive income

	Three months ended		Nine months ended	
	30 Sept. 2016 (Unaudited) KD	30 Sept. 2015 (Unaudited) KD	30 Sept. 2016 (Unaudited) KD	30 Sept. 2015 (Unaudited) KD
Profit/(loss) for the period	**2,906,535**	(712,326)	**699,748**	(940,448)
Other comprehensive income/(loss):				
Items that will be reclassified subsequently to interim condensed consolidated statement of profit or loss:				
Exchange differences arising on translation of foreign operations	**-**	(10)	**38,688**	(42,569)
Available for sale investments:				
- Net change in fair value arising during the period	**(3,539,033)**	(218,959)	**(3,629,903)**	(562,499)
- Transferred to interim condensed consolidated statement of profit or loss on sale	**-**	-	**-**	(606,673)
- Transferred to interim condensed consolidated statement of profit or loss on impairment	**3,710,520**	-	**3,710,520**	169,960
Share of other comprehensive loss of associates	**(77,590)**	(426,511)	**(317,754)**	(238,003)
Total other comprehensive income/(loss) for the period	**93,897**	(645,480)	**(198,449)**	(1,279,784)
Total comprehensive income/(loss) e for the period	**3,000,432**	(1,357,806)	**501,299**	(2,220,232)
Attributable to:				
Shareholders of the parent company	**3,006,672**	(1,520,449)	**427,701**	(2,861,678)
Non-controlling interests	**(6,240)**	162,643	**73,598**	641,446
	3,000,432	(1,357,806)	**501,299**	(2,220,232)

The notes set out on pages 11 to 27 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of financial position

	Notes	30 Sept. 2016 (Unaudited) KD	31 Dec. 2015 (Audited) KD	30 Sept. 2015 (Unaudited) KD
Assets				
Non-current assets				
Goodwill	7	-	3,975,204	8,633,112
Property, plant and equipment		1,204	3,327,767	3,464,231
Intangible asset		-	6,182,193	6,182,193
Deferred costs		-	1,115,536	1,141,138
Investment in associates	8	19,423,538	25,643,387	26,809,975
Available for sale investments	9	4,349,838	7,828,585	10,419,611
Receivables and other assets – non-current portion		761,250	-	-
		24,535,830	48,072,672	56,650,260
Current assets				
Inventories		-	509,413	607,237
Receivables and other assets – current portion		1,744,037	4,964,965	5,728,892
Current portion of deferred costs		-	104,714	105,578
Investments at fair value through profit or loss		11,747	489,324	1,689,635
Balances with banks and other financial institutions		123,778	330,335	252,882
		1,879,562	6,398,751	8,384,224
Total assets		26,415,392	54,471,423	65,034,484
Equity and liabilities				
Equity				
Share capital		19,737,880	19,737,880	19,737,880
Other components of equity	10	1,047,649	1,246,098	(3,009,188)
Accumulated losses		(9,367,840)	(10,002,651)	(1,460,040)
Total equity attributable to the shareholders of the parent company		11,417,689	10,981,327	15,268,652
Non-controlling interests		390,816	3,407,849	3,417,923
Total equity		11,808,505	14,389,176	18,686,575
Liabilities				
Non-current liabilities				
Term loans	11	-	1,015,000	600,000
Provision for employees' end of service benefits		266,432	1,101,783	1,165,881
		266,432	2,116,783	1,765,881
Current liabilities				
Payables and other liabilities		14,340,455	18,214,549	13,659,353
Advances from customers		-	3,858,435	3,938,465
Current portion of term loans	11	-	15,892,480	26,984,210
		14,340,455	37,965,464	44,582,028
Total liabilities		14,606,887	40,082,247	46,347,909
Total equity and liabilities		26,415,392	54,471,423	65,034,484

Talal Bader Al-Baher
Chairman

The notes set out on pages 11 to 27 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity

	Equity attributable to the shareholders of the parent company				Non-controlling interests	Total
	Share capital KD	Other components of equity (Note 10) KD	Accumulated losses KD	Sub – total KD	KD	KD
Balance at 1 January 2016	19,737,880	1,246,098	(10,002,651)	10,981,327	3,407,849	14,389,176
Sale of subsidiary (note 5)	-	-	-	-	(3,090,631)	(3,090,631)
Total transactions with shareholders	-	-	-	-	(3,090,631)	(3,090,631)
Profit for the period	-	-	626,150	626,150	73,598	699,748
Other comprehensive loss for the period	-	(198,449)	-	(198,449)	-	(198,449)
Total comprehensive (loss)/income for the period		(198,449)	626,150	427,701	73,598	501,299
Effect of change in ownership percentage of an associate's subsidiary	-	-	8,661	8,661	-	8,661
Balance at 30 September 2016 (Unaudited)	19,737,880	1,047,649	(9,367,840)	11,417,689	390,816	11,808,505

The notes set out on pages 11 to 27 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity (continued)

	Equity attributable to the shareholders of the parent company					Non-controlling interests	Total
	Share capital KD	Legal reserve KD	Other components of equity (Note 10) KD	Accumulated losses KD	Sub – total KD	KD	KD
Balance at 1 January 2015	74,445,648	994,976	(1,642,485)	(55,667,809)	18,130,330	2,776,477	20,906,807
Write off of accumulated losses	(54,707,768)	(994,976)	-	55,702,744	-	-	-
Total transactions with shareholders	(54,707,768)	(994,976)	-	55,702,744	-	-	-
(Loss)/profit for the period	-	-	-	(1,494,975)	(1,494,975)	554,527	(940,448)
Other comprehensive (loss)/income for the period	-	-	(1,366,703)	-	(1,366,703)	86,919	(1,279,784)
Total comprehensive (loss)/income for the period	-	-	(1,366,703)	(1,494,975)	(2,861,678)	641,446	(2,220,232)
Balance at 30 September 2015 (Unaudited)	19,737,880	-	(3,009,188)	(1,460,040)	15,268,652	3,417,923	18,686,575

The notes set out on pages 11 to 27 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

	Nine months ended 30 Sept. 2016 (Unaudited) KD	(Restated) Nine months ended 30 Sept. 2015* (Unaudited) KD
OPERATING ACTIVITIES		
Profit/(loss) for the period from continuing operations	580,674	(1,463,801)
Adjustments for:		
Depreciation	224	-
Foreign exchange (gain)/loss on non-operating assets and liabilities	(66,050)	847,502
Reversal of a liability no longer required	-	(1,191,404)
Interest and other income	(150,588)	(43,412)
Provision for employees' end of service benefits	46,610	22,398
Profit on sale of available for sale investments	-	(887,858)
Share of results of associates	(333,312)	(93,419)
Loss on sale of associate	1,737,737	427,412
Finance costs	641,114	1,066,833
Provision for doubtful debts	784,885	-
Impairment of available of for sale investments	3,710,520	169,960
Impairment of investment in associates	2,456,980	-
Impairment of goodwill of a subsidiary	1,573,097	-
Gain on settlement of term loan	(12,169,007)	
Loss on sale of subsidiary	62,528	525,926
Dividend income	(160)	(4,767)
	(1,124,748)	(624,630)
Changes in operating assets and liabilities:		
Investments at fair value through profit or loss	477,577	63,543
Receivables and other assets	(1,979,162)	281,247
Payables and other liabilities	1,345,954	(110,172)
Employees' end of service benefits paid	(8,616)	(37,761)
Net cash used in continuing operations	(1,288,995)	(427,773)
Net cash from/(used in) discontinued operations	5,495	(413,640)
Net cash used in operating activities	(1,283,500)	(841,413)
INVESTING ACTIVITIES		
Proceeds on sale and redemption of available for sale investments	-	312,478
Proceeds from sale of associate	-	450,000
Net proceeds from sale of subsidiary	4,214,550	-
Interest income received	99,961	41,514
Proceeds from sale of property, plant and equipment	-	1,743
Purchase of property, plant and equipment	(265)	-
Investment in associates - net	2,126,600	(107,225)
Dividend income received	160	4,767
Net cash from investing activities	6,441,006	703,277

The notes set out on pages 11 to 27 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows (continued)

	Nine months ended 30 Sept. 2016 (Unaudited) KD	(Restated) Nine months ended 30 Sept. 2015* (Unaudited) KD
FINANCING ACTIVITIES		
Settlement of term loan	(5,095,440)	-
Finance costs paid	(268,623)	-
Net cash used in financing activities	**(5,364,063)**	-
Net decrease in cash and cash equivalents	(206,557)	(138,136)
Cash and cash equivalents at beginning of the period	330,335	391,018
Cash and cash equivalents included in disposal group	-	136,867
Cash and cash equivalents at end of the period	**123,778**	389,749
Non cash transaction:		
Sale of available for sale investment	-	4,363,178
Payables and other liabilities	-	(4,363,178)
Proceed from sale of associate	(1,320,000)	-
Receivables and other assets	1,320,000	-

* Amount shown here do not correspond with the previously reported interim condensed consolidated financial information for the nine-month period ended 30 September 2015 as a result of adjustments made for discontinued operations as detailed in note 5.

Notes to the interim condensed consolidated financial information

1 Incorporation and activities

Al Deera Holding Company (the parent company) was established on 18 February 1998 as a Kuwaiti limited liability company. On 8 September 2005, the legal status of the company was changed from a limited liability company to a Kuwaiti public shareholding company.

The extraordinary general assembly held on 26 June 2015 approved the amendment of the parent company's objectives to become as follows:

- Management of the parent company's subsidiaries or participation in management of other companies in which it holds ownership stakes and providing the necessary support thereto.
- Investing funds by way of trading in shares, bonds and other financial securities
- Acquisition of properties and movables necessary to carry out the business activities as allowable by the law.
- Financing and extending loans to investee companies and providing guarantees for third parties, provided that the share of the holding company in the investee company is not less than 20%.
- Acquisition of industrial rights and related intellectual properties or any other industrial trademarks or royalties and any other property related thereto, and renting such properties to the subsidiary companies and others whether inside Kuwait or abroad.

The parent company has the right to carry out its activities inside Kuwait or abroad whether directly or through power of attorney.

The parent company is authorized to have interest in or participate with any party or institution carrying out similar activities or those parties who will assist the company in achieving its objectives whether in Kuwait or abroad. The parent company has the right to establish, participate in or acquire such institutions.

The parent company's shares are listed on Kuwait Stock Exchange. The group comprises the parent company and its subsidiaries.

The new Companies Law No. 1 of 2016 was issued on 24 January 2016 and published in the Official Gazette on 1 February 2016 which cancelled Law No. 25 of 2012 and its amendments thereto, as stipulated in article (5) thereto. The new Law will be effective retrospectively from 26 November 2012. The new Executive Regulations of Law No. 1 of 2016 were issued on 12 July 2016 and was published in the official gazette on 17 July 2016 which cancelled the executive regulations of Law No. 25 of 2012.

The address of the parent company's registered offices is PO. Box 4839, Safat 13049 – Kuwait.

The interim condensed consolidated financial information of the group for the nine-month period ended 30 September 2016 was authorized for issue by the directors of parent company on 14 November 2016.

2 Basis of preparation

The interim condensed consolidated financial information of the group has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting". The accounting policies used in the preparation of the interim condensed consolidated financial information are consistent with those used in the preparation of the most recent annual consolidated financial statements of the group for the year ended 31 December 2015 except for adoption of relevant new standards, amendments to certain standards and interpretations discussed below.

Notes to the interim condensed consolidated financial information (continued)

2 Basis of preparation (continued)

The interim condensed consolidated financial information has been presented in Kuwaiti Dinars which is the functional currency of the group.

This interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements prepared in accordance with the International Financial Reporting Standards. In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included.

Operating results for the nine-month period ended 30 September 2016 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2016. For further details, refer to the consolidated financial statements and their disclosures for the year ended 31 December 2015.

3 Changes in accounting policies

3.1 New and amended standards adopted by the group

A number of new and revised standards are effective for annual periods beginning on or after 1 January 2016. Information on these new standards is presented below:

Standard or Interpretation	*Effective for annual periods beginning*
IFRS 10 and IAS 28 Sale or Contribution of Assets between and an Investor and its Associate or Joint Venture - Amendments	No stated date
IFRS 11 Accounting for Acquisitions of Interests in Joint Operations - Amendments	1 January 2016
IAS 1 'Disclosure Initiative - Amendments	1 January 2016
IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation - Amendments	1 January 2016
IAS 27 Equity Method in Separate Financial Statements - Amendments	1 January 2016
IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation Exception - Amendments	1 January 2016
Annual Improvements to IFRSs 2012–2014 Cycle	1 January 2016

IFRS 10 and IAS 28 Sale or Contribution of Assets between and an Investor and its Associate or Joint Venture - Amendments

The Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) clarify the treatment of the sale or contribution of assets from an investor to its associate or joint venture, as follows:

- require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 Business Combinations)
- require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognised only to the extent of the unrelated investors' interests in that associate or joint venture.

These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occurs by an investor transferring shares in an subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

IASB has postponed the effective date indefinitely until other projects are completed. However, early implementation is allowed.

Notes to the interim condensed consolidated financial information (continued)

3 Changes in accounting policies (continued)

3.1 New and amended standards adopted by the group (continued)

IFRS 11 Accounting for Acquisitions of Interests in Joint Operations - Amendments

Amendments to IFRS 11 Joint Arrangements require an acquirer of an interest in a joint operation in which the activity constitutes a business (as defined in IFRS 3 Business Combinations) to apply all of the business combinations accounting principles in IFRS 3 and other IFRSs, except for those principles that conflict with the guidance in IFRS 11. It also requires disclosure of the information required by IFRS 3 and other IFRSs for business combinations.

The amendments apply both to the initial acquisition of an interest in joint operation, and the acquisition of an additional interest in a joint operation (in the latter case, previously held interests are not remeasured). The amendments apply prospectively to acquisitions of interests in joint operations.

IAS 1 Disclosure Initiative – Amendments

The Amendments to IAS 1 make the following changes:

- *Materiality*: The amendments clarify that (1) information should not be obscured by aggregating or by providing immaterial information, (2) materiality considerations apply to the all parts of the financial statements, and (3) even when a standard requires a specific disclosure, materiality considerations do apply.

- *Statement of financial position and statement of profit or loss and other comprehensive income*: The amendments (1) introduce a clarification that the list of line items to be presented in these statements can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements and (2) clarify that an entity's share of OCI of equity-accounted associates and joint ventures should be presented in aggregate as single line items based on whether or not it will subsequently be reclassified to profit or loss.

- *Notes*: The amendments add additional examples of possible ways of ordering the notes to clarify that understandability and comparability should be considered when determining the order of the notes and to demonstrate that the notes need not be presented in the order so far listed in paragraph 114 of IAS 1. The IASB also removed guidance and examples with regard to the identification of significant accounting policies that were perceived as being potentially unhelpful.

IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation - Amendments

Amendments to IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets address the following matters:

- a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate for property, plant and equipment
- an amortisation method that is based on the revenue generated by an activity that includes the use of an intangible asset is generally inappropriate except for limited circumstances
- expected future reductions in the selling price of an item that was produced using an asset could indicate the expectation of technological or commercial obsolescence of the asset, which, in turn, might reflect a reduction of the future economic benefits embodied in the asset.

Notes to the interim condensed consolidated financial information (continued)

3 Changes in accounting policies (continued)

3.1 New and amended standards adopted by the group (continued)

IAS 27 Equity Method in Separate Financial Statements - Amendments

The Amendments to IAS 27 Separate Financial Statements permit investments in subsidiaries, joint ventures and associates to be optionally accounted for using the equity method in separate financial statements.

IFRS 10, IFRS 12 and IAS 28 'Investment Entities: Applying the Consolidation Exception - Amendments

The Amendments are aimed at clarifying the following aspects:

- *Exemption from preparing consolidated financial statements.* The amendments confirm that the exemption from preparing consolidated financial statements for an intermediate parent entity is available to a parent entity that is a subsidiary of an investment entity, even if the investment entity measures all of its subsidiaries at fair value.

- *A subsidiary providing services that relate to the parent's investment activities.* A subsidiary that provides services related to the parent's investment activities should not be consolidated if the subsidiary itself is an investment entity.

- *Application of the equity method by a non-investment entity investor to an investment entity investee.* When applying the equity method to an associate or a joint venture, a non-investment entity investor in an investment entity may retain the fair value measurement applied by the associate or joint venture to its interests in subsidiaries.

- *Disclosures required.* An investment entity measuring all of its subsidiaries at fair value provides the disclosures relating to investment entities required by IFRS 12.

Annual Improvements to IFRSs 2012–2014 Cycle

(i) *Amendments to* IFRS 5 - Adds specific guidance in IFRS 5 for cases in which an entity reclassifies an asset from held for sale to held for distribution or vice versa and cases in which held-for-distribution accounting is discontinued

(ii) *Amendments to IFRS 7* - Additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset, and clarification on offsetting disclosures in condensed interim financial statements

(iii) *Amendments to IAS 19* - Clarify that the high quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid

(iv) *Amendments to IAS 34* - Clarify the meaning of 'elsewhere in the interim report' and require a cross-reference

3.2 IASB Standards issued but not yet effective

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

Notes to the interim condensed consolidated financial information (continued)

3 Changes in accounting policies (continued)

3.2 IASB Standards issued but not yet effective (continued)

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

Standard or Interpretation	*Effective for annual periods beginning*
IAS 12 Income Taxes - Amendments	1 January 2017
IFRS 9 Financial Instruments: Classification and Measurement	1 January 2018
IFRS 15 Revenue from Contracts with Customers	1 January 2018
IFRS 16 Leases	1 January 2019

IAS 12 Recognition of Deferred Tax Assets for Unrealised Losses - Amendments

The Amendments to IAS 12 make the following changes:

- Unrealised losses on debt instruments measured at fair value and measured at cost for tax purposes give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use.
- The carrying amount of an asset does not limit the estimation of probable future taxable profits.
- Estimates for future taxable profits exclude tax deductions resulting from the reversal of deductible temporary differences.
- An entity assesses a deferred tax asset in combination with other deferred tax assets. Where tax law restricts the utilisation of tax losses, an entity would assess a deferred tax asset in combination with other deferred tax assets of the same type

IFRS 9 Financial Instruments

The IASB recently released IFRS 9 'Financial Instruments' (2014), representing the completion of its project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. The new standard introduces extensive changes to IAS 39's guidance on the classification and measurement of financial assets and introduces a new 'expected credit loss' model for the impairment of financial assets. IFRS 9 also provides new guidance on the application of hedge accounting.

Management has started to assess the impact of IFRS 9 but is not yet in a position to provide quantified information. At this stage the main areas of expected impact are as follows:

- the classification and measurement of the group's financial assets will need to be reviewed based on the new criteria that considers the assets' contractual cash flows and the business model in which they are managed

- an expected credit loss-based impairment will need to be recognised on the group's trade receivables and investments in debt-type assets currently classified as available for sale and held-to-maturity, unless classified as at fair value through profit or loss in accordance with the new criteria

Notes to the interim condensed consolidated financial information (continued)

3 Changes in accounting policies (continued)

3.2 IASB Standards issued but not yet effective (continued)

IFRS 9 Financial Instruments (continued)

- it will no longer be possible to measure equity investments at cost less impairment and all such investments will instead be measured at fair value. Changes in fair value will be presented in profit or loss unless the group makes an irrevocable designation to present them in other comprehensive income.

- if the group continues to elect the fair value option for certain financial liabilities, fair value movements will be presented in other comprehensive income to the extent those changes relate to the group's own credit risk.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 replaced IAS 18 "Revenues", IAS 11 "Construction Contract" and several revenue – related Interpretations and provides a new control-based revenue recognition model using five-step approach to all contracts with customers.

The five steps in the model are as follows:

- Identify the contract with the customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contracts
- Recognise revenue when (or as) the entity satisfies a performance obligation.

The standard includes important guidance, such as

- Contracts involving the delivery of two or more goods or services – when to account separately for the individual performance obligations in a multiple element arrangement, how to allocate the transaction price, and when to combine contracts
- timing – whether revenue is required to be recognized over time or at a single point in time
- variable pricing and credit risk – addressing how to treat arrangements with variable or contingent (e.g. performance-based) pricing, and introducing an overall constraint on revenue
- time value – when to adjust a contract price for a financing component
- specific issues, including –
  - o non-cash consideration and asset exchanges
  - o contract costs
  - o rights of return and other customer options
  - o supplier repurchase options
  - o warranties
  - o principal versus agent
  - o licencing
  - o breakage
  - o non-refundable upfront fees, and
  - o consignment and bill-and-hold arrangements.

Notes to the interim condensed consolidated financial information (continued)

3 Changes in accounting policies (continued)

3.2 IASB Standards issued but not yet effective (continued)

IFRS 16 Leases

The new Standard requires lessees to account for leases 'on-balance sheet' by recognising a 'right of use' asset and a lease liability. It will affect most companies that report under IFRS and are involved in leasing, and will have a substantial impact on the financial statements of lessees of property and high value equipment. For many other businesses, however, exemptions for short-term leases and leases of low value assets will reduce the impact.

4 Judgement and estimates

The preparation of interim condensed consolidated financial information requires management to make judgements, 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 judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited consolidated financial statements as at and for the year ended 31 December 2015.

5 Sale of subsidiary

During the period, the group sold its 40% ownership interest in Fast Telecommunication Company – WLL (subsidiary) for a total consideration of KD4,400,000 resulting into a loss of KD62,528. At the date of disposal, the carrying amounts of Fast Telecommunication – WLL's net assets disposed of and its operating results up to the date of disposal were as follows:

	31 March 2016 (Unaudited) KD
Assets	
Non-current assets	
Equipment	3,106,760
Licence cost	6,182,193
Deferred costs	1,096,085
	10,385,038
Current assets	
Inventories	491,062
Receivables and other assets	3,576,864
Current portion of deferred costs	104,712
Due from related parties	774
Cash and cash equivalents	185,450
	4,358,862
Total assets	**14,743,900**

Notes to the interim condensed consolidated financial information (continued)

5 Sale of subsidiary (continued)

	31 March 2016 KD
Liabilities	
Non-current liabilities	
Provision for employees' end of service benefits	855,684
Term loans	900,000
	1,755,684
Current liabilities	
Current portion of term loans	1,029,050
Payables and other liabilities	2,763,438
Advances from customers	4,044,677
	7,837,165
Total liabilities	9,592,849
Net assets as at date of disposal	5,151,051
Share of net assets disposed	2,060,420
Carrying value of goodwill	2,402,108
Total carrying value disposed	4,462,528
Sale proceeds	4,400,000
Loss on sale	(62,528)

Revenue	Nine months ended 30 September 2016 (Unaudited) KD	Nine months ended 30 September 2015 (Unaudited) KD
Revenue	2,883,698	9,371,898
Direct costs	(2,022,210)	(6,810,061)
Gross profit	861,488	2,561,837
Other income	4,529	305,500
Foreign exchange gain/(loss)	2,242	(29,314)
	868,259	2,838,023
Expenses and other charges		
Staff costs	(321,360)	(1,205,718)
General and administrative expenses	(300,529)	(518,707)
Selling and marketing expenses	(25,930)	(119,706)
Finance costs	(64,120)	(215,649)
Provision for doubtful debts	-	(254,890)
	(711,939)	(2,314,670)
Profit for the period from discontinued operations	156,320	523,353

Notes to the interim condensed consolidated financial information (continued)

5 Sale of subsidiary (continued)

Cash flows generated from discontinued operations for the reporting periods under review are as follows:

	Nine months ended 30 Sept. 2016 (Unaudited) KD	Nine months ended 30 Sept. 2015 (Unaudited) KD
Operating activities	597,137	1,541,908
Investing activities	(49,635)	(557,257)
Financing activities	(542,007)	(1,398,291)
	5,495	(413,640)

6 Basic and diluted earnings/(loss) per share attributable to the shareholders of the parent company

Basic and diluted earnings/(loss) per share is calculated by dividing the profit/(loss) for the period attributable to the shareholders of the parent company by weighted average number of shares outstanding during the period (excluding treasury shares).

The parent company had no outstanding dilutive potential shares.

	Three months ended		Nine months ended	
	30 Sept. 2016 (Unaudited)	30 Sept. 2015 (Unaudited)	30 Sept. 2016 (Unaudited)	30 Sept. 2015 (Unaudited)
Profit/(loss) for the period attributable to the shareholders of the parent company from continuing operations (KD)	2,912,775	(973,023)	563,662	(1,699,083)
Profit for the period attributable to the shareholders of the parent company from discontinued operations (KD)	-	98,055	62,528	204,108
	2,912,775	(874,968)	626,150	(1,494,975)
Weighted average number of shares outstanding during the period (excluding treasury shares)	197,378,800	197,378,800	197,378,800	197,378,800
Basic and diluted earnings/(loss) per share attributable to the shareholders of the parent company				
- From continuing operations	14.76	(4.93)	2.85	(8.61)
- From discontinued operations	-	0.50	0.32	1.03
Total-Fils	14.76	(4.43)	3.17	(7.58)

7 Impairment of goodwill of a subsidiary

As a result of the impairment testing of the carrying value of goodwill of its subsidiary, Univest Consultancy Group – WLL, the group recognised an impairment loss of KD 1,573,097 against the carrying amount of the goodwill.

Notes to the interim condensed consolidated financial information (continued)

8 Investment in associates

The movement of investment in associates during the period/year was as follows:

	30 Sept. 2016 (Unaudited) KD	31 Dec. 2015 (Audited) KD	30 Sept. 2015 (Unaudited) KD
Balance at beginning of the period/year	25,643,387	27,724,746	27,724,746
Disposal of associates (see a below)	(3,853,957)	(877,412)	(877,412)
Share of results	333,312	(1,517,984)	93,419
Share of other comprehensive (loss)/income loss of associates	(317,754)	579,295	(238,003)
Impairment of investment in associates (see b below)	(2,456,980)	(369,594)	-
Reclassification from investment in subsidiaries	-	107,225	107,225
Reclassification from receivables and other assets	66,869	-	-
Effect of changes in ownership percentage of associate's subsidiary	8,661	(2,889)	-
	19,423,538	25,643,387	26,809,975

a. During the period, the group sold its associates, Sadara Industrial Development Company – WLL, for a total consideration of KD806,600 resulting into a gain of KD150,798 and Aiwa Gulf WLL for a total consideration of KD1,320,000 resulting into a loss of KD1,888,535.

b. As a result of the impairment testing of the carrying value of the investment in associates, the group recognised an impairment loss of KD 2,456,980 against its investments in Arzan Financial Group for Financing and Investment – KPSC of KD 2,290,341, Diwan Capital Limited – UAE of KD 107,113 and Abwab Capital Limited of KD 59,526.

c. Investment in associates amounting to KD1,622,678 (31 December 2015: KD5,389,016 and 30 September 2015: KD6,323,112) is pledged against balances due to related parties (note 13).

9 Available for sale investments

	30 Sept. 2016 (Unaudited) KD	31 Dec. 2015 (Audited) KD	30 Sept. 2015 (Unaudited) KD
Investment portfolios	284,607	302,690	421,538
Quoted investments	1,552,300	1,529,579	5,296,424
Equity participations	2,512,931	5,996,316	4,701,649
	4,349,838	7,828,585	10,419,611

- Equity participations are investments with the objective of future medium and long-term capital growth. These investments include investments with a carrying value of KD43,299 (31 December 2015: KD318,199 and 30 September 2015: KD721,102) which are stated at cost due to unavailability of reliable fair market value.

Notes to the interim condensed consolidated financial information (continued)

9 Available for sale investments (continued)

- Available for sale investments having a carrying value of KD281,788 (31 December 2015: KD1,684,114 and 30 September 2015: KD2,231,825) are pledged as security against balances due to related parties (note 13).
- During the period, the group recognised an impairment loss of KD3,710,520 (30 September 2015: KD169,960) against certain available for sale investments as the market value of these investments declined significantly below their costs. Management is not aware of any factors which may indicate any further impairment against available for sale investments.

10 Other components of equity

	Fair value reserve KD	Foreign currency translation reserve KD	Total KD
Balance at 1 January 2016	**1,237,383**	**8,715**	**1,246,098**
Exchange differences arising on translation of foreign operations	-	38,688	38,688
Share of other comprehensive loss of associates	(240,226)	(77,528)	(317,754)
AFS financial assets:			
- Net change in fair value arising during the period	(3,629,903)	-	(3,629,903)
Transferred to interim condensed consolidated statement of profit or loss on impairment	3,710,520	-	3,710,520
Total other comprehensive loss for the period	(159,609)	(38,840)	(198,449)
Balance at 30 September 2016 (Unaudited)	**1,077,774**	**(30,125)**	**1,047,649**
Balance at 1 January 2015	(1,708,571)	66,086	(1,642,485)
Exchange differences arising on translation of foreign operations	-	(23,561)	(23,561)
Share of other comprehensive loss of associates	(219,617)	(18,386)	(238,003)
AFS financial assets:			
- Net change in fair value arising during the period	(668,426)	-	(668,426)
- Transferred to interim condensed consolidated statement of profit or loss on sale	(606,673)	-	(606,673)
- Transferred to interim condensed consolidated statement of profit or loss on impairment	169,960	-	169,960
Total other comprehensive loss for the period	(1,324,756)	(41,947)	(1,366,703)
Balance at 30 September 2015 (Unaudited)	(3,033,327)	24,139	(3,009,188)

11 Term loans

Currency	30 Sept. 2016 (Unaudited) KD	31 Dec. 2015 (Audited) KD	30 Sept. 2015 (Unaudited) KD
Kuwaiti Dinars (see 11.1 below)	-	2,315,480	1,711,910
US Dollars	-	-	11,347,500
US Dollars (see 11.2 below)	-	14,592,000	14,524,800
	-	16,907,480	27,584,210
Less: Instalments due within next twelve months – Kuwait Dinars	-	(15,892,480)	(26,984,210)
	-	1,015,000	600,000

Notes to the interim condensed consolidated financial information (continued)

11 Term loans (continued)

11.1 These loans related to Fast Telecommunication Company – WLL, the subsidiary which has been disposed of during the period (note 5).

11.2 During the period, the parent company settled the entire outstanding balance of USD 48 million together with accrued interest of USD 9.1 million for a total cash payment of USD 16.8 million resulting into a gain of USD 40.3 million (equivalent to KD12,169,007).

12 Annual general assembly

The Annual General Assembly of the parent company for the year ended 31 December 2015 held on 19 May 2016 approved the consolidated financial statements for the year ended 31 December 2015 without dividends.

13 Related party balances and transactions

Related parties represent associates, directors and key management personnel of the group, and other related parties such as major shareholders and companies in which directors and key management personnel of the group are principal owners or over which they are able to exercise significant influence or joint control. Pricing policies and terms of these transactions are approved by the group's management.

Details of significant related party balances and transactions are as follows:

	30 Sept. 2016 (Unaudited) KD	31 Dec. 2015 (Audited) KD	30 Sept. 2015 (Unaudited) KD
Interim condensed consolidated statement of financial position:			
Due from related parties (included in receivables and other assets)	385,567	122,688	412,798
Due from associates (included in receivables and other assets)	7,307	83,548	10,263
Due to related parties (included in payables and other liabilities)	11,667,567	10,244,700	4,730,731
Due to associates (included in payables and other liabilities)	-	277,110	272,735
Sale of available for sale investments	-	8,473,325	4,968,829
Sale of investments at fair value through profit or loss	-	1,257,739	-

	Three months ended		Nine months ended	
	30 Sept. 2016 (Unaudited) KD	30 Sept. 2015 (Unaudited) KD	30 Sept. 2016 (Unaudited) KD	30 Sept. 2015 (Unaudited) KD
Transactions included in interim condensed consolidated statement of profit or loss:				
Finance costs (associates)	-	6,750	-	20,250
Finance costs (other related parties)	125,479	25,270	372,491	125,434
Loss on sale of investments at fair value through profit or loss	-	-	-	(209)
Management and advisory fees	40,250	41,000	123,750	123,000
Profit on sale of available for sale investments	-	-	-	887,858
Provision for doubtful debts	448,885	-	448,885	-

Notes to the interim condensed consolidated financial information (continued)

13 Related party balances and transactions (continued)

	Three months ended		Nine months ended	
	30 Sept. 2016 (Unaudited) KD	30 Sept. 2015 (Unaudited) KD	30 Sept. 2016 (Unaudited) KD	30 Sept. 2015 (Unaudited) KD
Compensation of key management personnel:				
Short-term benefits	**24,000**	114,914	**70,000**	414,767
Employees' end of service benefits	**3,056**	5,548	**34,313**	17,166
	27,056	120,462	**104,313**	431,933

14 Segmental information

The group's reportable segments under IFRS 8 are as follows:

- Telecommunication
- Investments

The revenues and profits generated by the group from segments are summarised as follows:

	Telecommunication		Investments		Total	
	30 Sept. 2016 (Unaudited) KD	30 Sept. 2015 (Unaudited) KD	30 Sept. 2016 (Unaudited) KD	30 Sept. 2015 (Unaudited) KD	30 Sept. 2016 (Unaudited) KD	30 Sept. 2015 (Unaudited) KD
Nine months ended:						
Segment revenue						
From continuing operations	-	-	**10,441,258**	353,604	**10,441,258**	353,604
From discontinued operations	**2,883,698**	9,371,898	-	-	**2,883,698**	9,371,898
	2,883,698	9,371,898	**10,441,258**	353,604	**13,324,956**	9,725,502
Segment profit/(loss):						
From continuing operations	-	-	**543,428**	(1,463,801)	**543,428**	(1,463,801)
From discontinued operations	**156,320**	523,353	-	-	**156,320**	523,353
Profit/(loss) for the period	**156,320**	523,353	**543,428**	(1,463,801)	**699,748**	(940,448)
Three months ended:						
Segment revenue						
From continuing operations	-	-	**11,835,272**	(406,469)	**11,835,272**	(406,469)
From discontinued operations	-	3,202,293	-	-	-	3,202,293
	-	3,202,293	**11,835,272**	(406,469)	**11,835,272**	2,795,824
Segment profit/(loss):						
From continuing operations	-	-	**2,906,535**	(963,747)	**2,906,535**	(963,747)
From discontinued operations	-	251,421	-	-	-	251,421
Profit/(loss) for the period	-	251,421	**2,906,535**	(963,747)	**2,906,535**	(712,326)
As at 30 September :						
Total segment assets	-	15,473,147	**26,415,392**	49,561,337	**26,415,392**	65,034,484
Total segment liabilities	-	10,767,076	**14,606,887**	35,580,833	**14,606,887**	46,347,909

Notes to the interim condensed consolidated financial information (continued)

15 Contingent liabilities

At 30 September 2016, the group had contingent liabilities in respect of outstanding bank guarantees amounting to KD2,342,000 provided on behalf of a related party (31 December 2015: KD2,342,000 and 30 September 2015: KD2,342,000).

16 Financial risk management

All aspects of the group's financial risk management objectives and policies are consistent with those disclosed in the annual audited consolidated financial statements for the year ended 31 December 2015.

17 Fair value measurement

17.1 Fair value hierarchy

Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial assets and financial liabilities measured at fair value in the consolidated statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

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

The carrying amounts of the group's financial assets and liabilities as stated in the interim condensed consolidated statement of financial position are as follows:

	30 Sept. 2016 (Unaudited) KD	31 Dec. 2015 (Audited) KD	30 Sept. 2015 (Unaudited) KD
Financial assets:			
Loans and receivables at amortised cost:			
- Receivables and other assets	2,505,287	4,274,763	4,923,712
- Balances with banks and other financial institutions	123,778	330,335	252,882
Investments at fair value through profit or loss:			
Investments at fair value through profit or loss – at fair value	11,747	489,324	1,689,635
Available for sale investments:			
Available for sale investments – at fair value	4,306,539	7,510,386	9,698,509
Available for sale investments – at cost	43,299	318,199	721,102
	6,990,650	12,923,007	17,285,840
Financial liabilities at amortised cost:			
Term loans	-	16,907,480	27,584,210
Payables and other liabilities	14,340,455	18,214,549	13,659,353
	14,340,455	35,122,029	41,243,563

Notes to the interim condensed consolidated financial information (continued)

17 Fair value measurement (continued)

17.1 Fair value hierarchy (continued)

Management considers that the carrying amounts of loans and receivable and all financial liabilities, which are stated at amortised cost, approximate their fair values.

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

The financial assets measured at fair value on a recurring basis in the interim condensed consolidated statement of financial position are grouped into the fair value hierarchy as follows:

30 September 2016

	Note	Level 1 KD	Level 2 KD	Level 3 KD	Total KD
Investments at fair value through profit or loss					
Designated on initial recognition					
Unquoted investments	b	-	-	4	4
Investment portfolios	c	11,743	-	-	11,743
Available for sale investments					
Investment portfolios	c	284,607	-	-	284,607
Quoted investments	a	1,552,300	-	-	1,552,300
Equity participations	d	-	1,181,559	1,288,073	2,469,632
Net fair value		1,848,650	1,181,559	1,288,077	4,318,286

31 December 2015

	Note	Level 1 KD	Level 2 KD	Level 3 KD	Total KD
Investments at fair value through profit or loss					
Designated on initial recognition					
Unquoted investments	b	-	-	476,082	476,082
Investment portfolios	c	13,242	-	-	13,242
Available for sale investments					
Investment portfolios	c	302,690	-	-	302,690
Quoted investments	a	1,529,579	-	-	1,529,579
Equity participations	d	-	1,812,083	3,866,034	5,678,117
Net fair value		1,845,511	1,812,083	4,342,116	7,999,710

30 September 2015

	Note	Level 1 KD	Level 2 KD	Level 3 KD	Total KD
Investments at fair value through profit or loss					
Designated on initial recognition					
Quoted investments	a	1,194,977	-	-	1,194,977
Unquoted investments	b	-	-	480,214	480,214
Investment portfolios	c	14,444	-	-	14,444
Available for sale investments					
Investment portfolios	c	421,538	-	-	421,538
Quoted investments	a	5,296,424	-	-	5,296,424
Equity participations	d	-	529,494	3,451,053	3,980,547
Net fair value		6,927,383	529,494	3,931,267	11,388,144

Notes to the interim condensed consolidated financial information (continued)

17 Fair value measurement (continued)

17.1 Fair value hierarchy (continued)

There have been no transfers between levels 1 and 2 during the reporting period.

17.2 Fair value measurement of financial instruments

Measurement at fair value

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

a) Quoted securities

All the listed equity securities are publicly traded in stock exchanges. Fair values have been determined by reference to their quoted bid prices at the reporting date.

b) Unquoted securities

The financial statements include holdings in unlisted securities which are measured at fair value. Fair value is estimated using a discounted cash flow model, which includes some assumptions that are not supportable by observable market prices or rates.

c) Investment portfolios

The underlying investments of investment portfolios primarily comprise of local and foreign securities whose fair value has been determined by reference to their quoted bid prices at the reporting date.

d) Equity participations

Equity participations are investments with the objective of future medium and long-term capital growth.

e) Financial liabilities

The group does not have any financial liabilities at fair value.

Level 3 fair value measurements

The group's financial assets and liabilities classified in Level 3 uses valuation techniques based on significant inputs that are not based on observable market data. The financial instruments within this level can be reconciled from beginning to ending balances as follows:

	30 Sept. 2016 (Unaudited)		31 Dec. 2015 (Audited)		30 Sept. 2015 (Unaudited)	
	Investments at fair value KD	Available for sale investments KD	Investments at fair value KD	Available for sale investments KD	Investments at fair value KD	Available for sale investments KD
Opening balance	476,082	3,866,034	480,214	7,423,662	480,214	7,423,662
Gains or losses recognised in:						
- Statement of profit or loss	(476,078)	(2,577,961)	-	-	-	-
- Other comprehensive income	-	-	-	584,462	-	327,220
- Sales	-	-	(4,132)	(4,484,090)	-	(4,299,829)
Additions during the period/year	-	-	-	342,000	-	-
Closing balance	**4**	**1,288,073**	476,082	3,866,034	480,214	3,451,053

Gains or losses recognized in the consolidated statement of profit or loss for the period/year are included in change in fair value of investments at fair value through profit or loss and impairment of available for sale investments.

Notes to the interim condensed consolidated financial information (continued)

17 Fair value measurement (continued)

17.2 Fair value measurement of financial instruments (continued)

Level 3 fair value measurements (continued)
Changing inputs to the level 3 valuations to reasonably possible alternative assumptions would not change significantly amounts recognized in the consolidated statement of profit or loss, total assets, total liabilities or total equity.

The impact on interim condensed consolidated statement of profit or loss and interim condensed consolidated statement of profit or loss and other comprehensive income would be immaterial if the relevant risk variable used to fair value the level 3 investments were changed by 5%.