

**SECURITIES GROUP COMPANY K.S.C. (CLOSED)
AND SUBSIDIARIES (THE GROUP)
STATE OF KUWAIT**

**INTERIM CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED JUNE 30, 2012
(UNAUDITED)**

**WITH
REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION**

SECURITIES GROUP COMPANY K.S.C. (CLOSED)
AND SUBSIDIARIES (THE GROUP)
STATE OF KUWAIT

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(UNAUDITED)
WITH
REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION

CONTENTS

Report on review of interim consolidated financial information

| | <u>Pages</u> |
|------------------------------------------------------------------------------|--------------|
| Interim condensed consolidated statement of financial position (Unaudited) | 2 |
| Interim condensed consolidated statement of income (Unaudited) | 3 |
| Interim condensed consolidated statement of comprehensive income (Unaudited) | 4 |
| Interim condensed consolidated statement of changes in equity (Unaudited) | 5 |
| Interim condensed consolidated statement of cash flows (Unaudited) | 6 |
| Notes to interim consolidated financial information (Unaudited) | 7 – 11 |

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REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
Securities Group Company K.S.C. (Closed)
State of Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Securities Group Company K.S.C. (Closed) (the Parent Company) and subsidiaries (the Group) as of June 30, 2012 and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the three months period then ended. The Parent Company's management is responsible for the preparation and presentation of this interim consolidated financial information in accordance with the basis of presentation set out in Note 2. Our responsibility is to express a conclusion on this interim 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 consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

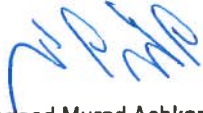
Conclusion

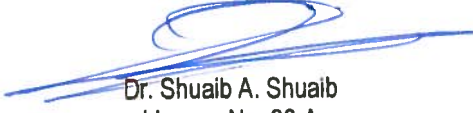
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial information is not prepared, in all material respects, in accordance with the basis of presentation set out in Note 2.

Report on other Legal and Regulatory Requirements

Furthermore, the interim consolidated financial information is in agreement with the Parent Company's books of account. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Commercial Companies' Law of 1960, as amended, or of the Parent Company's Articles of Association during the period ended June 30, 2012 that might have had a material effect on the business of the Group or on its financial position.

We further report that, during the course of our review, we have not become aware of any violations of the provisions of Law No. 32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the Organization of Banking Business, and its related regulations.



Abdul-Mageed Murad Ashkanani
Licence No. 95-A
First Audit
Member of MGI International



Dr. Shuaib A. Shuaib
Licence No. 33-A
RSM Albazie & Co.

SECURITIES GROUP COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES (THE GROUP)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS OF JUNE 30, 2012
 (All amounts are in Kuwaiti Dinars)

| | Note | June 30, 2012 | (Audited) March 31, 2012 | June 30, 2011 |
|-------------------------------------------------------------|------|----------------------|--------------------------------|----------------------|
| ASSETS | | | | |
| Cash on hand and at banks | | 7,445,242 | 7,228,553 | 10,229,167 |
| Investments at fair value through statement of income | 3 | 5,330,440 | 300,680 | 27,030 |
| Accounts receivable and other debit balances | | 1,241,218 | 990,291 | 2,577,700 |
| Loans granted to others | | - | - | 247,500 |
| Investments available for sale | 4 | 61,688,094 | 63,475,666 | 76,819,240 |
| Investment in associates | 5 | 25,840,741 | 13,402,537 | 18,821,104 |
| Investment in unconsolidated subsidiaries | | 896,305 | 881,219 | 1,371,983 |
| Investment properties | 6 | 13,051,950 | 5,478,321 | 17,066,331 |
| Total assets | | <u>115,493,990</u> | <u>91,757,267</u> | <u>127,160,055</u> |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | |
| Liabilities: | | | | |
| Loans | 7 | 56,631,003 | 30,831,004 | 66,390,598 |
| Accounts payable and other credit balances | | 2,191,456 | 2,693,560 | 2,956,234 |
| Total liabilities | | <u>58,822,459</u> | <u>33,524,564</u> | <u>69,346,832</u> |
| Equity: | | | | |
| Capital | | 25,528,372 | 25,528,372 | 25,528,372 |
| Treasury shares | 8 | (87,765) | (87,765) | (87,765) |
| Share premium | | 3,046,592 | 3,046,592 | 3,046,592 |
| Statutory reserve | | 12,764,186 | 12,764,186 | 12,764,186 |
| Voluntary reserve | | 4,405,892 | 4,405,892 | 4,405,892 |
| Foreign currency translation adjustments | | 9,892 | 2,128 | 311,934 |
| Cumulative changes in fair value | | (12,340,641) | (12,656,468) | (14,759,987) |
| Retained earnings | | 23,276,768 | 25,161,805 | 26,603,999 |
| Equity attributable to the shareholders of Parent Company | | <u>56,603,296</u> | <u>58,164,742</u> | <u>57,813,223</u> |
| Non-controlling interests | | 68,235 | 67,961 | - |
| Total equity | | <u>56,671,531</u> | <u>58,232,703</u> | <u>57,813,223</u> |
| Total liabilities and equity | | <u>115,493,990</u> | <u>91,757,267</u> | <u>127,160,055</u> |
| Memorandum accounts off the statement of financial position | 11 | <u>1,217,731,917</u> | <u>1,323,033,674</u> | <u>1,261,767,427</u> |

The accompanying notes (1) to (15) form an integral part of the interim consolidated financial information


 Ali Y. Al - Awadi
 Chairman and Managing Director


 Khaled S. Al - Ali
 Vice Chairman

SECURITIES GROUP COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES (THE GROUP)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2012
 (All amounts are in Kuwaiti Dinars)

| | Note | Three months ended June 30, | |
|--------------------------------------------------------------------------|------|--------------------------------|------------------|
| | | 2012 | 2011 |
| Revenues: | | | |
| Net investment (loss) income | 9 | (478,947) | 639,051 |
| Interest income | | 9,034 | 16,043 |
| Fees and commission income | | 335,669 | 813,254 |
| Rental income | | 170,430 | 148,988 |
| Group's share of results from associates | | 381,893 | 640,750 |
| Foreign exchange gain (loss) | | 2,708 | (14,191) |
| Other income | | 36,819 | 39,230 |
| | | <u>457,606</u> | <u>2,283,125</u> |
| Expenses and other charges: | | | |
| General and administrative expenses | | (484,360) | (495,457) |
| Finance charges | | (234,062) | (513,789) |
| Impairment loss on investments available for sale | | (1,623,947) | - |
| Provision for doubtful debts | | - | (1,565,531) |
| Net loss for the period | | <u>(1,884,763)</u> | <u>(291,652)</u> |
| Attributable to: | | | |
| Shareholders of the Parent Company | | (1,885,037) | (291,652) |
| Non-controlling interests | | 274 | - |
| Net loss for the period | | <u>(1,884,763)</u> | <u>(291,652)</u> |
| | | <u>Fils</u> | <u>Fils</u> |
| Loss per share attributable to the shareholders of the Parent Company | 10 | <u>(7.39)</u> | <u>(1.14)</u> |

The accompanying notes (1) to (15) form an integral part of the interim consolidated financial information

SECURITIES GROUP COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES (THE GROUP)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2012
 (All amounts are in Kuwaiti Dinars)

| | Three months ended June 30, | |
|---------------------------------------------------------|--------------------------------|--------------------|
| | 2012 | 2011 |
| Net loss for the period | (1,884,763) | (291,652) |
| Other comprehensive income (loss): | | |
| Changes in fair value of investments available for sale | (57,841) | (1,586,193) |
| Reversal on sale of investments available for sale | 373,055 | 43,174 |
| Share of other comprehensive income of associates | 613 | - |
| Foreign currency translation adjustments | 7,764 | (5,923) |
| Other comprehensive income (loss) for the period | 323,591 | (1,548,942) |
| Total comprehensive loss for the period | (1,561,172) | (1,840,594) |
| Attributable to: | | |
| Shareholders of the Parent Company | (1,561,446) | (1,840,594) |
| Non-controlling interests | 274 | - |
| | (1,561,172) | (1,840,594) |

The accompanying notes (1) to (15) form an integral part of the interim consolidated financial information

SECURITIES GROUP COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES (THE GROUP)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2012
 (All amounts are in Kuwaiti Dinars)

| | Equity attributable to the Shareholders of the Parent Company | | | | | | | Non-controlling interests | Total | | |
|--------------------------------------------------|---------------------------------------------------------------|-----------------|------------------|-------------------|-------------------|------------------------------------------|----------------------------------|---------------------------|-------------------|-------------------|-------------------|
| | Capital | Treasury shares | Share premium | Statutory reserve | Voluntary reserve | Foreign currency translation adjustments | Cumulative changes in fair value | | | Retained earnings | Sub-total |
| Balance as of March 31, 2012 | 25,528,372 | (87,765) | 3,046,592 | 12,764,186 | 4,405,892 | 2,128 | (12,656,468) | 25,161,805 | 58,164,742 | 67,961 | 58,232,703 |
| Total comprehensive income (loss) for the period | - | (87,765) | 3,046,592 | 12,764,186 | 4,405,892 | 9,892 | 315,827 | (1,885,037) | (1,561,446) | 274 | (1,561,172) |
| Balance as of June 30, 2012 | 25,528,372 | (87,765) | 3,046,592 | 12,764,186 | 4,405,892 | 9,892 | (12,340,641) | 23,276,768 | 56,603,296 | 68,235 | 56,671,531 |
| Balance as of March 31, 2011 | 25,528,372 | (53,481) | 3,046,592 | 12,764,186 | 4,405,892 | 317,857 | (13,216,968) | 26,895,651 | 59,688,101 | - | 59,688,101 |
| Total comprehensive loss for the period | - | (34,284) | - | - | - | (5,923) | (1,543,019) | (291,652) | (1,840,594) | - | (1,840,594) |
| Purchase of treasury shares | - | (87,765) | 3,046,592 | 12,764,186 | 4,405,892 | 311,934 | (14,759,987) | 26,603,999 | (34,284) | - | (34,284) |
| Balance as of June 30, 2011 | 25,528,372 | (87,765) | 3,046,592 | 12,764,186 | 4,405,892 | 311,934 | (14,759,987) | 26,603,999 | 57,813,223 | - | 57,813,223 |

The accompanying notes (1) to (15) form an integral part of the interim consolidated financial information

SECURITIES GROUP COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES (THE GROUP)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2012
(All amounts are in Kuwaiti Dinars)

| | Three months ended June 30, | |
|----------------------------------------------------------|--------------------------------|--------------------|
| | 2012 | 2011 |
| Cash flow from operating activities: | | |
| Net loss for the period | (1,884,763) | (291,652) |
| Adjustments: | | |
| Net investment loss (income) | 478,947 | (639,051) |
| Interest income | (9,034) | (16,043) |
| Group's share of results from associates | (381,893) | (640,750) |
| Provision for end of service indemnity | 79,243 | 25,493 |
| Finance charges | 234,062 | 513,789 |
| Impairment loss on investments available for sale | 1,623,947 | - |
| Provision for doubtful debts | - | 1,565,531 |
| | <u>140,509</u> | <u>517,317</u> |
| Changes in operating assets and liabilities: | | |
| Investments at fair value through statement of income | (5,183,114) | (3,456) |
| Accounts receivable and other debit balances | (250,927) | (183,659) |
| Accounts payable and other credit balances | (664,464) | (85,074) |
| Cash (used in) generated from operations | (5,957,996) | 245,128 |
| Payment of end of service indemnity | (34,258) | - |
| Net cash (used in) generated from operating activities | <u>(5,992,254)</u> | <u>245,128</u> |
| Cash flow from investing activities: | | |
| Purchase of investments available for sale | (660,621) | (674,679) |
| Proceeds from sale of investments available for sale | 659,326 | 2,498,421 |
| Paid for investment properties | (7,564,561) | - |
| Paid for investment in associates | (12,256,780) | - |
| Purchase of investment in unconsolidated subsidiaries | (15,086) | - |
| Interest received | 9,034 | 22,800 |
| Dividends received | 355,623 | 557,468 |
| Net cash (used in) generated from investing activities | <u>(19,473,065)</u> | <u>2,404,010</u> |
| Cash flows from financing activities: | | |
| Loans | 25,799,999 | (1,342,176) |
| Purchase of treasury shares | - | (34,284) |
| Cash dividends paid | (44,831) | (73,593) |
| Finance charges paid | (73,160) | (529,747) |
| Net cash generated from (used in) financing activities | <u>25,682,008</u> | <u>(1,979,800)</u> |
| Net increase in cash on hand and at banks | 216,689 | 669,338 |
| Cash on hand and at banks at the beginning of the period | 7,228,553 | 9,559,829 |
| Cash on hand and at banks at the end of the period | <u>7,445,242</u> | <u>10,229,167</u> |

The accompanying notes (1) to (15) form an integral part of the interim consolidated financial information

**SECURITIES GROUP COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES (THE GROUP)
NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)**

JUNE 30, 2012

(All amounts are in Kuwaiti Dinars)

1. Incorporation and principal activities

Securities Group Company K.S.C. (Closed) (the Parent Company) is a Kuwaiti Closed Shareholding Company incorporated by agreement no. 786 / Vol. 2 dated October 24, 1981 and the latest amendment on June 9, 2007. The Parent Company is listed in the Kuwait Stock Exchange. The Parent Company's registered office is P.O. Box 26953, Safat 13130, State of Kuwait.

The principal activities of the Parent Company include:

- Trading in securities listed in Kuwait and the GCC
- Acting as custodian and managers of funds
- Conducting research and studies
- Providing financial and investment services
- Obtaining loans from the financial market, granting to others and acting as an intermediary in the lending and borrowing process
- Establishing and managing real estate portfolios for its clients inside and outside Kuwait and
- Investment in real estate.

The Parent Company is under the supervision of the Capital Markets Authority according to Law No. 7/2010 for investment companies.

The interim consolidated financial information was authorized for issue by the Board of Directors on August 16, 2012.

2. Basis of preparation

The interim consolidated financial information has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". The accounting policies used in the preparation of the interim consolidated financial information for the period are consistent with those used in the preparation of the annual consolidated financial statements for the year ended March 31, 2012.

The interim consolidated financial information do not include all of the information and footnotes required for complete financial statements prepared in accordance with International Financial Reporting Standards. In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included. Operating results for the period ended June 30, 2012 are not necessarily indicative of the results that may be expected for the year ending March 31, 2013. For further information, refer to the consolidated financial statements and notes thereto for the year ended March 31, 2012.

The policy of the Group for calculation of the impairment provisions for loans granted to others complies in all material respects with the specific provision requirements of the Central Bank of Kuwait. In addition and in accordance with Central Bank of Kuwait instructions, the Group provides a minimum general provision of 1% on cash credit facilities not subject to specific provision and net of certain categories of collateral and 0.5% on non-cash credit facilities

3. Investments at fair value through income statement

Investments at fair value through income statement represent quoted securities held for trading.

SECURITIES GROUP COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES (THE GROUP)
NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

JUNE 30, 2012

(All amounts are in Kuwaiti Dinars)

4. Investments available for sale

| | June 30, 2012 | (Audited) March 31, 2012 | June 30, 2011 |
|---------------------|-------------------|--------------------------------|-------------------|
| Quoted securities | 41,816,981 | 41,896,173 | 47,338,048 |
| Unquoted securities | 15,865,809 | 17,574,189 | 25,253,465 |
| Funds | 4,005,304 | 4,005,304 | 4,227,727 |
| | <u>61,688,094</u> | <u>63,475,666</u> | <u>76,819,240</u> |

Unquoted securities and investment in funds amounting to KD 15,896,379 (March 31, 2012 - KD 17,604,760 ; June 30, 2011 – KD 23,021,776) are carried at cost less impairment losses, due to the unpredictable nature of their future cash flows and lack of other suitable methods for arriving at a reliable fair value for these investments. There is no active market for these investments and the Group intends to hold them for the long term.

Quoted securities amounting to KD 20,135,700 (March 31, 2012 - KD 20,393,850; June 30, 2011 – KD 22,975,350) were pledged with a local bank against a loan (Note 7).

5. Investment in associates

During the period, the Group acquired 49.32% equity interest in Kuwaiti Saudi Pharmaceutical Industries Co. S.A.K. (closed) (KSPI) from a related party for a consideration of KD 12,256,780. Accordingly the Group's equity interest in KSPI increased to 50% thereby achieving significant influence over the associate. The management is in the process of assessing the fair value of the net identifiable assets of the associate.

6. Investment properties

During the period, the Group acquired investment property located in the Kingdom of Saudi Arabia from a related party for a total cost of KD 7,564,561.

7. Loans

| | June 30, 2012 | (Audited) March 31, 2012 | June 30, 2011 |
|------------------------------------------|-------------------|--------------------------------|-------------------|
| Loans maturing within 3 months | - | - | 39,160,943 |
| Loans maturing from 3 months to one year | 56,631,003 | 30,831,004 | 27,229,655 |
| | <u>56,631,003</u> | <u>30,831,004</u> | <u>66,390,598</u> |

Loans carry an annual interest rate ranging from 2.5% to 3.5% (March 31, 2012– 2.5 % to 3.5 %, June 30, 2011 – 2.5% to 3.5%) per annum.

Loan of KD 25,815,000 is secured by quoted securities (Note 4) and other loans are secured by promissory notes.

SECURITIES GROUP COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES (THE GROUP)
NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
JUNE 30, 2012
 (All amounts are in Kuwaiti Dinars)

8. Treasury shares

| | June 30, 2012 | (Audited) March 31, 2012 | June 30, 2011 |
|---------------------------|------------------|--------------------------------|------------------|
| Number of treasury shares | 351,342 | 351,342 | 351,342 |
| Percentage of ownership | 0.14% | 0.14% | 0.14% |
| Market value (KD) | 40,053 | 80,809 | 87,836 |
| Cost (KD) | 87,765 | 87,765 | 87,765 |

9. Net investment (loss) income

| | Three months ended June 30, | |
|----------------------------------------------------------------------------------|--------------------------------|----------------|
| | 2012 | 2011 |
| Unrealized loss from investments at fair value through statement of income | (147,556) | (906) |
| Realized loss from sale of investments at fair value through statement of income | (5,798) | - |
| Realized (loss) gain from sale of investments available for sale | (395,699) | 95,369 |
| Dividend income | 70,106 | 544,588 |
| | <u>(478,947)</u> | <u>639,051</u> |

10. Loss per share

There are no potential dilutive ordinary shares. Loss per share is calculated by dividing the net loss for the period by the weighted average number of shares outstanding during the period:

| | Three months ended June 30, | |
|----------------------------------------------------------------------------|--------------------------------|--------------------|
| | 2012 | 2011 |
| Net loss for the period attributable to shareholders of the Parent Company | <u>(1,885,037)</u> | <u>(291,652)</u> |
| | <u>Shares</u> | <u>Shares</u> |
| Weighted average number of shares outstanding excluding treasury shares | <u>254,932,376</u> | <u>255,030,398</u> |
| | <u>Fils</u> | <u>Fils</u> |
| Loss per share attributable to shareholders of the Parent Company | <u>(7.39)</u> | <u>(1.14)</u> |

11. Memorandum accounts off the statement of financial position

The Parent Company manages investment portfolios and funds for related parties and others amounting to KD 1,217,731,917 as of June 30, 2012 (March 31, 2012 – KD 1,323,033,674, June 30, 2011 – KD 1,261,767,427) to earn management fees. These investment portfolios are registered in the name of the Group and are not included in the accompanying interim consolidated financial information.

SECURITIES GROUP COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES (THE GROUP)
NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

JUNE 30, 2012

(All amounts are in Kuwaiti Dinars)

12. Related party transactions

The Group has entered into transactions with related parties in the normal course of its business. Prices and terms of payment are approved by the Group's management.

Significant related party balances and transactions are as follows:

| | June 30, 2012 | (Audited) March 31, 2012 | June 30, 2011 |
|---------------------------------------------------------------------------|------------------|--------------------------------|------------------|
| (i) Interim condensed consolidated statement of financial position | | | |
| Cash at banks | 7,064,351 | 6,977,919 | 9,584,272 |
| Accounts receivable and other debit balances | 553,262 | 450,176 | 781,555 |
| Loans | 56,631,003 | 30,831,004 | 61,846,003 |
| Accounts payable and other credit balances | 386,015 | 489,001 | 314,089 |
| | | Three months ended June 30, | |
| | | 2012 | 2011 |
| (ii) Interim condensed consolidated statement of Income | | | |
| Net Investment income | | - | 495,337 |
| Interest income | | 9,034 | 11,440 |
| Finance charges | | (234,062) | (474,829) |
| (iii) Compensation to key management personnel | | | |
| Short-term benefits | | 62,084 | 70,469 |
| Termination benefits | | 4,829 | 5,169 |

13. Capital commitments and contingent liabilities

| | June 30, 2012 | (Audited) March 31, 2012 | June 30, 2011 |
|----------------------------------|------------------|--------------------------------|-------------------|
| Letters of guarantee | 1,200,000 | 1,200,000 | 7,343,960 |
| Uncalled capital for investments | 13,796 | 13,796 | 3,000,000 |
| | <u>1,213,796</u> | <u>1,213,796</u> | <u>10,343,960</u> |

**SECURITIES GROUP COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES (THE GROUP)
NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)**

JUNE 30, 2012

(All amounts are in Kuwaiti Dinars)

14. Segment information

The Group is divided into operating segments for managing its business activities based on internal reporting provided to the chief operating decision maker as follows:

- Investment activities: Direct investment for the Group's benefit in securities, portfolios and funds
- Asset management services: Portfolio and Fund management services for clients
- Lending activities: Direct lending to others and acting as a broker in lending and borrowing activities.
- Real estate activities: Investment in real estate and managing real estate portfolios.

| | 2012 | | | | 2011 | | | | | |
|---------------------------------------------------|-----------------------|---------------------------|--------------------|------------------------|--------------------|-----------------------|---------------------------|--------------------|------------------------|------------------|
| | Investment activities | Asset management services | Lending activities | Real estate activities | Total | Investment activities | Asset management services | Lending activities | Real estate activities | Total |
| Segment operating (loss) revenue | (469,913) | 335,669 | - | 170,430 | 36,186 | 650,491 | 813,254 | 4,603 | 148,988 | 1,617,336 |
| Segment operating expenses | (342,635) | - | - | (28,772) | (371,407) | (644,495) | (6,433) | (2,620) | (125,388) | (778,936) |
| Unallocated operating expense | | | | | (347,015) | | | | | (230,310) |
| Operating (loss) profit | | | | | (682,236) | | | | | 608,090 |
| Group's share of results from associates | | | | | 381,893 | | | | | 640,750 |
| Foreign exchange gain (loss) | | | | | 2,708 | | | | | (14,191) |
| Other income | | | | | 36,819 | | | | | 39,230 |
| Impairment loss on investments available for sale | | | | | (1,623,947) | | | | | - |
| Provision for doubtful debts | | | | | | | | | | (1,565,531) |
| Net loss for the period | | | | | <u>(1,884,763)</u> | | | | | <u>(291,652)</u> |

15. The General Assembly

The Board of Directors proposed not to distribute dividends for the year ended March 31, 2012. This proposal is subject to the approval of the Shareholders' Annual General Assembly.

The Shareholders' Annual General Assembly for the year ended March 31, 2012 has not been held and accordingly the consolidated financial statements for the year ended March 31, 2012 have not yet been approved. The interim financial information for the period ended June 30, 2012 do not include any adjustments, which might have been required, had the General Assembly approved the consolidated financial statements for the year ended March 31, 2012.