

**HUMANSOFT HOLDING COMPANY K.S.C.P.  
AND SUBSIDIARIES**



**H O L D I N G**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL  
INFORMATION AND INDEPENDENT AUDITORS' REVIEW  
REPORT FOR THE PERIOD FROM 1 JANUARY 2016 TO 30 JUNE 2016  
(UNAUDITED)**

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## **INDEPENDENT AUDITORS' REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF HUMANSOFT HOLDING COMPANY K.S.C.P. AND SUBSIDIARIES**

### *Introduction*

We have reviewed the accompanying interim condensed consolidated statement of financial position of Humansoft Holding Company K.S.C.P. ("the Parent Company") and subsidiaries (together referred to as "the Group") as at 30 June 2016 and the related condensed consolidated statement of profit or loss and other comprehensive income for the three-month and six-month periods then ended and the related condensed consolidated statements of changes in equity and cash flows for the six-month period then ended. The Parent Company's management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("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 condensed 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 condensed consolidated financial information is not prepared, in all material respects, in accordance with IAS 34.

### *Report on other Legal and Regulatory Requirements*

Furthermore, based on our review, the accompanying interim condensed consolidated financial information is in agreement with the accounting records of the Parent Company. We further report that to the best of our knowledge and belief, no violation of the Companies Law No. 1 of 2016 and the Executive Regulations or the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, of the Parent Company have occurred during the six-month period ended 30 June 2016 that might have had a material effect on the business of the Group or on its interim condensed consolidated financial position.



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# HUMANSOFT HOLDING COMPANY K.S.C.P. AND SUBSIDIARIES

Interim Condensed Consolidated Statement of Financial Position as at 30 June 2016  
(Unaudited)



		30 June 2016	(Audited) 31 December 2015	30 June 2015
	Notes	KD	KD	KD
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and bank balances	3	29,660,917	16,838,231	18,819,961
Trade and other receivables	4	8,250,653	15,726,709	6,314,462
Inventories		85,375	81,734	110,265
		<u>37,996,945</u>	<u>32,646,674</u>	<u>25,244,688</u>
<b>Non-current assets</b>				
Property and equipment		32,225,225	29,759,900	23,987,241
Intangible assets		7,311,079	7,181,660	7,138,571
Investment in associates		572,118	563,893	545,806
Investment available for sale		468	468	468
		<u>40,108,890</u>	<u>37,505,921</u>	<u>31,672,086</u>
<b>Total assets</b>		<u><u>78,105,835</u></u>	<u><u>70,152,595</u></u>	<u><u>56,916,774</u></u>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Bank overdrafts	3	1,501,069	982,959	483,157
Short-term loan	6	12,000,000	4,000,000	6,000,000
Trade and other payables		1,277,494	1,575,708	882,798
Accruals and other liabilities		5,035,194	4,902,232	4,012,790
Deferred income	7	5,925,231	5,288,472	9,625,618
Retentions payable		1,141,541	1,027,552	603,683
Current portion of long-term debts	8	3,546,000	4,014,000	3,012,000
		<u>30,426,529</u>	<u>21,790,923</u>	<u>24,620,046</u>
<b>Non-current liabilities</b>				
Long-term debts	8	10,564,048	8,542,255	5,355,283
Provision for staff indemnity		1,851,034	1,607,793	1,325,300
		<u>12,415,082</u>	<u>10,150,048</u>	<u>6,680,583</u>
<b>Total liabilities</b>		<u>42,841,611</u>	<u>31,940,971</u>	<u>31,300,629</u>
<b>Equity</b>				
Share capital		12,223,680	12,223,680	12,223,680
Share premium		1,512,000	1,512,000	1,512,000
Statutory reserve		4,908,463	4,908,463	3,063,230
Voluntary reserve		4,908,463	4,908,463	3,063,230
Treasury shares	16	(288,877)	(116,725)	(116,725)
Gain on sale of treasury shares		564,013	564,013	564,013
Retained earnings		11,337,655	14,095,507	5,209,011
Foreign currency translation reserve		98,827	116,223	97,706
<b>Total equity</b>		<u>35,264,224</u>	<u>38,211,624</u>	<u>25,616,145</u>
<b>Total liabilities and equity</b>		<u><u>78,105,835</u></u>	<u><u>70,152,595</u></u>	<u><u>56,916,774</u></u>

Mr. Tareq Fahad Al Othman  
Chairman

The accompanying notes set out on pages 7 to 13 form an integral part of this interim condensed consolidated financial information.

## HUMANSOFT HOLDING COMPANY K.S.C.P. AND SUBSIDIARIES

Interim Condensed Consolidated Statement of Profit or Loss  
– period from 1 January 2016 to 30 June 2016 (Unaudited)



	Notes	Three months ended		Six months ended	
		30 June 2016	30 June 2015	30 June 2016	30 June 2015
		KD	KD	KD	KD
Revenues		13,070,582	8,283,705	27,225,061	16,971,512
Cost of operations	9	(3,079,552)	(2,309,543)	(6,324,955)	(4,799,449)
Gross profit		9,991,030	5,974,162	20,900,106	12,172,063
General and administrative expenses	10	(2,896,020)	(2,519,119)	(6,666,789)	(5,124,443)
Selling expenses	11	(1,398,761)	(1,301,117)	(1,914,154)	(1,609,398)
Finance charges		(323,021)	(150,955)	(559,476)	(269,812)
Share of profit of associates		3,570	965	11,140	11,017
Other income		59,413	52,400	165,769	102,437
<b>Profit before contribution to Kuwait Foundation for Advancement of Sciences (“KFAS”), National Labour Support Tax (“NLST”), Zakat and Directors’ remuneration</b>		5,436,211	2,056,336	11,936,596	5,281,864
Contribution to KFAS	12	(56,261)	(19,743)	(122,883)	(49,738)
NLST		(137,665)	(53,708)	(306,029)	(136,751)
Zakat		(56,492)	(22,779)	(125,286)	(57,032)
Directors’ remuneration		(150,000)	(100,000)	(150,000)	(100,000)
<b>Profit for the period</b>		<b>5,035,793</b>	<b>1,860,106</b>	<b>11,232,398</b>	<b>4,938,343</b>
<b>Basic and diluted earnings per share (fils)</b>	13	<b>41</b>	<b>15</b>	<b>92</b>	<b>41</b>

The accompanying notes set out on pages 7 to 13 form an integral part of this interim condensed consolidated financial information.

## HUMANSOFT HOLDING COMPANY K.S.C.P. AND SUBSIDIARIES

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income  
– period from 1 January 2016 to 30 June 2016 (Unaudited)



	Three months ended		Six months ended	
	30 June 2016	30 June 2015	30 June 2016	30 June 2015
	KD	KD	KD	KD
<b>Profit for the period</b>	<u>5,035,793</u>	<u>1,860,106</u>	<u>11,232,398</u>	<u>4,938,343</u>
<b>Other comprehensive income</b>				
<i>Items that may be reclassified subsequently to consolidated statement of profit or loss:</i>				
Foreign currency translation adjustments	<u>(568)</u>	<u>(1,134)</u>	<u>(17,396)</u>	<u>53,621</u>
<b>Other comprehensive (loss) / income for the period</b>	<u>(568)</u>	<u>(1,134)</u>	<u>(17,396)</u>	<u>53,621</u>
<b>Total comprehensive income for the period</b>	<u><u>5,035,225</u></u>	<u><u>1,858,972</u></u>	<u><u>11,215,002</u></u>	<u><u>4,991,964</u></u>

The accompanying notes set out on pages 7 to 13 form an integral part of this interim condensed consolidated financial information.

**HUMANSOFT HOLDING COMPANY K.S.C.P. AND SUBSIDIARIES**



**Interim Condensed Consolidated Statement of Changes in Equity - period from 1 January 2016 to 30 June 2016 (Unaudited)**

	Share capital KD	Share premium KD	Statutory reserve KD	Voluntary reserve KD	Treasury shares KD	Gain on sale of treasury shares KD	Retained earnings KD	Foreign currency translation reserve KD	Total KD
<b>Balance as at 1 January 2016</b>	12,223,680	1,512,000	4,908,463	4,908,463	(116,725)	564,013	14,095,507	116,223	38,211,624
Total comprehensive income / (loss) for the period	-	-	-	-	-	-	11,232,398	(17,396)	11,215,002
Dividend (Note 17)	-	-	-	-	-	-	(13,990,250)	-	(13,990,250)
Purchase of treasury shares	-	-	-	-	(172,152)	-	-	-	(172,152)
<b>Balance as at 30 June 2016</b>	<u>12,223,680</u>	<u>1,512,000</u>	<u>4,908,463</u>	<u>4,908,463</u>	<u>(288,877)</u>	<u>564,013</u>	<u>11,337,655</u>	<u>98,827</u>	<u>35,264,224</u>
<b>Balance as at 1 January 2015</b>	12,223,680	1,512,000	3,063,230	3,063,230	(116,725)	564,013	11,236,037	44,085	31,589,550
Total comprehensive income for the period	-	-	-	-	-	-	4,938,343	53,621	4,991,964
Dividend	-	-	-	-	-	-	(10,965,369)	-	(10,965,369)
<b>Balance as at 30 June 2015</b>	<u>12,223,680</u>	<u>1,512,000</u>	<u>3,063,230</u>	<u>3,063,230</u>	<u>(116,725)</u>	<u>564,013</u>	<u>5,209,011</u>	<u>97,706</u>	<u>25,616,145</u>

The accompanying notes set out on pages 7 to 13 form an integral part of this interim condensed consolidated financial information.

# HUMANSOFT HOLDING COMPANY K.S.C.P. AND SUBSIDIARIES

Interim Condensed Consolidated Statement of Cash Flows  
- period from 1 January 2016 to 30 June 2016 (Unaudited)



	Notes	Six months ended	
		30 June 2016	30 June 2015
		KD	KD
<b>OPERATING ACTIVITIES</b>			
Profit before provision for contribution to KFAS, NLST, Zakat and Directors' remuneration		11,936,596	5,281,864
Adjustments for:			
Depreciation and amortisation	10	889,809	665,111
Provision for staff indemnity		332,896	233,338
Allowance / (Recovery) for doubtful debts		60,489	(26,116)
Finance charges		559,476	269,812
Share of profit of associates		(11,140)	(11,017)
Interest income		(24)	(21)
		13,768,102	6,412,971
Decrease in trade and other receivables		7,415,654	5,768,489
Increase in inventories		(3,641)	(15,085)
(Decrease) / increase in trade and other payables		(298,214)	260,081
Increase in accruals and other liabilities		212,202	531,724
Increase in retentions payable		113,989	229,034
Increase in deferred income		636,759	4,267,209
		21,844,851	17,454,423
Payment of staff indemnity		(88,832)	(50,679)
Payment of KFAS		(169,974)	(94,159)
Payment of NLST		(474,020)	(230,000)
Payment of Zakat		(193,031)	(108,173)
Payment of Directors' remuneration		(150,000)	(100,000)
<b>Net cash from operating activities</b>		<b>20,768,994</b>	<b>16,871,412</b>
<b>INVESTING ACTIVITIES</b>			
Purchase of property and equipment		(3,344,360)	(4,707,571)
Payments for intangible assets		(142,086)	(22,484)
Interest income received		24	21
<b>Net cash used in investing activities</b>		<b>(3,486,422)</b>	<b>(4,730,034)</b>
<b>FINANCING ACTIVITIES</b>			
Purchase of treasury shares		(172,152)	-
Increase in short-term loan		8,000,000	3,000,000
Finance charges paid		(523,475)	(251,787)
Decrease in long-term debts (net)		1,553,793	2,320,053
Dividend paid		(13,822,667)	(10,843,081)
<b>Net cash used in financing activities</b>		<b>(4,964,501)</b>	<b>(5,774,815)</b>
<b>Net increase in cash and cash equivalents</b>		<b>12,318,071</b>	<b>6,366,563</b>
Effects of exchange rate changes on cash and cash equivalents		(13,495)	38,360
Cash and cash equivalents at beginning of the period		15,855,272	11,931,881
<b>Cash and cash equivalents at end of the period</b>	3	<b>28,159,848</b>	<b>18,336,804</b>

The accompanying notes set out on pages 7 to 13 form an integral part of this interim condensed consolidated financial information.



# HUMANSOFT HOLDING COMPANY K.S.C.P. AND SUBSIDIARIES

Notes to the Interim Condensed Consolidated Financial Information  
– period from 1 January 2016 to 30 June 2016 (Unaudited)



## 1. INCORPORATION AND PRINCIPAL ACTIVITIES

Humansoft Holding Company K.S.C.P. (“the Parent Company”) is a Kuwaiti shareholding company incorporated on 14 September 1997.

The principal activities of the Parent Company are as follows:

1. Owning shares of Kuwaiti shareholding or foreign companies, as well as owning shares or stocks in Kuwaiti or foreign limited liability companies or participating in the establishment of these companies, in their two types, and their management, lending and guarantee for others.
2. Lending companies, in which it owns shares and guaranteeing them with third parties. In this case, the company's share in the capital of the borrowing company should not be less than 20%.
3. Owning industrial property rights such as patents, industrial trademarks, or industrial fees or any other related rights and lease them to other companies to exploit them, whether inside or outside Kuwait.
4. Owning movables and properties necessary to carry out its operations within parameters allowed as per law.
5. Exploit surplus funds available with the company through investing in portfolios managed by specialized companies.

The Parent Company is listed on the Kuwait Stock Exchange and its registered office is P.O. Box 305, Dasman 15454, State of Kuwait.

On 1 February 2016, the new Companies Law No.1 of 2016 was published in the Official Gazette which is effective from 26 November 2012. According to the new law, the Companies Law No. 25 of 2012 and its amendments have been cancelled. However, its Executive Regulations will continue until a new set of Executive Regulations are issued.

This interim condensed consolidated financial information for the six-month period ended 30 June 2016 was authorised for issue by the Board of Directors of the Parent Company on 4 August 2016.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation

The interim condensed consolidated financial information of the Group has been prepared in accordance with IAS 34, “*Interim Financial Reporting*”. Accordingly, it does not include all of the information and footnotes required for complete financial statements prepared in accordance with International Financial Reporting Standards.

The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those used in the preparation of the annual audited consolidated financial statements of the Group for the year ended 31 December 2015.

During the period the Group has adopted all the standards that came into effect for annual period beginning 1 January 2016. The adoption of these standards did not have any material impact on this interim condensed consolidated financial information.

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for fair presentation have been included. Operating results for the interim period are not necessarily indicative of the results that may be expected for the 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.

This interim condensed consolidated financial information is presented in Kuwaiti Dinars (“KD”) which is the functional and presentation currency of the Parent Company.

Amendments to IFRSs which are effective for annual accounting period starting from 1 January 2016 did not have any material impact on the accounting policies, financial position or performance of the Group.

### 2.2 Judgements and estimates

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual audited consolidated financial statements as at and for the year ended 31 December 2015.

## HUMANSOFT HOLDING COMPANY K.S.C.P. AND SUBSIDIARIES

Notes to the Interim Condensed Consolidated Financial Information  
– period from 1 January 2016 to 30 June 2016 (Unaudited)



### 3. CASH AND CASH EQUIVALENTS

	30 June 2016	(Audited) 31 December 2015	30 June 2015
	KD	KD	KD
Cash on hand and at banks	29,660,917	16,755,741	18,737,771
Short-term deposits with banks	-	82,490	82,190
Cash and bank balances	29,660,917	16,838,231	18,819,961
Less: Bank overdrafts	(1,501,069)	(982,959)	(483,157)
Cash and cash equivalents	<u>28,159,848</u>	<u>15,855,272</u>	<u>18,336,804</u>

Overdraft facilities from local banks are denominated in KD and as at 30 June 2016 bear interest ranging from 2% - 2.5% (31 December 2015: 2% - 2.5% and 30 June 2015: 2% - 2.5%) per annum over the Central Bank of Kuwait discount rate.

As at the interim condensed consolidated statement of financial position date, the undrawn bank overdraft facilities amounted to KD 1,248,931 (31 December 2015: KD 1,767,041 and 30 June 2015: KD 566,843).

The short-term deposits with banks are denominated in U.A.E. dirhams and are placed with local banks and carry an effective interest rate of Nil (31 December 2015: 0.05% and 30 June 2015: 0.05%) per annum.

### 4. TRADE AND OTHER RECEIVABLES

	30 June 2016	(Audited) 31 December 2015	30 June 2015
	KD	KD	KD
Trade receivables	6,500,164	14,630,918	5,316,121
Less: Allowance for doubtful debts	(347,736)	(287,990)	(343,579)
	6,152,428	14,342,928	4,972,542
Prepaid expenses	789,771	740,411	830,516
Advance to suppliers	745,098	413,309	126,599
Staff receivables	35,651	52,990	73,823
Refundable deposits and other receivables	527,705	177,071	310,982
	<u>8,250,653</u>	<u>15,726,709</u>	<u>6,314,462</u>

### 5. RELATED PARTY TRANSACTIONS

Related parties comprise major shareholders and executive officers of the Group, their families and companies of which they are the principal owners. The Group enters into transactions with related parties. Pricing policies and terms are approved by the Group's management.

The related party transactions and balances included in this interim condensed consolidated financial information are as follows:

	Three months ended		Six months ended	
	30 June 2016	30 June 2015	30 June 2016	30 June 2015
	KD	KD	KD	KD
<b>a) Consolidated statement of income</b>				
General and administrative expenses	<u>5,000</u>	<u>12,460</u>	<u>25,231</u>	<u>24,919</u>
<b>b) Compensation of key management personnel</b>				
Short-term benefits	180,805	175,402	356,185	352,798
Post-employment benefits	<u>29,271</u>	<u>5,487</u>	<u>34,801</u>	<u>10,878</u>
	<u>210,076</u>	<u>180,889</u>	<u>390,986</u>	<u>363,676</u>

# HUMANSOFT HOLDING COMPANY K.S.C.P. AND SUBSIDIARIES

Notes to the Interim Condensed Consolidated Financial Information  
– period from 1 January 2016 to 30 June 2016 (Unaudited)



## 6. SHORT TERM LOAN

	30 June 2016	(Audited) 31 December 2015	30 June 2015
	KD	KD	KD
Short-term loan	<u>12,000,000</u>	<u>4,000,000</u>	<u>6,000,000</u>

The revolving short-term loan is from a local bank, denominated in KD and bearing interest rate of 2.5% (31 December 2015: 2.5% and 30 June 2015: 2.5%) per annum over the CBK discount rate. The loan is secured by the corporate guarantee of the Parent Company and assignment of receivables from a government entity. As at the interim condensed consolidated statement of financial position date, the undrawn short term loan amounted to KD 13,000,000 (31 December 2015: KD 21,000,000 and 30 June 2015: KD 4,000,000).

## 7. DEFERRED INCOME

This represents fees received in advance to be recognized as revenue as and when the service is rendered.

## 8. LONG-TERM DEBTS

	30 June 2016	(Audited) 31 December 2015	30 June 2015
	KD	KD	KD
Current portion	3,546,000	4,014,000	3,012,000
Non-current portion	<u>10,564,048</u>	<u>8,542,255</u>	<u>5,355,283</u>
	<u>14,110,048</u>	<u>12,556,255</u>	<u>8,367,283</u>

These debts are secured by mortgage of land with a carrying value of KD 5,297,030 (31 December 2015: KD 5,297,030 and 30 June 2015: KD 5,297,030) and included in property and equipment.

As at the interim condensed consolidated statement of financial position date, the undrawn long-term debts amounted to KD 8,559,952 (31 December 2015: KD 11,619,745 and 30 June 2015: 17,314,717).

## 9. COST OF OPERATIONS

	Three months ended		Six months ended	
	30 June 2016	30 June 2015	30 June 2016	30 June 2015
	KD	KD	KD	KD
Staff salaries and related costs	2,948,211	2,165,099	6,035,676	4,487,809
Facilities costs	60,918	72,034	152,849	164,402
Material costs	67,277	64,863	127,515	132,270
Others	3,146	7,547	8,915	14,968
	<u>3,079,552</u>	<u>2,309,543</u>	<u>6,324,955</u>	<u>4,799,449</u>

## 10. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended		Six months ended	
	30 June 2016	30 June 2015	30 June 2016	30 June 2015
	KD	KD	KD	KD
Staff salaries and related costs	1,157,156	1,152,727	2,378,278	2,218,885
Facilities costs	793,020	436,932	1,936,829	897,136
Depreciation and amortisation	443,417	335,227	889,809	665,111
Other administrative expenses	502,427	594,233	1,461,873	1,343,311
	<u>2,896,020</u>	<u>2,519,119</u>	<u>6,666,789</u>	<u>5,124,443</u>

## HUMANSOFT HOLDING COMPANY K.S.C.P. AND SUBSIDIARIES

Notes to the Interim Condensed Consolidated Financial Information  
– period from 1 January 2016 to 30 June 2016 (Unaudited)



### 11. SELLING EXPENSES

	Three months ended		Six months ended	
	30 June 2016	30 June 2015	30 June 2016	30 June 2015
	KD	KD	KD	KD
Staff salaries and related costs	93,506	119,441	189,858	233,684
Advertising and sales promotion	1,302,482	1,143,980	1,580,182	1,275,285
(Recovery) / allowance for doubtful debts	(35,965)	(29,250)	60,489	(26,116)
Others	38,738	66,946	83,625	126,545
	<u>1,398,761</u>	<u>1,301,117</u>	<u>1,914,154</u>	<u>1,609,398</u>

### 12. CONTRIBUTION TO KFAS

This represents contribution to the Kuwait Foundation for Advancement of Science (“KFAS”) computed at 1% of profit for the period after transfer to statutory reserve. Provision for contribution to KFAS is comprised of the following:

	Three months ended		Six months ended	
	30 June 2016	30 June 2015	30 June 2016	30 June 2015
	KD	KD	KD	KD
Al Arabia Education Enterprises Company K.S.C. (Closed)	56,261	19,797	122,883	49,389
Humansoft Learning Company K.S.C. (Closed)	-	(54)	-	349
	<u>56,261</u>	<u>19,743</u>	<u>122,883</u>	<u>49,738</u>

### 13. BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share is calculated as follows:

	Three months ended		Six months ended	
	30 June 2016	30 June 2015	30 June 2016	30 June 2015
	KD	KD	KD	KD
Profit for the period	<u>5,035,793</u>	<u>1,860,106</u>	<u>11,232,398</u>	<u>4,938,343</u>
Number of shares outstanding:	Shares			
Weighted average number of paid up shares	<u>122,236,800</u>	<u>122,236,800</u>	<u>122,236,800</u>	<u>122,236,800</u>
Less: Weighted average number of treasury shares outstanding	<u>(517,569)</u>	<u>(399,362)</u>	<u>(458,474)</u>	<u>(399,362)</u>
Weighted average number of outstanding shares	<u>121,719,231</u>	<u>121,837,438</u>	<u>121,778,326</u>	<u>121,837,438</u>
<b>Basic and diluted earnings per share (fils)</b>	<u>41</u>	<u>15</u>	<u>92</u>	<u>41</u>

## HUMANSOFT HOLDING COMPANY K.S.C.P. AND SUBSIDIARIES

Notes to the Interim Condensed Consolidated Financial Information  
– period from 1 January 2016 to 30 June 2016 (Unaudited)



### 14. SEGMENT INFORMATION

*Primary segment information – business segments:*

The Group is organised into functional divisions in order to manage its various lines of business. All of the segment revenue reported below is from external customers. For the purpose of segment reporting, management has grouped its activities into the following business segments:

- a) Training and Career Development Programs
- b) English Training
- c) Learning Solutions
- d) Higher Education

Segment results include revenues and expenses directly attributable to a segment. There are no significant inter-segment transactions.

Segment information by business segments is as follows:

	Training and career development programs	English training	Learning solutions	Higher education	Others	Total
<b>6 months ended 30 June 2016</b>						
Segment revenues	684,931	410,009	329,472	25,800,649	-	27,225,061
Segment expenses	(711,866)	(395,563)	(319,692)	(12,660,809)	(632,357)	(14,720,287)
Depreciation and amortisation	(14,189)	(12,036)	(13,089)	(848,475)	(2,020)	(889,809)
Finance charges	-	-	-	(408,542)	(150,934)	(559,476)
Share of profit of associates	-	-	-	-	11,140	11,140
Other income	3,032	2,445	-	160,292	-	165,769
<b>Profit / (loss) for the period</b>	<b>(38,092)</b>	<b>4,855</b>	<b>(3,309)</b>	<b>12,043,115</b>	<b>(774,171)</b>	<b>11,232,398</b>
<b>Assets</b>						
Segment total assets	928,596	417,379	477,311	68,745,423	7,537,126	78,105,835
<b>Liabilities</b>						
Segment total liabilities	531,305	314,687	329,800	39,205,338	2,460,481	42,841,611

# HUMANSOFT HOLDING COMPANY K.S.C.P. AND SUBSIDIARIES

Notes to the Interim Condensed Consolidated Financial Information  
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## 14. SEGMENT INFORMATION (CONTINUED)

	Training and career development programs	English training	Learning solutions	Higher education	Others	Total
<b>6 months ended 30 June 2015</b>						
Segment revenues	882,447	458,940	311,217	15,318,908	-	16,971,512
Segment expenses	(796,609)	(424,822)	(318,831)	(9,135,680)	(535,758)	(11,211,700)
Depreciation and amortisation	(17,101)	(11,743)	(8,457)	(625,986)	(1,824)	(665,111)
Finance charges	-	-	-	(264,648)	(5,164)	(269,812)
Share of loss of associates	-	-	-	-	11,017	11,017
Other income	5,128	110	-	97,199	-	102,437
Profit / (loss) for the period	<u>73,865</u>	<u>22,485</u>	<u>(16,071)</u>	<u>5,389,793</u>	<u>(531,729)</u>	<u>4,938,343</u>
<b>Assets</b>						
Segment total assets	<u>1,001,389</u>	<u>473,924</u>	<u>513,583</u>	<u>47,019,376</u>	<u>7,908,502</u>	<u>56,916,774</u>
<b>Liabilities</b>						
Segment total liabilities	<u>581,512</u>	<u>301,307</u>	<u>382,455</u>	<u>29,149,324</u>	<u>886,031</u>	<u>31,300,629</u>

## 15. COMMITMENTS AND CONTINGENT LIABILITIES

	30 June 2016	(Audited) 31 December 2015	30 June 2015
<b>Commitments</b>	KD	KD	KD
Capital commitments for construction	<u>6,894,507</u>	<u>5,732,358</u>	<u>9,431,463</u>
Capital commitments for software upgradation	<u>35,577</u>	<u>144,827</u>	<u>-</u>
Operating commitments for land	<u>1,052,000</u>	<u>1,142,500</u>	<u>1,142,500</u>
Minimum operating lease commitments under the operating lease are as follows:			
Not later than one year	90,500	90,500	90,500
Later than one year but not later than five years	362,000	362,000	362,000
Later than five years	599,500	690,000	690,000
	<u>1,052,000</u>	<u>1,142,500</u>	<u>1,142,500</u>
<b>Contingent liabilities</b>			
Letters of guarantee	1,194,686	1,221,930	1,184,827
Others	-	-	250,750
	<u>1,194,686</u>	<u>1,221,930</u>	<u>1,435,577</u>

## HUMANSOFT HOLDING COMPANY K.S.C.P. AND SUBSIDIARIES

Notes to the Interim Condensed Consolidated Financial Information  
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### 16. TREASURY SHARES

	30 June 2016	(Audited) 31 December 2015	30 June 2015
Number of shares	582,448	399,362	399,362
Percentage of issued shares	0.48%	0.33%	0.33%
Market value (KD)	815,427	379,394	331,470

An amount equivalent to the cost of purchase of the treasury shares have been earmarked as non-distributable from statutory reserve, share premium, treasury shares reserve and retained earnings throughout the holding period of treasury shares.

### 17. DIVIDEND DISTRIBUTION

The Shareholders' annual general assembly held on 22 May 2016 approved the audited consolidated financial statements of the Group for the year ended 31 December 2015 and the payment of cash dividend of 115 fils per share to the shareholders (31 December 2014: 90 fils per share) on the outstanding shares to the registered shareholders as of the date of the Annual General Meeting.