

**Humansoft Holding Company K.S.C.P.
and Subsidiaries**



**Interim condensed consolidated financial information
and independent auditor's review report
for the period from 1 January 2022 to 30 September 2022
(Unaudited)**

INDEX

	Page
Independent auditor’s report on review of interim condensed consolidated financial information	1
Interim condensed consolidated statement of financial position (unaudited)	2
Interim condensed consolidated statement of profit or loss (unaudited)	3
Interim condensed consolidated statement of profit or loss and other 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 the interim condensed consolidated financial information (unaudited)	7 - 13

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF HUMANSOFT HOLDING COMPANY K.S.C.P.

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 2022, and the related interim condensed consolidated statement of profit or loss and the 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 statement of changes in equity and the interim condensed consolidated statement of 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, as amended, or the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, or of the provisions of Law No 7 of 2010 concerning the Capital Markets Authority and its related regulations, as amended, have occurred during the nine-month period ended 30 September 2022 that might have had a material effect on the business of the Group or on its financial position.



Talal Y. Al-Muzaini
Licence No. 209A
Deloitte & Touche - Al-Wazzan & Co.

Interim condensed consolidated statement of financial position (Unaudited) as at 30 September 2022

	Notes	Kuwaiti Dinars		
		30 September 2022 (Unaudited)	31 December 2021 (Audited)	30 September 2021 (Unaudited)
ASSETS				
Current assets				
Cash and bank balances	3	76,462,388	84,632,720	63,799,382
Trade and other receivables	4	37,239,539	21,647,878	50,372,485
Inventories		4,716	5,119	5,104
Investment in associates		542,625	537,747	537,031
		<u>114,249,268</u>	<u>106,823,464</u>	<u>114,714,002</u>
Non-current assets				
Right-of-use assets		734,031	820,147	848,852
Property and equipment	6	41,810,819	43,985,962	44,521,072
Intangible assets	7	6,911,406	6,942,766	6,934,915
		<u>49,456,256</u>	<u>51,748,875</u>	<u>52,304,839</u>
Total assets		<u>163,705,524</u>	<u>158,572,339</u>	<u>167,018,841</u>
LIABILITIES AND EQUITY				
Current liabilities				
Trade and other payables		137,936	738,921	235,837
Accruals and other liabilities		4,940,418	5,910,424	6,253,892
Lease liabilities		202,561	207,332	208,832
Deferred income	8	28,480,850	9,369,142	37,571,216
Retentions payable		173,884	282,076	292,167
Current portion of long-term debts	9	2,400,000	2,400,000	2,400,000
		<u>36,335,649</u>	<u>18,907,895</u>	<u>46,961,944</u>
Non-current liabilities				
Lease liabilities		523,019	636,933	621,268
Long-term debts	9	521,723	2,321,723	2,921,723
Provision for staff indemnity		5,340,605	4,875,317	4,541,086
		<u>6,385,347</u>	<u>7,833,973</u>	<u>8,084,077</u>
Total liabilities		<u>42,720,996</u>	<u>26,741,868</u>	<u>55,046,021</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		9,894,240	9,894,240	9,894,240
Voluntary reserve		6,112,840	6,112,840	6,112,840
Treasury shares	16	(288,877)	(288,877)	(288,877)
Treasury shares reserve		564,013	564,013	564,013
Retained earnings		90,919,771	101,709,919	81,854,026
Foreign currency translation reserve		46,861	102,656	100,898
Total equity		<u>120,984,528</u>	<u>131,830,471</u>	<u>111,972,820</u>
Total liabilities and equity		<u>163,705,524</u>	<u>158,572,339</u>	<u>167,018,841</u>

Ms. Dalal Hasan Al-Sabti
Chairperson

The accompanying notes 1 to 18 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of profit or loss (Unaudited)
For the period from 1 January 2022 to 30 September 2022

		Kuwaiti Dinars			
		Three months period ended 30 September		Nine months period ended 30 September	
Notes	2022	2021	2022	2021	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
Revenue	18,407,709	13,535,159	62,629,830	67,745,161	
Cost of operations	10 (2,758,461)	(2,780,222)	(10,758,143)	(10,599,220)	
Gross profit	15,649,248	10,754,937	51,871,687	57,145,941	
General and administrative expenses	11 (3,719,793)	(3,976,176)	(10,693,392)	(10,779,077)	
Selling expenses	12 (820,704)	(875,925)	(2,210,753)	(1,994,923)	
Finance charges	(46,231)	(61,377)	(137,352)	(224,702)	
Share of loss of associates	-	-	(6,949)	(9,755)	
Other income	378,842	285,986	1,126,161	821,517	
Profit before contribution to Kuwait Foundation for Advancement of Sciences ("KFAS"), National Labour Support Tax ("NLST"), Zakat and Directors' remuneration	11,441,362	6,127,445	39,949,402	44,959,001	
Contribution to KFAS	(115,462)	(62,607)	(403,526)	(454,426)	
NLST	(288,971)	(159,557)	(1,014,070)	(1,127,986)	
Zakat	(117,168)	(65,071)	(410,213)	(458,866)	
Directors' remuneration	-	-	(250,000)	(200,000)	
Profit for the period	10,919,761	5,840,210	37,871,593	42,717,723	
Basic and diluted earnings per share (fils)	13 90	48	311	351	

The accompanying notes 1 to 18 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of profit or loss and other comprehensive income (Unaudited)
For the period from 1 January 2022 to 30 September 2022

	Kuwaiti Dinars			
	Three months period ended 30 September		Nine months period ended 30 September	
	2022	2021	2022	2021
	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>
Profit for the period	10,919,761	5,840,210	37,871,593	42,717,723
Other comprehensive income/(loss)				
<i>Items that may be reclassified subsequently to interim condensed consolidated statement of profit or loss:</i>				
Foreign currency translation adjustments	9,728	5,914	(55,795)	(5,362)
Other comprehensive income/ (loss) for the period	9,728	5,914	(55,795)	(5,362)
Total comprehensive income for the period	<u>10,929,489</u>	<u>5,846,124</u>	<u>37,815,798</u>	<u>42,712,361</u>

The accompanying notes 1 to 18 form an integral part of this interim condensed consolidated financial information.

**Interim condensed consolidated statement of changes in equity (Unaudited)
For the period from 1 January 2022 to 30 September 2022**

	Kuwaiti Dinars								
	Share capital	Share premium	Statutory reserve	Voluntary reserve	Treasury shares	Treasury shares reserve	Retained earnings	Foreign currency translation reserve	Total
Balance as at 1 January 2022	12,223,680	1,512,000	9,894,240	6,112,840	(288,877)	564,013	101,709,919	102,656	131,830,471
Total comprehensive income/ (loss) for the period	-	-	-	-	-	-	37,871,593	(55,795)	37,815,798
Dividend for the year 2021 (note 17)	-	-	-	-	-	-	(48,661,741)	-	(48,661,741)
Balance as at 30 September 2022	12,223,680	1,512,000	9,894,240	6,112,840	(288,877)	564,013	90,919,771	46,861	120,984,528
Balance as at 1 January 2021	12,223,680	1,512,000	9,894,240	6,112,840	(288,877)	564,013	87,798,044	106,260	117,922,200
Total comprehensive income/ (loss) for the period	-	-	-	-	-	-	42,717,723	(5,362)	42,712,361
Dividend for the year 2020 (note 17)	-	-	-	-	-	-	(48,661,741)	-	(48,661,741)
Balance as at 30 September 2021	12,223,680	1,512,000	9,894,240	6,112,840	(288,877)	564,013	81,854,026	100,898	111,972,820

The accompanying notes 1 to 18 form an integral part of this interim condensed consolidated financial information

Interim condensed consolidated statement of cash flows (Unaudited)
For the period from 1 January 2022 to 30 September 2022

	Notes	Kuwaiti Dinars	
		Nine months period ended	
		30 September	
		2022	2021
		(Unaudited)	(Unaudited)
OPERATING ACTIVITIES			
Profit before contribution to KFAS, NLST, Zakat and Directors' remuneration		39,949,402	44,959,001
Adjustments for:			
Depreciation and amortisation	11	2,573,436	3,229,561
Provision for staff indemnity		713,304	630,768
Allowance for expected credit loss (ECL) on financial assets	12	148,601	134,587
Gain on disposal of property and equipment		(1,940)	(4,440)
Property and equipment and intangible assets written off		24,274	86,152
Finance charges		137,352	224,702
Share of loss of associates		6,949	9,755
Discount on lease payments		-	(65,282)
Interest income		(995,009)	(611,954)
Operating profit before working capital changes		42,556,369	48,592,850
Changes in working capital:			
Trade and other receivables		(15,624,907)	(22,172,724)
Inventories		403	286
Trade and other payables		(600,985)	(316,957)
Accruals and other liabilities		(57,535)	1,010,404
Deferred income		19,111,708	19,084,366
Retentions payable		(108,192)	31,985
		45,276,861	46,230,210
Payment of staff indemnity		(248,499)	(604,918)
Payment of KFAS		(663,457)	(409,448)
Payment of NLST		(1,655,063)	(1,000,182)
Payment of Zakat		(670,751)	(416,928)
Payment of Directors' remuneration		(250,000)	(200,000)
Net cash generated from operating activities		41,789,091	43,598,734
INVESTING ACTIVITIES			
Purchase of property and equipment	6	(267,382)	(147,644)
Payments for intangible assets	7	(37,655)	(65,554)
Proceeds from disposal of property and equipment		2,000	4,717
Interest income received		879,633	751,639
Movement in margin deposits and restricted balances		(233,926)	(747,672)
Maturity of term deposits		23,500,000	4,000,000
Net cash generated from investing activities		23,842,670	3,795,486
FINANCING ACTIVITIES			
Finance charges paid		(100,909)	(202,410)
Repayment of lease liabilities		(156,676)	(91,394)
Dividend paid		(48,411,204)	(48,374,827)
Repayment to bank		(1,800,000)	(5,557,542)
Net cash used in financing activities		(50,468,789)	(54,226,173)
Net increase/(decrease) in cash and cash equivalents		15,162,972	(6,831,953)
Effects of exchange rate changes on cash and cash equivalents		(67,230)	(5,601)
Cash and cash equivalents at beginning of the period		11,029,957	17,332,043
Cash and cash equivalents at end of the period	3	26,125,699	10,494,489

The accompanying notes 1 to 18 form an integral part of this interim condensed consolidated financial information.

**Notes to the interim condensed consolidated financial information (Unaudited)
For the period from 1 January 2022 to 30 September 2022**

1. Ownership and activities

Humansoft Holding Company K.S.C.P. ("the Parent Company") is a Kuwaiti shareholding company incorporated on 14 September 1997. The Parent Company and its subsidiaries are together referred to as "the Group".

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 to companies in which it owns shares and guaranteeing them with third parties. In this case, the Parent 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 Parent Company through investing in portfolios managed by specialized companies.

The Parent Company is listed on Boursa Kuwait 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 2022 was authorised for issue by the Board of Directors of the Parent Company on 31 October 2022.

2. Basis of preparation and 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 consolidated 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 2021.

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 2022. For further information, refer to the annual audited consolidated financial statements and notes thereto for the year ended 31 December 2021.

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

2.2 New standards and amendments effective from 1 January 2022

The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those used in the previous financial year, except for the amendments to IFRSs which are effective for annual accounting period starting from 1 January 2022.

Reference to the Conceptual Framework – Amendments to IFRS 3

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements.

Notes to the interim condensed consolidated financial information (Unaudited)
For the period from 1 January 2022 to 30 September 2022

The amendments add an exception to the recognition principle of IFRS 3 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

These amendments had no impact on the interim condensed consolidated financial statements of the Group as there were no contingent assets, liabilities and contingent liabilities within the scope of these amendments arisen during the period.

Other amendments to IFRSs which are effective for annual accounting period starting from 1 January 2022 did not have any material impact on the accounting policies, financial position or performance of the Group.

2.3 Judgments 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. The key sources of estimates and judgements are consistent with those disclosed in the annual audited consolidated financial statements of the Group for the year ended 31 December 2021.

The outbreak of coronavirus ("COVID-19") pandemic across the globe has caused disruption to business and economic activities and uncertainties in the global economic environment. Management assessed the impact of the pandemic on the significant estimates and judgements applied by them in arriving at the Group's reported amounts of financial and non-financial assets as of 30 September 2022 and concluded that there is no material impact on the Group's assets and liabilities. Management also assessed that the Group has adequate liquidity to settle its current liabilities.

Management is continuously revising their assumptions, estimates and judgements and monitoring the liquidity position as events unfold.

3. Cash and bank balances

	Kuwaiti Dinars		
	30 September 2022 (Unaudited)	31 December 2021 (Audited)	30 September 2021 (Unaudited)
Cash on hand	31,948	19,165	38,040
Balance with banks	26,930,440	11,613,555	11,261,342
Term deposits with bank	49,500,000	73,000,000	52,500,000
Cash and bank balances	<u>76,462,388</u>	<u>84,632,720</u>	<u>63,799,382</u>
Less: Margin deposits with banks whose original maturity period exceeds three months from the date of acquisition, included above	(18,078)	(34,689)	(35,467)
Less: Restrcted balance	(818,611)	(568,074)	(769,426)
Less: Term deposits with bank whose original maturity period exceeds three months from the date of acquisition, included above	<u>(49,500,000)</u>	<u>(73,000,000)</u>	<u>(52,500,000)</u>
Cash and cash equivalents in the interim condensed consolidated statement of cash flows	<u><u>26,125,699</u></u>	<u><u>11,029,957</u></u>	<u><u>10,494,489</u></u>

**Notes to the interim condensed consolidated financial information (Unaudited)
For the period from 1 January 2022 to 30 September 2022**

Term deposits are denominated in Kuwaiti Dinars and are placed with a local bank carrying an effective rate of interest ranging from 2.37% (31 December 2021: 2.25% and 30 September 2021: 2.24%) per annum.

As at 30 September 2022, the undrawn bank overdraft facilities amounted to KD 6,000,000 (31 December 2021: KD 6,000,000 and 30 September 2021: KD 2,750,000).

Margin deposits with banks are held against letter of guarantees facilities from local commercial banks.

Restricted balance represents cash with a bank restricted for dividend payments to the shareholders.

4. Trade and other receivables

	Kuwaiti Dinars		
	30 September 2022 (Unaudited)	31 December 2021 (Audited)	30 September 2021 (Unaudited)
Trade receivables	36,100,262	20,604,169	49,706,095
Less: Provision for ECL	(913,160)	(783,619)	(828,809)
	<u>35,187,102</u>	<u>19,820,550</u>	<u>48,877,286</u>
Advance to suppliers	176,713	366,081	211,713
Staff receivables	201,066	105,859	75,908
Refundable deposits	82,978	83,861	84,015
Prepaid expenses and other receivables	1,591,680	1,271,527	1,123,563
	<u>37,239,539</u>	<u>21,647,878</u>	<u>50,372,485</u>

5. Related party transactions

Related parties comprise of 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:

	Kuwaiti Dinars			
	Three months period ended 30 September		Nine months period ended 30 September	
	2022 (Unaudited)	2021 (Unaudited)	2022 (Unaudited)	2021 (Unaudited)
Compensation of key management personnel				
Short-term benefits and post-employment benefits	<u>97,526</u>	<u>141,884</u>	<u>335,635</u>	<u>462,927</u>

6. Property and equipment

	Kuwaiti Dinars		
	30 September 2022 (Unaudited)	31 December 2021 (Audited)	30 September 2021 (Unaudited)
Net fixed assets	41,797,894	43,179,392	43,927,754
Capital work in progress	12,925	806,570	593,318
	<u>41,810,819</u>	<u>43,985,962</u>	<u>44,521,072</u>

During the nine-month period ended 30 September 2022, the Group acquired property and equipment amounting to KD 267,382 (30 September 2021: KD 147,644). Depreciation charged for the period amounted to KD 2,442,476 (30 September 2021: KD 3,083,869).

Notes to the interim condensed consolidated financial information (Unaudited)
For the period from 1 January 2022 to 30 September 2022

7. Intangible assets

	Kuwaiti Dinars		
	30 September 2022 (Unaudited)	31 December 2021 (Audited)	30 September 2021 (Unaudited)
University and college licenses	6,752,000	6,752,000	6,752,000
Other intangible assets	159,406	190,766	182,915
	<u>6,911,406</u>	<u>6,942,766</u>	<u>6,934,915</u>

During the nine-month period ended 30 September 2022, the Group acquired intangible assets amounting to KD 37,655 (30 September 2021: KD 65,554). Amortisation charged for the period amounted to KD 44,844 (30 September 2021: KD 59,575).

8. Deferred income

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

9. Long-term debts

	Kuwaiti Dinars		
	30 September 2022 (Unaudited)	31 December 2021 (Audited)	30 September 2021 (Unaudited)
Current portion	2,400,000	2,400,000	2,400,000
Non-current portion	521,723	2,321,723	2,921,723
	<u>2,921,723</u>	<u>4,721,723</u>	<u>5,321,723</u>

These debts are secured by mortgage of freehold land with a carrying value of KD 5,297,030 (31 December 2021: KD 5,297,030 and 30 September 2021: KD 5,297,030) included in property and equipment. The above loans carry an effective interest rate of 4.50% (31 December 2021 : 3% and 30 September 2021 : 3%) per annum.

10. Cost of operations

	Kuwaiti Dinars			
	Three months period ended 30 September		Nine months period ended 30 September	
	2022 (Unaudited)	2021 (Unaudited)	2022 (Unaudited)	2021 (Unaudited)
Staff salaries and related costs	2,734,724	2,732,967	10,702,448	10,519,619
Facilities costs	22,544	46,596	53,579	77,532
Others	1,193	659	2,116	2,069
	<u>2,758,461</u>	<u>2,780,222</u>	<u>10,758,143</u>	<u>10,599,220</u>

11. General and administrative expenses

	Kuwaiti Dinars			
	Three months period ended 30 September		Nine months period ended 30 September	
	2022 (Unaudited)	2021 (Unaudited)	2022 (Unaudited)	2021 (Unaudited)
Staff salaries and related costs	1,040,442	1,126,309	3,350,036	3,557,037
Facilities costs	532,003	809,540	1,445,285	1,536,808
Depreciation and amortisation	841,437	1,348,027	2,573,436	3,229,561
Student activities costs	250,907	240,528	1,219,888	1,019,940
Other administration expenses	1,055,004	451,772	2,104,747	1,435,731
	<u>3,719,793</u>	<u>3,976,176</u>	<u>10,693,392</u>	<u>10,779,077</u>

Notes to the interim condensed consolidated financial information (Unaudited)
For the period from 1 January 2022 to 30 September 2022

12. Selling expenses

	Kuwaiti Dinars			
	Three months period ended 30 September		Nine months period ended 30 September	
	2022	2021	2022	2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Advertising and sales promotion expenses	696,001	673,423	1,947,591	1,713,848
Staff salaries and related costs	508	2,253	2,965	21,166
Allowance for expected credit loss	97,031	144,943	148,601	134,587
Others	27,164	55,306	111,596	125,322
	<u>820,704</u>	<u>875,925</u>	<u>2,210,753</u>	<u>1,994,923</u>

13. Basic and diluted earnings per share

Basic and diluted earnings per share is calculated as follows:

	Kuwaiti Dinars			
	Three months period ended 30 September		Nine months period ended 30 September	
	2022	2021	2022	2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit for the period	<u>10,919,761</u>	<u>5,840,210</u>	<u>37,871,593</u>	<u>42,717,723</u>
Number of shares outstanding:	Shares			
Weighted average number of paid up shares	122,236,800	122,236,800	122,236,800	122,236,800
Less: Weighted average number of treasury shares outstanding	<u>(582,448)</u>	<u>(582,448)</u>	<u>(582,448)</u>	<u>(582,448)</u>
Weighted average number of outstanding shares	<u>121,654,352</u>	<u>121,654,352</u>	<u>121,654,352</u>	<u>121,654,352</u>
Basic and diluted earnings per share (fils)	<u>90</u>	<u>48</u>	<u>311</u>	<u>351</u>

14. Segment information

Primary segment information – business segments:

All of the segment revenue reported below is from external customers. For the purpose of segment reporting, the Parent Company's management has grouped its activities into the following business segments:

- a) Higher Education
- b) Others

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

Notes to the interim condensed consolidated financial information (Unaudited)
For the period from 1 January 2022 to 30 September 2022

Segment information by business segments is as follows:

	Kuwaiti Dinars		
	Nine months period ended 30 September 2022 (Unaudited)		
	Higher education	Others	Total
Segment revenues - point over time	62,456,188	173,642	62,629,830
Segment expenses	(21,456,575)	(1,685,812)	(23,142,387)
Depreciation and amortisation	(2,557,173)	(16,263)	(2,573,436)
Write off of intangible assets	(16)	(24,258)	(24,274)
Finance charges	(136,822)	(530)	(137,352)
Share of loss of associates	-	(6,949)	(6,949)
Other income	1,091,601	34,560	1,126,161
Profit/(loss) for the period	39,397,203	(1,525,610)	37,871,593

Assets

Segment total assets	155,095,642	8,609,882	163,705,524
----------------------	-------------	-----------	-------------

Liabilities

Segment total liabilities	40,398,542	2,322,454	42,720,996
---------------------------	------------	-----------	------------

	Kuwaiti Dinars		
	Nine months period ended 30 September 2021 (Unaudited)		
	Higher education	Others	Total
Segment revenues - point over time	67,563,461	181,700	67,745,161
Segment expenses	(20,129,527)	(2,169,348)	(22,298,875)
Depreciation and amortisation	(3,196,943)	(32,618)	(3,229,561)
Property and equipment and intangible assets written off	(86,062)	-	(86,062)
Finance charges	(223,931)	(771)	(224,702)
Share of loss of associates	-	(9,755)	(9,755)
Other income	679,983	141,534	821,517
Profit/(loss) for the period	44,606,981	(1,889,258)	42,717,723

Assets

Segment total assets	155,971,555	11,047,286	167,018,841
----------------------	-------------	------------	-------------

Liabilities

Segment total liabilities	52,485,705	2,560,316	55,046,021
---------------------------	------------	-----------	------------

15. Commitments and contingent liabilities

	Kuwaiti Dinars		
	30 September 2022 (Unaudited)	31 December 2021 (Audited)	30 September 2021 (Unaudited)
Commitments			
Capital commitments for construction	71,836	54,411	266,912
Contingent liabilities			
Letters of guarantee	2,164,449	1,481,893	1,482,778

Notes to the interim condensed consolidated financial information (Unaudited)
For the period from 1 January 2022 to 30 September 2022

16. Treasury shares

	30 September 2022 (Unaudited)	31 December 2021 (Audited)	30 September 2021 (Unaudited)
Number of shares	582,448	582,448	582,448
Percentage of issued shares	0.48%	0.48%	0.48%
Market value (KD)	1,907,517	1,877,812	1,920,914

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. The balance in the treasury share reserve account is not available for distribution.

17. Annual general meeting

The shareholders' annual general meeting (AGM) held on 20 March 2022 approved the audited consolidated financial statements of the Group for the year ended 31 December 2021. Dividend of 400 fils per share was approved by shareholders in the AGM for the year ended 31 December 2021 (2020: 400 fils). Directors' remuneration of KD 250,000 for the year ended 31 December 2021 (2020: KD 200,000) was approved by shareholders in the AGM.

18. Comparative figures

Certain prior period amounts have been reclassified to conform to current period presentation with no effect on net profit or equity.