Amanat Holdings PJSC

Condensed consolidated interim financial statements
For the period ended 30 June 2016

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Independent auditor's report on review of condensed consolidated interim financial information

KPMG

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Independent auditors' report on review of condensed consolidated interim financial information

The Shareholders
Amanat Holdings P.J.S.C.

Introduction

We have reviewed the accompanying 30 June 2016 condensed consolidated interim financial information of Amanat Holdings PJSC ("the Company") and its subsidiaries (collectively referred to as "the Group"), which compromise:

- the condensed consolidated interim statement of financial position as at 30 June 2016;
- the condensed consolidated interim statement of profit or loss for the three-month and six-month periods ended 30 June 2016;
- the condensed consolidated interim statement of profit or loss and other comprehensive income for the three-month and six-month periods ended 30 June 2016;
- the condensed consolidated interim statement of changes in equity for the six-month period ended 30 June 2016;
- the condensed consolidated interim statement of cash flows for the six-month period ended 30 June 2016; and
- notes to the condensed consolidated interim financial information.

Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim 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 30 June 2016 review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG

KPMG Lower Gulf Limited
Fawzi AbuRass
Registration No: 968
Dubai, United Arab Emirates

Date:

07 AUG 2016

Amanat Holdings PJSC

Condensed consolidated interim statement of financial position
As at 30 June 2016

	Note	At 30 June 2016 AED'000 (Un-audited)	At 31 December 2015 AED'000 (Audited)
ASSETS			
Non-current assets			
Property and equipment		1,982	1,085
Investment in an associate	3	359,746	206,184
Total non-current assets		361,728	207,269
Current assets			
Available-for-sale investments	4	-	10,018
Deposits and prepayments	5	2,192	2,128
Other assets	6	27,292	8,378
Due from a related party	16	731	222
Cash and bank balances	7	2,156,846	2,337,585
Total current assets		2,187,061	2,358,331
Total assets		2,548,789	2,565,600
EQUITY AND LIABILITIES			
EQUITY			
Share capital	8	2,500,000	2,500,000
Share issuance reserve	9	5,718	5,718
Unrealised gain on available-for-sale investments		-	1,416
Retained earnings		26,768	40,467
Statutory reserve	19	5,058	5,058
Legal reserve	20	5,058	5,058
Total equity attributable to the owners of the Company		2,542,602	2,557,717
LIABILITIES			
Current liabilities			
Trade and other payables	10	6,187	7,883
Total liabilities		6,187	7,883
Total equity and liabilities		2,548,789	2,565,600

The notes set out on pages 8 to 19 form an integral part of these condensed consolidated interim financial statements

These condensed consolidated interim financial statements were approved by the Board of Directors on 07 AUG 2016 and signed on its behalf by:

Chairman
Name: Faisal Juma Khalfan Belhoul AL Falasi

Director
Name: Khalfan Juma Khalfan Belhoul

The Independent auditor's report on review of condensed consolidated interim financial information is set out on page 1.

Amanat Holdings PJSC

Condensed consolidated interim statement of profit or loss

For the period ended 30 June 2016

	Note	**For the 6 month period ended 30 June 2016 AED'000 (Un-audited)**	For the 6 month period ended 30 June 2015 AED'000 (Un-audited)	**For the 3 month period ended 30 June 2016 AED'000 (Un-audited)**	For the 3 month period ended 30 June 2015 AED'000 (Un-audited)
Income					
Interest income	*11*	**31,067**	14,640	**15,495**	6,451
Dividend income		**146**	-	**146**	
Realised gain on sale of available-for-sale investments		**1,268**	-	**191**	-
		32,481	14,640	**15,832**	6,451
Expenses					
Employee related expenses	*12*	**(11,335)**	(8,805)	**(5,653)**	(4,628)
General and administrative expenses	*13*	**(5,085)**	(4,239)	**(1,360)**	(1,699)
Total operating expenses		**(16,420)**	(13,044)	**(7,013)**	(6,327)
Share of profit of equity-accounted investee	*3*	**7,740**	-	**5,526**	-
Net profit for the period (Attributable to shareholders of the Company)		**23,801**	1,596	**14,345**	124
Basic and diluted earnings per share (AED)	*14*	**0.0095**	0.0006	**0.0057**	0.0000

The notes set out on pages 8 to 19 form an integral part of these condensed consolidated interim financial statements.

The Independent auditor's report on review of condensed consolidated interim financial information is set out on page 1.

Amanat Holdings PJSC

Condensed consolidated interim statement of profit or loss and other comprehensive income
For the period ended 30 June 2016

	Note	**For the 6 month period ended 30 June 2016 AED'000 (Un-audited)**	For the 6 month period ended 30 June 2015 AED'000 (Un-audited)	**For the 3 month period ended 30 June 2016 AED'000 (Un-audited)**	For the 3 month period ended 30 June 2015 AED'000 (Un-audited)
Net profit for the period (Attributable to shareholders of the Company)		**23,801**	1,596	**14,345**	124
Other comprehensive income					
Available-for-sale investment – net change in fair value	*4*	**(148)**	13,505	**(420)**	13,505
Available-for-sale investment – reclassified to profit or loss		**(1,268)**	-	**(191)**	-
Total comprehensive income for the period (Attributable to shareholders of the Company)		**22,385**	15,101	**13,734**	13,629

The notes set out on pages 8 to 19 form an integral part of these condensed consolidated interim financial statements.

The Independent auditor's report on review of condensed consolidated interim financial information is set out on page 1.

Amanat Holdings PJSC

Condensed consolidated interim statement of changes in equity (Un-audited)
For the period ended 30 June 2016

	Note	Share capital AED'000	Share issuance reserve AED'000	Unrealised gain on available-for-sale investments AED'000	Retained earnings AED'000	Statutory reserve AED'000	Legal reserve AED'000	Total AED'000
As at 1 January 2015		2,500,000	2,996	-	(14,499)	-	-	2,488,497
Less: Reversal of share issuance and IPO expenses		-	2,722	-	-	-	-	2,722
Profit for the period		-	-	-	1,596	-	-	1,596
Available-for-sale investments – net change in fair value		-	-	13,505	-	-	-	13,505
As at 30 June 2015		2,500,000	5,718	13,505	(12,903)	-	-	2,506,320
As at 1 January 2016		**2,500,000**	**5,718**	**1,416**	**40,467**	**5,058**	**5,058**	**2,557,717**
Profit for the period		-	-	-	**23,801**	-	-	**23,801**
Available-for-sale investments – net change in fair value	*4*	-	-	**(148)**	-	-	-	**(148)**
Available-for-sale investments – reclassified to profit or loss		-	-	**(1,268)**	-	-	-	**(1,268)**
Dividend paid	*21*	-	-	-	**(37,500)**	-	-	**(37,500)**
As at 30 June 2016		**2,500,000**	**5,718**	-	**26,768**	**5,058**	**5,058**	**2,542,602**

The notes set out on pages 8 to 19 form an integral part of these condensed consolidated interim financial statements.

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Amanat Holdings PJSC

Condensed consolidated interim statement of cash flows
For the period ended 30 June 2016

	Note	**For the 6 month period ended 30 June 2016 AED'000**	For the 6 month period ended 30 June 2015 AED'000
Operating activities			
Profit for the period		**23,801**	1,596
Adjustments:			
Less: Interest income		**(31,067)**	(14,640)
Less: Gain on sale of available-for-sale investment		**(1,268)**	-
Less: Share of profits from associate		**(7,740)**	-
Less: Dividend income		**(146)**	
Add: Depreciation		**220**	23
		(16,200)	(13,021)
Adjustment for changes in:			
Trade and other payables		**(1,696)**	(2,199)
Prepayments and deposits	*5*	**(64)**	86
Other assets	*6*	**(699)**	(3,631)
Due from a related party	*16*	**(509)**	-
Interest received		**12,852**	4,077
Net cash used in operating activities		**(6,316)**	(14,688)
Investing activities			
Acquisition of property and equipment		**(1,117)**	(448)
Consideration paid for investments	*4*	**(149,466)**	(249,998)
Net movement in Wakala and Term deposits	*7*	**(410,121)**	637,500
Proceeds from sale of available-for-sale investment	*4*	**13,514**	-
Dividend income		**146**	-
Net (cash used) / generated from investing activities		**(547,044)**	387,054
Financing activities			
Share issuance and IPO expenses paid		**-**	(17,942)
Dividend paid		**(37,500)**	-
Net cash used in financing activities		**(37,500)**	(17,942)
Net (decrease) / increase in cash and cash equivalents		**(590,860)**	354,424
Cash and cash equivalents at the beginning of the period		**622,585**	38,703
Net balance of cash and cash equivalents at the end of the period	*7*	**31,725**	393,127

The notes set out on pages 8 to 19 form an integral part of these condensed consolidated interim financial statements.

The Independent auditor's report on review of condensed consolidated interim financial information is set out on page 1.

1 BACKGROUND AND PRINCIPAL ACTIVITIES

Amanat Holdings PJSC ("the Company") was incorporated on 17 November 2014 and is registered as a Public Joint Stock Company. Following the Initial Public Offering ("IPO") which commenced on 20 October 2014 and closed on 4 November 2014, the Company listed on the Dubai Financial Market. These condensed consolidated interim financial statements include the financial performance and position of the Company and its subsidiaries (collectively the "Group").

The principal activities of the Group are to invest in companies and enterprises in the fields of education and healthcare and managing, developing and operating such companies and enterprises. The Group may participate or have an interest in any manner in other companies, entities or institutions outside the United Arab Emirates.

The Group has five Limited Liability Companies and four offshore Jebel Ali Free Zone Authority companies (the "Group companies"). The Group also has investments in an associates. The extent of the Company's ownership in its subsidiaries and its associates with their principal activities are as follows:

Name	Legal ownership interest	Country of incorporation	Principal Activities
Subsidiaries			
Amanat Investments L.L.C.	*100%*	United Arab Emirates	Investment in commercial enterprises and management.
Amanat Education Investments L.L.C.	*100%*	United Arab Emirates	Investment in education and commercial enterprises, development and management.
Amanat Healthcare Investments L.L.C.	*100%*	United Arab Emirates	Investment in healthcare and commercial enterprises, development and management.
Amanat H.H. Alpha Investments L.L.C.	*100%*	United Arab Emirates	Investment in healthcare and commercial enterprises, development and management.
Amanat H.E. Alpha Investments L.L.C.	*100%*	United Arab Emirates	Investment in education and commercial enterprises, development and management.
Amanat H.E. Investments L.L.C.	*100%*	United Arab Emirates	Investment in education and commercial enterprises, development and management.
A.H.H. Investments Limited	*100%*	United Arab Emirates	Investment in healthcare and commercial enterprises, development and management.
A.H.E. Investments Limited	*100%*	United Arab Emirates	Investment in education and commercial enterprises, development and management.
AHE Alpha Limited	*100%*	United Arab Emirates	Investment in education and commercial enterprises, development and management.
AHH Alpha Limited	*100%*	United Arab Emirates	Investment in healthcare and commercial enterprises, development and management.
Talent Investments L.L.C	*100%*	United Arab Emirates	Investment in education and commercial enterprises, development and management.

The subsidiaries mentioned above, except for Amanat Healthcare Investments L.L.C. and Amanat Education Investments L.L.C., have not started any operations up until 30 June 2016.

1 BACKGROUND AND PRINCIPAL ACTIVITIES (continued)

Name	Legal ownership interest	Country of incorporation	Principal Activities
Associates			
Sukoon International Holding Company	*33.25%*	Kingdom of Saudi Arabia	Long-term and critical healthcare
Madaares PrJSC	*16.34%*	United Arab Emirates	Leading education provider in U.A.E

The subsidiaries mentioned above, except for Amanat Healthcare Investments L.L.C. and Amanat Education Investments L.L.C., have not started any operations up until 30 June 2016.

2 BASIS OF PREPARATION

a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting*. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the period ended 31 December 2015. These condensed consolidated interim financial statements do not include all of the information required for a full set of annual consolidated financial statements, and should be read in conjunction with the consolidated annual financial statements of the Group as at and for the period ended 31 December 2015.

b) Foreign currency translation

Functional and presentation currency

Items included in the condensed consolidated interim financial statements of the Group are measured using the currency of primary economic environment in which the Group operates ("The functional currency"). The condensed consolidated interim financial statements are presented in United Arab Emirates Dirham ("AED"), which is the Group's functional currency.

Transactions and balances

Transactions denominated in foreign currencies are translated into AED at exchange rates prevailing at the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into AED at exchange rates prevailing at the balance sheet date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into AED at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. All gains and losses from settlement and translation of foreign currency transactions are generally recognised in the statement of profit or loss.

2 BASIS OF PREPARATION *(continued)*

b) Foreign currency translation (continued)

However, foreign currency differences arising from the translation of the following items are recognised in OCI:

- available-for-sale equity investments (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

c) Key accounting estimates & judgments

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

In preparing these condensed consolidated interim financial statements, significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the period ended 31 December 2015.

d) Financial risk management

The Group's financial risk management objectives, policies and procedures are consistent with those disclosed in the consolidated financial statements as at and for the period ended 31 December 2015.

e) Summary of significant accounting policies

The accounting policies applied by the Group in preparation of these condensed consolidated interim financial statements are consistent with those applied by the Group in its consolidated financial statements as at and for the period ended 31 December 2015 except for the adoption of new IFRSs which became effective for the period beginning 1 January 2016.

The adoption of the new and amended standards and interpretations have been reflected in these condensed consolidated interim financial statements as appropriate in terms of disclosures but do not have an impact on the financial position or performance of the Group during the period.

3 INVESTMENT IN AN ASSOCIATE

a) Sukoon International Holding Company

Investment in an associate includes an equity investment of 33.25% in Sukoon International Holding Company ("Sukoon"). This investment is accounted for it in accordance with the equity accounting methodology as per IAS 28 – Investments in associates and joint ventures.

The following summarises the financial information of the Associate and reconciles the summarised financial information to the carrying amount of the Group's interest in Sukoon for the period ended 30 June 2016.

	30 June 2016 AED'000 (Un-audited)
Investment in associate at 1 January 2016	**206,184**
Group's share of net profits for the period ended 30 June 2016	**7,135**
Investment in associate	**213,319**

The Group's interest in Sukoon at 31 December 2015 was 35%. An acquisition by Sukoon through a stock for stock consideration via capital increase has reduced the Group's holding in Sukoon to 33.25%.

	As at 30 June 2016 AED '000 (Un-audited)	As at 31 December 2015 AED '000 (Audited)
Assets	**592,321**	565,607
Liabilities	**(194,519)**	(196,064)
Net assets	**397,802**	369,543
Group's share in net assets at 33.25%	**132,269**	129,340

	For the 6 month period ended 30 June 2016 AED '000 (Un-audited)	For the 6 month period ended 30 June 2015 AED '000 (Un-audited)
Revenue	**106,386**	-
Profit	**21,459**	-
Group's share of profit at 33.25%	**7,135**	-

3 INVESTMENT IN AN ASSOCIATE *(continued)*

b) Madaares PrJSC

The Group owns 16.34% of the equity of Madaares PrJSC, which it had classified as an Available for sale investment until June 2016. As a result of additional rights granted to the Group in June 2016 it concluded that it had the ability to exercise a significant influence over the operational and financial policies of this entity and, accordingly, accounted for this entity as an associated undertaking with effect from this date.

The following summarises the Group's interest in this associated undertaking for the period ended 30 June 2016.

	30 June 2016 AED'000 (Un-audited)
Investment in associate at 14 Jun 2016	**145,822**
Group's share of net profits for the period ended 30 June 2016	**605**
Investment in associate	**146,427**

The process of evaluating the fair value of the identifiable net assets acquired as part of the acquisition is currently ongoing.

4 AVAILABLE-FOR-SALE INVESTMENTS

	30 June 2016 AED'000 (Un-audited)	31 December 2015 AED'000 (Audited)
Opening balance	**10,018**	-
Acquired during the period	**149,466**	249,998
Net change in fair value	**(148)**	57,617
Disposal during the period	**(13,514)**	(297,597)
Transfer to investment in associate (note 3b)	**(145,822)**	-
Available-for-sale investment	**-**	10,018

Available-for-sale investments included the investment made by the Group in Madaares PrJSC, incorporated in Dubai, where the Group acquired a 16.34% equity stake for consideration of AED 145.8 million. This investment was reclassified from Available-for-sale investments to investments in associates with effect from 14 June 2016.

5 DEPOSITS AND PREPAYMENTS

	30 June 2016 AED'000 (Un-audited)	31 December 2015 AED'000 (Audited)
Deposits	1,003	1,019
Prepayments	1,189	1,109
	2,192	2,128

6 OTHER ASSETS

	30 June 2016 AED'000 (Un-audited)	31 December 2015 AED'000 (Audited)
Accrued interest	25,239	7,024
Transaction related costs	2,053	1,257
Other receivables	-	97
	27,292	8,378

7 CASH AND BANK BALANCES

	30 June 2016 AED'000 (Un-audited)	31 December 2015 AED'000 (Audited)
Call deposits	1,883	17,408
Current account	29,817	605,152
Cash on hand	25	25
Cash and cash equivalents for cash flow statement	31,725	622,585
Wakala deposits	860,000	885,000
Term deposits	1,265,121	830,000
	2,156,846	2,337,585

During the period ended 30 June 2016, the Company earned interest at an average rate of 0.25% per annum (Period ended 31 December 2015: 1%) on its call deposits and 2.88% per annum on its Wakala, and Term deposits combined together (Period ended 31 December 2015: 2.61 %).

8 SHARE CAPITAL

As at 30 June 2016, 2,500,000,000 authorised ordinary shares of AED 1 each were fully issued and paid up. Holders of these ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Group.

During the Annual General Meeting which was held on 18 April 2016, the authorised capital of the Company was increased to AED 5 billion.

9 SHARE ISSUANCE RESERVE

	30 June 2016 AED'000 (Un-audited)	31 December 2015 AED'000 (Audited)
Amounts raised in initial public offering for related costs (AED 0.02 per share)	**50,000**	50,000
Less: Share issuance and IPO expenses incurred	**(44,282)**	(44,282)
	5,718	5,718

10 TRADE AND OTHER PAYABLES

	30 June 2016 AED'000 (Un-audited)	31 December 2015 AED'000 (Audited)
Directors' remuneration payable*	**-**	4,400
Sundry payables	**2,376**	1,995
Staff related provisions	**2,156**	1,147
Accrued expenses	**1,655**	341
	6,187	7,883

* At the Company's Annual General Meeting held on 18 April 2016, the board of Directors decided not to seek any remuneration for the year ended 31 December 2015. Hence the provision for their remuneration has been reversed in the Condensed consolidated interim statement of profit or loss during period ended 30 June 2016.

11 INTEREST INCOME

	For the 6 month period ended 30 June 2016 AED'000 (Un-Audited)	For the 6 month period ended 30 June 2015 AED'000 (Un-audited)
Profit on Wakala deposits	**11,245**	13,670
Interest on call and term deposits	**19,822**	970
	31,067	14,640

12 EMPLOYEE RELATED EXPENSES

	For the 6 month period ended 30 June 2016 AED'000 (Un-audited)	For the 6 month period ended 30 June 2015 AED'000 (Un-audited)
Salaries, wages and other benefits	**9,389**	7,431
Provision for gratuity and leave encashment	**1,457**	722
Other staff costs	**489**	652
	11,335	8,805

13 GENERAL AND ADMINISTRATIVE EXPENSES

	For the 6 month period ended 30 June 2016 AED'000 (Un-audited)	For the 6 month period ended 30 June 2015 AED'000 (Un-audited)
General and administrative expenses	**9,485**	3,455
Transaction related costs	**-**	784
Reversal of accrual for Directors' remuneration*	**(4,400)**	-
	5,085	4,239

* At the Company's Annual General Meeting held on 18 April 2016, the board of Directors decided not to seek any remuneration for the year ended 31 December 2015. Hence the provision for their remuneration has been reversed in the Condensed consolidated interim statement of profit or loss during period ended 30 June 2016.

Amanat Holdings PJSC

Notes to the condensed consolidated interim financial statements
For the period ended 30 June 2016 (Continued)

14 BASIC AND DILUTED EARNINGS PER SHARE

The calculation of basic and diluted earnings per share has been based on the profit for the period and number of ordinary shares issued by the Group.

	For the 6 month period ended 30 June 2016 AED'000 (Un-audited)	For the 6 month period ended 30 June 2015 AED'000 (Un-audited)
Profit for the period (AED'000)	**23,801**	1,596
Number of ordinary shares ('000)	**2,500,000**	2,500,000
Earnings per share (AED)	**0.0095**	0.0006

15 OPERATING LEASES

At 30 June 2016, the future minimum lease payments for operating leases payable were as follows:

	30 June 2016 AED'000 (Un-audited)	31 December 2015 AED'000 (Audited)
Due in less than one year	**4,169**	3,812
Due between one and five years	**-**	6,280
Total minimum lease payments	**4,169**	10,092

16 RELATED PARTY TRANSACTIONS

The Group, in its normal course of business, enters into transaction with business enterprises that fall within the definition of a 'related party' as contained in International Accounting Standard 24 (Revised). The terms and conditions of these transactions are agreed between the Company and related party. The following is the list of significant transactions and balances with related parties.

Entity	**Nature of relationship**
Sukoon International Holding Company	Associate to the Group

	30 June 2016 AED'000 (Un-audited)	31 December 2015 AED'000 (Audited)
Expenses incurred on behalf of Sukoon International Holding Company	**509**	222

Balances outstanding with a related party

	30 June 2016 AED'000 (Un-audited)	31 December 2015 AED'000 (Audited)
Due from Sukoon International Holding Company	**731**	222

Director and key managerial persons' remunerations

Director and key managerial persons' compensation comprised the following:

	For the 6 month period ended 30 June 2016 AED'000 (Un-audited)	For the 6 month period ended 30 June 2015 AED'000 (Un-audited)
Short–term benefits	**3,490**	2,389
Post–employment benefits	**51**	51

There are no other transactions with key managerial personnel during the period.

17 FAIR VALUE MEASUREMENT

All financial assets and liabilities are stated at amortised cost or historical cost except for available for sale investments, which are measured at fair value. The following table shows the fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

At 30 June 2016 (Un-audited)	**Level 1 AED'000**	**Level 2 AED'000**	**Level 3 AED'000**	**Total AED'000**
Financial assets measured at fair value				
Available-for-sale investment	-	-	-	-
	-	-	-	-

At 31 December 2015	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
Financial assets measured at fair value				
Available-for-sale investment	10,018	-	-	10,018
	10,018	-	-	10,018

* The fair valuation techniques used for the level 2 investment includes discounted cash flows and comparable market multiples with the unobservable inputs being the weighted average cost of capital, perpetuity growth rate and other market multiples matrices. These unobservable inputs represent data that market participants would use when pricing the investment. The unobservable inputs are selected based on various industry and macro-economic factors that management considers as reasonable.

18 OPERATING SEGMENTS

The principal activities of the Group are to invest in companies and enterprises in the fields of education and healthcare and managing, developing and operating such companies and enterprises. The Group has made investment in one associate in Saudi Arabia in the field of healthcare and other investment made is in the field of Education in UAE as at 30 June 2016. The detailed information is disclosed in Note 3 of these condensed consolidated interim financial statements.

19 STATUTORY RESERVE

In accordance with the Articles of Association of the Company, 10% of the annual net profit is transferred to the Statutory reserve. The Company may resolve to discontinue such annual transfers when the reserve equals 50% of the nominal value of the paid up share capital. Transfers to the Statutory reserve are made only at year end. The Statutory reserve is not available for distribution.

20 LEGAL RESERVE

As required by Article 239 of the U.A.E. Federal Law No. (2) of 2015, 10% of the annual profit is transferred to the Legal reserve. The Company may resolve to discontinue such annual transfers when the reserve equals 50% of the nominal value of the paid up share capital. Transfers to the Legal reserve are made only at year end. The Legal reserve is not available for distribution.

21 DIVIDEND

On 18 April 2016, a cash dividend of AED 0.015 per ordinary share was approved by the shareholders at the AGM, as proposed by Board of Directors in respect of 2015, and subsequently paid.