

Manazel Real Estate PJSC

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 JUNE 2017 (UNAUDITED)

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF MANAZEL REAL ESTATE PJSC

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Manazel Real Estate PJSC (the “Company”) and its subsidiaries (the “Group”) as at 30 June 2017, comprising of the interim consolidated statement of financial position as at 30 June 2017 and the related interim consolidated statements of income, comprehensive income, changes in equity and cash flows for the six month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, “*Interim Financial Reporting* (IAS 34)”. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements 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 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 statements are not prepared, in all material respects, in accordance with IAS 34.

Emphasis of matter

Without qualifying our conclusion, we draw attention to Note 4 to the interim condensed consolidated financial statements which state that the Company is carrying an amount of AED 491 million as recoverable from the Government related entities in respect of the infrastructure costs incurred by the Company on various developments amounting to AED 561 million. The management supported by the Board of Directors is in discussions with Abu Dhabi Water and Electricity Authority and other government related entities relating to reimbursement of infrastructure costs. The Company received an amount of AED 68 million during the year ended 31 December 2011, AED 1 million during the year ended 31 December 2013 and AED 1 million during the year ended 31 December 2014 and the remaining AED 491 million have been claimed. The ultimate outcome of the matter and the timing of the reimbursements is currently uncertain.



Signed by
Andre Kasparian
Partner
Ernst & Young
Registration No. 365

13 August 2017
Abu Dhabi

Manazel Real Estate PJSC

INTERIM CONSOLIDATED INCOME STATEMENT

Six months period ended 30 June 2017 (unaudited)

		Six months ended 30 June	
	<i>Notes</i>	2017	2016
		AED '000	AED '000
Revenue	4	412,332	267,474
Cost of revenue	4	<u>(289,358)</u>	<u>(192,043)</u>
GROSS PROFIT		122,974	75,431
Finance costs		(29,609)	(27,572)
Selling and marketing expenses		(3,133)	(6,380)
General and administrative expenses	5	(34,351)	(47,970)
Reversal of impairment of development work-in-progress		-	31,050
Changes in fair value of investment properties		-	4,390
Gain on disposal property, plant and equipment		-	1,204
Other income		<u>674</u>	<u>1,078</u>
PROFIT FOR THE PERIOD		<u>56,555</u>	<u>31,231</u>
Attributable to:			
Ordinary equity holders of the Parent		56,555	31,231
Non-controlling interest		<u>-</u>	<u>-</u>
		<u>56,555</u>	<u>31,231</u>
Earnings per share			
Basic and diluted earnings per share (in AED per share)	3	<u>0.022</u>	<u>0.012</u>

The attached notes 1 to 14 form part of these interim condensed consolidated financial statements.

Manazel Real Estate PJSC

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Six months period ended 30 June 2017 (unaudited)

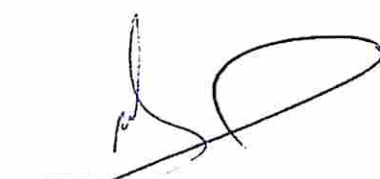
	Six months ended 30 June	
	<i>2017</i>	<i>2016</i>
	<i>AED '000</i>	<i>AED '000</i>
PROFIT FOR THE PERIOD	56,555	31,231
Changes in fair value relating to investments carried at fair value through other comprehensive income	<u>-</u>	<u>(1,219)</u>
Other comprehensive loss for the period not to be reclassified to consolidated income statement in subsequent periods	<u>-</u>	<u>(1,219)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>56,555</u>	<u>30,012</u>
Attributable to:		
Ordinary equity holders of the Parent	56,555	30,012
Non-controlling interests	<u>-</u>	<u>-</u>
	<u>56,555</u>	<u>30,012</u>

The attached notes 1 to 14 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2017 (unaudited)

		30 June 2017 AED '000	(Audited) 31 December 2016 AED '000
	Notes		
ASSETS			
Bank balances and cash	8	36,655	179,992
Trade and other receivables		1,012,915	810,737
Properties held for sale		5,902	5,902
Investments carried at fair value through other comprehensive income		1,980	1,980
Development work-in-progress	6	204,932	190,617
Recoverable infrastructure costs	4	491,017	491,017
Investment properties	7	1,688,506	1,676,506
Property, plant and equipment		<u>1,360,917</u>	<u>1,343,881</u>
TOTAL ASSETS		<u>4,802,824</u>	<u>4,700,632</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital	12	2,600,000	2,600,000
Reserves		<u>155,306</u>	<u>202,751</u>
		2,755,306	2,802,751
Non-controlling interest		<u>(1,177)</u>	<u>(1,177)</u>
TOTAL EQUITY		<u>2,754,129</u>	<u>2,801,574</u>
LIABILITIES			
Trade and other payables		744,475	579,160
Retentions payable		21,810	23,269
Islamic financing	9	1,242,612	1,259,350
Advances from customers		35,357	33,473
Employees' end of service benefits		<u>4,441</u>	<u>3,806</u>
TOTAL LIABILITIES		<u>2,048,695</u>	<u>1,899,058</u>
TOTAL EQUITY AND LIABILITIES		<u>4,802,824</u>	<u>4,700,632</u>



CHAIRMAN



CHIEF EXECUTIVE OFFICER

The attached notes 1 to 14 form part of these interim condensed consolidated financial statements.

N. L. H

Manazel Real Estate PJSC

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Six months period ended 30 June 2017 (unaudited)

	Attributable to the owners of the Company									
	Reserves									
	Share capital AED '000	Statutory reserve AED '000	Cumulative changes in fair value of investments AED '000	Valuation reserve for property, plant and equipment AED '000	Excess of cash consideration over net assets relating to acquisition of non-controlling interest AED '000	Accumulated losses AED '000	Net reserves AED '000	Total AED '000	Non- controlling interest AED '000	Total equity AED '000
Balance at 1 January 2016 (audited)	2,500,000	196,350	(68,542)	384,269	(153,343)	(257,063)	101,671	2,601,671	(1,177)	2,600,494
Profit for the period	-	-	-	-	-	31,231	31,231	31,231	-	31,231
Other comprehensive income for the period	-	-	(1,219)	-	-	-	(1,219)	(1,219)	-	(1,219)
Total comprehensive loss for the period	-	-	(1,219)	-	-	31,231	30,012	30,012	-	30,012
Bonus shares issued (Note 12)	100,000	-	-	-	-	(100,000)	(100,000)	-	-	-
Balance at 30 June 2016	<u>2,600,000</u>	<u>196,350</u>	<u>(69,761)</u>	<u>384,269</u>	<u>(153,343)</u>	<u>(325,832)</u>	<u>31,683</u>	<u>2,631,683</u>	<u>(1,177)</u>	<u>2,630,506</u>
Balance at 1 January 2017 (audited)	2,600,000	217,002	(73,978)	384,269	(153,343)	(171,199)	202,751	2,802,751	(1,177)	2,801,574
Profit for the period	-	-	-	-	-	56,555	56,555	56,555	-	56,555
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	56,555	56,555	56,555	-	56,555
Cash dividend (Note 12)	-	-	-	-	-	(104,000)	(104,000)	(104,000)	-	-
Balance at 30 June 2017	<u>2,600,000</u>	<u>217,002</u>	<u>(73,978)</u>	<u>384,269</u>	<u>(153,343)</u>	<u>(218,644)</u>	<u>155,306</u>	<u>2,755,306</u>	<u>(1,177)</u>	<u>2,754,129</u>

The attached notes 1 to 14 form part of these interim condensed consolidated financial statements.

Manazel Real Estate PJSC

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Six months period ended 30 June 2017 (unaudited)

		<i>Six months ended 30 June</i>	
		<i>2017</i>	<i>2016</i>
	<i>Notes</i>	<i>AED '000</i>	<i>AED '000</i>
OPERATING ACTIVITIES			
Profit for the period		56,555	31,231
Adjustments for:			
Depreciation		4,739	4,753
Provision for employee's end of service benefits		728	1,051
Finance cost		29,609	27,572
Reversal of impairment of development work-in-progress		-	(31,050)
Changes in fair value of investment properties		-	(4,390)
Gain on disposal of property, plant and equipment		-	(1,204)
		<u>91,631</u>	<u>27,963</u>
Working capital changes			
Development work-in-progress		(231)	86,353
Trade and other receivables		(202,178)	(84,533)
Trade and other payables		52,613	(75,056)
Advances from customers		1,884	35,836
Retentions payable		<u>(1,459)</u>	<u>2,953</u>
Cash used in operating activities		<u>(57,740)</u>	<u>(6,484)</u>
Employees' end of service benefits paid		<u>(93)</u>	<u>(292)</u>
Net cash used in operating activities		<u>(57,833)</u>	<u>(6,776)</u>
INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment		-	2,900
Additions to investment properties	7	(12,000)	(6,658)
Additions to property and equipment		<u>(21,775)</u>	<u>(819)</u>
Net cash used in investing activities		<u>(33,775)</u>	<u>(4,577)</u>
FINANCING ACTIVITIES			
Finance costs paid		(34,991)	(23,412)
Islamic financing received		-	114,335
Islamic financing paid	9	<u>(16,738)</u>	<u>(43,550)</u>
Net cash (used in) from financing activities		<u>(51,729)</u>	<u>47,373</u>
(DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		(143,337)	36,020
Cash and cash equivalents at the beginning of the period		<u>179,967</u>	<u>15,069</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	8	<u>36,630</u>	<u>51,089</u>

The attached notes 1 to 14 form part of these interim condensed consolidated financial statements.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2017 (unaudited)

1 CORPORATE INFORMATION

Manazel Real Estate PJSC (the “Company” or the “Parent”) was established on 12 April 2006 as a private joint stock company and was registered on 13 May 2006.

The Company and its subsidiaries (together referred to as the “Group”) are principally engaged in the Shari’a compliant real estate business which includes development, sales, investment, construction, management and associated services. The Company is domiciled in the United Arab Emirates and its registered office address is P O Box 33322, Abu Dhabi.

The interim condensed consolidated financial statements of the Group for the period ended 30 June 2017 were authorised for issuance by the Board of Directors on 13 August 2017.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 2017 have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting.

The interim condensed consolidated financial statements do not contain all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2016. In addition, results for the six months period ended 30 June 2017 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2017.

The interim condensed consolidated financial statements have been presented in United Arab Emirates Dirham (“AED”), which is the functional currency of the Parent and the presentation currency of the Group.

2.2 SIGNIFICANT ACCOUNTING POLICIES

In preparing these interim condensed consolidated financial statements, the significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty are the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2016.

The accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2016, except for the adoption of the following new standards and amendments to standards effective for the annual periods beginning on or after 1 January 2017:

- Amendments to IAS 7 Statement of Cash Flows: Disclosure Initiative
- Amendments to IAS 12 Income Taxes: Recognition of Deferred Tax Assets for Unrecognised Losses

Annual Improvements Cycle - 2014-2016:

- Amendments to IFRS 12 Disclosure of Interests in Other Entities: Clarification of the scope of disclosure requirements in IFRS 12

The new standards and amendments to standards listed above had no significant impact on the Group’s financial position, performance or disclosures.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 June 2017 (unaudited)

3 BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the profit attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period, adjusted for the effects of dilutive instruments.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	<i>(Unaudited)</i> 30 June 2017 AED '000	<i>(Unaudited)</i> 30 June 2016 AED '000
Profit for the period attributable to equity holders of the company	<u>56,555</u>	<u>31,231</u>
Weighted average number of ordinary shares at 1 January in issue	2,600,000	2,500,000
Bonus shares issued (note 12)	-	<u>100,000</u>
Weighted average number of ordinary shares at 31 December in issue	<u>2,600,000</u>	<u>2,600,000</u>
Basic and diluted earnings per share	<u>0.022</u>	<u>0.012</u>

The Group does not have any instruments which would have a dilutive impact on earnings per share when converted or exercised.

4 REVENUE AND COST OF REVENUE

	<i>(Unaudited)</i> 30 June 2017 AED '000	<i>(Unaudited)</i> 30 June 2016 AED '000
Revenue		
Sale of properties	320,758	187,435
Property management fees	8,406	5,885
Rental income	33,998	31,283
Revenue from district cooling services	14,165	8,911
Transfer fee income	7,098	9,206
Facility management services and others	<u>27,907</u>	<u>24,754</u>
	<u>412,332</u>	<u>267,474</u>
Cost of revenue		
Cost of properties sold	241,352	141,061
Operating cost of rental properties	28,114	33,095
Cost of district cooling services	9,988	7,867
Cost of facility management services	<u>9,904</u>	<u>10,020</u>
	<u>289,358</u>	<u>192,043</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 June 2017 (unaudited)

4 REVENUE AND COST OF REVENUE continued

In arriving at the cost of properties sold in the prior years, the Company took into account that the Government related entities will reimburse the infrastructure costs incurred by the Company on various developments amounting to AED 561 million. The management supported by the Board of Directors is in discussions with Abu Dhabi Water and Electricity Authority and other government related entities relating to recovery of infrastructure costs. The Company received an amount of AED 68 million during the year ended 31 December 2011, AED 1 million during the year ended 31 December 2013 and AED 1 million during the year ended 31 December 2014 and the remaining AED 491 million have been claimed.

On 13 January 2015, the Company received a letter from Abu Dhabi Urban Planning Council informing the Company of the decision by the Executive Council dated 16 December 2014 in respect of the transfer and receipt of the infrastructure assets of the developed projects in Abu Dhabi. The Company has been asked to co-operate with the Abu Dhabi Urban Planning Council in order to submit a report to the Executive Council.

5 GENERAL AND ADMINISTRATIVE EXPENSES

	<i>(Unaudited)</i> 30 June 2017 AED '000	<i>(Unaudited)</i> 30 June 2016 AED '000
Payroll and employees related expenses	23,443	33,854
Depreciation	1,168	1,256
Rent expense	1,390	1,895
Legal and professional charges	835	1,004
Transportation expenses	210	566
Communication expenses	405	413
Other expenses	<u>6,900</u>	<u>8,982</u>
	<u>34,351</u>	<u>47,970</u>

6 DEVELOPMENT WORK-IN-PROGRESS

Development work-in-progress represents development and construction costs incurred on properties being constructed and the movement during the period/year is as follows:

	<i>(Unaudited)</i> 30 June 2017 AED '000	<i>(Audited)</i> 31 December 2016 AED '000
Balance at 1 January	190,617	262,760
Additions during the period / year	226,789	225,246
Finance cost capitalized	14,084	30,644
Reversal of impairment	-	30,819
Cost of properties sold during the period / year	<u>(226,558)</u>	<u>(358,852)</u>
Balance at 30 June / 31 December	<u>204,932</u>	<u>190,617</u>

Manazel Real Estate PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2017 (unaudited)

7 INVESTMENT PROPERTIES

The movement during the period / year is as follows:

	<i>(Unaudited)</i> 30 June 2017 <i>AED '000</i>	<i>(Audited)</i> 31 December 2016 <i>AED '000</i>
Balance at 1 January	1,676,506	1,581,034
Additions during the period / year	12,000	6,661
Changes in fair value during the period / year, net	-	88,811
Balance at end of period / year	<u>1,688,506</u>	<u>1,676,506</u>

8 CASH AND CASH EQUIVALENTS

	<i>(Unaudited)</i> 30 June 2017 <i>AED'000</i>	<i>(Audited)</i> 31 December 2016 <i>AED'000</i>	<i>(Unaudited)</i> 30 June 2016 <i>AED'000</i>
Cash and bank balances	36,630	179,967	51,089
Restricted deposits	<u>25</u>	<u>25</u>	<u>25</u>
	36,655	179,992	51,114
Restricted deposits	<u>(25)</u>	<u>(25)</u>	<u>(25)</u>
	<u>36,630</u>	<u>179,967</u>	<u>51,089</u>

Also included in bank balances and cash are bank deposits of AED 25 thousand (31 December 2016: AED 25 thousand) held with an Islamic bank in Abu Dhabi. These deposits can only be utilised for certain specific activities.

9 ISLAMIC FINANCING

The Company has an Ijara facility 1 from a local bank repayable in semi-annual instalments over a period of 7 years. During the period, the Company made repayments of AED 16,738 thousand. The facility carries a profit rate of EIBOR plus margin. The profit is serviced semi-annually.

The Company has an Ijara facility 2 from a local bank repayable in quarterly instalments over a period of 7 years. During the period, the Company was not required to make any principal repayments. The facility carries a profit rate of EIBOR plus margin. The profit is serviced quarterly.

The Company has an Ijara facility 3 from a local bank repayable in annual instalments over a period of 7 years. During the period, the Company was not required to make any principal payments. The facility carries a profit rate of EIBOR plus margin. The profit is serviced quarterly.

The Company has a Mudaraba facility from a local bank amounting to AED 100 million for a period of 12 months to meet its working capital requirements. During the period, the Company has drawn-down an amount of AED 100 million. The facility carries a profit rate of EIBOR plus a margin.

Islamic financing are secured by a number of security documents including registered mortgages over various properties in Abu Dhabi and assignment of rental proceeds.

Manazel Real Estate PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2017 (unaudited)

10 RELATED PARTIES TRANSACTIONS AND BALANCES

These represent transactions with related parties, i.e. associated companies, major shareholders, directors and key management personnel of the Company and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the management.

Balances with related parties included in the interim condensed consolidated statement of financial position are as follows:

	<i>(Unaudited)</i> 30 June 2017 AED '000	<i>(Audited)</i> 31 December 2016 AED '000
<i>Due from related parties (note 11):</i>		
Directors and key management personnel	<u>71,725</u>	<u>58,876</u>
Receivable for concept and detailed design fee	<u>212,600</u>	<u>123,871</u>
<i>Due to related parties:</i>		
Directors	-	8,000
Others	<u>-</u>	<u>435</u>
Total amount due to related parties	<u>-</u>	<u>8,435</u>

Significant transactions in the income statement with related parties during the period were as follows:

	<i>(Unaudited)</i> 30 June 2017 AED '000	<i>(Unaudited)</i> 30 June 2016 AED '000
Key management remuneration	<u>10,044</u>	<u>9,597</u>
Number of key management personnel	<u>10</u>	<u>8</u>
Sale of properties	<u>71,600</u>	<u>-</u>
Rent expense	<u>1,305</u>	<u>1,560</u>
Gain on disposal property, plant and equipment	<u>-</u>	<u>1,204</u>
Purchase of investment properties and property, plant and equipment	<u>24,000</u>	<u>-</u>
Consultancy fees paid capitalized under development work-in-progress	<u>4,000</u>	<u>-</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 June 2017 (unaudited)

11 CONTINGENCIES AND COMMITMENTS

Commitments

Development expenditure and investments contracted for at the end of the reporting period but not provided for are as follows:

	<i>(Unaudited)</i> 30 June <i>2017</i> AED'000	<i>(Audited)</i> 31 December <i>2016</i> AED'000
Development work-in-progress, investment properties under construction and capital work in progress	<u>335,000</u>	<u>549,000</u>

Contingent liabilities

There are certain claims under litigation against the Company. Although it is not possible at this time to predict the outcome of these claims, management does not expect that these claims will have a material adverse effect on the Company's financial position

12 SHARE CAPITAL

	<i>(Unaudited)</i> 30 June <i>2017</i> AED'000	<i>(Audited)</i> 31 December <i>2016</i> AED'000
Authorised, issued and fully paid up capital of AED 1 each	<u>2,600,000</u>	<u>2,600,000</u>

The Company's shareholders, at the annual general meeting held on 18 May 2017, approved a cash dividend of AED 0.04 per share (refer note 14) (2016: Bonus dividend of 4%).

Manazel Real Estate PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2017 (unaudited)

13 SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports about the components of the Group that are regularly reviewed by the management of the Company in order to allocate resources to the segment and to assess its performance. Information reported to the chief operating decision makers for the purpose of resource allocation and assessment of performance is based on following strategic business units offering products and services to the different markets. Segment performance is evaluated based on gross profit and changes in fair values of investment properties and reversal of impairments.

The following table represents the revenue and profit information for the Group's operating segments for the six months ended 30 June 2017 and 30 June 2016.

Six months ended 30 June 2017 (unaudited)

	Property development and sales AED '000	Investment properties portfolio AED '000	Property management fees and related activities AED '000	District cooling services AED '000	Facility management and others AED '000	Group AED '000
Sales	320,758	33,998	15,504	14,165	27,907	412,332
Cost of revenue	(241,352)	(28,114)	-	(9,988)	(9,904)	(289,358)
Segment profit	<u>79,406</u>	<u>5,884</u>	<u>15,504</u>	<u>4,177</u>	<u>18,003</u>	<u>122,974</u>
Other income						674
Selling and marketing expenses						(3,133)
General and administrative expenses						(34,351)
Finance costs						(29,609)
Profit for the period						<u>56,555</u>

Manazel Real Estate PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 June 2017 (unaudited)

13 SEGMENT INFORMATION continued

Six months ended 30 June 2016 (unaudited)

	Property development and sales AED '000	Investment properties portfolio AED '000	Property management fees and related activities AED '000	District cooling services AED '000	Facility management and others AED '000	Group AED '000
Sales	187,435	31,283	15,091	8,911	24,754	267,474
Cost of revenue	(141,061)	(33,095)	-	(7,867)	(10,020)	(192,043)
Reversal of impairment of development work-in-progress	31,050	-	-	-	-	31,050
Gain on disposal property, plant and equipment	-	1,204	-	-	-	1,204
Changes in the fair value of investment properties	-	4,390	-	-	-	4,390
Segment profit (loss)	<u>77,424</u>	<u>3,782</u>	<u>15,091</u>	<u>1,044</u>	<u>14,734</u>	<u>112,075</u>
Other income						1,078
Selling and marketing expenses						(6,380)
General and administrative expenses						(47,970)
Finance costs						<u>(27,572)</u>
Profit for the period						<u>31,231</u>

Manazel Real Estate PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2017 (unaudited)

13 SEGMENT INFORMATION continued

The following table represents the assets and liabilities for the Group's operating segments as at 30 June 2017 and 31 December 2016.

	Property development and sales AED '000	Investment properties portfolio AED '000	Property management fees and related activities AED '000	District cooling management and services AED '000	Facility management and others AED '000	Total segments AED '000	Unallocated AED '000	Consolidated AED '000
As at 30 June 2017								
Assets	<u>2,624,274</u>	<u>1,696,374</u>	<u>47,965</u>	<u>296,934</u>	<u>71,907</u>	<u>4,737,454</u>	<u>65,370</u>	<u>4,802,824</u>
Liabilities	<u>(1,566,462)</u>	<u>(249,773)</u>	<u>(9,510)</u>	<u>(9,927)</u>	<u>(7,768)</u>	<u>(1,843,440)</u>	<u>(205,255)</u>	<u>(2,048,695)</u>
As at 31 December 2016								
Assets	<u>2,570,156</u>	<u>1,704,361</u>	<u>34,779</u>	<u>279,849</u>	<u>54,045</u>	<u>4,643,190</u>	<u>57,442</u>	<u>4,700,632</u>
Liabilities	<u>(1,550,917)</u>	<u>(273,991)</u>	<u>(10,510)</u>	<u>(16,381)</u>	<u>(7,767)</u>	<u>(1,859,566)</u>	<u>(39,492)</u>	<u>(1,899,058)</u>

14 DIVIDEND

A cash dividend of AED 0.04 per share for the year 2016 (2016: bonus share dividend of AED 0.04 per share for the year 2015) was approved by the shareholders of the Company at the Annual General Meeting of the Company held on 18 of May 2017 (2016: 24 April 2016).