Alijarah Holding Q.P.S.C.

Interim Condensed Consolidated Financial Statements

30 June 2018

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF ALIJARAH HOLDING Q.P.S.C.

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Alijarah Holding Q.P.S.C. (the "Company") and its subsidiaries (the "Group") as at 30 June 2018, which comprise the interim consolidated statement of financial position as at 30 June 2018 and the related interim consolidated statements of income, other comprehensive income, changes in equity and cash flows for the six-month period then ended and the related explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 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.

Other matter

The interim condensed consolidated financial statements of the Group as at 30 June 2017 were reviewed and the consolidated financial statements as at 31 December 2017 were audited, by another auditor, whose review and audit reports dated 27 July 2017 and 8 February 2018 respectively, expressed an unmodified review conclusion and an unmodified audit opinion thereon.

Ihab Marzouk
of Ernst & Young
Auditor's Registration No. 338

Date: 26 July 2018
Doha

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ALIJARAH HOLDING Q.P.S.C.
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	Notes	30 June 2018	31 December 2017
		(Reviewed)	(Audited)
		QR	QR
ASSETS			
Cash and Bank Balances	5	560,297,824	598,444,228
Installments and Due from Customers	6	52,141,631	67,840,812
Investment Securities	7	193,718,956	154,759,408
Inventories		1,992,264	3,083,139
Assets Held for Sale	8	1,058,611	-
Prepayments and Other Receivables	9	60,409,695	113,240,708
Intangible Assets		8,345,301	8,349,243
Investment Property	10	106,277,617	106,277,617
Property and Equipment	11	169,834,639	160,510,020
Total Assets		**1,154,076,538**	**1,212,505,175**
LIABILITIES AND EQUITY			
LIABILITIES			
Accounts Payable, Accruals and Other Payables		75,123,359	73,761,561
Islamic Financing Under Wakalah Arrangements	12	89,220,010	101,909,351
Deferred Revenue	13	19,381,106	41,798,731
Total liabilities		**183,724,475**	**217,469,643**
EQUITY			
Share Capital	14	494,802,000	494,802,000
Legal Reserve		476,187,992	486,228,609
Fair Value Reserve		-	(694,560)
(Accumulated Losses) Retained Earnings		(637,929)	14,699,483
Total equity		**970,352,063**	**995,035,532**
Total liabilities and equity		**1,154,076,538**	**1,212,505,175**

These interim condensed consolidated financial statements were approved by the Board of Directors on 26th July 2018 and signed on their behalf by:

Salem Bin Butti Al-Nuaimi
Deputy Chairman

Hamad Shareef Al-Emadi
Chief Executive Officer

THE ACCOMPANYING NOTES 1 TO 23 FORM PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

	Notes	For the six months ended 30 June 2018	30 June 2017
		(Reviewed)	(Reviewed)
		QR	QR
Income			
Income from Core Business	16	56,177,278	65,841,109
Profit from Investment Securities	17	30,284,337	120,422
Other Income		346,598	386,198
Total income		**86,808,213**	**66,347,729**
Expenses			
Operating Expenses		(76,096,783)	(76,013,993)
General and Administration Expenses		(15,669,088)	(12,485,591)
Total expenses		**(91,765,871)**	**(88,499,584)**
Net operating loss		**(4,957,658)**	**(22,151,855)**
Finance Income		8,906,791	13,187,206
Net Finance Income		**8,906,791**	**13,187,206**
Profit / (Loss) for the period		**3,949,133**	**(8,964,649)**
Earnings Per Share			
Basic and Diluted Earnings / (Loss) Per Share	20	**0.08**	**(0.18)**

THE ACCOMPANYING NOTES 1 TO 23 FORM PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

	For the six months ended	
	30 June 2018	30 June 2017
	(Reviewed)	(Reviewed)
	QR	QR
Profit / (Loss) for the period	**3,949,133**	**(8,964,649)**
Other Comprehensive Loss that will be Reclassified to Profits or Loss in Subsequent Periods:		
Changes in Fair Value Reserve of Investment Securities	-	(1,564,115)
TOTAL COMPREHENSIVE INCOME /(LOSS) FOR THE PERIOD	**3,949,133**	**(10,528,764)**

ALIJARAH HOLDING Q.P.S.C.
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2018

	Notes	Share Capital	Legal Reserve	Fair Value Reserve	Retained Earnings	Total
		QR	QR	QR	QR	QR
Balance at 1 January 2017 (Audited)		**494,802,000**	**486,228,609**	**32,315**	**36,422,423**	**1,017,485,347**
Loss for the Period		-	-	-	(8,964,649)	(8,964,649)
Other Comprehensive Loss for the Period		-	-	(1,564,115)	-	(1,564,115)
Total Comprehensive Loss for the Period				***(1,564,115)***	***(8,964,649)***	***(10,528,764)***
Dividends Paid	15	-	-	-	(24,740,100)	(24,740,100)
Balance at 30 June 2017(Reviewed)		**494,802,000**	**486,228,609**	**(1,531,800)**	**2,717,674**	**982,216,483**
Balance at 1 January 2018 (Audited)		**494,802,000**	**486,228,609**	**(694,560)**	**14,699,483**	**995,035,532**
Impact of Adopting IFRS 9	22	-	-	694,560	(4,488,334)	(3,793,774)
Restated Balance at 1 January 2018		***494,802,000***	***486,228,609***	**-**	***10,211,149***	***991,241,758***
Profit for the Period		-	-	-	3,949,133	3,949,133
Other Comprehensive Income for the Period		-	-	-	-	-
Total Comprehensive Income for the Period				**-**	***3,949,133***	***3,949,133***
Dividends Paid	15	-	(10,040,617)	-	(14,699,483)	(24,740,100)
Social and Sports Fund Appropriation		-	-	-	(98,728)	(98,728)
Balance at 30 June 2018 (Reviewed)		**494,802,000**	**476,187,992**	**-**	**(637,929)**	**970,352,063**

THE ACCOMPANYING NOTES 1 TO 23 FORM 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 2018

	Notes	For the six months ended 30 June 2018 (Reviewed) QR	30 June 2017 (Reviewed) QR
Cash Flows from Operating Activities			
Profit (Loss) for the Period		**3,949,133**	**(8,964,649)**
Adjustments for:			
Depreciation and Amortization		11,054,676	16,327,430
Impairment of Receivables		-	900,000
Dividend Income	17	(11,471,001)	-
Loss on Disposal of Property and Equipment		1,985,894	1,096,898
Provision for slow moving inventories		1,090,077	-
Gain on Financial Assets at Fair Value Through Profit or Loss		(18,813,336)	(120,422)
Finance Income		(8,906,791)	(13,187,206)
Provision for employees' end of service benefits		181,982	967,495
		(20,929,366)	**(2,980,454)**
Working Capital Changes			
Installments and Dues from Customers		12,145,071	17,186,868
Prepayments and Other Receivables		52,299,547	(21,144,161)
Inventories		798	198,014
Accounts Payable, Accruals and Other Payables		1,535,731	(7,072,901)
Deferred Revenue		(22,417,625)	(27,698,689)
Employees' end of service benefits paid		(454,644)	(337,632)
Net Cash Flows from (used in) Operating Activities		**22,179,512**	**(41,848,955)**
Cash Flows from Investing Activities			
Finance Income Received		6,683,111	12,286,602
Dividend Income Received		11,471,001	-
Purchase of Intangible Assets		-	(342,000)
Purchase of Property and Equipment	11	(7,758,055)	(22,542,390)
Investment in Property Construction		(14,936,881)	(26,807,503)
Net movement in Bank Term Deposit		20,000,000	-
Purchase of Investment Securities		(47,701,018)	(15,457,521)
Proceeds from disposal of Investment Securities		27,554,807	3,142,327
Proceeds from Disposal of Property and Equipment		2,030,224	495,826
Net Cash Flows used in Investing Activities		**(2,656,811)**	**(49,224,659)**

Continued….

ALIJARAH HOLDING Q.P.S.C.
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2018

	Notes	For the six months ended 30 June 2018	30 June 2017
		(Reviewed)	(Reviewed)
		QR	QR
Cash Flows from Financing Activities			
Dividends Paid	15	(24,740,100)	(24,740,100)
Proceeds From Financing Under Wakalah Arrangements		-	40,000,000
Repayment of Financing Under Wakalah Arrangements		(12,689,341)	(6,946,202)
Net Cash Flows (used in) from Financing Activities		**(37,429,441)**	**8,313,698**
Net Decrease in Cash and Cash Equivalents		(17,906,740)	(82,759,916)
Cash and Cash Equivalents at the Beginning of the Period		248,204,564	756,323,038
Cash and Cash Equivalents at the End of the Period	5	**230,297,824**	**673,563,122**

1. CORPORATE INFORMATION

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. 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 2018 have been prepared in accordance with International Financial Reporting Standards, IAS 34 "Interim Financial Reporting".

The interim condensed consolidated financial statements have been presented in Qatari Riyals ("QR"), which is the functional and presentational currency of the Group. 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 2017. In addition, the results for the six months ended 30 June 2018 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2018.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies 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 2017, except for the adoption of new standards and amendments effective as of 1 January 2018. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

New and amended standards and interpretations adopted by the Group

The Group applies, for the first time IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers*. In accordance with the transitional provisions of these new standards, comparatives have not been restated. The nature and effect of these changes are disclosed in the note 22 to the interim condensed consolidated financial statements.

Several other amendments and interpretations apply for the first time in 2018, but do not have an impact on the interim condensed consolidated financial statements of the Group.

Other changes
IFRIC Interpretation 22 Foreign Currency Transactions and Advance Considerations
Amendments to IAS 40 Transfers of Investment Property
Amendments to IFRS 2 Classification and Measurement of Share-based Payment Transactions
Amendments to IFRS 4 Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts
Amendments to IAS 28 Investments in Associates and Joint Ventures - Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice
Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards - Deletion of short-term exemptions for first-time adopters

3. SIGNIFICANT ACCOUNTING POLICIES

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 consolidated financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Standard/Interpretation	Content	Effective Date
IFRS 16	Leases	January 1, 2019
IFRS 17	Insurance Contracts	January 1, 2021

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 2017.

5. CASH AND BANK BALANCES

	30 Jun 2018	**31 Dec 2017**
	(Reviewed)	**(Audited)**
	QR	**QR**
Cash on Hand	481,577	216,773
Current Accounts with Islamic Banks	29,816,247	28,227,455
Term Deposits with Islamic Banks	530,000,000	570,000,000
Cash and Bank Balances	**560,297,824**	**598,444,228**

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:

	30 Jun 2018	**31 Dec 2017**
	(Reviewed)	**(Audited)**
	QR	**QR**
Cash and Bank Balances	560,297,824	598,444,228
Term deposits maturing after 3 months	(330,000,000)	(350,000,000)
	230,297,824	**248,444,228**
Impact of Initial Application of IFRS 9	-	(239,664)
Cash and cash equivalents	**230,297,824**	**248,204,564**

6. INSTALLMENTS AND DUES FROM CUSTOMERS

			30 Jun 2018	31 Dec 2017
			(Reviewed)	(Audited)
			QR	QR
Gross Installments Due from Leasing			111,741,817	115,539,755
	30 Jun 2018	31 Dec 2017		
Morabaha	*100,929,378*	*104,715,057*		
Ijarah	*10,812,439*	*10,824,698*		
Less: Deferred Profits of Future Installments			(4,723,026)	(4,584,246)
	30 Jun 2018	31 Dec 2017		
Morabaha	*3,021,945*	*3,190,930*		
Ijarah	*1,701,081*	*1,393,316*		
Net Installments Due from Leasing			**107,018,791**	**110,955,509**
Gross Installments Due from Property Sales			-	3,333,720
Less: Deferred Profits of Future Installments			-	-
Net Installments Due from Property Sales			-	**3,333,720**
Other Trade Related Receivables			299,419	5,174,052
Allowance for Impairment			(55,176,579)	(51,622,469)
			52,141,631	**67,840,812**

7. INVESTMENT SECURITIES

	30 Jun 2018	31 Dec 2017
	(Reviewed)	(Audited)
	QR	QR
Available-for-Sale Financial Assets	-	154,759,408
Investment Securities Measured at FVPL	193,718,956	-
Quoted Equity Investments	**193,718,956**	**154,759,408**

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.

8. ASSETS HELD FOR SALE

During 2017, The Board of Directors of the Group has principally decided to dispose vehicles pertaining to taxi service segment of the Group to renew the Taxi Fleet. The sale of these vehicles is expected to be completed within a year from the reporting date. At 30 June 2018, the carrying amount of these vehicles were classified as assets held for sale.

9. PREPAYMENTS AND OTHER RECEIVABLES

	30 Jun 2018	31 Dec 2017
	(Reviewed)	(Audited)
	QR	QR
Advances for Investment Portfolios	32,772,147	97,861,049
Advance Payments to Suppliers	16,866,538	7,019,612
Profits Accrued on Bank Deposits	6,064,124	3,840,443
Pre-payments	4,505,206	4,319,924
Security Deposit	201,680	199,680
	60,409,695	**113,240,708**

10. INVESTMENT PROPERTY

	30 Jun 2018	31 Dec 2017
	(Reviewed)	(Audited)
	QR	QR
Investment property	**106,277,617**	**106,277,617**

The Investment property includes a warehouse complex developed by the Group with the intention of renting out to public.

The fair value of the Group's investment property at 30 June 2018 has been arrived at based on management assessment and knowledge on market condition. The Group has not carried out any independent valuation as of 30 June 2018 since the management believes that the market condition has not changed significantly compared to 31 December 2017, the date on which an independent valuation has been conducted.

11. PROPERTY AND EQUIPMENT

Acquisitions and disposals

During the six months ended 30 June 2018, the Group acquired assets with a cost of QR 7,758,055 (the six months ended 30 June 2017: QR 22,542,390) excluding property under construction.

The Group also commenced the construction and development of taxi complex, driving school and warehouses contract in February 2015. This project is expected to be completed by the end of 2018 and the carrying amount at 30 June 2018 was QAR 139,897,287 (31 December 2017: QAR 122,092,661). The amount of borrowing costs capitalized during the six months ended 30 June 2018 was approximately QAR 1,953,917 (31 December 2017: QAR 3,646,266).

Assets with a net book value of QAR 4,016,118 were disposed of by the Group during the six months ended 30 June 2018 (31 December 2017: 10,237,566) resulting in a net loss on disposal of QAR 1,985,894 (31 December 2017: net gain on disposal of QAR 645,760).

12. 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.

	30 Jun 2018	31 Dec 2017
	(Reviewed)	(Audited)
	QR	QR
At 1 January	101,909,351	59,914,884
Additions	-	60,000,000
Repayment	(12,689,341)	(18,005,533)
Closing Balance	**89,220,010**	**101,909,351**

13. 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 is entitled to utilize the proceeds payable to Qatari Diar against the infrastructure development of the said areas. The arrangement is accounted under the stage of completion method in accordance with IFRS 15

During the period, the Group has recognized revenue relating to the arrangement amounting to QR 23,071,487 and QR 23,071,487 respectively, (30 June 2017 : QR 28,845,675).

14. SHARE CAPITAL

	30 Jun 2018	31 Dec 2017
	(Reviewed)	(Audited)
	QR	QR
Authorized, Issued and Fully paid-up		
49,480,200 Ordinary Shares of QR 10 each	**494,802,000**	**494,802,000**

15. DIVIDENDS PAID

At the Annual General Assembly meeting held on 5 March 2018, the shareholders approved a cash dividend distribution equivalent to 5% of the paid-up capital amounting to QR 24,740,100 for the year ended 31 December 2017 (for the year ended 31 December 2016: cash dividend distribution equivalent to 5% of the paid up capital amounting to QR 24,740,100).

16. INCOME FROM CORE BUSINESS

The Group's main revenues are generated from leasing, transportation and taxi services and property development. The nature and effect of initially applying IFRS 15 on the Group's interim condensed consolidated financial statements are disclosed in Note 22.

Disaggregation of revenue

In the following table, revenue is disaggregated by major service lines and timing of recognition.

	30 Jun 2018	30 Jun 2017
	(Reviewed)	(Reviewed)
	QR	QR
Service Lines		
Property development	23,071,487	28,845,675
Taxi services	31,878,283	18,655,037
Leasing income	1,227,508	1,632,339
Transportation	-	16,708,058
	56,177,278	**65,841,109**

	30 Jun 2018	30 Jun 2017
	(Reviewed)	(Reviewed)
	QR	QR
Timing of revenue recognition		
Services transferred over the time	54,949,770	64,208,770
Leasing income	1,227,508	1,632,339
	56,177,278	**65,841,109**

17. PROFIT FROM INVESTMENT SECURITIES

	30 Jun 2018	30 Jun 2017
	(Reviewed)	(Reviewed)
	QR	QR
Gain on sale and fair value of investment securities at FVPL	18,813,336	120,422
Dividend income	11,471,001	-
	30,284,337	**120,422**

18. 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.

The following table presents segment revenues and profits of the Group's operating segments as at 30 June 2018 and 30 June 2017:

For the six months ended 30 June 2018 (Reviewed)	Financial Leasing	Transportation	Property Development	Driving School	Taxi Services	Holding	Elimination	Total
	QR	QR	QR	QR	QR	QR	QR	QR
Revenues and Gains:								
External Parties	2,880,317	-	24,618,875	-	33,756,930	25,552,091	-	86,808,213
Total Revenues and Gains	**2,880,317**	**-**	**24,618,875**	**-**	**33,756,930**	**25,552,091**	**-**	**86,808,213**
Profit (Loss) for the period	**533,669**	**-**	**143,025**	**(4,147,406)**	**(20,011,908)**	**27,431,753**	**-**	**3,949,133**
Finance Income	**735,882**	**-**	**1,914,250**	**-**	**489,407**	**5,767,252**	**-**	**8,906,791**
Depreciation and amortization	**(2,050)**	**-**	**(1,367,492)**	**-**	**(9,569,588)**	**(115,546)**	**-**	**(11,054,676)**

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

The following table presents segment assets and liabilities of the Group's operating segments as at 30 June 2018 and 31 December 2017:

As at 30 June 2018 (Reviewed)	Financial Leasing	Transportation	Property Development	Driving School	Taxi Services	Holding	Elimination	Total
	QR	QR	QR	QR	QR	QR	QR	QR
Current Asset	278,620,604	19,242,028	376,190,927	309	65,233,259	453,656,097	(555,348,461)	637,594,763
Non-Current Assets	38,119,382	183,680	218,313,840	8,342,000	61,946,220	189,576,653	-	516,481,775
Total Assets	**316,739,986**	**19,425,708**	**594,504,767**	**8,342,309**	**127,179,479**	**643,232,750**	**(555,348,461)**	**1,154,076,538**
Current Liabilities	(6,678,747)	(239,736)	(22,346,767)	(11,990,698)	(356,575,617)	(255,729,672)	509,148,461	(144,412,776)
Non-Current Liabilities	(47,901)	-	(36,292,320)	(4,480)	(576,867)	(2,390,131)	-	(39,311,699)
Total Liabilities	**(6,726,648)**	**(239,736)**	**(58,639,087)**	**(11,995,178)**	**(357,152,484)**	**(258,119,803)**	**509,148,461**	**(183,724,475)**

As at 31 Dec 2017 (Audited)	Financial Leasing	Transportation	Property Development	Driving School	Taxi Services	Holding	Elimination	Total
	QR	QR	QR	QR	QR	QR	QR	QR
Current Asset	277,898,666	14,748,536	418,850,584	1,880	10,363,036	519,145,820	(496,702,899)	744,305,623
Non-Current Assets	41,503,701	4,956,090	200,408,992	8,342,000	69,005,349	143,983,420	-	468,199,552
Total Assets	**319,402,367**	**19,704,626**	**619,259,576**	**8,343,880**	**79,368,385**	**663,129,240**	**(496,702,899)**	**1,212,505,175**
Current Liabilities	(6,331,529)	(359,573)	(44,095,717)	(7,831,796)	(288,616,767)	(278,029,454)	450,502,899	(174,761,937)
Non-Current Liabilities	(37,059)	(159,081)	(39,441,203)	(17,548)	(712,716)	(2,340,099)	-	(42,707,706)
Total Liabilities	**(6,368,588)**	**(518,654)**	**(83,536,920)**	**(7,849,344)**	**(289,329,483)**	**(280,369,553)**	**450,502,899**	**(217,469,643)**

During 2017, the Board of Directors decided to hold the operations of Transportation division of the Group, which was primarily focusing on industrial equipment transportation. However, the Board of Directors are currently reassessing the strategy on equipment transportation business and accordingly no operations took place during the period ended 30 June 2018.

19. CONTINGENT LIABILITY & COMMITMENTS

	30 June 2018	31 Dec 2017
	(Reviewed)	(Audited)
	QR	QR
Letter of guarantees from Islamic banks	**16,922,000**	16,930,600
Capital commitments	**22,908,448**	43,144,027
Operating lease commitments	**1,300,000**	1,300,000

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

	30 June 2018	31 Dec 2017
	(Reviewed)	(Audited)
	QR	QR
Less than 1 year	**100,000**	100,000
1 – 5 years	**500,000**	500,000
More than 5 years	**700,000**	700,000

20. EARNINGS PER SHARE

	Six months ended	
	30 Jun 2018	30 Jun 2017
	(Reviewed)	(Reviewed)
Net profit/(loss) for the period (QR)	3,949,133	(8,964,649)
Weighted average number of shares	49,480,200	49,480,200
Earnings/(Loss) per share (QR)	**0.08**	**(0.18)**

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

	Six months ended	
	30 Jun 2018	30 Jun 2017
	(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**

21. 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 income are as follows:

Nature of Transaction	Relationship	Six months ended 30 Jun 2018	30 Jun 2017
		(Reviewed)	(Reviewed)
		QR	QR
Transportation Revenue	Company chaired by Board Member	-	5,063,743
Profit on property installments	Chairman	-	253,893
		-	**5,317,636**

Key management personnel remuneration

	Six months ended 30 Jun 2018	30 Jun 2017
	(Reviewed)	(Reviewed)
	QR	QR
Key management personnel remuneration	**2,080,809**	**2,443,872**

22. IFRS 9 & 15 TRANSITION IMPACT DISCLOSURE

IFRS 15 Revenue from Contracts with Customers
IFRS 15 supersedes IAS 11 Construction Contracts, IAS 18 Revenue and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for the revenue arising from contracts with customers. Under IFRS 15, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying the model to each of the contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

The Group adopted IFRS 15 using the modified retrospective method of transition whereby the Group shall recognize the cumulative effect of initially applying IFRS 15 as an adjustment to the opening balance of retained earnings at 1 January 2018 and not restating the comparative financial information of 2017. Under this transition method, the Group has assessed only those contracts, which are not yet complete as at 1 January 2018.

The Group's principal revenues are generated from leasing, taxi and transportation services and property development.

Leasing income and dividends are scoped out in IFRS 15 Revenue from Contracts with Customers resulting in no changes to the current accounting practice.

22. IFRS 9 & 15 TRANSITION IMPACT DISCLOSURE (CONTINUED)

Revenue from rendering of taxi and transportation services is recognized over the time as those services are provided. Under IFRS 15, the total consideration in the service contracts is allocated to all services based on their stand-alone selling prices. The stand-alone selling price is determined based on the list prices at which the Group sells the services in separate transactions. The Group does not expect the application of IFRS 15 to result in significant differences among the timing of revenue recognition for these services.

Property development revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably. When a claim or variation recognized, the measure of contract progress or contract price is revised, and the cumulative contract position is reassessed at each reporting date. Under IFRS 15, claims and variations will be included in the contract accounting when they are approved.

The Group is currently carrying out a property development project in Lusail area and which is accounted for under stage of completion method in accordance with IFRS 15. The only performance obligation under the contract is the development of infrastructure in Lusail land plots. The Group has carried out a high level assessment on the implication of adopting IFRS 15 and concluded that the standard have no material effect, when applied, on the interim condensed consolidated financial statements of the Group.

IFRS 9 Financial instruments

The Group has adopted IFRS 9, as issued by the IASB in July 2014 with a date of transition of 1 January 2018, which resulted changes in accounting policies and adjustments to the amounts previously recognized in the consolidated financial statements as of and for the year ended 31 December 2017.

As permitted by the transitional provisions of IFRS 9, the Group elected not to restate comparative figures. Any adjustments to the carrying amounts of financial assets and liabilities at the date of transition were recognized in the opening retained earnings and the opening balance of fair value reserve of the current period.

The adoption of IFRS 9 has resulted in changes in the accounting policies for recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets. IFRS 9 also significantly amends other standards dealing with financial instruments such as IFRS 7 ‘Financial Instruments: Disclosures’.

Set out below are the IFRS 9 transition impact disclosures for the Group.

(a) Impact of adopting IFRS 9

The impact of adopting IFRS 9 has been shown as below:

	Retained Earnings	Fair Value Reserve
	QR	QR
Closing balance under IAS 39 (31 December 2017)	14,699,483	(694,560)
Impact of reclassification of AFS Equity Securities to FVPL	(694,560)	694,560
Impact of recognition of Expected Credit Losses (ECL)	(3,793,774)	-
	10,211,149	**-**

22. IFRS 9 TRANSITION IMPACT DISCLOSURE (CONTINUED)

(b) Classification and Measurement of Financial Instruments

The Group performed a detailed analysis of its models for managing financial assets as well as analyzing their cash flow characteristics. The below table reconciles the original measurement categories and carrying amounts of financial assets in accordance with IAS 39 and the new measurement categories under IFRS 9 as at 31 December 2017.

	IAS 39	IFRS 9	IAS 39	IMPACT OF IFRS 9		IFRS 9
	Measurement Category	Measurement Category	Carrying amount	Reclassifications	Remeasurements	Carrying amount
	QR	QR	QR	QR	QR	QR
Financial Assets						
Cash and Bank balances	AC (L&R) (1)	AC (2)	598,444,228	-	(239,664)	598,204,564
Installments and Due from Customers	AC (L&R) (1)	AC (2)	67,840,812	-	(3,554,110)	64,286,702
Available-for-Sale Financial Assets	AFS (3)	FVOCI (5)	154,759,408	(154,759,408)	-	-
Investment Securities Measured at FVPL	AFS (3)	FVPL(D) (5)	-	154,759,408	-	-

(1) Amortized Cost (Loans and Receivables)
(2) Amortized Cost
(3) Available For Sale
(4) Fair Value Through Profit or Loss (Designated)
(5) Fair Value Through Other Comprehensive Income

Financial Liabilities

There were no changes to the classification and measurement of financial liabilities.

(c) Exposures and Related ECL Movements

	QR
Exposure (Carrying Value) Subject to ECL	
Cash and Bank balances	560,537,488
Installments and Due from Customers	107,318,210
Opening balance of Provisions as at 1 January 2018 (under IAS 39)	
Cash and Bank balances	-
Installments and Due from Customers	51,622,469
ECL Impact of Initial Application of IFRS 9	
Cash and Bank balances	239,664
Installments and Due from Customers	3,554,110
Closing Balance of allowance as at 30 June 2018	
Cash and Bank balances	239,664
Installments and Due from Customers	55,176,579

22. IFRS 9 TRANSITION IMPACT DISCLOSURE (CONTINUED)

(d) Changes to Accounting Policies, Significant Estimates and Judgements

Key changes to the Group's accounting policies – applicable from 1 January 2018

The key changes to the Group's accounting policies resulting from the adoption of IFRS 9 are summarized below. Since the comparative financial information has not been restated, the accounting policies in respect of the financial instruments for comparative periods are based on IAS 39 as disclosed in the audited consolidated financial statements as of and for the year ended 31 December 2017.

Classification of financial assets and financial liabilities

Except for certain trade receivables, under IFRS 9, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Under IFRS 9, debt financial instruments are subsequently measured at fair value through profit or loss (FVPL), amortized cost, or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion').

The new classification and measurement of the Group's debt financial assets are, as follows:

- Debt instruments at amortized cost for financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion. This category includes the Group's Installments and due from customers, Due from related parties, and Other non-current financial assets.

Other financial assets are classified and subsequently measured, as follows:

- Financial assets at FVPL comprise quoted equity instruments which the Group had not irrevocably elected, at initial recognition or transition, to classify at FVOCI. This category would also include debt instruments whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell. Under IAS 39, the Group's quoted equity securities were classified as AFS financial assets. Upon transition the AFS reserve relating to quoted equity securities, which had been previously recognized under accumulated OCI, was reclassified to Retained earnings.

- Equity instruments at FVOCI, with no recycling of gains or losses to profit or loss on derecognition. This category only includes equity instruments, which the Group intends to hold for the foreseeable future and which the Group has irrevocably elected to so classify upon initial recognition or transition. The Group classified its unquoted equity instruments as equity instruments at FVOCI. Equity instruments at FVOCI are not subject to an impairment assessment under IFRS 9. Under IAS 39, the Group's unquoted equity instruments were classified as AFS financial assets.

The assessment of the Group's business models was made as of the date of initial application, 1 January 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The AFS reserve relating to quoted equity securities amounting to QR 694,560 was reclassified to opening retained earnings.

The accounting for the Group's financial liabilities remains largely the same as it was under IAS 39. Similar to the requirements of IAS 39, IFRS 9 requires contingent consideration liabilities to be treated as financial instruments measured at fair value, with the changes in fair value recognized in the statement of profit or loss.

22. IFRS 9 TRANSITION IMPACT DISCLOSURE (CONTINUED)

Impairment

The adoption of IFRS 9 has fundamentally changed the Group's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach.

IFRS 9 requires the Group to record an allowance for ECLs for all loans and other debt financial assets not held at FVPL.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For Installments and due from customers and other receivables, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets the ECL is based on the 12-month ECL. The 12-month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

In all cases, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payment are 30 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

The adoption of the ECL requirements of IFRS 9 resulted in increases in impairment allowances of the Group's debt financial assets. The increase in allowance resulted in adjustment to Retained earnings of QR 3,793,774.

23. 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 2017.
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 investment securities 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.