



**Alijarah Holding Q.P.S.C.**  
**Interim Condensed Consolidated**  
**Financial Statements**  
**30 June 2017**

## REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**TO THE BOARD OF DIRECTORS  
ALIJARAH HOLDING Q.P.S.C  
DOHA - QATAR**

### **Introduction**

We have reviewed the accompanying interim condensed consolidated financial statements of Alijarah Holding Q.P.S.C. (the "Company") and its subsidiaries (together referred to as the "Group") for the six - months period ended June 30, 2017, comprising of the interim consolidated statement of financial position as of June 30, 2017 and the related interim consolidated statements of income and comprehensive income, interim consolidated statements of changes in equity and the interim consolidated statement of cash flows for the six - months period then ended, and the related explanatory notes.

The Board of directors are responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard "IAS 34 – Interim Financial Reporting". 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 International Accounting Standard – 34, "Interim Financial Reporting".

**Rödl & Partner  
Certified Public Accountants**

  
Hikmat Mukhaimer, FCCA (UK)  
(Licence No. 297)  
QFMA Registration Auditor's No. 120151



**Doha – Qatar  
July 27, 2017**

ALIJARAH HOLDING (Q.P.S.C.)  
 INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
 AS AT 30 JUNE 2017

	Notes	30 June 2017 (Reviewed) QR	31 December 2016 (Audited) QR
<b>ASSETS</b>			
Cash and Bank Balances	5	823,563,122	906,323,038
Installments and Due from Customers	6	92,959,088	111,045,956
Available-for-Sale Financial Assets	7	19,979,416	9,116,195
Inventories		4,068,103	4,266,117
Prepayments and Other Receivables	8	65,437,004	34,555,478
Intangible Asset		8,732,373	9,149,978
Property and Equipment	9	199,660,835	177,415,922
<b>Total Assets</b>		<b>1,214,399,941</b>	<b>1,251,872,684</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Accounts Payable, Accruals and Other Payables		80,485,741	88,044,729
Islamic Financing Under Wakalah Arrangements	10	92,968,682	59,914,884
Deferred Revenue	11	58,729,035	86,427,724
<b>Total liabilities</b>		<b>232,183,458</b>	<b>234,387,337</b>
<b>EQUITY</b>			
Share Capital	12	494,802,000	494,802,000
Legal Reserve		486,228,609	486,228,609
Fair Value Reserve		(1,531,800)	32,315
Retained Earnings		2,717,674	36,422,423
<b>Total equity</b>		<b>982,216,483</b>	<b>1,017,485,347</b>
<b>Total liabilities and equity</b>		<b>1,214,399,941</b>	<b>1,251,872,684</b>

*These interim condensed consolidated financial statements were approved by the Board of Directors on 27th July 2017 and signed on their behalf by:*



Sh. Falah Bin Jassim Bin Jabr Al-Thani  
 Chairman & Managing Director



Hamad Shareef Al-Emadi  
 Chief Executive Officer

**ALIJARAH HOLDING (Q.P.S.C.)**  
**INTERIM CONSOLIDATED STATEMENT OF INCOME**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2017**

	Notes	For the six months ended	
		30 June 2017	30 June 2016
		(Reviewed)	(Reviewed)
		QR	QR
<b>Income</b>			
Income from Core Business		65,841,109	106,865,292
Profit from Investments		120,422	442,608
Other Income		386,198	49,211
<b>Total income</b>		<b>66,347,729</b>	<b>107,357,111</b>
<b>Expenses</b>			
Operating Expenses		(76,013,993)	(101,903,149)
General and Administration Expenses		(12,485,591)	(11,719,106)
<b>Total expenses</b>		<b>(88,499,584)</b>	<b>(113,622,255)</b>
<b>Net operating loss</b>		<b>(22,151,855)</b>	<b>(6,265,144)</b>
Finance Income		13,187,206	10,193,604
<b>Net Finance Income</b>		<b>13,187,206</b>	<b>10,193,604</b>
<b>(Loss) / Profit for the period</b>		<b>(8,964,649)</b>	<b>3,928,460</b>
<b>Earnings Per Share</b>			
Basic and Diluted (Loss) / Earnings Per Share	16	<b>(0.18)</b>	<b>0.08</b>

THE ACCOMPANYING NOTES FROM 1 TO 18 FORM AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

ALIJARAH HOLDING (Q.P.S.C.)  
 INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE SIX MONTHS ENDED 30 JUNE 2017

	Notes	For the six months ended	
		30 June 2017	30 June 2016
		(Reviewed)	(Reviewed)
		QR	QR
<b>(Loss) / Profit for the period</b>		<b>(8,964,649)</b>	<b>3,928,460</b>
<b>Other Comprehensive Loss that will be Reclassified to Profits or Loss in Subsequent Periods:</b>			
Changes in Fair Value Reserve of Available-for-Sale Financial Assets		(1,564,115)	(1,674,171)
<b>TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD</b>		<b>(10,528,764)</b>	<b>2,254,289</b>

THE ACCOMPANYING NOTES FROM 1 TO 18 FORM AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

ALIJARAH HOLDING (Q.P.S.C.)  
 INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
 FOR THE SIX MONTHS ENDED 30 JUNE 2017

	Notes	Share Capital	Legal Reserve	Fair Value Reserve	Retained Earnings	Total
		QR	QR	QR	QR	QR
<b>Balance at 1 January 2016 (Audited)</b>		<b>494,802,000</b>	<b>486,228,609</b>	<b>74,313</b>	<b>56,119,922</b>	<b>1,037,224,844</b>
Profit for the Period		-	-	-	3,928,460	3,928,460
Other Comprehensive Loss for the Period		-	-	(1,674,171)	-	(1,674,171)
<b>Total Comprehensive Income for the Period</b>		<b>-</b>	<b>-</b>	<b>(1,674,171)</b>	<b>3,928,460</b>	<b>2,254,289</b>
Dividends Paid	13	-	-	-	(24,740,100)	(24,740,100)
Social and Sports Fund Appropriation		-	-	-	(98,212)	(98,212)
<b>Balance at 30 June 2016 (Reviewed)</b>		<b>494,802,000</b>	<b>486,228,609</b>	<b>(1,599,858)</b>	<b>35,210,070</b>	<b>1,014,640,821</b>
<b>Balance at 1 January 2017 (Audited)</b>	-	<b>494,802,000</b>	<b>486,228,609</b>	<b>32,315</b>	<b>36,422,423</b>	<b>1,017,485,347</b>
Loss for the Period	-	-	-	-	(8,964,649)	(8,964,649)
Other Comprehensive Loss for the Period	-	-	-	(1,564,115)	-	(1,564,115)
<b>Total Comprehensive Loss for the Period</b>		<b>-</b>	<b>-</b>	<b>(1,564,115)</b>	<b>(8,964,649)</b>	<b>(10,528,764)</b>
Dividends Paid	13	-	-	-	(24,740,100)	(24,740,100)
<b>Balance at 30 June 2017 (Reviewed)</b>		<b>494,802,000</b>	<b>486,228,609</b>	<b>(1,531,800)</b>	<b>2,717,674</b>	<b>982,216,483</b>

THE ACCOMPANYING NOTES FROM 1 TO 18 FORM AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.



**ALIJARAH HOLDING (Q.P.S.C.)**  
**INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2017**

	Notes	For the six months ended	
		30 June 2017	30 June 2016
		(Reviewed) QR	(Reviewed) QR
<b>Cash Flows from Operating Activities</b>			
<b>(Loss) Profit for the Period</b>		<b>(8,964,649)</b>	<b>3,928,460</b>
<b>Adjustments for:</b>			
Depreciation and Amortization		16,327,430	15,408,355
Impairment of Receivables		900,000	-
Dividend Income		-	(521,250)
Loss (Gain) on Disposal of Property and Equipment		1,096,898	(23,961)
(Gain) Loss on Sale of Available-for-Sale Financial Assets		(112,141)	128,693
Finance Income		(13,187,206)	(10,193,604)
Provision for employees' end of service benefits		967,495	437,242
		<b>(2,972,173)</b>	<b>9,163,935</b>
<b>Working Capital Changes</b>			
Installments and Dues from Customers		17,186,868	43,184,589
Prepayments and Other Receivables		(21,144,161)	(2,052,540)
Inventories		198,014	(3,131,650)
Accounts Payable, Accruals and Other Payables		(7,081,182)	(4,133,025)
Deferred Revenue		(27,698,689)	(41,136,598)
Employees' end of service benefits paid		(337,632)	(814,489)
<b>Net Cash Flows (used in) from Operating Activities</b>		<b>(41,848,955)</b>	<b>1,080,222</b>
<b>Cash Flows from Investing Activities</b>			
Finance Income Received		12,286,602	8,951,266
Dividend Income Received		-	521,250
Purchase of Intangible Assets		(342,000)	-
Purchase of Property and Equipment	9	(22,542,390)	(534,318)
Property Construction		(26,807,503)	(23,487,268)
Purchase of Available-for-Sale Financial Assets		(15,457,521)	-
Net movement in Bank Term Deposit		-	125,000,000
Proceeds from disposal of Available-for-Sale Financial Assets		3,142,327	45,364,657
Proceeds from Disposal of Property and Equipment		495,826	52,705
<b>Net Cash Flows (used in) from Investing Activities</b>		<b>(49,224,659)</b>	<b>155,868,292</b>

THE ACCOMPANYING NOTES FROM 1 TO 18 FORM AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

**ALIJARAH HOLDING (Q.P.S.C.)**  
**INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2017**

Continued....

	Notes	For the six months ended	
		30 June 2017	30 June 2016
			(Reviewed) QR
<b>Cash Flows from Financing Activities</b>			
Dividends Paid	13	(24,740,100)	(24,740,100)
Proceeds From Financing Under Wakalah Arrangements		40,000,000	35,000,000
Repayment of Financing Under Wakalah Arrangements		(6,946,202)	(524,979)
<b>Net Cash Flows From Financing Activities</b>		<b>8,313,698</b>	<b>9,734,921</b>
Net (Decrease) Increase in Cash and Cash Equivalents		(82,759,916)	166,683,435
Cash and Cash Equivalents at the Beginning of the Period		756,323,038	747,788,087
<b>Cash and Cash Equivalents at the End of the Period</b>	5	<b>673,563,122</b>	<b>914,471,522</b>

THE ACCOMPANYING NOTES FROM 1 TO 18 FORM AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.



**ALIJARAH HOLDING (Q.P.S.C.)**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2017**

**1. INCORPORATION AND ACTIVITIES**

Alijarah Holding Company Q.S.C. (the “Company”) is a public shareholding company incorporated in the State of Qatar in accordance with resolution No. 35 issued on 21 April 2003 by the Ministry of Business and Trade. The Company is registered under commercial registration No. 26487 and is governed by the provisions of the Qatar Commercial Companies’ Law No. 11 of 2015. The registered office of the Company is located at ‘D’ Ring Road, Doha, State of Qatar. The Company’s shares are publicly traded at the Qatar Exchange.

The Company and its fully owned subsidiaries (together the “Group”) are engaged in Leasing, Real Estate, Property Development, Transportation and Taxi Services and operate through its fully owned subsidiaries established in the State of Qatar. The Group is committed to conduct all its activities in accordance with Islamic Sharia’a.

**2. BASIS OF PREPARATION**

The interim condensed consolidated financial statements for the six months ended 30 June 2017 have been prepared in accordance with International Financial Reporting Standards, IAS 34 “Interim Financial Reporting”.

The condensed consolidated interim financial statements are presented in Qatari Riyals, which is the company’s functional and presentational currency and all values are rounded to the nearest Qatari Riyal, except when otherwise indicated.

The interim condensed consolidated financial statements do not include 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. The results for the six months ended 30 June 2017 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2017.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted 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 new standards and amendments effective as of 1 January 2017. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

**ALIJARAH HOLDING (Q.P.S.C.)**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2017**

**Amendment to Standards**

The following amendments to standards have been applied by the Group in preparation of these interim condensed consolidated financial statements. The amendments to the below standards did not have any material impact to the Group, but they may result in additional disclosures at year end:

<b>Standard/Interpretation</b>	<b>Content</b>
<b>Amendments to IAS 7</b>	<b>Statement of Cash Flows: Disclosure initiatives</b>
<b>Amendments to IAS 12</b>	<b>Income Taxes: Recognition of deferred tax assets for unrecognized losses</b>
<b>Amendments to IFRS 12</b>	<b>Disclosure of Interests in Other Entities: Clarification of the scope of disclosure requirements in IFRS 12</b>

**Standards Issued but not yet Effective**

The new and amended standards that are issued, but not yet effective, up to the date of issuance of the Group's interim condensed financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

<b>Standard/Interpretation</b>	<b>Content</b>	<b>Effective Date</b>
<b>Amendments to IFRS 2</b>	<b>Share based payments</b> <i>Classification and Measurement of Share-based payment Transactions</i>	January 1, 2018
<b>Amendments to IFRS 4</b>	<b>Insurance Contracts</b>	January 1, 2018
<b>Amendments to IFRS 7</b>	<b>Financial Instruments Disclosures</b>	January 1, 2018
<b>IFRS 9</b>	<b>Financial Instruments</b>	January 1, 2018
<b>Amendments to IFRS 10 and IAS 28</b>	<b>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</b>	January 1, 2018
<b>IFRS 15</b>	<b>Revenue from Contracts with Customer</b>	January 1, 2018
<b>IFRS 16</b>	<b>Leases</b>	January 1, 2019
<b>IFRS 17</b>	<b>Insurance Contracts</b>	January 1, 2021
<b>Amendments to IAS 40</b>	<b>Investment Properties: Transfer of investment property specific requirements</b>	January 1, 2018
<b>Annual Improvements (2014-2016 Cycle) to IFRS 1 &amp; IAS 28</b>		January 1, 2018

**ALIJARAH HOLDING (Q.P.S.C.)**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2017**

**4. ACCOUNTING ESTIMATES**

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

The 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 for the year ended 31 December 2016.

**5. CASH AND BANK BALANCES**

	<b>30 Jun 2017</b>	<b>30 Jun 2016</b>	<b>31 Dec 2016</b>
	<b>(Reviewed)</b>	<b>(Reviewed)</b>	<b>(Audited)</b>
	<b>QR</b>	<b>QR</b>	<b>QR</b>
Cash on Hand	1,315,299	329,996	108,455
Current Accounts with Islamic Banks	22,247,823	24,141,526	16,214,583
Term Deposits with Islamic Banks	800,000,000	890,000,000	890,000,000
<b>Cash and Bank Balances</b>	<b>823,563,122</b>	<b>914,471,522</b>	<b>906,323,038</b>

Term bank deposits carry profit at market rates.

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following balances:

	<b>30 Jun 2017</b>	<b>30 Jun 2016</b>	<b>31 Dec 2016</b>
	<b>(Reviewed)</b>	<b>(Reviewed)</b>	<b>(Audited)</b>
	<b>QR</b>	<b>QR</b>	<b>QR</b>
Cash and Bank Balances	<b>823,563,122</b>	914,471,522	906,323,038
Term deposits maturing after 3 months	(150,000,000)	-	(150,000,000)
<b>Cash and cash equivalents</b>	<b>673,563,122</b>	<b>914,471,522</b>	<b>756,323,038</b>

ALIJARAH HOLDING (Q.P.S.C.)  
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2017

6. INSTALLMENTS AND DUES FROM CUSTOMERS

			30 Jun 2017	31 Dec 2016
			(Reviewed)	(Audited)
			QR	QR
Gross Installments Due from Leasing			126,179,029	130,345,073
	<b>30 Jun 2017</b>	<b>31 Dec 2016</b>		
<i>Morabaha</i>	111,975,162	116,339,444		
<i>Ijarah</i>	14,203,867	14,005,629		
Less: Deferred Profits of Future Installments			(5,141,839)	(4,918,260)
	<b>30 Jun 2017</b>	<b>31 Dec 2016</b>		
<i>Morabaha</i>	(3,350,838)	(3,485,911)		
<i>Ijarah</i>	(1,791,001)	(1,432,349)		
<b>Net Installments Due from Leasing</b>			<b>121,037,190</b>	<b>125,426,813</b>
Gross Installments Due from Property Sales			10,434,957	20,013,052
Less: Deferred Profits of Future Installments			(253,704)	(554,688)
<b>Net Installments Due from Property Sales</b>			<b>10,181,253</b>	<b>19,458,364</b>
Other Trade Related Receivables			15,463,114	15,983,248
Allowance for Impairment			(50,722,469)	(49,822,469)
			<b>92,959,088</b>	<b>111,045,956</b>

7. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	30 Jun 2017	31 Dec 2016
	(Reviewed)	(Audited)
	QR	QR
<b>Quoted Equity Investments</b>	<b>19,979,416</b>	<b>9,116,195</b>

Note: Quoted equity investments have been valued using Level 1 measurement techniques as per IFRS 7 and there have been no transfers between Level 1 and Level 2 fair value measurements. There are no Level 3 fair value measurements.

**ALIJARAH HOLDING (Q.P.S.C.)**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2017**

**8. PREPAYMENTS AND OTHER RECEIVABLES**

	<b>30 Jun 2017</b>	<b>31 Dec 2016</b>
	<b>(Reviewed)</b>	<b>(Audited)</b>
	<b>QR</b>	<b>QR</b>
Security Deposit	133,680	133,680
Advance Payments to Suppliers	56,368,769	25,541,374
Pre-payments	3,612,486	3,855,739
Other Receivables	181,098	784,318
Profits Accrued on Bank Deposits	5,140,971	4,240,367
	<b>65,437,004</b>	<b>34,555,478</b>

**9. PROPERTY AND EQUIPMENT**

**Acquisitions and disposals**

During the six months ended 30 June 2017, the Group acquired assets with a cost of QR 22,542,390 (the six months ended 30 June 2016: QR 534,318) excluding property under construction.

The Group also commenced the construction and development of taxi complex, driving school and warehouses contract in February 2015 amounted to QAR 125,000,000. This project is expected to be completed by the end of 2017 and the carrying amount at 30 June 2017 was QAR 94,427,206. The amount of borrowing costs capitalized during the six months ended 30 June 2017 was approximately QAR 1,799,627 (31 December 2016: QAR 1,093,342).

Assets with a net book value of QAR 1,592,724 were disposed of by the Group during the six months ended 30 June 2017 resulting in a net loss on disposal of QAR 1,096,898.

**10. ISLAMIC FINANCING UNDER WAKALAH ARRANGEMENTS**

The Group has obtained Islamic financing facility under Wakalah arrangement to fund construction and development of taxi complex, driving school and warehouses. The facility is secured and it is repayable at various dates and carries financing charges at commercial rates.

	<b>30 Jun 2017</b>	<b>31 Dec 2016</b>
	<b>(Reviewed)</b>	<b>(Audited)</b>
	<b>QR</b>	<b>QR</b>
At 1 January	<b>59,914,884</b>	-
Additions	40,000,000	65,000,000
Repayment	(6,946,202)	(5,085,116)
<b>Closing Balance</b>	<b>92,968,682</b>	<b>59,914,884</b>

**11. DEFERRED REVENUE**

During 2010, the Group entered into an arrangement with Qatari Diar Real Estate Co., for undertaking the infrastructure development of the plot areas in the North and West Water Front of Lusail area. In accordance with the terms and conditions of the agreement, the Group will utilize the proceeds payable to Qatari Diar against the infrastructure development of the said areas. This amount will be recognized in the consolidated statement of income based on the percentage of completion of the infrastructure development.

**ALIJARAH HOLDING (Q.P.S.C.)**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2017**

**12. SHARE CAPITAL**

	30 Jun 2017	31 Dec 2016
	(Reviewed)	(Audited)
	QR	QR
<b>Authorized, Issued and Fully paid-up</b>		
<b>49,480,200 Ordinary Shares of QR 10 each</b>	<b>494,802,000</b>	<b>494,802,000</b>

**13. DIVIDENDS PAID**

The cash dividend in respect of the year ended 31 December 2016 of QR 0.50 per share amounting to QR 24,740,100 was approved by the shareholders at the annual general meeting held on 21 February 2017. (31 Dec 2015: cash dividend amounting to QR 24,740,100 - QR 0.50 per share).

**14. SEGMENT REPORTING**

Based on the nature of core activities of the business, the Group is segmented into five major operating segments. The major operating segments are given below with their respective revenue and analysis of Assets and Liabilities:

- Financial Leasing
- Transportation
- Property Development
- Driving School
- Taxi Services (including Limousine)

The Group operates geographically in only one segment, being Doha-Qatar.

**ALIJARAH HOLDING (Q.P.S.C.)**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2017**

The following table presents segment revenues and profits of the Group's operating segments as at 30 June 2017 and 30 June 2016:

<b>For the six months ended 30 June 2017 (Reviewed)</b>	<b>Financial Leasing</b>	<b>Transportation</b>	<b>Property Development</b>	<b>Driving School</b>	<b>Taxi Services</b>	<b>Holding</b>	<b>Elimination</b>	<b>Total</b>
	<b>QR</b>	<b>QR</b>	<b>QR</b>	<b>QR</b>	<b>QR</b>	<b>QR</b>	<b>QR</b>	<b>QR</b>
Revenues and Gains:								
External Parties	1,720,784	16,928,729	28,846,315	-	18,725,479	126,422	-	66,347,729
Internal Parties	-	54,776	-	-	-	-	(54,776)	-
<b>Total Revenues and Gains</b>	<b>1,720,784</b>	<b>16,983,505</b>	<b>28,846,315</b>	<b>-</b>	<b>18,725,479</b>	<b>126,422</b>	<b>(54,776)</b>	<b>66,347,729</b>
<b>Profit (Loss) for the period</b>	<b>1,518,028</b>	<b>(1,992,874)</b>	<b>8,153,911</b>	<b>(180,248)</b>	<b>(18,112,671)</b>	<b>1,649,205</b>	<b>-</b>	<b>(8,964,649)</b>
<b>Finance Income</b>	<b>1,481,044</b>	<b>24,061</b>	<b>3,440,299</b>	<b>-</b>	<b>1,915,348</b>	<b>6,326,454</b>	<b>-</b>	<b>13,187,206</b>
<b>Depreciation and amortization</b>	<b>(5,425)</b>	<b>(2,425,126)</b>	<b>(1,401,997)</b>	<b>-</b>	<b>(12,374,288)</b>	<b>(120,594)</b>	<b>-</b>	<b>(16,327,430)</b>

<b>For the six months ended 30 June 2016 (Reviewed)</b>	<b>Financial Leasing</b>	<b>Transportation</b>	<b>Property Development</b>	<b>Driving School</b>	<b>Taxi Services</b>	<b>Holding</b>	<b>Elimination</b>	<b>Total</b>
	<b>QR</b>	<b>QR</b>	<b>QR</b>	<b>QR</b>	<b>QR</b>	<b>QR</b>	<b>QR</b>	<b>QR</b>
Revenues and Gains:								
External Parties	2,550,629	44,070,929	42,528,051	-	17,764,895	442,607	-	107,357,111
Internal Parties	-	119,626	-	-	-	-	(119,626)	-
<b>Total Revenues and Gains</b>	<b>2,550,629</b>	<b>44,190,555</b>	<b>42,528,051</b>	<b>-</b>	<b>17,764,895</b>	<b>442,607</b>	<b>(119,626)</b>	<b>107,357,111</b>
<b>Profit (Loss) for the period</b>	<b>1,858,864</b>	<b>5,092,756</b>	<b>18,091,988</b>	<b>(1,716)</b>	<b>(23,127,221)</b>	<b>2,013,789</b>	<b>-</b>	<b>3,928,460</b>
<b>Finance Income</b>	<b>2,213,641</b>	<b>69,217</b>	<b>2,925,916</b>	<b>-</b>	<b>26,664</b>	<b>4,958,166</b>	<b>-</b>	<b>10,193,604</b>
<b>Depreciation and amortization</b>	<b>(5,425)</b>	<b>(2,403,452)</b>	<b>(1,679,864)</b>	<b>-</b>	<b>(11,200,715)</b>	<b>(118,899)</b>	<b>-</b>	<b>(15,408,355)</b>



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The following table presents segment assets and liabilities of the Group's operating segments as at 30 June 2017 and 31 December 2016:

<b>As of 30 June 2017 (Reviewed)</b>	<b>Financial Leasing</b>	<b>Transportation</b>	<b>Property Development</b>	<b>Driving School</b>	<b>Taxi Services</b>	<b>Holding</b>	<b>Elimination</b>	<b>Total</b>
	<b>QR</b>	<b>QR</b>	<b>QR</b>	<b>QR</b>	<b>QR</b>	<b>QR</b>	<b>QR</b>	<b>QR</b>
Current Asset	275,000,501	18,278,501	469,814,800	2,071	29,631,358	559,614,702	(413,093,013)	939,248,920
Non-Current Assets	50,281,763	9,252,206	137,786,588	8,342,000	57,461,147	12,027,317	-	275,151,021
<b>Total Assets</b>	<b>325,282,264</b>	<b>27,530,707</b>	<b>607,601,388</b>	<b>8,344,071</b>	<b>87,092,505</b>	<b>571,642,019</b>	<b>(413,093,013)</b>	<b>1,214,399,941</b>
Current Liabilities	(6,364,561)	(6,781,123)	(71,472,529)	(7,681,801)	(277,944,820)	(188,868,051)	366,893,013	(192,219,872)
Non-Current Liabilities	(496,887)	(786,482)	(34,903,691)	(12,090)	(681,592)	(3,082,844)	-	(39,963,586)
<b>Total Liabilities</b>	<b>(6,861,448)</b>	<b>(7,567,605)</b>	<b>(106,376,220)</b>	<b>(7,693,891)</b>	<b>(278,626,412)</b>	<b>(191,950,895)</b>	<b>366,893,013</b>	<b>(232,183,458)</b>
<b>As of 31 Dec 2016 (Audited)</b>	<b>Financial Leasing</b>	<b>Transportation</b>	<b>Property Development</b>	<b>Driving School</b>	<b>Taxi Services</b>	<b>Holding</b>	<b>Elimination</b>	<b>Total</b>
	<b>QR</b>	<b>QR</b>	<b>QR</b>	<b>QR</b>	<b>QR</b>	<b>QR</b>	<b>QR</b>	<b>QR</b>
Current Asset	283,450,532	20,448,936	514,658,988	7,810	18,481,970	625,564,263	(448,052,105)	1,014,560,394
Non-Current Assets	41,523,527	11,677,331	119,084,185	8,000,000	47,447,410	9,579,837	-	237,312,290
<b>Total Assets</b>	<b>324,974,059</b>	<b>32,126,267</b>	<b>633,743,173</b>	<b>8,007,810</b>	<b>65,929,380</b>	<b>635,144,100</b>	<b>(448,052,105)</b>	<b>1,251,872,684</b>
Current Liabilities	(7,349,179)	(9,307,237)	(109,525,589)	(7,167,771)	(238,661,446)	(181,356,877)	401,852,105	(151,515,994)
Non-Current Liabilities	(456,807)	(863,054)	(31,162,978)	(9,611)	(705,821)	(49,673,072)	-	(82,871,343)
<b>Total Liabilities</b>	<b>(7,805,986)</b>	<b>(10,170,291)</b>	<b>(140,688,567)</b>	<b>(7,177,382)</b>	<b>(239,367,267)</b>	<b>(231,029,949)</b>	<b>401,852,105</b>	<b>(234,387,337)</b>

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15. CONTINGENT LIABILITY & COMMITMENTS

	30 June 2017	31 Dec 2016
	(Reviewed)	(Audited)
	QR	QR
Letter of guarantees from Islamic banks	16,330,600	24,510,000
Capital commitments	75,170,533	129,709,585
Operating lease commitments	1,400,000	1,400,000

The table below shows the maturity profile of the Group's operating lease:

	30 June 2017	31 Dec 2016
	(Reviewed)	(Audited)
	QR	QR
Less than 1 year	100,000	100,000
1 – 5 years	500,000	500,000
More than 5 years	800,000	800,000

16. EARNINGS PER SHARE

	Six months ended	
	30 Jun 2017	30 Jun 2016
	(Reviewed)	(Reviewed)
Net (loss)/profit for the period (QR)	(8,964,649)	3,928,460
Weighted average number of shares	49,480,200	49,480,200
(Loss)/Earnings per share (QR)	(0.18)	0.08

The weighted average numbers of shares have been calculated as follows:

	Six months ended	
	30 Jun 2017	30 Jun 2016
	(Reviewed)	(Reviewed)
Qualifying shares at the beginning of the period	49,480,200	49,480,200
Balance at end of the period	49,480,200	49,480,200

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**17. RELATED PARTY DISCLOSURES**

Related parties represent major shareholders, directors and key management personnel of the Group and companies in which they are major owners. Pricing policies and terms of these transactions are approved by the Group's management.

**Related party transactions**

Transactions with related parties included in the consolidated statement of profit or loss are as follows:

Nature of Transaction	Relationship	Six months ended	
		30 Jun 2017	30 Jun 2016
		(Reviewed)	(Reviewed)
		QR	QR
Transportation Revenue	Company chaired by Board Member	5,063,743	34,186,280
Profit on property installments	Chairman	253,893	420,395
		<b>5,317,636</b>	<b>34,606,675</b>

**Related party balances**

Balances with related parties included in the condensed consolidated statement of financial position under prepayments and other receivables are as follows:

Nature of Transaction	Relationship	30 Jun 2017	31 Dec 2016
		(Reviewed)	(Audited)
		QR	QR
Due from QNCC	Company chaired by Board Member	103,390	1,768,423
Due from property sale	Chairman	6,474,427	12,948,855
		<b>6,577,817</b>	<b>14,717,278</b>

**Key management personnel remuneration**

	Six months ended	
	30 Jun 2017	30 Jun 2016
	(Reviewed)	(Reviewed)
	QR	QR
Key management personnel remuneration	<b>2,443,872</b>	<b>1,989,783</b>

## **18. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS**

### **Financial Risk Factors**

The group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the group's annual financial statements as at 31 December 2016.

There have been no changes in the risk management policies during this period.

### **Fair Value Estimation**

Financial instruments comprise financial assets and financial liabilities. Financial assets consist of cash and cash equivalents, installments and due from customers and available for sale investments and certain other financial receivables. Financial liabilities consist of Islamic financing under wakalah arrangements, accounts payable, amounts due on construction contracts and certain other accruals.

Management believes that the fair values of financial assets and liabilities are not materially different from their carrying values.