

**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 2017 TO 30 JUNE 2017
(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 2017 and the related interim condensed consolidated statement of profit or loss, interim condensed consolidated statement of profit or loss and other comprehensive income for the three-month and six-month periods then ended and the related interim 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

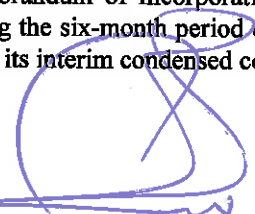
We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons 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 its 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 2017 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 2017
(Unaudited)



		30 June 2017	(Audited) 31 December 2016	30 June 2016
	Notes	KD	KD	KD
ASSETS				
Current assets				
Cash and bank balances	3	23,910,917	19,824,506	29,660,917
Trade and other receivables	4	9,441,426	18,037,809	8,250,653
Inventories		75,700	67,412	85,375
		<u>33,428,043</u>	<u>37,929,727</u>	<u>37,996,945</u>
Non-current assets				
Property and equipment		43,101,605	39,769,288	32,225,225
Intangible assets		7,330,671	7,321,603	7,311,079
Investment in associates		620,672	629,218	572,118
Investment available for sale		-	468	468
		<u>51,052,948</u>	<u>47,720,577</u>	<u>40,108,890</u>
Total assets		<u>84,480,991</u>	<u>85,650,304</u>	<u>78,105,835</u>
LIABILITIES AND EQUITY				
Current liabilities				
Bank overdrafts	3	780,784	1,499,284	1,501,069
Short-term loan	6	2,000,000	2,000,000	12,000,000
Trade and other payables		1,155,968	1,419,479	1,277,494
Accruals and other liabilities		7,162,326	7,362,524	5,035,194
Deferred income	7	7,197,769	5,081,711	5,925,231
Retentions payable		1,422,918	1,094,119	1,141,541
Current portion of long-term debts	8	4,888,500	3,013,500	3,546,000
		<u>24,608,265</u>	<u>21,470,617</u>	<u>30,426,529</u>
Non-current liabilities				
Long-term debts	8	15,645,155	13,847,513	10,564,048
Provision for staff indemnity		2,300,588	2,080,800	1,851,034
		<u>17,945,743</u>	<u>15,928,313</u>	<u>12,415,082</u>
Total liabilities		<u>42,554,008</u>	<u>37,398,930</u>	<u>42,841,611</u>
Equity				
Share capital		12,223,680	12,223,680	12,223,680
Share premium		1,512,000	1,512,000	1,512,000
Statutory reserve		6,111,840	6,111,840	4,908,463
Voluntary reserve		6,111,840	6,111,840	4,908,463
Treasury shares	16	(288,877)	(288,877)	(288,877)
Gain on sale of treasury shares		564,013	564,013	564,013
Retained earnings		15,611,313	21,903,526	11,337,655
Foreign currency translation reserve		81,174	113,352	98,827
Total equity		<u>41,926,983</u>	<u>48,251,374</u>	<u>35,264,224</u>
Total liabilities and equity		<u>84,480,991</u>	<u>85,650,304</u>	<u>78,105,835</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 2017 to 30 June 2017 (Unaudited)


	Notes	Three months ended		Six months ended	
		30 June 2017	30 June 2016	30 June 2017	30 June 2016
		KD	KD	KD	KD
Revenues		14,916,455	13,070,582	30,158,607	27,225,061
Cost of operations	9	(3,514,610)	(3,079,552)	(7,167,501)	(6,324,955)
Gross profit		11,401,845	9,991,030	22,991,106	20,900,106
General and administrative expenses	10	(3,149,873)	(2,896,020)	(6,527,554)	(6,666,789)
Selling expenses	11	(1,462,124)	(1,398,761)	(1,947,489)	(1,914,154)
Finance charges		(354,791)	(323,021)	(632,133)	(559,476)
Share of profit of associates		6,847	3,570	13,676	11,140
Other income		96,009	59,413	127,878	165,769
Profit before contribution to Kuwait Foundation for Advancement of Sciences (“KFAS”), National Labour Support Tax (“NLST”), Zakat and Directors’ remuneration		6,537,913	5,436,211	14,025,484	11,936,596
Contribution to KFAS	12	(67,202)	(56,261)	(146,511)	(122,883)
NLST		(167,450)	(137,665)	(357,676)	(306,029)
Zakat		(68,368)	(56,492)	(148,814)	(125,286)
Directors’ remuneration		(200,000)	(150,000)	(200,000)	(150,000)
Profit for the period		6,034,893	5,035,793	13,172,483	11,232,398
Basic and diluted earnings per share (fils)	13	50	41	108	92

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 SUBSIDIARIESInterim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
– period from 1 January 2017 to 30 June 2017 (Unaudited)

	Three months ended		Six months ended	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
	KD	KD	KD	KD
Profit for the period	<u>6,034,893</u>	<u>5,035,793</u>	<u>13,172,483</u>	<u>11,232,398</u>
Other comprehensive income				
<i>Items that may be reclassified subsequently to consolidated statement of profit or loss:</i>				
Foreign currency translation adjustments	<u>(25,761)</u>	<u>(568)</u>	<u>(32,178)</u>	<u>(17,396)</u>
Other comprehensive loss for the period	<u>(25,761)</u>	<u>(568)</u>	<u>(32,178)</u>	<u>(17,396)</u>
Total comprehensive income for the period	<u><u>6,009,132</u></u>	<u><u>5,035,225</u></u>	<u><u>13,140,305</u></u>	<u><u>11,215,002</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 2017 to 30 June 2017 (Unaudited)

	Share capital	Share premium	Statutory reserve	Voluntary reserve	Treasury shares	Gain on sale of treasury shares	Retained earnings	Foreign currency translation reserve	Total
	KD	KD	KD	KD	KD	KD	KD	KD	KD
Balance as at 1 January 2017	12,223,680	1,512,000	6,111,840	6,111,840	(288,877)	564,013	21,903,526	113,352	48,251,374
Total comprehensive income for the period	-	-	-	-	-	-	13,172,483	(32,178)	13,140,305
Dividend (Note 17)	-	-	-	-	-	-	(19,464,696)	-	(19,464,696)
Balance as at 30 June 2017	12,223,680	1,512,000	6,111,840	6,111,840	(288,877)	564,013	15,611,313	81,174	41,926,983
Balance as at 1 January 2016	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 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)
Balance as at 30 June 2016	12,223,680	1,512,000	4,908,463	4,908,463	(288,877)	564,013	11,337,655	98,827	35,264,224

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 2017 to 30 June 2017 (Unaudited)


	Notes	Six months ended	
		30 June	30 June
		2017	2016
		KD	KD
OPERATING ACTIVITIES			
Profit before provision for contribution to KFAS, NLST, Zakat and Directors' remuneration		14,025,484	11,936,596
Adjustments for:			
Depreciation and amortisation	10	1,134,033	889,809
Provision for staff indemnity		353,187	332,896
Allowance for doubtful debts		60,301	60,489
Gain on disposal of property and equipment		(111)	-
Gain on disposal of investments available for sale		(67,616)	-
Finance charges		632,133	559,476
Share of profit of associates		(13,676)	(11,140)
Interest income		-	(24)
		16,123,735	13,768,102
Decrease in trade and other receivables		8,535,884	7,415,654
Increase in inventories		(8,288)	(3,641)
Decrease in trade and other payables		(263,511)	(298,214)
Increase in accruals and other liabilities		106,151	212,202
Increase in retentions payable		328,799	113,989
Increase in deferred income		2,116,058	636,759
		26,938,828	21,844,851
Payment of staff indemnity		(131,918)	(88,832)
Payment of KFAS		(262,002)	(169,974)
Payment of NLST		(654,499)	(474,020)
Payment of Zakat		(267,733)	(193,031)
Payment of Directors' remuneration		(200,000)	(150,000)
Net cash from operating activities		25,422,676	20,768,994
INVESTING ACTIVITIES			
Purchase of property and equipment		(4,447,960)	(3,344,360)
Proceeds from disposal of property and equipment		111	-
Proceeds from disposal of investments available for sale		68,084	-
Payments for intangible assets		(30,279)	(142,086)
Interest income received		-	24
Net cash used in investing activities		(4,410,044)	(3,486,422)
FINANCING ACTIVITIES			
Purchase of treasury shares		-	(172,152)
Increase in short-term loan		-	8,000,000
Finance charges paid		(605,066)	(523,475)
Increase in long-term debts (net)		3,672,642	1,553,793
Dividend paid		(19,266,879)	(13,822,667)
Net cash used in financing activities		(16,199,303)	(4,964,501)
Net increase in cash and cash equivalents		4,813,329	12,318,071
Effects of exchange rate changes on cash and cash equivalents		(8,418)	(13,495)
Cash and cash equivalents at beginning of the period		18,325,222	15,855,272
Cash and cash equivalents at end of the period	3	23,130,133	28,159,848

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

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.

This interim condensed consolidated financial information for the six-month period ended 30 June 2017 was authorised for issue by the Board of Directors of the Parent Company on 17 July 2017.

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 2016, except for the adoption of the amendments and annual improvements to IFRSs, relevant to the Group which are effective for annual reporting period starting from 1 January 2017 and which did not result in any material impact on the accounting policies, financial position or performance of the Group. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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 2017. For further information, refer to the annual audited consolidated financial statements and notes thereto for the year ended 31 December 2016.

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 2017 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 2016.

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

Notes to the Interim Condensed Consolidated Financial Information
– period from 1 January 2017 to 30 June 2017 (Unaudited)



3. CASH AND BANK BALANCES

	30 June 2017	(Audited) 31 December 2016	30 June 2016
	KD	KD	KD
Cash and bank balances	23,910,917	19,824,506	29,660,917
Less: Bank overdrafts	(780,784)	(1,499,284)	(1,501,069)
Cash and cash equivalents	<u>23,130,133</u>	<u>18,325,222</u>	<u>28,159,848</u>

Overdraft facilities from local banks are denominated in KD and as at 30 June 2017 bear interest ranging from 2% - 2.5% (31 December 2016: 2% - 2.5% and 30 June 2016: 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 1,969,216 (31 December 2016: KD 1,250,716 and 30 June 2016: KD 1,248,931).

4. TRADE AND OTHER RECEIVABLES

	30 June 2017	(Audited) 31 December 2016	30 June 2016
	KD	KD	KD
Trade receivables	8,044,989	16,507,467	6,500,164
Less: Allowance for doubtful debts	(489,287)	(455,627)	(347,736)
	7,555,702	16,051,840	6,152,428
Prepaid expenses	931,225	700,443	789,771
Advance to suppliers	668,948	958,320	745,098
Staff receivables	151,127	50,948	35,651
Refundable deposits and other receivables	134,424	276,258	527,705
	<u>9,441,426</u>	<u>18,037,809</u>	<u>8,250,653</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 2017	30 June 2016	30 June 2017	30 June 2016
	KD	KD	KD	KD
a) Consolidated statement of income				
General and administrative expenses	-	5,000	-	25,231
b) Compensation of key management personnel				
Short-term benefits	147,365	180,805	297,601	356,185
Post-employment benefits	7,097	29,271	15,364	34,801
	<u>154,462</u>	<u>210,076</u>	<u>312,965</u>	<u>390,986</u>

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


Notes to the Interim Condensed Consolidated Financial Information
 – period from 1 January 2017 to 30 June 2017 (Unaudited)

6. SHORT TERM LOAN

	30 June 2017	(Audited) 31 December 2016	30 June 2016
	KD	KD	KD
Short-term loan	<u>2,000,000</u>	<u>2,000,000</u>	<u>12,000,000</u>

The revolving short-term loan is from a local bank, denominated in KD and bearing interest rate of 2.5% (31 December 2016: 2.5% and 30 June 2016: 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 23,000,000 (31 December 2016: KD 23,000,000 and 30 June 2016: KD 13,000,000).

7. DEFERRED INCOME

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

8. LONG-TERM DEBTS

	30 June 2017	(Audited) 31 December 2016	30 June 2016
	KD	KD	KD
Current portion	4,888,500	3,013,500	3,546,000
Non-current portion	<u>15,645,155</u>	<u>13,847,513</u>	<u>10,564,048</u>
	<u>20,533,655</u>	<u>16,861,013</u>	<u>14,110,048</u>

These debts are secured by mortgage of land with a local bank with a carrying value of KD 5,297,030 (31 December 2016: KD 5,297,030 and 30 June 2016: KD 5,297,030) and included in property and equipment. These debts bear interest ranging from 2.5% - 3.5% per annum over the CBK discount rate.

As at the interim condensed consolidated statement of financial position date, the undrawn long-term debts amounted to KD 5,590,345 (31 December 2016: KD 10,300,987 and 30 June 2016: KD 8,559,952).

9. COST OF OPERATIONS

	Three months ended		Six months ended	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
	KD	KD	KD	KD
Staff salaries and related costs	3,368,804	2,948,211	6,853,174	6,035,676
Facilities costs	92,823	60,918	190,901	152,849
Material costs	49,445	67,277	116,639	127,515
Others	<u>3,538</u>	<u>3,146</u>	<u>6,787</u>	<u>8,915</u>
	<u>3,514,610</u>	<u>3,079,552</u>	<u>7,167,501</u>	<u>6,324,955</u>

10. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended		Six months ended	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
	KD	KD	KD	KD
Staff salaries and related costs	1,215,225	1,157,156	2,366,647	2,378,278
Facilities costs	755,735	793,020	1,350,751	1,936,829
Depreciation and amortisation	577,589	443,417	1,134,033	889,809
Other administrative expenses	<u>601,324</u>	<u>502,427</u>	<u>1,676,123</u>	<u>1,461,873</u>
	<u>3,149,873</u>	<u>2,896,020</u>	<u>6,527,554</u>	<u>6,666,789</u>

11. SELLING EXPENSES

	Three months ended		Six months ended	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
	KD	KD	KD	KD
Staff salaries and related costs	81,538	93,506	169,751	189,858
Advertising and sales promotion	1,270,571	1,302,482	1,616,562	1,580,182
Allowance / (recovery) for doubtful debts	62,981	(35,965)	60,301	60,489
Others	47,034	38,738	100,875	83,625
	<u>1,462,124</u>	<u>1,398,761</u>	<u>1,947,489</u>	<u>1,914,154</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 2017	30 June 2016	30 June 2017	30 June 2016
	KD	KD	KD	KD
Al Arabia Education Enterprises Company K.S.C. (Closed)	<u>67,202</u>	<u>56,261</u>	<u>146,511</u>	<u>122,883</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 2017	30 June 2016	30 June 2017	30 June 2016
	KD	KD	KD	KD
Profit for the period	<u>6,034,893</u>	<u>5,035,793</u>	<u>13,172,483</u>	<u>11,232,398</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>(582,448)</u>	<u>(517,569)</u>	<u>(582,448)</u>	<u>(458,474)</u>
Weighted average number of outstanding shares	<u>121,654,352</u>	<u>121,719,231</u>	<u>121,654,352</u>	<u>121,778,326</u>
Basic and diluted earnings per share (fils)	<u>50</u>	<u>41</u>	<u>108</u>	<u>92</u>

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
6 months ended 30 June 2017	KD	KD	KD	KD	KD	KD
Segment revenues	529,372	349,489	446,942	28,832,804	-	30,158,607
Segment expenses	(614,734)	(366,061)	(373,250)	(13,014,352)	(993,115)	(15,361,512)
Depreciation and amortisation	(10,751)	(10,462)	(20,324)	(1,086,722)	(5,774)	(1,134,033)
Finance charges	-	-	-	(470,982)	(161,151)	(632,133)
Share of profit of associates	-	-	-	-	13,676	13,676
Other income	2,243	3,793	828	53,096	67,918	127,878
Profit / (loss) for the period	<u>(93,870)</u>	<u>(23,241)</u>	<u>54,196</u>	<u>14,313,844</u>	<u>(1,078,446)</u>	<u>13,172,483</u>
Assets						
Segment total assets	<u>686,171</u>	<u>351,423</u>	<u>550,918</u>	<u>74,750,019</u>	<u>8,142,460</u>	<u>84,480,991</u>
Liabilities						
Segment total liabilities	<u>505,367</u>	<u>286,912</u>	<u>298,374</u>	<u>39,490,598</u>	<u>1,972,757</u>	<u>42,554,008</u>

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

 Notes to the Interim Condensed Consolidated Financial Information
 – period from 1 January 2017 to 30 June 2017 (Unaudited)

14. SEGMENT INFORMATION (CONTINUED)

	Training and career development programs	English training	Learning solutions	Higher education	Others	Total
6 months ended 30 June 2016	KD	KD	KD	KD	KD	KD
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
Profit / (loss) for the period	<u>(38,092)</u>	<u>4,855</u>	<u>(3,309)</u>	<u>12,043,115</u>	<u>(774,171)</u>	<u>11,232,398</u>
Assets						
Segment total assets	<u>928,596</u>	<u>417,379</u>	<u>477,311</u>	<u>68,745,423</u>	<u>7,537,126</u>	<u>78,105,835</u>
Liabilities						
Segment total liabilities	<u>531,305</u>	<u>314,687</u>	<u>329,800</u>	<u>39,205,338</u>	<u>2,460,481</u>	<u>42,841,611</u>

15. COMMITMENTS AND CONTINGENT LIABILITIES

	30 June 2017	(Audited) 31 December 2016	30 June 2016
	KD	KD	KD
Commitments			
Capital commitments for construction	<u>4,074,079</u>	<u>3,194,883</u>	<u>6,894,507</u>
Capital commitments for software upgradation	<u>16,321</u>	<u>23,015</u>	<u>35,577</u>
Operating commitments for land	<u>1,681,812</u>	<u>1,052,000</u>	<u>1,052,000</u>
Minimum operating lease commitments under the operating lease are as follows:			
Not later than one year	156,676	90,500	90,500
Later than one year but not later than five years	626,704	362,000	362,000
Later than five years	898,432	599,500	599,500
	<u>1,681,812</u>	<u>1,052,000</u>	<u>1,052,000</u>
Contingent liabilities			
Letters of guarantee	<u>1,505,097</u>	<u>1,221,490</u>	<u>1,194,686</u>

16. TREASURY SHARES

	30 June 2017	(Audited) 31 December 2016	30 June 2016
Number of shares	582,448	582,448	582,448
Percentage of issued shares	0.48%	0.48%	0.48%
Market value (KD)	2,446,282	1,572,610	815,427

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 18 May 2017 approved the audited consolidated financial statements of the Group for the year ended 31 December 2016 and the payment of cash dividend of 160 fils per share to the shareholders (31 December 2015: 115 fils per share) on the outstanding shares to the registered shareholders as of the date of the Annual General Meeting.