بسم الله الرحمن الرحيم

H. H. Sheikh
Sabah Al-Ahmad Al-Jaber Al-Sabah
Amir of the State of Kuwait

H. H. Sheikh
Nawaf Al-Ahmad Al-Jaber Al-Sabah
Crown Prince

H. H. Sheikh
Jaber Mubarak Al-Hamad Al-Sabah
Prime Minister

Board Members

Bader Fahed Al-Rezaihan	Chairman
Mansour Salem Al-Nassar	Vice Chairman
Yousef Shamlan Al-Essa	Board Member & Chief Executive Officer
Bader Abdulaziz Abul	Board Member
Mohammed Abdulaziz Al-Agheel	Board Member
Ziyad Fouad Al-Saleh	Board Member
Thunayan Adel Al-Muawed	Board Member

Bader Fahed Al-Rezaihan

Chairman

Chairman's Speech

Ladies and Gentlemen, Shareholders of Amwal International Investment Company,

I would like to welcome you to the general assembly meeting of Amwal International Investment Company ("Amwal" of the "Company") for the financial year 2014. I have the pleasure, on behalf of my colleagues on the Board of Directors of Amwal, the Executive Management and the Company's employees to present the Company's consolidated financial statements and review with you the performance for this year. Furthermore, I would like to extend my sincere appreciation and gratitude to our valued shareholders for their continuous support for the Board of Directors.

Esteemed Shareholders,

The past year was a key milestone for Amwal. Despite a challenging environment across the investment industry, the Company succeeded in achieving operating profits of KD 115,000. However, a non-operating charge relating to our affiliate company resulted in a net loss of KD 481,000. During the year the Company was appointed exclusive financial advisor on a prominent cross border transaction that was announced in 2015 and positive impact this year.

Esteemed Shareholders,

The Company's investments in the GCC countries are focused mainly in Kuwait, the United Arab Emirates and the Kingdom of Saudi Arabia.

Throughout 2014 we continued to work with our affiliate and subsidiary companies to support growth. We also continue to monitor the markets with a view to identify attractive divestment opportunities for our portfolio.

During 2014, Amwal acquired a 51% interest in Noor Capital Markets ("Noor"). Noor provides online trading services to individual and corporate customers primarily in Kuwait and Turkey. Customers can trade in various securities, futures and foreign exchange instruments through a single account on Noor's trading platform. The company continually expands its product offering while ensuring highly competitive pricing and best in class trade execution and settlement.

Noor exhibited strong organic growth in its core markets, posting an impressive net profit of KD 1.8 million for the year - a 20% increase from the prior year. The company has a leading market share in Kuwait and is seeking to expand further in Turkey, which is a key market for the company. In addition, Noor continues to explore expansion opportunities in other select jurisdictions.

We remain optimistic about the future growth prospects of Noor given its scalable business model, strong operating margins and cash generation profile. We expect Noor to be a strong performer within our investment portfolio and a meaningful driver of Amwal's future earnings growth.

Our investment in Noor also exemplifies Amwal's investment model of successfully identifying unique, profitable operating companies within our focus sectors such as financial services.

During the year, Al-Shamel Travel registered a loss of KD 1.9 million during 2014, resulting from the following:

1- A lower sales volume compared to the previous year; and

2- A provision against the amount due from an affiliate company.

Amwal retained its shareholding of 4.37% in Dubai Golf City, a 55 million square feet multi-use real estate project. We are currently looking into a number of divestment alternatives for the project against a backdrop of an improved real estate market in Dubai and the strategic location of the land. Amwal continues to carry the project at cost on its balance sheet due to the Company's conservative stance and its disinclination towards recording non-cash gains, despite appreciation in the Dubai real estate market over the past couple of years.

Esteemed Shareholders,

At the end of 2014, our cash resources stood at KD 2.1million, reflecting a 67% decline from their level at the end of the previous year. Our acquisition of Noor Capital Markets Company closed during the earlier part of the year which was a major use of our cash. The acquisition led to increased operating revenues and expenses during the year compared to the prior year because of consolidation of Noor Capital Markets' financial results within our financial statements. Amwal's share of Al-Shamel Travel's losses for the current year raised Amwal's losses from KD 383,000 in 2013 to KD 481,000 in 2014, representing a loss of 2.7 fils per share compared to a loss of 2.1 fils for the previous year.

As a result of our activities during the year, net current assets dropped to KD 5.9 million from KD 6.4 million at the end of the previous year, while there was a 20% increase in total assets to KD 19.1 million at the end of 2014. Shareholders' equity declined by 3% compared to its level in the previous year to amount to KD 15.4 million.

Esteemed Shareholders,

The Company's future lies in focusing on specialized investments that generate operating income and have a strong chance of growth at the regional level.

The Company's short- and medium-term investments will focus on operating companies with a view to achieving superior returns for our shareholders.

In addition, the company is currently evaluating new projects with a view to exploiting available investment opportunities that would strengthen your Company's footprint in the regional markets.

As our shareholders and the Board of Directors are keen to promote the Company, we continue our efforts to improve on Amwal's previous achievements.

In conclusion, I would like to express my thanks and gratitude to you for your confidence and valuable support for Amwal.

Bader Fahad Al-Rezaihan

Chairman of the Board of Directors

Amwal International Investment Company

Amwal International Investment Company K.S.C.P. and Subsidiaries

Kuwait

Independent Auditor's Report

and Consolidated Financial Statements

31 December 2014

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Deloitte.

Deloitte & Touche
Al-Wazzan & Co.

Ahmed Al-Jaber Street, Sharq
Dar Al-Awadi Complex, Floors 7 & 9
P.O. Box 20174 Safat 13062 or
P.O. Box 23049 Safat 13091, Kuwait
Tel : + 965 22408844 - 22438060
Fax: + 965 22408855 - 22452080
www.deloitte.com

Crowe Horwath™

Horwath Al-Muhanna & Co.
Certified Accountants
Member Crowe Horwath
International

P.O. Box 26154 Safat 13122 - Kuwait
Tel : + 965 22452546 / 7 / 8
Fax: + 965 22452549
www.crowehorwath.com.kw

Amwal International Investment Company K.S.C.P.
Kuwait

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Amwal International Investment Company K.S.C.P, Kuwait ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2014 and the consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2014, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on Other Legal and Regulatory Requirements

Furthermore, in our opinion, proper books of accounts have been kept by the Company and the consolidated financial statements together with the contents of the report of the Board of Directors relating to these consolidated financial statements are in accordance therewith. We further report that we obtained all the information and explanations that we required for the purpose of our audit and that the consolidated financial statements incorporate all the information that is required by the Companies Law No. 25 of 2012, as amended, and its Executive Regulations and by the Company's Memorandum of Incorporation and Articles of Association; that an inventory was duly carried out; and that, to the best of our knowledge and belief, no violation of the Companies Law No. 25 of 2012, as amended, and its Executive Regulations or of the Company's Memorandum of Incorporation and Articles of Association have occurred during the year ended 31 December 2014 that might have had a material effect on the business of the Group or on its consolidated financial position.

We further report that, during the course of our audit, we have not become aware of any material violations of the provisions of Law No. 32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the organisation of banking business, and its related regulations, or of the provisions of Law No. 7 of 2010, concerning the Capital Markets Authority and its related regulations during the year ended 31 December 2014 that might have had a material effect on the business of the Group or on its consolidated financial position.

Talal Y. Al-Muzaini
Licence No. 209A
Deloitte & Touche
Al-Wazzan & Co.

Rabea Saad Al Muhanna
Licence No. 152A
Of Horwath Al Muhanna & Co.

Kuwait 2 June 2015

Consolidated Statement of Financial Position

As at 31 December 2014

	Note	Kuwaiti Dinars 2014	2013
ASSETS			
Current assets			
Cash and bank balances	5	2,057,289	6,284,030
Trade and other receivables	6	3,772,763	101,516
Inventories		24,914	14,252
		5,854,966	6,399,798
Non-current assets			
Investments available for sale	7	7,738,888	6,064,578
Investment in an associate	8	2,436,558	3,292,450
Brokerage subscription guarantee	9	250,000	-
Equipment		597,054	126,693
Goodwill and intangible assets	10	2,233,094	189,670
		13,255,594	9,673,391
TOTAL ASSETS		19,110,560	16,073,189
LIABILITIES AND EQUITY			
LIABILITIES			
Current liabilities			
Trade and other payables	11	314,030	117,442
Non-current liabilities			
Post employment benefits		188,406	70,874
		502,436	188,316
EQUITY			
Attributable to shareholders of the Company			
Share capital	12	18,055,125	18,055,125
Share premium	12	1,500,000	1,500,000
Legal reserve	12	680,359	680,359
Foreign currency translation reserve		3,455	2,200
Investment fair valuation reserve		(456,996)	(442,441)
Accumulated deficit		(4,391,792)	(3,918,642)
		15,390,151	15,876,601
Non–controlling interests		3,217,973	8,272
		18,608,124	15,884,873
TOTAL LIABILITIES AND EQUITY		19,110,560	16,073,189

The accompanying notes from 1 to 25 form an integral part of these consolidated financial statements.

Bader Fahad Al-Rezaihan
Chairman

Yousef S. Alessa
Chief Executive Officer

Consolidated Statement of Income

For the year ended 31 December 2014

	Note	Kuwaiti Dinars 2014	2013
Income			
Sales		210,825	109,922
Cost of sales		(102,495)	(48,866)
Gross profit		108,330	61,056
Trading and brokerage income	13	3,591,335	-
Impairment in value of investments available for sale		-	(157,759)
Impairment losses – goodwill		(58,800)	-
Share of (loss)/profit from an associate	8	(596,738)	333,330
Management fees		-	5,750
Dividend and other income	14	358,891	34,638
Gain on foreign exchange revaluation		2,310	18,153
		3,405,328	295,168
Expense			
Staff costs		(1,382,040)	(297,663)
General and administrative expenses	15	(982,441)	(270,662)
Distribution and marketing expenses		(445,534)	(78,995)
Depreciation and amortization		(183,203)	(32,858)
		(2,993,218)	(680,178)
Profit/(loss) for the year		412,110	(385,010)
Attributable to:			
Company's shareholders		(481,373)	(383,238)
Non–controlling interests		893,483	(1,772)
		412,110	(385,010)
Loss per share	16		
Basic and diluted loss per share (Fils)		(2.7)	(2.1)

The accompanying notes from 1 to 25 form an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2014

	Kuwaiti Dinars	
	2014	**2013**
Profit/(loss) for the year	**412,110**	(385,010)
Other comprehensive income:		
Items to be reclassified to consolidated statement of profit or loss in subsequent periods		
Exchange differences arising from translation of foreign operations	**(20,106)**	7,944
Investments available for sale		
- Exchange differences	**(28,539)**	453
Other comprehensive income for the year	**(48,645)**	8,397
Total comprehensive income for the year	**363,465**	(376,613)
Total comprehensive income attributable to:		
Company's shareholders	**(494,673)**	(374,841)
Non-controlling interests	**858,138**	(1,772)
	363,465	(376,613)

The accompanying notes from 1 to 25 form an integral part of these consolidated financial statements.

Consolidated Statement of Changes in shareholder's Equity

For the year ended 31 December 2014

	Equity attributable to shareholders of the Company							
	Share capital	Share premium	Legal reserve	Foreign currency translation reserve	Investment fair valuation reserve	Accumulated deficit	Non - controlling interests	Total
As at 31 December 2013	18,055,125	1,500,000	680,359	2,200	(442,441)	(3,918,642)	8,272	15,884,873
Adjustments on consolidation	-	-	-	-	-	8,223	(8,223)	-
As at 31 December 2013 (restated)	18,055,125	1,500,000	680,359	2,200	(442,441)	(3,910,419)	49	15,884,873
Net increase in non-controlling interests on acquisition of subsidiary (Note 3)	-	-	-	-	-	-	2,359,786	2,359,786
(Loss)/profit for the year	-	-	-	-	-	(481,373)	893,483	412,110
Other comprehensive income								
Exchange differences arising on translation of foreign operations	-	-		1,255	-	-	(21,361)	(20,106)
Available for sale investments:								
- Exchange differences	-	-			(14,555)	-	(13,984)	(28,539)
As at 31 December 2014	**18,055,125**	**1,500,000**	**680,359**	**3,455**	**(456,996)**	**(4,391,792)**	**3,217,973**	**18,608,124**

The accompanying notes from 1 to 25 form an integral part of these consolidated financial statements.

Consolidated Statement of Changes in shareholder's Equity

For the year ended 31 December 2014

	Equity attributable to shareholders of the Company							
	Share capital	**Share premium**	**Legal reserve**	**Foreign currency translation reserve**	**Investment fair valuation reserve**	**Accumulated deficit**	**Non - controlling interests**	**Total**
As at 31 December 2012	18,055,125	1,500,000	680,359	(5,744)	(442,894)	(3,525,436)	76	16,261,486
Loss for the year	-	-	-	-	-	(383,238)	(1,772)	(385,010)
Consolidation of unconsolidated subsidiary	-	-	-	-	-	(9,968)	9,968	-
Other comprehensive income								
Exchange differences arising on translation of foreign operations	-	-	-	7,944	-	-	-	7,944
Available for sale investments:	-	-	-			-		
- Exchange differences	-	-	-	-	453	-	-	453
As at 31 December 2013	**18,055,125**	**1,500,000**	**680,359**	**2,200**	**(442,441)**	**(3,918,642)**	**8,272**	**15,884,873**

The accompanying notes from 1 to 25 form an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2014

	Note	Kuwaiti Dinars 2014	Kuwaiti Dinars 2013
Cash flows from operating activities			
Profit/(loss) for the year		412,110	(385,010)
Adjustments for non-cash items			
Impairment losses – goodwill		58,800	-
Impairment in value of an investment available for sale		-	157,759
Share of loss/(profit) from an associate	8	596,738	(333,330)
Interest income		(4,678)	(31,373)
Depreciation and amortization		183,203	32,858
Provision for post-employment benefits		93,225	21,616
		1,339,398	(537,480)
(Increase)/decrease in trade and other receivables		(1,907,098)	9,708
Increase in inventories		(10,662)	(8,384)
Payment of post-employment benefits		(63,037)	-
Decrease in trade and other payables		(279,515)	(12,267)
Net cash used in operating activities		(920,914)	(548,423)
Cash flows from investing activities			
Investments available for sale		(219,592)	(3,079)
Acquisition of subsidiary net of cash		(2,740,786)	-
Dividend received from an associate		282,645	332,524
Purchase of equipment		(502,518)	(119,829)
Acquisition of intangible assets		(86,661)	(122,631)
Net cash (used in)/from investing activities		(3,266,912)	86,985
Cash flows from financing activities			
Interest income		4,678	31,253
Net cash from financing activities		4,678	31,253
Net decrease in cash and cash equivalents			
Effects of exchange rate changes on cash and cash equivalents		(4,183,148)	(430,185)
Cash and cash equivalents at beginning of year		(43,593)	-
Cash and cash equivalents at end of year		6,284,030	6,714,215
Cash and cash equivalents at end of the year	5	2,057,289	6,284,030

The accompanying notes from 1 to 25 form an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2014

1. Incorporation and activities

Amwal International Investment Company K.S.C.P. ("the Company") is a public Kuwaiti shareholding company. The Company is regulated as an investment company by the Capital Markets Authority of Kuwait ("the regulator") and is registered with the Central Bank of Kuwait (CBK).

The registered office of the Company is at P.O. Box 3216, Al-Sahab Tower, Safat 13032, Kuwait.

The Company along with the subsidiaries disclosed in note 4 is referred to as "the Group".

The Company's shares were listed on the Kuwait Stock Exchange on 24 March 2010.

The principal activities of the Company are:

1. Investing in real estate, industrial, agricultural and other economic sectors, through contributing in the establishment of specialized companies or purchasing shares or bonds of these companies in various sectors in Kuwait and abroad;
2. Contributing in establishment or partial ownership of companies in various sectors;
3. Managing funds of public and private institutions and investing these funds in various economic sectors, including the management of financial and real estate portfolios;
4. Providing and preparing technical and economic studies and project consultancy;
5. Mediating in lending and borrowing operations;
6. Performing businesses related to bonds issuance managers' functions issued by companies, organizations and custodians;
7. Finance and brokerage international trade operations;
8. Providing loans to different sectors taking into consideration the financial viability in granting loans and by maintaining the continuity of the Company's financial position viability in accordance with the conditions, rules and limits set by the regulator;
9. Dealing and trading in GCC and global commodity and precious metals market inside Kuwait and outside in favor of the Company;
10. Trading in shares and bonds of companies and local and international government organizations;
11. Providing all services that help in developing and supporting the capacity of the financial and monetary market in Kuwait and to meet its needs within the limits of the law and according to procedures or instructions issued by the regulator;
12. Establishing and managing all types of investment funds in accordance with the law.

These consolidated financial statements were approved and authorised for issue by the Company's Board of Directors on 2 June 2015 and are subject to the approval of the Company's shareholders at their forthcoming Annual General Meeting (AGM).

2. Basis of preparation and significant accounting policies

2.1 Basis of preparation

These consolidated financial statements have been prepared in conformity with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), under the historical cost basis of measurement except for the measurement at fair value of investment properties and available for sale investments.

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 23.

The consolidated financial statements are presented in Kuwaiti Dinars (KD) which is the functional currency of the Company.

2.2 New and revised accounting standards

Effective for the current year

The accounting policies used in the preparation of these consolidated financial statements are consistent with those used in previous year, except for the following new and amended IASB Standards during the year:

Amendments to IFRS 10, IFRS 12 and IAS 27: Investment Entities

The amendments to IFRS 10 define an investment entity and introduce an exception from the requirement to consolidate subsidiaries for an investment entity. Consequential amendments to IFRS 12 and IAS 27 have been made to introduce new disclosure requirements.

IAS 32: Financial Instruments: Presentation - Offsetting Financial Assets and Financial liabilities (Amendments)

The amendments clarify the meaning of "currently has a legally enforceable right to set-off" and also clarify the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The adoption of these amendments has had no impact on the financial position or performance of the Group.

IAS 36: Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets (Amendments)

These amendments remove the unintended consequences of IFRS 13 on the disclosures required under IAS 36. In addition, these amendments require disclosure of the recoverable amounts for the assets or CGUs for which impairment loss has been recognised or reversed during the period. The adoption of these amendments has not resulted in any material additional disclosures.

IAS 39: Novation of Derivatives and Continuation of Hedge Accounting (Amendments)

The amendments to IAS 39 provide relief from the requirement to discontinue hedge accounting when a derivative designated as a hedging instrument is novated under certain circumstances. The amendments also clarify that any change to the fair value of the derivative designated as a hedging instrument arising from the novation should be included in the assessment and measurement of hedge effectiveness. The adoption of these amendments has had no impact on the disclosures or on the amounts recognised in these consolidated financial statements.

IFRIC 21: Levies

IFRIC 21 clarifies that an entity recognizes a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be anticipated before the specified minimum threshold is reached. Retrospective application is required for IFRIC 21. The application of this interpretation has had no impact on the disclosures or on the amounts recognised these consolidated financial statements.

Other amendments to IFRSs which are effective for annual accounting period starting from 1 January 2014 did not have any material impact on the accounting policies, financial position or performance of the Group.

Standards issued but not yet effective

The following IASB Standards have been issued/amended but are not yet mandatory, and have not been adopted by the Group:

IFRS 9: Financial Instruments

The IASB issued IFRS 9 - Financial Instruments in its final form in July 2014 and is effective for annual periods beginning on or after 1 January 2018 with a permission to early adopt. IFRS 9 sets out the requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non- financial assets. This Standard replaces IAS 39 Financial Instruments: Recognition and Measurement. The adoption of this Standard will have an effect on the classification and measurement of Group's financial assets but is not expected to have a significant impact on the classification and measurement of financial liabilities. The impact of this Standard on the initial application in 2018 is not reasonably estimable at the present time.

IFRS 15 – Revenue from Contracts with customers

IFRS 15 was issued by IASB on 28 May 2014 and is effective for annual periods beginning on or after 1 January 2017. IFRS 15 supersedes IAS 11 – Construction Contracts and IAS 18 – Revenue along with related IFRIC 13, IFRIC 18 and SIC 31 from the effective date. This new standard would remove inconsistencies and weaknesses in previous revenue recognition requirements, provide a more robust framework for addressing revenue issues and improve comparability of revenue recognition practices across entities, industries, jurisdictions and capital markets. The Group is in the process of evaluating the effect and does not expect any significant impact on adoption of this Standard.

Amendments to IFRS 11 Accounting for Acquisitions of Interests in Joint Operations (effective for financial years beginning on or after 1 July 2016)

The amendments to IFRS 11 provide guidance on how to account for an acquisition of an interest in a joint operation in which the activities constitute a business as defined in IFRS 3.

Amendments to IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation (effective for financial years beginning on or after 1 January 2016)

The amendments to IAS 16 prohibit entities from using a revenue based depreciation method for items of property, plant and equipment. The amendments to IAS 38 introduce a rebuttable presumption that revenue is not an appropriate basis for amortisation of an intangible asset.

Amendments to IAS 19 Defined Benefit Plans: Employee Contributions (effective for financial years beginning on or after 1 July 2014)

The amendments to IAS 19 clarify how an entity should account for contributions made by employees or third parties that are linked to services to defined benefit plans, based on whether those contributions are dependent on the number of years of service provided by the employee.

Adoption of other new or amended Standards are not expected to have a material effect on the consolidated financial position or financial performance of the Group. Additional disclosures will be made in the consolidated financial statements when these Standards become effective.

Annual Improvements to IFRSs 2012 - 2014 cycle (effective for financial years beginning on or after 1 January 2016)

IFRS 5: Non-current Assets Held for Sale and Discontinued Operations

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.

IFRS 7: Financial Instruments - Disclosures

Adds additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset for the purpose of determining the disclosures required. Clarifies the applicability of the amendments to IFRS 7 on offsetting disclosures to condensed interim financial statements.

IAS 19 Employee Benefits

Clarifies 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 (thus, the depth of the market for high quality corporate bonds should be assessed at currency level).

Adoption of other new or amended Standards is not expected to have any material effect on the consolidated financial position or financial performance of the Group. Additional disclosures will be made in the consolidated financial statements when these Standards become effective.

2.3 Financial instruments

Classification

In accordance with International Accounting Standard (IAS) 39, the Group classifies financial assets as "investments at fair value through profit or loss", "loans and receivables" or "available for sale". All financial liabilities are classified as "financial liabilities other than at fair value through profit or loss".

Recognition/derecognition

A financial asset or a financial liability is recognised when the Group becomes a party to the contractual provisions of the instrument. A financial asset (in whole or in part) is derecognised when the contractual rights to receive cash flows from the financial asset has expired or the Group has transferred substantially all risks and rewards of ownership and has not retained control. If the Group has retained control, it continues to recognise the financial asset to the extent of its continuing involvement in the financial asset.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and recognition of a new liability.

All regular way purchase and sale of financial assets are recognised using settlement date accounting. Changes in fair value between the trade date and settlement date are recognised in the consolidated statement of profit or loss or in the consolidated statement of profit or loss and other comprehensive income in accordance with the policy applicable to the related instrument. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulations or conventions in the market place.

Measurement

All financial assets or financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue are added except for those financial instruments classified as "at fair value through profit or loss".

Investments at fair value through profit or loss

Financial assets classified as "investments at fair value through profit or loss" are divided into two sub categories: financial assets held for trading and those designated at fair value through statement of profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if they are managed and their performance is evaluated and reported internally on a fair value basis in accordance with a documented risk management or investment strategy.

Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are subsequently measured and carried at amortised cost using the effective yield method.

Available for sale

These are non-derivative financial assets not included in any of the above classifications and principally acquired to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices. These are subsequently measured and carried at fair value and any resultant gains or losses are recognised in the consolidated statement of profit or loss and other comprehensive income. When the "available for sale "asset is disposed of or impaired, the related accumulated fair value adjustments are transferred to the consolidated statement of profit or loss as gains or losses.

Financial liabilities/equity

Financial liabilities "other than at fair value through profit or loss" are subsequently measured and carried at amortised cost using the effective yield method. Equity interests are classified as financial liabilities if there is a contractual obligation to deliver cash or another financial asset.

Impairment

A financial asset is impaired if its carrying amount is greater than its estimated recoverable amount. An assessment is made at each statement of financial position date to determine whether there is objective evidence that a specific financial asset or a group of similar assets may be impaired. If such evidence exists, the asset is written down to its recoverable amount. The recoverable amount of an interest bearing instrument is determined based on the net present value of future cash flows discounted at original effective interest rates; and of an equity instrument is determined with reference to market rates or appropriate valuation models. Any impairment loss is recognised in the consolidated statement of profit or loss. For "available for sale" equity investments, reversals of impairment losses are recorded as increases in fair valuation reserve through equity.

Financial assets are written off when there is no realistic prospect of recovery.

2.4 Fair values

Fair value is 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 - inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability either directly or indirectly; and.

Level 3 - inputs are unobservable inputs for the asset or liability.

For financial instruments quoted in an active market, fair value is determined by reference to quoted market prices. Bid prices are used for assets and offer prices are used for liabilities. The fair value of investments in mutual funds, unit trusts or similar investment vehicles are based on the last published net assets value.

For unquoted financial instruments fair value is determined by reference to the market value of a similar investment, discounted cash flows, other appropriate valuation models or brokers' quotes.

For financial instruments carried at amortised cost, the fair value is estimated by discounting future cash flows at the current market rate of return for similar financial instruments.

For investments in equity instruments, where a reasonable estimate of fair value cannot be determined, the investment is carried at cost.

The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.5 Consolidation

The Group consolidates the financial statements of the Company and subsidiaries (i.e. investees that it controls) and investees controlled by its subsidiaries.

The Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- Voting rights and potential voting rights;

The financial statements of subsidiaries are included in the consolidated financial statements on a line-by-line basis, from the date on which control is transferred to the Group until the date that control ceases.

Non-controlling interest in an acquiree is stated at the non-controlling interest's proportionate share in the recognised amounts of the acquiree's identifiable net assets at the acquisition date and the non-controlling interest's share of changes in the equity since the date of the combination. Total comprehensive income is attributed to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. Changes in the Group's ownership interest in a subsidiary that do not result in loss of control are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interest in the subsidiary and any difference between the amount by which the non-controlling interests is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the Company's shareholders. Non-controlling interest is presented separately in the consolidated statements of financial position, profit or loss and profit or loss and other comprehensive income. The non-controlling interests are classified as a financial liability to the extent there is an obligation to deliver cash or another financial asset to settle the non-controlling interest.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances based on latest audited financial statements of subsidiaries. Intra group balances, transactions, income, expenses and dividends are eliminated in full. Profits and losses resulting from intra group transactions that are recognised in assets are eliminated in full.

When the Company loses control of a subsidiary, it derecognizes the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost as well as related non-controlling interests. Any investment retained is recognised at fair value at the date when control is lost. Any resulting difference along with amounts previously directly recognised in equity is transferred to the consolidated statement of profit or loss.

2.6 Cash and cash equivalents

Cash on hand, demand and time deposits with banks whose original maturities do not exceed three months are classified as cash and cash equivalents in the consolidated statement of cash flows.

2.7 Inventories

Inventories are valued at the lower of weighted average cost and net realizable value.

2.8 Investment in an associate

Associates are those entities over which the Group has significant influence but not control, generally accompanying a direct or indirect shareholding of more than 20% of the voting rights. The excess of the cost of investment over the Group's share of the net fair value of the associate's identifiable assets and liabilities is recognised as goodwill. Goodwill on acquisition of associates is included in the carrying values of investments in associates. Investments in associates are initially recognised at cost and are subsequently accounted for by the equity method of accounting from the date of significant influence to the date it ceases.

Under the equity method, the Group recognises in the consolidated statement of profit or loss, its share of the associate's post acquisition results of operations and in equity, its share of post acquisition movements in reserves that the associate directly recognises in equity. The cumulative post acquisition adjustments, and any impairment, are directly adjusted against the carrying value of the associate. Appropriate adjustments such as depreciation, amortisation and impairment losses are made to the Group's share of profit or loss after acquisition to account for the effect of fair value adjustments made at the time of acquisition.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivable, the Group does not recognise further losses unless it has incurred obligations or made payments on behalf of the associate.

2.9 Investment properties

Investment properties are initially recorded at cost, being the purchase price and any directly attributable expenditure. Subsequent to initial recognition, investment properties are annually re-measured at fair value on an individual basis based on a valuation by an independent and registered real estate valuer. Changes in fair value are taken to the consolidated statement of profit or loss.

2.10 Equipment

Equipment are stated at cost less accumulated depreciation and accumulated impairment loss. Cost of an item of equipment comprises of its acquisition costs and all directly attributable costs of bringing the asset to working condition for its intended use. Depreciation is provided on a straight line basis over the estimated useful lives of the assets as follows:

	Years
Computers	2 - 5
Furniture & fittings	3
Other equipment	3

These assets are reviewed periodically for impairment. If there is an indication that the carrying value of an asset is greater than its recoverable amount, the asset is written down to its recoverable amount and the resultant impairment loss is taken to the consolidated statement of profit or loss. The residual value, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

2.11 Intangible assets and goodwill

Identifiable non-monetary assets from which future benefits are expected to flow are treated as intangible assets. Intangible asset comprise of rights of utilization, brokerage license and software rights.

Intangible assets are stated at cost less impairment loss, if any. Intangible assets with definite useful lives are amortised on a straight line basis over their expected useful lives and are tested annually for impairment. Rights of utilisation and software rights are amortised on a straight line basis over a period of 10 years and 3-5 years respectively.

Assets are grouped at the lowest levels for which there are separately identifiable cash flows for the purpose of assessing impairment. If there is an indication that the carrying value of an intangible asset is greater than its recoverable amount, it is written down to its recoverable amount and the resultant impairment loss taken to the consolidated statement of profit or loss.

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of identifiable net assets acquired in a business combination or an associate at the date of acquisition. Goodwill on acquisition of associates is included in investments in associates. Goodwill is allocated to each of the cash generating units for the purpose of impairment testing. Gains and losses on disposal of an entity or a part of the entity include the carrying amount of goodwill relating to the entity or the portion sold.

Goodwill and intangible assets with indefinite useful lives are tested at least annually for impairment and carried at cost less accumulated impairment losses.

Assets are grouped at the lowest levels for which there are separately identifiable cash flows, known as cash generating units for the purpose of assessing impairment of goodwill and intangible assets. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata, on the basis of the carrying amount of each asset in the unit. That relating to goodwill cannot be reversed in a subsequent period. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the asset for which the estimates of future cash flows have not been adjusted. Fair value less costs to sell is determined using valuation techniques and considering the outcome of recent transactions for similar assets in the same industry in the same geographical region.

2.12 Post employment benefits

The Group is liable to make defined contributions to State Plans and lump sum payments under defined benefit plans, to employees at cessation of employment, in accordance with the laws of Kuwait. The defined benefit plan is unfunded and is based on the liability that would arise on involuntary termination of all employees on the statement of financial position date and approximates the present value of the liability.

Payments under state plans and changes in defined benefit plan liabilities are charged to the consolidated statement of profit or loss.

2.13 Accounting for leases

Where the Company is the lessee – operating lease

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the consolidated statement of profit or loss on a straight-line basis over the period of the lease.

2.14 Provisions for liabilities

Provisions for liabilities are recognised, when, as a result of past events it is probable that an outflow of economic resources will be required to settle a present legal or constructive obligation and the amount can be reliably estimated.

2.15 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Dividend income is recognised when the right to receive payment is established. Interest income is recognised on a time proportion basis using the effective yield method. Trading and brokerage income is recognised when services are rendered.

2.16 Foreign currency transactions

The functional currency of an entity is the currency of the primary economic environment in which it operates and in the case of the Company it is the Kuwaiti Dinar and in the case of subsidiaries it is their respective national currencies or the applicable foreign currency. Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to Kuwaiti Dinars at the rates of exchange prevailing on that date. Resultant gains and losses are taken to the consolidated statement of profit or loss.

Translation differences on non-monetary items, such as equities classified as available for sale financial assets are included in the investment fair valuation reserve in consolidated statement of changes in shareholders' equity.

The income and cash flow statements of foreign operations are translated into the Company's reporting currency at average exchange rates for the year and their statement of financial position are translated at exchange rates ruling at the year-end. Exchange differences arising from the translation of the net investment in foreign operations (including goodwill, long term receivables or loans and fair value adjustments arising on business combinations) are taken to the consolidated statement of profit or loss and other comprehensive income. When a foreign operation is sold, any resultant exchange differences are recognized in the consolidated statement of profit or loss as part of the gain or loss on sale.

2.17 Contingencies

Contingent assets are not recognised as an asset unless realization becomes virtually certain. Contingent liabilities, other than those arising on acquisition of subsidiaries, are not recognised as a liability unless as a result of past events it is probable that an outflow of economic resources will be required to settle a present, legal or constructive obligation; and the amount can be reliably estimated. Contingent liabilities arising in a business combination is recognised only if its fair value can be measured reliably.

2.18 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

3. Business combination

The Company acquired control of Noor Capital Market for Financial Brokerage Company KSC (Closed), Kuwait ("NCM"), whose principal activity is brokerage of financial instruments on 7 January 2014 based on the sale and purchase agreement signed in December 2013 to acquire 51% of NCM's issued share capital for a consideration of KD 3,825,000.

	Kuwaiti Dinars
Total consideration settled in cash	3,825,000
Non-controlling interests' share	2,359,786
Total	6,184,786
Less: Fair values of recognised amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	1,084,214
Trade receivables and other assets	487,392
Due from related parties	1,526,757
Investments	1,483,257
Equipment	97,955
Intangible assets	699,762
Trade and other payables	(476,103)
Staff indemnity	(87,344)
Total identifiable net assets	4,815,890
Goodwill arising from business acquisition	1,368,896

There were no fair value adjustments to be recognised in 2014 on completion of the purchase price allocation. The above goodwill is attributable to the profitability of the acquired business and the significant synergies expected to arise from the acquisition.

4. Subsidiaries

The subsidiaries of the Company are listed below:

	% of ownership	
	2014	2013
Al Bareeq International for Paper and Plastic Products Company WLL, Kuwait (Bareeq)	99%	99%
Divonne Universal for Sweets & Patisserie WLL, Kuwait (formerly Divine Bakery Company WLL) (Divonne)	100%	100%
Noor Capital Markets for Financial Brokerage Company KSC(Closed) (NCM)	51%	-

Divonne

The Company holds 1% shareholding in Divonne held by Bareeq through a letter of assignment, as the legal formalities for transfer of ownership are not yet complete.

NCM

NCM owns 99.99% of the issued share capital of Noor Capital Markets Menkul Degerler AS, Turkey (NCM Turkey) engaged in capital market activities; 100% of NCM Services DMCC, Dubai, UAE (NCM Dubai) engaged in services and commodity sector and 100% of Noor Capital for Management Consultancy Company WLL, Jordan (NCM Jordan) engaged in management consulting.

NCM Jordan is yet to commence its commercial operations.

The residual shares in NCM Turkey are beneficially owned by NCM.

5. Cash and bank balances

Cash and bank balances include the following:

	2014	2013
Cash in hand and at banks	1,057,289	5,281,586
Short-term deposits with banks with original maturities of less than three months	1,000,000	1,002,444
	2,057,289	6,284,030
Less:		
Bank balances blocked	(105,000)	-
	1,952,289	6,284,030

The effective interest rate on short-term deposits as at 31 December 2014 was 0.6% to 1.3% (31 December 2013: 0.6% to 1.5%) per annum.

6. Trade and other receivables

	2014	2013
Trade receivables	3,508,040	5,364
Prepayments, advances and deposits	262,208	93,777
Accrued income	2,515	2,375
	3,772,763	101,516

Trade receivables includes trading and brokerage receivable of KD 3.07 million due from individuals and corporate customers for online trading transactions (see note 13).

Trade receivables represent amounts denominated in KD which are neither past due nor impaired.

The carrying value of trade and other receivables approximates its fair value.

The other classes within trade and other receivables are neither past due nor impaired. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Company does not hold any collateral as security.

7. Investments available for sale

	2014	2013
Unquoted	7,738,888	6,222,337
Less: Impairment	-	(157,759)
	7,738,888	6,064,578

Investment securities are denominated in the following currencies:

	2014	2013
Kuwaiti Dinar	7,500	7,500
UAE Dirham	6,276,669	6,057,078
US Dollar	1,454,719	-
	7,738,888	6,064,578

Available for sale investments include unlisted securities carried at cost of KD 6,284,169 (2013: KD 6,064,578) and include KD 6.277 million (2013: KD 6.057 million) of equity interest in a special purpose entity that is currently developing a mix use real estate project in the UAE.

The fair value of these investments cannot be reliably determined as there is no active market for these investments and there have not been any recent transactions that provide evidence of the current fair value.

8. Investments in associates

This represents the Group's share of investment in the following associate accounted for using the equity method.

	2014	2013
Al Shamel International Holding Company KSCP, Kuwait (Al Shamel)	**33.25%**	33.25%

Movements in investment in an associate are as follows:

	2014	2013
Opening balance	**3,292,450**	3,283,699
Share of (loss)/profit for the year	**(596,738)**	333,330
Dividend received	**(282,645)**	(332,524)
Net exchange differences	**23,491**	7,945
Closing balance	**2,436,558**	3,292,450

The fair value of the Group's investment in Al Shamel as at 31 December 2014 is KD 2,234,560 (31 December 2013: KD 4,469,120) based on the last trade on the Kuwait Stock Exchange.

The summarized financial information of associate is as follows:

	2014	2013
Assets	**9,772,364**	11,860,782
Liabilities	**2,793,094**	2,243,510
Revenue	**3,901,968**	5,367,430
Profit	**(1,888,912)**	1,002,495

9. Brokerage subscription guarantee

The balance of KD 250,000 represents the value of subscription in one share in the Financial Brokerage Guarantee System established in accordance with Kuwait Stock Exchange Committee resolution No. 1 of year 2002.

10. Goodwill and intangible assets

	Goodwill	Brokerage license	Rights of utilization and software	Total
Cost				
As at 01 January 2014	58,800	-	182,631	241,431
Acquisition through business combination	-	635,006	94,146	729,152
Additions	1,368,896	-	86,593	1,455,489
As at 31 December 2014	1,427,696	635,006	363,370	2,426,072
Accumulated amortization and impairment losses				
As at 01 January 2014	-	-	51,761	51,761
Acquisition through business combination	-	-	29,390	29,390
Impairment loss	58,800	-	-	58,800
Amortisation for the year	-	-	53,027	53,027
As at 31 December 2014	58,800	-	134,178	192,978
Net book value				
As at 31 December 2014	**1,368,896**	**635,006**	**229,192**	**2,233,094**

	Goodwill	Brokerage license	Rights of software	Total
Cost				
As at 01 January 2013	-	-	60,000	60,000
Additions	58,800	-	122,631	181,431
As at 31 December 2013	58,800	-	182,631	241,431
Accumulated amortization				
As at 01 January 2013	-	-	30,000	30,000
Amortisation for the period	-	-	21,761	21,761
As at 31 December 2013	-	-	51,761	51,761
Net book value				
As at 31 December 2013	**58,800**	**-**	**130,870**	**189,670**

Goodwill represents the excess of cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the acquired subsidiaries. Goodwill has been allocated to the brokerage and trading business of the Group as that is the cash generating unit (CGU) which is expected to benefit from the synergies of the business combination. It is also the lowest level at which goodwill is monitored for impairment purposes.

Impairment testing

The Group determines whether goodwill are impaired at least on an annual basis. This requires an estimation of the recoverable amount of the CGUs to which these items are allocated. The recoverable amount is determined based on higher of value-in-use calculations or fair value less cost to sell.

Management used the following approach to determine values to be assigned to the following key assumptions in the value in use calculations:

Key assumption:	Basis used to determine value to be assigned to key assumption
Growth rate	Anticipated average growth rate of 17% per annum. Value assigned reflects past experience and changes in economic environment.
	Cash flows beyond the five-year period have been extrapolated using a growth rate of 3%. This growth rate does not exceed the long term average growth rate of the market in which the CGU operates.
Discount rate	Discount rates range from 11% to 12%. Discount rates used are pre-tax and reflect specific risks relating to the relevant CGU.

The Group has performed a sensitivity analysis by varying these input factors by a reasonably possible margin and assessing whether the change in input factors result in any of the goodwill allocated to appropriate cash generating units being impaired. Based on the above analysis, there are no indications that goodwill included in any of the cash generating units is impaired.

During the year, the Group has recorded an impairment loss of KD 58,800 in the consolidated statement of profit or loss. The main driver for the impairment loss is increased competition and economic conditions in general that lead to lower than anticipated revenues.

Brokerage license represents costs incurred by NCM to acquire a brokerage license to engage in capital market activities in Turkey. The intangible asset is accounted for using the cost model and considered as an asset with indefinite useful life.

Recoverable amount of intangible assets with indefinite useful life is calculated using value-in-use method based on following inputs. A discount rate of 13.35% and terminal growth rate of 3% are used to estimate the recoverable amount of the brokerage licence in Turkey. The Group has also performed a sensitivity analysis by varying these input factors by a reasonable margin. Based on such analysis, there are no indications that intangible assets with indefinite useful life are impaired.

11. Trade and other payables

	2014	2013
Accounts payable	**123,360**	40,850
Accrued expenses	**186,395**	74,316
Others	**4,275**	2,276
	314,030	117,442

12. Share capital and reserves

Share capital

The authorized, issued and paid up share capital of the Company comprises of 180,551,250 (31 December 2013: 180,551,250) shares of 100 fils each.

Share premium is not distributable.

Legal reserve

In accordance with the Companies Law and the Company's Articles of Association, 10% of the profit has to be appropriated towards legal reserve. Due to losses reported during the year, no appropriation was made to the legal reserve. The legal reserve can be utilized only for distribution of a maximum dividend of 5% in years when retained earnings are inadequate for this purpose.

Voluntary reserve

The Company's Articles of Association stipulates that the Board of Directors may propose appropriations to voluntary reserve for shareholders' approval. Due to the losses reported during the year, no appropriation was proposed.

13. Trading and brokerage income

The Group is involved in providing automated online trading services to its individual and corporate customers primarily in Kuwait and Turkey. The Group's customers can trade in various securities, futures and foreign exchange instruments through a single account on the online trading platform provided to them. The Group provides continuous bid and offer quotations for securities listed on electronic exchanges around the world and specializes in routing orders while striving to achieve best execution for its customers.

The Group's trading and brokerage revenue of KD 3.6 million (31 December 2013: Nil) represents net of principal trading revenues and losses, spreads and other fees charged to customers along with the fees, swaps and rebates received from international prime brokers and prime of prime brokers to whom the trades are transferred.

14. Dividend and other income

	2014	2013
Dividend income	240,783	-
Interest income	4,678	31,373
Others	113,430	3,265
	358,891	34,638

15. General and administrative expenses

	2014	2013
Office rent	253,488	36,444
Office expenses	197,053	40,849
Travel expenses	75,715	35,039
Professional fees	49,991	69,929
Business development	11,525	14,942
Telephone and postage	60,368	13,924
Write off of obsolete inventory	7,180	25,517
Consumables	6,358	7,015
Impairment provision on other assets	86,344	-
Others	234,419	27,003
	982,441	270,662

The Company employed 9 personnel as at 31 December 2014 (31 December 2013: 9).

16. Loss per share

Loss per share is calculated by dividing the loss attributable to the shareholders of the Company for the year by the weighted average number of shares outstanding during the year as follows:

	2014	2013
Loss for the year (KD)	(481,373)	(383,238)
Weighted average number of shares (Shares)	180,551,250	180,551,250
Basic and diluted loss per share (Fils)	(2.7)	(2.1)

17. Subsidiaries with significant non-controlling interests

The summarized financial information for the Group's subsidiaries that have significant non-controlling interests is set out below.

	NCM	
	2014	2013
Current assets	5,812,639	-
Non-current assets	1,085,134	-
Current liabilities	235,987	-
Non-current liabilities	94,786	-
Equity attributable to:		
- Company's shareholders	3,349,170	-
- Non-controlling interests	3,217,830	-
Revenue	3,893,309	-
Profit for the year	1,794,703	-
Other comprehensive income	(43,593)	-
Total comprehensive income	1,751,110	-
Total comprehensive income attributable to:		
- Company's shareholders	893,066	-
- Non-controlling interests	858,044	-
	1,751,110	-
Net decrease in cash flows	(279,829)	-

18. Related party transactions

These represent transactions with certain related parties, shareholders, directors, executive officers and key management of the Company and companies of which they are principal owners or over which they are able to exercise significant influence. Pricing policies and terms of these transactions are approved by management.

	2014	2013
Key management compensation		
Salaries and other short term employee benefits	177,850	89,250
Other long term benefits	43,403	8,257

19. Fiduciary assets

The Group manages portfolios on behalf of third parties and maintains securities in fiduciary accounts which are not reflected in the Group's consolidated statement of financial position. Assets under management at 31 December 2014 amounted to KD 2,467,390 (31 December 2013: KD Nil).

20. Segment information

The Group's operating segments are determined based on the reports reviewed by the executive function that are used for strategic decisions. These segments are strategic business units that offer different products and services. They are managed separately since the nature of the products and services, class of customers and marketing strategies of these segments are different.

During the current year following a change in the composition of its reportable segments due to business acquisition/reorganization, the Group has identified the following as the business operating segments and has restated the corresponding figures for the year ended 31 December 2013:

- Brokerage and trading : Provides automated online trading services to its individual and corporate customers;
- Investment : Principally handling direct investments and investment in an associate;
- Food and beverage: Operates a number of retail outlets in Kuwait.

Management monitors the operating segments separately for the purpose of making decisions about resource allocation and performance assessment.

The Group measures the performance of operating segments through measure of segment profit or loss net of taxes in management and reporting system.

The following table presents revenue, profit for the year, total assets and liabilities relating to the Group's reportable segments:

	Brokerage and trading	Investment	Food and beverage	Elimination	Total
31 December 2014					
Segment revenues	3,591,335	-	210,825	-	3,802,160
Net profit/(loss) before interest and tax	1,823,241	(386,573)	(373,698)	-	1,062,970
Impairment losses – goodwill	-	(58,800)	-	-	(58,800)
Share of loss from an associate	-	(596,738)	-	-	(596,738)
Interest income	-	4,678	-	-	4,678
Profit/(loss) for the year	1,823,241	(1,037,433)	(373,698)	-	412,110
Reportable segment assets	6,897,773	15,320,847	925,492	(4,033,552)	19,110,560
Reportable segment liabilities	330,773	3,216,821	988,394	(4,033,552)	502,436
Depreciation and amortization	96,862	8,749	77,592	-	183,203
Capital expenditure incurred during the year	112,686	6,820	383,012	-	502,518

	Brokerage and trading	Investment	Food and beverage	Elimination	Total
31 December 2013					
Segment revenues	-	-	109,922	-	109,922
Net loss before interest and tax	-	(412,749)	(179,205)	-	(591,954)
Impairment in value of investments available for sale	-	(157,759)	-	-	(157,759)
Share of profit from an associate	-	333,330	-	-	333,330
Interest income	-	31,373	-	-	31,373
Loss for the year	-	(205,805)	(179,205)	-	(385,010)
Reportable segment assets	-	15,735,117	781,476	(443,404)	16,073,189
Reportable segment liabilities	-	171,040	460,680	(443,404)	188,316
Depreciation and amortization	-	7,502	25,356	-	32,858
Capital expenditure incurred during the year	-	2,326	117,503	-	119,829

21. Financial instruments, risk management and fair values

21.1 Categories of financial assets and liabilities

The Group's financial assets have been categorized as follows:

	Loans and receivables	Assets at fair value through profit or loss	Available for sale
31 December 2014			
Cash and bank balances (note 5)	1,057,289	-	-
Short term deposits (note 5)	1,000,000	-	-
Trade and other receivables	3,772,763	-	-
Available for sale investments	-	-	7,738,888
	5,830,052	-	7,738,888
31 December 2013			
Cash and bank balances (note 5)	5,281,586	-	-
Short term deposits (note 5)	1,002,444	-	-
Trade and other receivables	101,516	-	-
Available for sale investments	-	-	6,064,578
	6,385,546	-	6,064,578

All financial liabilities as of 31 December 2014 and 31 December 2013 are categorized as 'other than at fair value through profit or loss'.

21.2 Fair values

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following tables gives information about the fair value hierarchy and how the fair values of these financial assets are determined.

	Level 1	Level 2	Level 3	Total
31 December 2014				
Available for sale investments				
- Foreign unquoted shares	-	-	1,454,719	1,454,719
31 December 2013				
Available for sale investments				
- Foreign unquoted shares	-	-	-	-

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

The fair values of the foreign unquoted securities have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, the discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for this unquoted equity investments.

Description of significant unobservable inputs to valuation of financial assets:

The significant unobservable inputs used in the fair value measurement categorised within level 3 of the fair value hierarchy together with a quantitative sensitivity analysis are as shown below:

Financial asset	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Foreign unquoted securities	DCF method	Terminal Growth rate	1% - 3% (2%)	1% increase (decrease) in the terminal growth rate would result in an increase (decrease) in fair value by KD 25,000
		WACC	11% - 14 (11.8%)	2% increase (decrease) in the WACC would result in an increase (decrease) in fair value by KD 34,000

Fair values of the financial instruments carried at amortised cost approximate their carrying value. This is based on level 3 inputs, with the discount rate that reflects the credit risk of counterparties, being the most significant input.

Financial risk factors

The Group's use of financial instruments exposes it to a variety of financial risks such as credit risk, liquidity risk and market risk. The Group continuously reviews its risk exposures and takes measures to limit it to acceptable levels. Risk management is carried out by the Company's Board of Directors in consultation with the Chief Executive Officer (CEO). The CEO identifies and evaluates financial risks in close co-operation with management.

The significant risks that the Group is exposed to are discussed below:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial assets, which potentially subject the Group to credit risk, consist principally of fixed and short notice bank deposits and trade and other receivables. The Group manages credit risk by placing funds with financial institutions of high credit rating and transacting principal business with counter parties of repute.

For more information refer to notes 5 and 6.

(b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities. The Group manages liquidity risk by monitoring on a regular basis that sufficient funds are available to meet maturing commitments.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the date of the consolidated statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At 31 December 2014				
Trade and other payables	314,030	-	-	-
At 31 December 2013				
Trade and other payables	117,442	-	-	-

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group's primary exposure to market risk is in equity price risk, currency risk and interest rate risk.

(i) Equity price risk

The Group is exposed to equity price risk arising from equity investments. If equity prices had been 5% higher/lower, loss for the year ended 31 December 2014 would have been unaffected as equity investments are classified as available for sale and profit or loss and other comprehensive income for the year ended 31 December 2014 would increase/decrease by KD 386,569 (2013: KD 302,854) as a result of the change in fair value of these equity investments.

(ii) Currency risk

Currency risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The impact on loss arising from a 10% change of the functional currency against the major currencies to which the Group is exposed to is not material.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate.

Interest rate change of 1% does not have any material impact in cash flows.

22. Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group has no external borrowings as at 31 December 2014 and 31 December 2013.

The Group is required to maintain a minimum share capital of KD 15 million as it is registered as an investment company with the Central Bank of Kuwait.

23. Significant accounting judgments and estimates

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that may affect amounts reported in these consolidated financial statements, as actual results could differ from those estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Judgments and estimates that are significant to the consolidated financial statements are shown below:

Judgment

Classification of financial instruments

Management has to decide on acquisition of a financial instrument whether it should be classified as at 'fair value through profit or loss', 'available for sale' or as 'loans and advances'. In making the judgment the Group considers the primary purpose for which it is acquired and how it intends to manage and report its performance. Such judgment determines whether it is subsequently measured at cost or at fair value and if changes in fair value of instruments are reported in the consolidated statement of profit or loss or in the consolidated statement of profit or loss and other comprehensive income.

Classification of real estate property

Management decides on acquisition of a real estate whether it should be classified as trading property held for development or investment property. The Group classifies property as trading property if it is acquired principally for sale in the ordinary course of business. The Group classifies property as property under development if it is acquired with the intention of development. The Group classifies property as investment property if it is acquired to generate rental income or for capital appreciation, or for undetermined future use.

Evidence of impairment in investments

The Group treats available for sale investment securities as impaired when there has been significant or prolonged decline in the fair value below its cost or whether other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires considerable judgment.

Impairment

At each statement of financial position date, management assesses, whether there is any indication that equipment may be impaired. The determination of impairment requires considerable judgment and involves evaluating factors including, industry and market conditions.

Contingent liabilities/liabilities

Contingent liabilities are potential liabilities that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Provisions for liabilities are recorded when a loss is considered probable and can be reasonably estimated. The determination of whether or not a provision should be recorded for any potential liabilities is based on management's judgment.

Sources of estimation uncertainty

Unquoted investment securities

The valuation techniques for unquoted investment securities make use of estimates such as future cash flows, discount factors, yield curves, current market prices adjusted for market, credit and model risks and related costs and other valuation techniques commonly used by market participants where appropriate.

Trade and other receivables

The Group estimates an allowance for doubtful receivables based on past collection history and expected cash flows from debts that are overdue.

Tangible and intangible assets

The Group estimates useful lives and residual values of tangible assets and intangible assets with definite useful lives.

Investment properties

The Group estimates fair value of investment properties based on valuation reports of registered and approved valuers.

Impairment and useful lives of equipment

The Group tests annually whether equipment has suffered impairment in accordance with accounting policy stated in note 2.10. The recoverable amount of an asset is determined based on "value in use method". This method uses estimated cash flow projection over the estimated useful life of the asset discounted using the market rate. The Group's management determines the estimated useful lives and related depreciation charge for its equipment. It could change significantly as a result of change in technology. Management will increase the depreciation charge where useful lives are less than previously estimated lives.

Impairment of associates

After application of the equity method, the Group determines whether it is necessary to recognise any impairment loss on the Group's investment in its associated companies, at each statement of financial position date based on existence of any objective evidence that the investment in associate is impaired. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the impairment loss in the consolidated statement of profit or loss.

Any changes in these estimates and assumptions as well as the use of different, but equally reasonable estimates and assumptions may have an impact on the carrying value of the above assets.

24. Commitments and contingencies

	2014	2013
Letters of guarantee (share of associate)	909,319	1,031,425
Letters of guarantee	250,000	-
Letters of credit (share of associate)	1,883	1,879
Capital commitments	-	3,825,000
Operating lease rentals (share of associate)	274,432	-
Operating lease rental commitment	173,707	224,686

25. Comparatives

Previous year figures have been restated with no effect on total opening equity or previous year profit.