

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



**INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION AND INDEPENDENT AUDITORS' REVIEW
REPORT FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 SEPTEMBER 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 September 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 nine-month periods then ended and the related interim condensed consolidated statements of changes in equity and cash flows for the nine-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

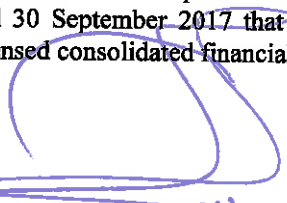
We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons 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, have occurred during the nine-month period ended 30 September 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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12 October 2017
Kuwait

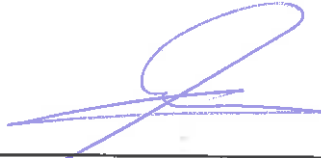

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HUMANSOFT HOLDING COMPANY K.S.C.P. AND SUBSIDIARIES

Interim Condensed Consolidated Statement of Financial Position as at 30 September 2017
(Unaudited)



		(Audited)		
		30 September 2017	31 December 2016	30 September 2016
	Notes	KD	KD	KD
ASSETS				
Current assets				
Cash and bank balances	3	20,868,890	19,824,506	14,177,121
Trade and other receivables	4	30,791,981	18,037,809	31,249,951
Inventories		69,870	67,412	79,324
		<u>51,730,741</u>	<u>37,929,727</u>	<u>45,506,396</u>
Non-current assets				
Property and equipment		46,912,489	39,769,288	35,638,068
Intangible assets		7,337,314	7,321,603	7,317,641
Investment in associates		614,738	629,218	582,793
Investment available for sale		-	468	468
		<u>54,864,541</u>	<u>47,720,577</u>	<u>43,538,970</u>
Total assets		<u>106,595,282</u>	<u>85,650,304</u>	<u>89,045,366</u>
LIABILITIES AND EQUITY				
Current liabilities				
Bank overdrafts	3	733,559	1,499,284	1,488,579
Short-term loan	6	-	2,000,000	2,000,000
Trade and other payables		1,217,033	1,419,479	1,252,988
Accruals and other liabilities		6,656,251	7,362,524	5,072,169
Deferred income	7	23,104,277	5,081,711	20,273,164
Retentions payable		1,689,525	1,094,119	1,319,028
Current portion of long-term debts	8	5,826,000	3,013,500	2,793,000
		<u>39,226,645</u>	<u>21,470,617</u>	<u>34,198,928</u>
Non-current liabilities				
Long-term debts	8	17,031,294	13,847,513	12,642,858
Provision for staff indemnity		2,556,918	2,080,800	1,960,104
		<u>19,588,212</u>	<u>15,928,313</u>	<u>14,602,962</u>
Total liabilities		<u>58,814,857</u>	<u>37,398,930</u>	<u>48,801,890</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		21,478,303	21,903,526	16,324,497
Foreign currency translation reserve		67,626	113,352	91,237
Total equity		<u>47,780,425</u>	<u>48,251,374</u>	<u>40,243,476</u>
Total liabilities and equity		<u>106,595,282</u>	<u>85,650,304</u>	<u>89,045,366</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 September 2017 (Unaudited)


	Notes	Three months ended		Nine months ended	
		30 September 2017	30 September 2016	30 September 2017	30 September 2016
		KD	KD	KD	KD
Revenues		13,670,923	11,550,191	43,829,530	38,775,252
Cost of operations	9	(2,870,619)	(2,667,560)	(10,038,120)	(8,992,515)
Gross profit		10,800,304	8,882,631	33,791,410	29,782,737
General and administrative expenses	10	(3,579,242)	(2,997,567)	(10,106,796)	(9,664,356)
Selling expenses	11	(765,443)	(410,216)	(2,712,932)	(2,324,370)
Finance charges		(333,571)	(310,336)	(965,704)	(869,812)
Share of profit of associates		3,960	11,663	17,636	22,804
Other income		28,496	56,228	156,374	221,998
Profit before contribution to Kuwait Foundation for Advancement of Sciences (“KFAS”), National Labour Support Tax (“NLST”), Zakat and Directors’ remuneration		6,154,504	5,232,403	20,179,988	17,169,001
Contribution to KFAS	12	(62,949)	(54,513)	(209,460)	(177,396)
NLST		(159,700)	(134,929)	(517,376)	(440,958)
Zakat		(64,865)	(56,121)	(213,679)	(181,407)
Directors’ remuneration		-	-	(200,000)	(150,000)
Profit for the period		5,866,990	4,986,840	19,039,473	16,219,240
Basic and diluted earnings per share (fils)	13	48	41	157	133

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 2017 to 30 September 2017 (Unaudited)



	Three months ended		Nine months ended	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	KD	KD	KD	KD
Profit for the period	<u>5,866,990</u>	<u>4,986,840</u>	<u>19,039,473</u>	<u>16,219,240</u>
Other comprehensive income				
<i>Items that may be reclassified subsequently to consolidated statement of profit or loss:</i>				
Foreign currency translation adjustments	<u>(13,548)</u>	<u>(7,590)</u>	<u>(45,726)</u>	<u>(24,986)</u>
Other comprehensive loss for the period	<u>(13,548)</u>	<u>(7,590)</u>	<u>(45,726)</u>	<u>(24,986)</u>
Total comprehensive income for the period	<u><u>5,853,442</u></u>	<u><u>4,979,250</u></u>	<u><u>18,993,747</u></u>	<u><u>16,194,254</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 September 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	-	-	-	-	-	-	19,039,473	(45,726)	18,993,747
Dividend (Note 17)	-	-	-	-	-	-	(19,464,696)	-	(19,464,696)
Balance as at 30 September 2017	12,223,680	1,512,000	6,111,840	6,111,840	(288,877)	564,013	21,478,303	67,626	47,780,425
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	-	-	-	-	-	-	16,219,240	(24,986)	16,194,254
Dividend (Note 17)	-	-	-	-	-	-	(13,990,250)	-	(13,990,250)
Purchase of treasury shares	-	-	-	-	(172,152)	-	-	-	(172,152)
Balance as at 30 September 2016	12,223,680	1,512,000	4,908,463	4,908,463	(288,877)	564,013	16,324,497	91,237	40,243,476

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 September 2017 (Unaudited)


	Notes	Nine months ended	
		30 September 2017	30 September 2016
		KD	KD
OPERATING ACTIVITIES			
Profit before provision for contribution to KFAS, NLST, Zakat and Directors' remuneration		20,179,988	17,169,001
Adjustments for:			
Depreciation and amortisation	10	1,763,537	1,377,828
Provision for staff indemnity		669,800	473,210
Allowance for doubtful debts		36,857	115,898
Gain on disposal of property and equipment		(111)	-
Gain on disposal of investment available for sale		(67,616)	-
Finance Charges		965,704	869,812
Share of Profit of associates		(17,636)	(22,804)
Interest income		-	(24)
		23,530,523	19,982,921
Increase in trade and other receivables		(12,791,289)	(15,639,015)
(Increase) / decrease in inventories		(2,458)	2,410
Decrease in trade and other payables		(202,446)	(322,720)
(Decrease) / increase in accruals and other liabilities		(599,383)	120,287
Increase in retentions payable		595,406	291,476
Increase in deferred income		18,022,566	14,984,692
		28,552,919	19,420,051
Payment of staff indemnity		(191,608)	(119,800)
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		26,977,077	18,313,226
INVESTING ACTIVITIES			
Purchase of property and equipment		(8,878,269)	(7,240,393)
Payment for intangible assets		(48,137)	(154,053)
Proceeds from disposal of property and equipment		111	-
Proceeds from disposal of investment available for sale		68,084	-
Interest income received		-	24
Net cash used in investing activities		(8,858,211)	(7,394,422)
FINANCING ACTIVITIES			
Purchase of treasury shares		-	(172,152)
Decrease in short-term loan		(2,000,000)	(2,000,000)
Finance charges paid		(937,667)	(867,790)
Increase in long-term debts (net)		5,996,281	2,879,603
Dividend paid		(19,355,903)	(13,905,358)
Net cash used in financing activities		(16,297,289)	(14,065,697)
Net increase / (decrease) in cash and cash equivalents		1,821,577	(3,146,893)
Effects of exchange rate changes on cash and cash equivalents		(11,468)	(19,837)
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	20,135,331	12,688,542

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 nine-month period ended 30 September 2017 was authorised for issue by the Board of Directors of the Parent Company on 12 October 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.

During the period the Group has adopted all the standards that came into effect for annual period beginning 1 January 2017. 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 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.

3. CASH AND BANK BALANCES

	30 September 2017	(Audited) 31 December 2016	30 September 2016
	KD	KD	KD
Cash and bank balances	20,868,890	19,824,506	14,177,121
Less: Bank overdrafts	(733,559)	(1,499,284)	(1,488,579)
Cash and cash equivalents	<u>20,135,331</u>	<u>18,325,222</u>	<u>12,688,542</u>

Overdraft facilities from local banks are denominated in KD and as at 30 September 2017 bear interest ranging from 2% - 2.5% (31 December 2016: 2% - 2.5% and 30 September 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 2,016,441 (31 December 2016: KD 1,250,716 and 30 September 2016: KD 1,261,421).

4. TRADE AND OTHER RECEIVABLES

	30 September 2017	(Audited) 31 December 2016	30 September 2016
	KD	KD	KD
Trade receivables	29,308,164	16,507,467	30,233,459
Less: Allowance for doubtful debts	(465,781)	(455,627)	(403,107)
	28,842,383	16,051,840	29,830,352
Prepaid expenses	712,549	700,443	608,029
Advance to suppliers	787,379	958,320	258,980
Staff receivables	312,859	50,948	82,698
Refundable deposits and other receivables	136,811	276,258	469,892
	<u>30,791,981</u>	<u>18,037,809</u>	<u>31,249,951</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		Nine months ended	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	KD	KD	KD	KD
a) Interim condensed consolidated statement of profit or loss				
General and administrative expenses	-	5,000	-	30,231
b) Compensation of key management personnel				
Short-term benefits	103,187	163,111	400,788	519,296
Post-employment benefits	88,543	6,991	103,907	41,792
	<u>191,730</u>	<u>170,102</u>	<u>504,695</u>	<u>561,088</u>

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

 Notes to the Interim Condensed Consolidated Financial Information – 30 September 2017
 (Unaudited)

6. SHORT TERM LOAN

	30 September 2017	(Audited) 31 December 2016	30 September 2016
	KD	KD	KD
Short-term loan	-	2,000,000	2,000,000

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 September 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 25,000,000 (31 December 2016: KD 23,000,000 and 30 September 2016: KD 23,000,000).

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 September 2017	(Audited) 31 December 2016	30 September 2016
	KD	KD	KD
Current portion	5,826,000	3,013,500	2,793,000
Non-current portion	17,031,294	13,847,513	12,642,858
	<u>22,857,294</u>	<u>16,861,013</u>	<u>15,435,858</u>

These debts are secured by mortgage of land with a carrying value of KD 5,297,030 (31 December 2016: KD 5,297,030 and 30 September 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 14,747,706 (31 December 2016: KD 10,300,987 and 30 September 2016: KD 5,962,142).

9. COST OF OPERATIONS

	Three months ended		Nine months ended	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	KD	KD	KD	KD
Staff salaries and related costs	2,718,296	2,520,534	9,571,470	8,556,210
Facilities costs	75,374	72,152	266,275	225,001
Material costs	73,764	72,188	190,403	199,703
Others	3,185	2,686	9,972	11,601
	<u>2,870,619</u>	<u>2,667,560</u>	<u>10,038,120</u>	<u>8,992,515</u>

10. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended		Nine months ended	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	KD	KD	KD	KD
Staff salaries and related costs	1,444,761	1,098,040	3,811,408	3,476,318
Facilities costs	623,527	610,111	1,974,278	2,546,940
Depreciation and amortisation	629,504	488,019	1,763,537	1,377,828
Other administrative expenses	881,450	801,397	2,557,573	2,263,270
	<u>3,579,242</u>	<u>2,997,567</u>	<u>10,106,796</u>	<u>9,664,356</u>

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

 Notes to the Interim Condensed Consolidated Financial Information – 30 September 2017
 (Unaudited)

11. SELLING EXPENSES

	Three months ended		Nine months ended	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	KD	KD	KD	KD
Staff salaries and related costs	87,226	82,232	256,977	272,090
Advertising and sales promotion	665,437	222,594	2,281,999	1,802,776
(Reversal)/allowance for doubtful debts	(23,444)	55,409	36,857	115,898
Others	36,224	49,981	137,099	133,606
	<u>765,443</u>	<u>410,216</u>	<u>2,712,932</u>	<u>2,324,370</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 in respect of a subsidiary:

	Three months ended		Nine months ended	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	KD	KD	KD	KD
Al Arabia Education Enterprises Company K.S.C. (Closed)	62,949	54,513	209,460	177,396
	<u>62,949</u>	<u>54,513</u>	<u>209,460</u>	<u>177,396</u>

13. BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share is calculated as follows:

	Three months ended		Nine months ended	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	KD	KD	KD	KD
Profit for the period	<u>5,866,990</u>	<u>4,986,840</u>	<u>19,039,473</u>	<u>16,219,240</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>(582,448)</u>	<u>(582,448)</u>	<u>(500,100)</u>
Weighted average number of outstanding shares	<u>121,654,352</u>	<u>121,654,352</u>	<u>121,654,352</u>	<u>121,736,700</u>
Basic and diluted earnings per share (fils)	<u>48</u>	<u>41</u>	<u>157</u>	<u>133</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
	KD	KD	KD	KD	KD	KD
Nine months ended 30 September 2017						
Segment revenues	839,189	655,113	607,874	41,727,354	-	43,829,530
Segment expenses	(909,914)	(587,237)	(521,471)	(18,853,296)	(1,362,908)	(22,234,826)
Depreciation and amortisation	(15,744)	(15,090)	(30,447)	(1,693,429)	(8,827)	(1,763,537)
Finance charges	-	-	-	(775,931)	(189,773)	(965,704)
Share of profit of associates	-	-	-	-	17,636	17,636
Other income	1,395	4,268	2,291	80,504	67,916	156,374
Profit / (loss) for the period	<u>(85,074)</u>	<u>57,054</u>	<u>58,247</u>	<u>20,485,202</u>	<u>(1,475,956)</u>	<u>19,039,473</u>
Assets						
Segment total assets	<u>720,258</u>	<u>476,972</u>	<u>577,630</u>	<u>97,105,722</u>	<u>7,714,700</u>	<u>106,595,282</u>
Liabilities						
Segment total liabilities	<u>527,601</u>	<u>308,250</u>	<u>323,155</u>	<u>55,591,467</u>	<u>2,064,384</u>	<u>58,814,857</u>

14. SEGMENT INFORMATION (CONTINUED)

	Training and career development programs	English training	Learning solutions	Higher education	Others	Total
	KD	KD	KD	KD	KD	KD
Nine months ended 30 September 2016						
Segment revenues	974,097	684,692	493,953	36,622,510	-	38,775,252
Segment expenses	(1,036,377)	(602,711)	(454,309)	(17,503,461)	(956,316)	(20,553,174)
Depreciation and amortisation	(20,268)	(18,004)	(19,061)	(1,316,407)	(4,088)	(1,377,828)
Finance charges	-	-	-	(639,654)	(230,158)	(869,812)
Share of profit of associates	-	-	-	-	22,804	22,804
Other income	5,248	3,230	-	201,833	11,687	221,998
Profit / (loss) for the period	<u>(77,300)</u>	<u>67,207</u>	<u>20,583</u>	<u>17,364,821</u>	<u>(1,156,071)</u>	<u>16,219,240</u>
Assets						
Segment total assets	<u>756,217</u>	<u>491,865</u>	<u>518,583</u>	<u>80,021,484</u>	<u>7,257,217</u>	<u>89,045,366</u>
Liabilities						
Segment total liabilities	<u>546,504</u>	<u>326,830</u>	<u>324,789</u>	<u>45,065,515</u>	<u>2,538,252</u>	<u>48,801,890</u>

15. COMMITMENTS AND CONTINGENT LIABILITIES

	30 September 2017	(Audited) 31 December 2016	30 September 2016
	KD	KD	KD
Commitments			
Capital commitments for construction	<u>7,429,900</u>	<u>3,194,883</u>	<u>6,070,123</u>
Capital commitments for software upgradation	<u>16,321</u>	<u>23,015</u>	<u>35,577</u>
Operating lease commitments for total of 261,190 Sq. meter of land leased by American University of the Middle East and American College of the Middle East from Kuwait Government	<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>1,506,905</u>	<u>1,221,490</u>	<u>1,213,813</u>

16. TREASURY SHARES

	30 September 2017	(Audited) 31 December 2016	30 September 2016
Number of shares	582,448	582,448	582,448
Percentage of issued shares	0.48%	0.48%	0.48%
Market value (KD)	2,294,845	1,572,610	908,619

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.