

**KUWAIT BUSINESS TOWN REAL ESTATE
COMPANY K.S.C.P. AND ITS SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION (UNAUDITED)**

31 MARCH 2016



Building a better
working world

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF KUWAIT BUSINESS TOWN REAL ESTATE COMPANY K.S.C.P.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Kuwait Business Town Real Estate Company K.S.C.P. (the "Parent Company") and its Subsidiaries (collectively the "Group") as at 31 March 2016, and the related interim condensed consolidated statement of income, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the three months period then ended. The management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34: Interim Financial Reporting ("IAS 34"). 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.

Basis for Qualified Conclusion

The Group has certain investments in financial assets available for sale with a carrying value of KD 20,999,101 (31 December 2015: KD 21,759,101 and 31 March 2015: KD 21,759,101) (Note 3). Due to significant uncertainty on the recoverability of the carrying value of the financial assets available for sale, we were unable to determine whether any adjustments to the carrying value of the investments in financial assets available for sale was necessary.


Qualified Conclusion

Based on our review, except for the matter described in the "Basis for Qualified Conclusion" paragraph above, 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 IAS 34.


REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF KUWAIT BUSINESS TOWN REAL ESTATE COMPANY K.S.C.P. (continued)

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016 and the executive regulation of Law No. 25 of 2012, or of the Parent Company's Articles of Association and Memorandum of Incorporation during the three months period ended 31 March 2016 that might have had material effect on the business of the Parent Company or on its financial position.



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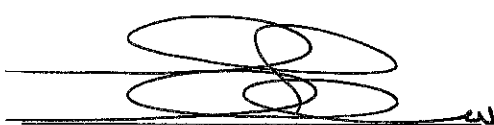


DR. SAUD HAMAD AL-HUMAI
LICENSE NO. 51 A
OF DR. SAUD HAMAD AL-HUMAI
PARTNERS
MEMBER OF BAKER TILLY
INTERNATIONAL

10 May 2016
Kuwait

Kuwait Business Town Real Estate Company K.S.C.P. and its Subsidiaries
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL
POSITION (UNAUDITED)**
As at 31 March 2016

	Note	31 March 2016 KD	(Audited) 31 December 2015 KD	31 March 2015 KD
ASSETS				
Bank balances and cash		554,021	585,902	565,536
Financial assets at fair value through profit or loss		2,983,016	3,042,758	622,627
Accounts receivable and prepayments		2,148,557	2,147,400	700,119
Financial assets available for sale	3	21,759,429	22,520,006	22,537,667
Investment properties		37,838,596	37,885,682	37,491,120
Property and equipment		66,860	76,417	299,172
TOTAL ASSETS		65,350,479	66,258,165	62,216,241
EQUITY AND LIABILITIES				
EQUITY				
Share capital	4	51,609,927	51,609,927	51,609,927
Statutory reserve		848,021	848,021	330,398
Voluntary reserve		848,021	848,021	330,398
Cumulative changes in fair value reserve		12,269	12,846	30,507
Retained earnings		6,818,363	6,414,686	2,742,586
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY		60,136,601	59,733,501	55,043,816
Non-controlling interests		2,937	2,648	2,599
TOTAL EQUITY		60,139,538	59,736,149	55,046,415
LIABILITIES				
Accounts payable and accruals		3,683,173	4,785,916	4,808,730
Term loan		1,527,768	1,736,100	2,361,096
TOTAL LIABILITIES		5,210,941	6,522,016	7,169,826
TOTAL EQUITY AND LIABILITIES		65,350,479	66,258,165	62,216,241


Salem Khudhur Mohammad Al-Hasawi
Chairman



شركة مدينة الأعمال الكويتية العقارية ذ.م.ك.

The attached notes 1 to 9 form part of this interim condensed consolidated financial information.

Kuwait Business Town Real Estate Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

(UNAUDITED)

For the period ended 31 March 2016

	Note	Three months ended 31 March	
		2016 KD	2015 KD
REVENUE			
Rental income		722,410	642,558
Unrealised (loss) gain on financial assets at fair value through profit or loss		(59,742)	120
Realised gain on sale of financial assets available for sale		186,480	-
Dividends income		5,887	-
Gain on sale of investment properties		10,397	-
Other income		11,743	5,675
		<u>877,175</u>	<u>648,353</u>
EXPENSES			
General and administrative expenses		(400,289)	(322,885)
Finance costs		(56,209)	(73,201)
		<u>(456,498)</u>	<u>(396,086)</u>
PROFIT FOR THE PERIOD BEFORE PROVISION FOR CONTRIBUTION TO KUWAIT FOUNDATION FOR THE ADVANCEMENT OF SCIENCES ("KFAS") NATIONAL LABOUR SUPPORT TAX ("NLST") AND ZAKAT		420,677	252,267
Provision for KFAS		(3,783)	(2,270)
Provision for NLST		(10,510)	(6,307)
Provision for Zakat		(2,417)	(2,510)
		<u>(16,710)</u>	<u>(11,087)</u>
PROFIT FOR THE PERIOD		403,967	241,180
Attributable to:			
Equity holders of the Parent Company		403,677	241,184
Non-controlling interests		290	(4)
		<u>403,967</u>	<u>241,180</u>
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT COMPANY	5	0.78 fils	0.47 fils

The attached notes 1 to 9 form part of this interim condensed consolidated financial information.

Kuwait Business Town Real Estate Company K.S.C.P. and its Subsidiaries
 INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE
 INCOME (UNAUDITED)

For the period ended 31 March 2016

	<i>Three months ended</i>	
	<i>31 March</i>	
	<i>2016</i>	<i>2015</i>
	<i>KD</i>	<i>KD</i>
Profit for the period	403,967	241,180
Other comprehensive (loss) income:		
<i>Items that are or may be reclassified subsequently to interim condensed consolidated statement of income:</i>		
Change in fair value of financial assets available for sale	185,903	3,072
Realised gain on sale of financial assets available for sale transferred to consolidated statement of income	(186,480)	-
Foreign currency translation adjustment	(1)	(375)
Other comprehensive (loss) income for the period	(578)	2,697
Total comprehensive income for the period	403,389	243,877
Attributable to:		
Equity holders of the Parent Company	403,100	244,256
Non-controlling interests	289	(379)
	403,389	243,877

The attached notes 1 to 9 form part of this interim condensed consolidated financial information.

Kuwait Business Town Real Estate Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 31 March 2016

	Attributable to equity holders of the Parent Company							
	Share capital KD	Statutory reserve KD	Voluntary reserve KD	Cumulative changes in fair value reserve KD	Retained earnings KD	Sub total KD	Non-controlling interests KD	Total KD
As at 1 January 2016	51,609,927	848,021	848,021	12,846	6,414,686	59,733,501	2,648	59,736,149
Profit for the period	-	-	-	-	403,677	403,677	290	403,967
Other comprehensive loss for the period	-	-	-	(577)	-	(577)	(1)	(578)
Total comprehensive (loss) income for the period	-	-	-	(577)	403,677	403,100	289	403,389
At 31 March 2016	51,609,927	848,021	848,021	12,269	6,818,363	60,136,601	2,937	60,139,538
As at 1 January 2015	51,609,927	330,398	330,398	27,435	2,501,402	54,799,560	2,978	54,802,538
Profit (loss) for the period	-	-	-	-	241,184	241,184	(4)	241,180
Other comprehensive income (loss) for the period	-	-	-	3,072	-	3,072	(375)	2,697
Total comprehensive income (loss) for the period	-	-	-	3,072	241,184	244,256	(379)	243,877
At 31 March 2015	51,609,927	330,398	330,398	30,507	2,742,586	55,043,816	2,599	55,046,415

The attached notes 1 to 9 form part of this interim condensed consolidated financial information.

Kuwait Business Town Real Estate Company K.S.C.P. and its Subsidiaries
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)

For the period ended 31 March 2016

	<i>Three months ended</i>	
	<i>31 March</i>	
	<i>2016</i>	<i>2015</i>
	<i>KD</i>	<i>KD</i>
OPERATING ACTIVITIES		
Profit for the period	403,967	241,180
Non-cash adjustments to reconcile profit for the period to net cash flows:		
Unrealised loss (gain) on financial assets at fair value through profit or loss	59,742	(120)
Realised gain on sale of financial assets available for sale	(186,480)	-
Dividends income	(5,887)	-
Gain on sale of investment properties	(10,397)	-
Depreciation	9,557	13,444
Finance costs	56,209	73,201
	<u>326,711</u>	<u>327,705</u>
Working capital adjustments:		
Accounts receivable and prepayments	(1,157)	(355,619)
Accounts payable and accruals	(119,434)	411,179
Net cash flows from operating activities	<u>206,120</u>	<u>383,265</u>
INVESTING ACTIVITIES		
Purchase of property and equipment	-	(16,830)
Proceeds from sale of investment properties	206,078	-
Additions to investments properties	(148,595)	-
Dividends income received	5,887	-
Net cash flows from (used in) investing activities	<u>63,370</u>	<u>(16,830)</u>
FINANCING ACTIVITIES		
Term loan paid	(208,332)	(208,332)
Finance costs paid	(93,039)	(93,039)
Net cash flow used in financing activities	<u>(301,371)</u>	<u>(301,371)</u>
NET(DECREASE) INCREASE IN BANK BALANCES AND CASH	<u>(31,881)</u>	65,064
Bank balances and cash at the beginning of the period	585,902	500,472
BANK BALANCES AND CASH AT THE END OF THE PERIOD	<u><u>554,021</u></u>	<u><u>565,536</u></u>

The attached notes 1 to 9 form part of this interim condensed consolidated financial information.

Kuwait Business Town Real Estate Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at 31 March 2016

1 CORPORATE INFORMATION

Kuwait Business Town Real Estate Company K.S.C.P. (the "Parent Company") was incorporated in Kuwait in 1999 as a limited liability company and was registered as a K.S.C. (Closed) Company on 24 November 2004. The Parent Company's shares were listed in the Kuwait Stock Exchange on 16 December 2008. The Parent Company's registered office is at KBT Tower 28th floor, Khalid Ebn Al Waleed Street, Kuwait.

The principal activities of the Parent Company are:

- Dealing in various real estate activities particularly the purchase, sale, leasing and renting of land and buildings.
- Construction of private and public buildings and projects directly or through others and sale of properties in cash or on installments and managing or renting properties in Kuwait and abroad.

The interim condensed consolidated financial information of the Group for the period ended 31 March 2016 were authorized for issue by the Board of Director on 10 May 2016.

The new Companies Law No. 1 of 2016 was issued on 24 January 2016 and was published in the Official Gazette on 1 February 2016 cancelled the Companies Law No. 25 of 2012, and its amendments. According to article No. 5, the new Law will be effective retrospectively from 26 of November 2012, the executive regulation of Law No. 25 of 2012 will continue until a new set of executive regulation is issued.

2 BASIS OF PRESENTATION

The interim condensed consolidated financial information of the Group has been prepared in accordance with International Accounting Standard 34 ("IAS 34"), Interim Financial Reporting".

The interim condensed consolidated financial information is prepared under the historical cost convention modified to include the measurement at fair value of financial assets at fair value through profit or loss, financial assets available for sale and investment properties.

The interim condensed consolidated financial information has been presented in Kuwaiti Dinar ("KD"), which is also the functional and presentation currency of the Parent Company.

The interim condensed consolidated financial information does not contain all information and disclosures required for full consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS), and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2015. In the opinion of the Parent Company's management, all adjustments, including normal recurring accruals considered necessary for a fair presentation have been included in the interim condensed consolidated financial information. Further, operating results for the three months period ended 31 March 2016 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2016. For further information, refer to the annual audited consolidated financial statements and notes thereto for the year ended 31 December 2015.

The accounting policies used in the preparation of the interim condensed consolidated financial information are consistent with those used in the preparation of the Group's annual audited consolidated financial statements for the year ended 31 December 2015. There were no amendments to International Financial Reporting Standards (IFRSs) that had any material impact on the accounting policies, financial position or performance of the Group.

Kuwait Business Town Real Estate Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at 31 March 2016

3 FINANCIAL ASSETS AVAILABLE FOR SALE

	<i>31 March</i> <i>2016</i> <i>KD</i>	<i>(Audited)</i> <i>31 December</i> <i>2015</i> <i>KD</i>	<i>31 March</i> <i>2015</i> <i>KD</i>
Unquoted equity securities	2,146,504	2,146,504	2,146,504
Unquoted managed portfolios of equity securities	19,612,925	20,373,502	20,388,091
	<u>21,759,429</u>	<u>22,520,006</u>	<u>22,537,667</u>

Certain financial assets available for sale with carrying value of KD 21,653,606 (31 December 2015: KD 22,413,606 and 31 March 2015: KD 22,413,605) are stated at cost, less impairment, if any, due to the unpredictable nature of their future cash flows and lack of other suitable methods for arriving at a reliable fair value of these investments. There is no active market for these financial assets and the Group intends to hold them for the long term.

The Group has certain investments in financial assets available for sale with a carrying value of KD 20,999,101 (31 December 2015: KD 21,759,101 and 31 March 2015: KD 21,759,101), the management did not perform a review of these investments to assess whether impairment has occurred in the value of these investments, as its not practical to obtain financial information for these investments as at 31 March 2016.

4 SHARE CAPITAL AND DIVIDENDS

(i) Share capital

At 31 March 2016, the authorised, issued and fully paid up capital of the Parent Company comprises of 516,099,270 (31 December 2015: 516,099,270 and 31 March 2015: 516,099,270) shares of 100 fils each.

(ii) Dividends

The Parent Company's Board of Directors, in the meeting held on 6 March 2016 has proposed distribution of 5% bonus shares. This proposal has been approved by the shareholders at the Annual General Assembly Meeting held on 25 April 2016.

5 BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT COMPANY

Basic and diluted earnings per share is computed by dividing the profit for the period attributable to the equity holders of the Parent Company by the weighted average number of shares outstanding during the period less treasury shares. The Parent Company had no outstanding dilutive potential shares.

	<i>Three months ended</i> <i>31 March</i>	
	<i>2016</i> <i>KD</i>	<i>2015</i> <i>KD</i>
Profit for the period attributable to equity holders of the Parent Company	<u>403,677</u>	<u>241,184</u>
Weighted average number of outstanding shares	<u>516,099,270</u>	<u>516,099,270</u>
Basic and diluted earnings per share attributable to the equity holders of the Parent Company	<u>0.78 fils</u>	<u>0.47fils</u>

Kuwait Business Town Real Estate Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at 31 March 2016

6 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties consist of shareholders, directors and executive officers of the Parent Company, entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Parent Company's management. Significant related party transactions and balances are as follows:

	<i>Other related parties</i>	<i>31 March 2016</i>	<i>(Audited)</i> <i>31 December 2015</i>	<i>31 March 2015</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Interim condensed consolidated statement of financial position:				
Financial assets at fair value through profit or loss	355,376	355,376	355,376	19,375
Due to a related party (included under accounts payable and accruals)	15,156	15,156	30,121	74,772
			<i>Three months ended 31 March</i>	
			<i>2016</i>	<i>2015</i>
			<i>KD</i>	<i>KD</i>
Interim condensed consolidated statement of income:				
Rental income		10,792	10,792	10,792
General and administrative expenses		735	735	-
			<i>Three months ended 31 March</i>	
			<i>2016</i>	<i>2015</i>
			<i>KD</i>	<i>KD</i>
Key management compensation:				
Salaries and short-term benefits			54,903	5,653
Termination benefits			4,808	443
			<u>59,711</u>	<u>6,096</u>

7 SEGMENT INFORMATION

The Group is divided into operating segments for managing its various business activities. The Group operates mainly in Kuwait and United Arab Emirates. For the purpose of analysing the major segments, the Group's management allocated its business and services into the following operating segments:

- Investing activities comprise participation in financial and real estate funds and managing the Group's liquidity requirements.
- Real estate activities comprise investment, managing real estate and construction or development of real estate for the sale in the ordinary course of business and other related real estate services.

There are no inter-segmental transactions. The following segments are reported in a manner that is more consistent with internal reporting providing to the chief operating decision maker.

Kuwait Business Town Real Estate Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at 31 March 2016

7 SEGMENT INFORMATION (continued)

	<i>Investment KD</i>	<i>Real estate KD</i>	<i>Total KD</i>
<i>At 31 March 2016</i>			
Segment revenue	186,480	690,695	877,175
Segment results	121,727	282,240	403,967
Segment assets	24,761,986	40,588,493	65,350,479
Segmental liabilities	72,133	5,138,808	5,210,941
<i>At 31 March 2015</i>			
Segment revenue	4,360	643,993	648,353
Segment results	1,301	239,879	241,180
Segment assets	21,761,252	40,454,989	62,216,241
Segmental liabilities	1,613,701	5,556,125	7,169,826

8 FAIR VALUE OF FINANCIAL INSTRUMENTS

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 values of financial instruments with the exceptions of certain financial assets available for sale carried at cost are not materially different from their carrying values. For financial assets and financial liabilities that are liquid or having a short term maturity (less than twelve months) it is assumed that the carrying amounts approximate to their fair value. This assumption is also applied to variable rate financial instruments.

Fair value hierarchy

As at 31 March 2016, The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in an active market for identical assets and liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: techniques which use inputs that have a significant effect on the recorded fair value are not based on observable market data.

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

Kuwait Business Town Real Estate Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at 31 March 2016

8 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

<i>At 31 March 2016</i>	<i>Level 1 KD</i>	<i>Level 3 KD</i>	<i>Total KD</i>
<i>Financial assets at fair value through profit or loss</i>			
Equity securities	2,034,906	946,582	2,981,488
Managed funds	-	1,528	1,528
	<u>2,034,906</u>	<u>948,110</u>	<u>2,983,016</u>
<i>Financial assets available for sale</i>			
Managed portfolio	-	105,823	105,823
	<u>-</u>	<u>105,823</u>	<u>105,823</u>
<i>At 31 December 2015</i>			
<i>Financial assets at fair value through profit or loss</i>			
Equity securities	2,094,648	946,582	3,041,230
Managed funds	-	1,528	1,528
	<u>2,094,648</u>	<u>948,110</u>	<u>3,042,758</u>
<i>Financial assets available for sale</i>			
Managed portfolio	-	106,400	106,400
	<u>-</u>	<u>106,400</u>	<u>106,400</u>
<i>31 March 2015</i>			
<i>Financial assets at fair value through profit or loss</i>			
Equity securities	-	610,583	610,583
Managed funds	-	12,044	12,044
	<u>-</u>	<u>622,627</u>	<u>622,627</u>
<i>Financial assets available for sale</i>			
Managed funds	-	124,062	124,062
	<u>-</u>	<u>124,062</u>	<u>124,062</u>

During the three months period ended 31 March 2016, there has been no transfer between the hierarchies.

The following table shows a reconciliation of the beginning and closing balances of level 3 financial assets which are recorded at fair value.

Kuwait Business Town Real Estate Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at 31 March 2016

8 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

	<i>At 1 January 2016 KD</i>	<i>Gain recorded in interim condensed consolidated income statement KD</i>	<i>Loss recorded in interim condensed consolidated statement of comprehensive income KD</i>	<i>Net (sales) purchases and settlement KD</i>	<i>At 31 March 2016 KD</i>
31 March 2016					
Financial assets at fair value through profit or loss					
Unquoted and managed funds	948,110	-	-	-	948,110
Financial assets available for sale					
Managed portfolio	106,400	-	(577)	-	105,823
		<i>Loss recorded in the consolidated statement of income KD</i>	<i>Loss recorded in other comprehensive income KD</i>	<i>Net (sales) purchases and settlement KD</i>	<i>At 31 December 2015 KD</i>
31 December 2015					
Financial assets at fair value through profit or loss					
Unquoted and managed funds	622,507	(25)	-	325,628	948,110
Financial assets available for sale					
Managed portfolio	120,989	-	(14,589)	-	106,400
31 March 2015					
Financial assets at fair value through profit or loss					
Unquoted and managed funds	622,507	120	-	-	622,627
Financial assets available for sale					
Managed portfolio	120,990	-	3,072	-	124,062

Description of significant unobservable inputs to valuation of financial assets:

Unquoted managed portfolios is valued based on net asset value method using latest portfolio statements, wherein the underlying assets are fair valued.

The impact on the interim condensed consolidated statement of financial position or the interim condensed consolidated statement of changes in equity would be immaterial if the relevant risk variables used to fair value the unquoted securities were altered by 5%.

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

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)**

As at 31 March 2016

9 SUBSEQUENT EVENTS

- The consolidated financial statements for the year ended 31 December 2015 were approved by the Parent Company's shareholders during the Annual General Meeting held on 25 April 2016.
- On 11 January 2016, the Parent Company has entered into a new facility agreement with a local Islamic financial institution with amount of KD 15,566,000 which was partially used subsequently of 31 March 2016 to settle the existing term loan with an amount of KD 1,527,768 which was secured by a pledging of certain investment properties with carrying value of KD 24,147,576 as at 31 March 2016.

On 18 April 2016, the Parent Company has transferred the pledging right to the new local Islamic financial institution to secure the new loan with amount of KD 15,566,000.