Alijarah Holding Q.P.S.C.

Interim Condensed Consolidated
Financial Statements

30 June 2019

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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 2019, which comprise the interim consolidated statement of financial position as at 30 June 2019 and the related interim consolidated statements of comprehensive income, for the three-month and six-month period ended 30 June 2019, interim consolidated statement of 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.

Ziad Nader
of Ernst & Young
Auditor's Registration No. 258

Date: 18 July 2019
Doha

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ALIJARAH HOLDING Q.P.S.C.
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Notes	30 June 2019 (Reviewed) QR	31 December 2018 (Audited) QR
ASSETS			
Balances with financial institutions and cash	5	483,355,775	579,286,196
Installments and dues from customers	6	40,988,805	44,616,069
Investment securities	7	159,477,092	161,347,708
Inventories	8	4,474,182	12,468,920
Prepayments and other receivables	9	30,946,237	30,044,435
Intangible assets	10	8,503,786	8,456,000
Investment property	11	106,277,617	106,277,617
Property and equipment	12	158,490,626	163,069,383
Right of-use asset	3	683,999	-
Total Assets		993,198,119	1,105,566,328
LIABILITIES AND EQUITY			
LIABILITIES			
Accounts payable, accruals and other payables	13	116,021,952	163,637,544
Islamic financing under Wakalah Arrangements	14	63,665,771	76,423,363
Contract liabilities	15	119,024,606	150,880,049
Lease liability	3	905,303	-
Total liabilities		299,617,632	390,940,956
EQUITY			
Share capital	16	494,802,000	494,802,000
Legal reserve	17	387,268,209	412,008,309
Accumulated losses		(188,489,722)	(192,184,937)
Total equity		693,580,487	714,625,372
Total liabilities and equity		993,198,119	1,105,566,328

These interim condensed consolidated financial statements were approved by the Board of Directors on 18th July 2019 and signed on their behalf by:

Sheikh Falah Bin Jassim Bin Jabr Al-Thani
Chairman & Managing Director

Hamad Shareef Al-Emadi
Chief Executive Officer

THE ACCOMPANYING NOTES FROM 1 TO 27 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 THREE AND SIX MONTHS ENDED 30 JUNE 2019

	Notes	For the three months period ended 30 June		For the six months period ended 30 June	
		2019	2018	**2019**	2018
		(Reviewed) QR	(Reviewed) (Restated) QR	**(Reviewed) QR**	(Reviewed) (Restated) QR
Income					
Revenue from core business	20	**36,685,904**	31,075,190	**60,522,051**	63,580,887
Income from investments	21	**(4,236,060)**	21,645,959	**5,260,573**	30,284,337
Other income		**1,853,835**	136,250	**3,313,790**	346,598
Total revenues and income		**34,303,679**	52,857,399	**69,096,414**	94,211,822
Expenses					
Operating expenses		**(30,078,284)**	(40,475,144)	**(52,845,998)**	(76,096,783)
General and administration expenses		**(8,682,109)**	(7,331,601)	**(19,671,272)**	(15,669,088)
Total expenses		**(38,760,393)**	(47,806,745)	**(72,517,270)**	(91,765,871)
Net operating (loss) income		**(4,456,714)**	5,050,654	**(3,420,856)**	2,445,951
Finance income from deposits with Islamic banks		**4,196,394**	4,427,697	**8,875,181**	8,906,791
Finance cost - Islamic financing under Wakalah Arrangements		**(682,941)**	-	**(1,422,343)**	-
Net finance income		**3,513,453**	4,427,697	**7,452,838**	8,906,791
(Loss) Profit for the period		**(943,261)**	9,478,351	**4,031,982**	11,352,742
Other comprehensive income that may be reclassified to profits or loss in subsequent periods:		**-**	-	**-**	-
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD		**(943,261)**	9,478,351	**4,031,982**	11,352,742
(Losses) Earnings per share					
Basic and diluted (losses) earnings per share	24	**(0.002)**	0.019	**0.008**	0.023

THE ACCOMPANYING NOTES FROM 1 TO 27 FORM AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

	Notes	Share Capital	Legal Reserve	Fair Value Reserve	Accumulated Losses	Total
		QR	QR	QR	QR	QR
Balance at 1 January 2018 (As reported)	27	494,802,000	486,228,609	(694,560)	(244,138,711)	736,197,338
Effect of adoption of IFRS 9 *(Note (i))*		-	-	694,560	(4,488,334)	(3,793,774)
Balance at 1 January 2018 (Restated)		494,802,000	486,228,609	-	(248,627,045)	732,403,564
Profit for the period (Restated)	19	-	-	-	11,352,742	11,352,742
Other comprehensive income for the period		-	-	-	-	-
Total comprehensive income for the period		-	-	-	11,352,742	11,352,742
Reclassification pursuant to the shareholders resolution	27	-	(49,480,200)	-	49,480,200	-
Dividends paid	18	-	(24,740,100)	-	-	(24,740,100)
Social and sports fund appropriation		-	-	-	(283,819)	(283,819)
Balance at 30 June 2018 (Reviewed) (Restated)		494,802,000	412,008,309	-	(188,077,922)	718,732,387
Balance at 1 January 2019 (As reported)	27	**494,802,000**	**476,187,993**	**-**	**(256,364,621)**	**714,625,372**
Effect of adoption of IFRS 16	3	-	-	-	(235,967)	(235,967)
Balance at 1 January 2019 (restated)		**494,802,000**	**476,187,993**	**-**	**(256,600,588)**	**714,389,405**
Profit for the Period		-	-	-	4,031,982	**4,031,982**
Other comprehensive income for the period		-	-	-	-	-
Total comprehensive income for the period		-	-	-	**4,031,982**	**4,031,982**
Reclassification pursuant to the shareholders resolution	27	-	(64,179,684)	-	**64,179,684**	-
Dividends paid	18	-	(24,740,100)	-	-	(24,740,100)
Social and sports fund appropriation		-	-	-	(100,800)	(100,800)
Balance at 30 June 2019 (Reviewed)		**494,802,000**	**387,268,209**	**-**	**(188,489,722)**	**693,580,487**

Note (i)

The Group had initially applied IFRS 15 and IFRS 9 at 1 January 2018 and adjusted the retained earnings under modified retrospective approach

	Notes	30 June 2019	30 June 2018
			(Reviewed)
		(Reviewed)	(Restated)
		QR	QR
Cash flows from operating activities			
Profit for the period		**4,031,982**	11,352,742
Adjustments for:			
Depreciation and amortization		**8,386,642**	11,054,676
Loss (Gain) on investment securities measured at FVTPL	21	**3,529,869**	(18,813,336)
Net allowance for expected credit losses on financial assets		**3,248,503**	-
Dividend income	21	**(8,788,623)**	(11,471,001)
(Profit) Loss on disposal of property and equipment		**(208,755)**	1,985,894
Provision for slow moving inventories		**900,000**	1,090,077
Write off related to property and equipment		**58,456**	-
Finance income		**(8,875,181)**	(8,906,791)
Finance cost		**1,422,343**	-
Provision for employees' end of service benefits		**519,585**	181,982
Net operating Profit (Loss) for the period before working capital changes		**4,224,821**	(13,525,757)
Working Capital Changes			
Installments and dues from customers		**378,761**	12,145,071
Prepayments and other receivables		**(1,138,198)**	52,299,547
Inventories		**7,094,738**	798
Accounts payable, accruals and other Payables		**(48,284,598)**	1,535,731
Contract liabilities		**(31,855,443)**	(29,821,234)
Finance cost paid		**(1,280,666)**	-
Employees' end of service benefits paid		**(93,055)**	(454,644)
Net cash flows (used in) from operating activities		**(70,953,640)**	22,179,512
Cash flows from investing activities			
Finance income received		**9,073,084**	6,683,111
Dividend received		**8,788,623**	11,471,001
Purchase of intangible assets		**(114,000)**	-
Purchase of property and equipment		**(1,337,346)**	(7,758,055)
Additions to capital work in progress		**(2,462,781)**	(14,936,881)
Net movement in bank term deposit		**60,000,000**	20,000,000
Purchase of investment securities		**(1,659,254)**	(47,701,018)
Proceeds from disposal of investment securities		**-**	27,554,807
Proceeds from disposal of property and equipment		**208,755**	2,030,224
Net cash flows from (used in) investing activities		**72,497,081**	(2,656,811)
Cash flows from financing activities			
Dividends paid	18	**(24,740,100)**	(24,740,100)
Repayment of financing under Wakalah Arrangements		**(12,757,592)**	(12,689,341)
Net cash flows used in financing activities		**(37,497,692)**	(37,429,441)
Net decrease in cash and cash equivalents		**(35,954,251)**	(17,906,740)
Cash and cash equivalents at the beginning of the period		**199,506,271**	248,204,564
Cash and cash equivalents at the end of the period	5	**163,552,020**	230,297,824

THE ACCOMPANYING NOTES FROM 1 TO 27 FORM AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

1. CORPORATE INFORMATION AND PRINCIPAL ACTIVITIES

Alijarah Holding Company Q.P.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, Taxi Services and Driving Academy. The Group is committed to conduct all its activities in accordance with Islamic Sharia'a.

These interim condensed consolidated financial statements were authorised for issue by the Board of Directors on 18 July 2019.

2. BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 2019 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 2018. In addition, the results for the six months ended 30 June 2019 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2019.

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 2018, except for the adoption of new standards and amendments effective as of 1 January 2019. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The Group applied, for the first time, IFRS 16 Leases using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. As required by IAS 34, the nature and effect of these changes are disclosed below.

Several other amendments and interpretations apply for the first time in 2019, but do not have an impact on the interim condensed consolidated financial statements of the Group.

IFRS 16 Leases
IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

IFRS 16 Leases (continued)

Lessor accounting under IFRS 16 is substantially unchanged under IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 did not have an impact for leases where the Group is the lessor.

The Group adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

Impact on the interim consolidated statement of financial position (increase/(decrease)) are as follows:

	1 January 2019 (Reviewed) QR
Right-of-use asset	712,303
Prepayments	(66,667)
Total Assets	**645,636**
Lease Liability	881,603
Total Liabilities	**881,603**
Accumulated Losses	(235,967)
Total Equity	**(235,967)**

The Group has a lease contracts for a land lease. Before the adoption of IFRS 16, the Group classified the leases as an operating lease. The Group recognised right-of-use asset and lease liability with respect to land lease previously classified as an operating lease. The right-of-use asset is recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. The right-of-use asset is recognised based on the amount equal to the lease liabilities, adjusted for the related prepaid lease payment previously recognised.

Lease liability is recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Group also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

IFRS 16 Leases (continued)

The lease liabilities as at 1 January 2019 can be reconciled to the operating lease commitments as of 31 December 2018 as follows:

	1 January 2019
	(Reviewed)
Operating lease commitments as at 31 December 2018 (QR)	**1,200,000**
Weighted average incremental borrowing rate as at 1 January 2019	**5.5%**
Discounted operating lease commitments as at 1 January 2019 (QR)	**881,603**

New accounting policies adopted with effect from 1 January 2019

Set out below are the new accounting policies of the Group upon adoption of IFRS 16, which have been applied from the date of initial application:

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below € 5,000 approximately QR 20,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

IFRS 16 Leases (continued)

New accounting policies adopted with effect from 1 January 2019 (continued)

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has the option, under some of its leases to lease the assets for additional terms. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

Set out below, are the carrying amounts of the Group's right-of-use asset and lease liability and the movements during the period:

Right-of-use asset

	30 June 2019 (Reviewed) QR
At 1 January	712,303
Depreciation for the period	(28,304)
Closing balance	**683,999**

Lease liability

	30 June 2019 (Reviewed) QR
At 1 January	881,603
Finance costs for the period	23,700
Closing balance	**905,303**

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 17	Insurance Contracts	January 1, 2021

4. USE OF JUDGEMENTS AND 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 2018.

5. BALANCES WITH FINANCIAL INSTITUTIONS AND CASH

	30 June 2019 (Reviewed) QR	31 December 2018 (Audited) QR
Cash on hand	**293,466**	214,222
Current accounts with Islamic banks	**22,459,424**	12,310,258
Current accounts with a conventional bank	**5,893,879**	5,417,578
Term deposits with Islamic banks	**440,000,000**	530,000,000
Deposits with financial institutions	**14,905,251**	31,564,213
	483,552,020	579,506,271
Allowance for expected credit losses	**(196,245)**	(220,075)
Balances with financial institutions and cash	**483,355,775**	579,286,196

Bank term deposits carry profit at commercial market rates. The Group has pledged QR 63,665,771 and QR 17,038,000 of the term deposit maturing after three months to fulfill collateral requirements of Islamic financing and Letter of guarantees.

Movements in the allowance for expected credit losses as follows:

	30 June 2019 (Reviewed) QR	31 December 2018 (Audited) QR
At 1 January	**220,075**	239,664
Reversal of allowance during the Period / year	**(23,830)**	(19,589)
	196,245	220,075

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

	30 June 2019 (Reviewed) QR	31 December 2018 (Audited) QR
Balances with financial institutions and cash prior to the expected credit losses	**483,552,020**	579,506,271
Term deposits maturing after 3 months	**(320,000,000)**	(380,000,000)
Cash and cash equivalents	**163,552,020**	199,506,271

6. INSTALLMENTS AND DUES FROM CUSTOMERS

			30 June 2019 (Reviewed) QR	31 December 2018 (Audited) QR
Gross installments due from leasing			**95,367,893**	101,608,271
	30 June 2019	**31 December 2018**		
Morabaha	*88,205,363*	*94,604,763*		
Ijarah	*7,162,530*	*7,003,508*		
Less: deferred profits of future installments			**(3,461,562)**	(4,006,458)
	30 June 2019	**31 Dec 2018**		
Morabaha	*(2,283,621)*	*(2,586,460)*		
Ijarah	*(1,177,941)*	*(1,419,998)*		
Net installments due from leasing			**91,906,331**	97,601,813
Other trade related receivables			**9,072,746**	3,740,763
Gross installments and dues from customers			**100,979,077**	101,342,576
Allowance for expected credit losses			**(59,990,272)**	(56,726,507)
Total installments and dues from customers			**40,988,805**	44,616,069

7. INVESTMENT SECURITIES

	30 June 2019 (Reviewed) QR	31 December 2018 (Audited) QR
Financial assets measured at FVTPL	**159,477,092**	161,347,708
Quoted equity Investments	**159,477,092**	161,347,708

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. INVENTORIES

	30 June 2019 (Reviewed) QR	31 December 2018 (Audited) QR
Vehicles	**4,017,976**	11,115,107
Spare parts and consumables	**4,984,372**	4,981,979
Gross inventories	**9,002,348**	16,097,086
Provision for slow moving inventories	**(4,528,166)**	(3,628,166)
	4,474,182	12,468,920

8. INVENTORIES (CONTINUED)

Movement in provision for slow moving inventories

	30 June 2019 (Reviewed) QR	31 December 2018 (Audited) QR
Balance at 1 January	**3,628,166**	1,921,348
Addition during the period / year	**900,000**	1,706,818
	4,528,166	3,628,166

9. PREPAYMENTS AND OTHER RECEIVABLES

	30 June 2019 (Reviewed) QR	31 December 2018 (Audited) QR
Advance payments to suppliers	**20,874,759**	18,760,721
Pre-payments and other receivables	**3,280,899**	4,291,162
Profits accrued on bank deposits	**6,589,999**	6,787,902
Security deposit	**200,580**	204,650
	30,946,237	30,044,435

10. INTANGIBLE ASSETS

	Driving School License QR	Software QR	Total QR
Cost:			
At 1 January 2019	8,000,000	5,046,185	13,046,185
Additions	-	114,000	114,000
At 30 June 2019	**8,000,000**	**5,160,185**	**13,160,185**
At 1 January 2018	8,000,000	4,944,335	12,944,335
Additions	-	114,000	114,000
Written off	-	(12,150)	(12,150)
At 31 December 2018	**8,000,000**	**5,046,185**	**13,046,185**
Amortization:			
At 1 January 2019	-	4,590,185	4,590,185
Charge for the period	-	66,214	66,214
At 30 June 2019	-	**4,656,399**	**4,656,399**
At 1 January 2018	-	4,595,092	4,595,092
Charge for the year	-	7,243	7,243
Relating to write off	-	(12,150)	(12,150)
At 31 December 2018	**-**	**4,590,185**	**4,590,185**
Net carrying amounts:			
30 June 2019 (Reviewed)	**8,000,000**	**503,786**	**8,503,786**
31 December 2018 (Audited)	8,000,000	456,000	8,456,000

10. INTANGIBLE ASSETS (CONTINUED)

On 2 September 2013, the Group purchased a license to operate a driving school assigned with a local company ("transferee"). The license was purchased as a part of a transfer of the ownership of the local company to the Group. At the date of transfer of ownership of the local company, the only asset held by the transferee was the license to operate a driving school amounting to QR 8 Million. The license granted to the Group has an indefinite useful life.

11. INVESTMENT PROPERTY

	30 June 2019 (Reviewed) QR	31 December 2018 (Audited) QR
Investment property	**106,277,617**	106,277,617

The investment property includes a property leased out under an operating lease agreement to third parties. The fair value of the Group's investment properties at 30 June 2019 has been arrived at on the basis of management assessment and expert knowledge on market condition, Investment property has been valued using Level 3 measurement techniques as per IFRS 7. The Group has not carried out any independent valuation as of 30 June 2019 since the management believes that the market condition has not changed significantly compared to 31 December 2018, the date on which an independent valuation has been conducted. In estimating the fair value of the properties, the lowest and best use of the properties is their current use.

12. PROPERTY AND EQUIPMENT

	Land	Building	Office Equipment	Furniture and Fixtures	Heavy Equipment, Trucks and Motor Vehicles	Work in Progress	Total
	QR	QR	QR	QR	QR	QR	QR
Cost:							
At 1 January 2018	29,991,000	29,406,687	6,894,695	8,966,146	115,842,099	52,366,129	243,466,756
Additions	-	-	455,820	727,857	15,011,437	29,379,656	45,574,770
Transfers to inventory	-	-	-	-	(22,173,332)	-	(22,173,332)
Disposal	-	(1,249,255)	(295,825)	(242,150)	(43,966,208)	-	(45,753,438)
Reclassification	-	79,550,284	-	-	-	(79,550,284)	-
At 31 December 2018	**29,991,000**	**107,707,716**	**7,054,690**	**9,451,853**	**64,713,996**	**2,195,501**	**221,114,756**
Additions	-	-	785,909	56,322	495,115	2,462,781	3,800,127
Disposal	-	-	-	-	(1,773,600)	-	(1,773,600)
Write off	-	-	(8,295)	(500)	(58,456)	-	(67,251)
At 30 June 2019	**29,991,000**	**107,707,716**	**7,832,304**	**9,507,675**	**63,377,055**	**4,658,282**	**223,074,032**
Accumulated Depreciation:							
At 1 January 2018	-	19,058,771	6,145,765	8,734,255	49,017,945	-	82,956,736
Charge for the year	-	4,215,839	430,846	137,007	14,291,008	-	19,074,700
Transfers to inventory	-	-	-	-	(7,617,695)	-	(7,617,695)
Related to Disposal	-	(1,249,255)	(292,350)	(235,434)	(34,591,329)	-	(36,368,368)
At 31 December 2018	-	**22,025,355**	**6,284,261**	**8,635,828**	**21,099,929**	-	**58,045,373**
Charge for the period	-	3,051,790	215,263	130,580	4,922,795	-	8,320,428
Related to Disposal	-	-	-	-	(1,773,600)	-	(1,773,600)
Related to write off	-	-	(8,295)	(500)	-	-	(8,795)
At 30 June 2019	-	**25,077,145**	**6,491,229**	**8,765,908**	**24,249,124**	-	**64,583,406**
30 June 2019 (Reviewed)	**29,991,000**	**82,630,571**	**1,341,075**	**741,767**	**39,127,931**	**4,658,282**	**158,490,626**
31 December 2018 (Audited)	29,991,000	85,682,361	770,429	816,025	43,614,067	2,195,501	163,069,383

13. ACCOUNTS PAYABLE, ACCRUALS AND OTHER PAYABLES

	30 June 2019 (Reviewed) QR	31 December 2018 (Audited) QR
Accounts payable and advances from customers	49,659,226	47,641,266
Unclaimed dividends	12,960,432	12,471,583
Provision for employees' end of service benefits (a)	3,816,567	3,390,037
Provision for social contribution (b)	100,800	178,510
Accrued expenses	49,484,927	99,956,148
	116,021,952	163,637,544

Notes:

(a) Provision for employees' end of service benefits

	30 June 2019 (Reviewed) QR	31 December 2018 (Audited) QR
At 1 January	3,390,037	3,329,810
Charge for the period / year	519,585	619,527
Payments during the period / year	(93,055)	(559,300)
	3,816,567	3,390,037

(b) Contribution to Social and Sports Development Fund

Pursuant to Law No. 13 of 2008 and further clarification of the law issued in 2010, the Group made an appropriation of QR 100,800 for the period ended 30 June 2019 (QR 178,510 for the year ended 31 December 2018) to the Social and Sports Development Fund of Qatar. This amount represents 2.5% of the net profit for the period ended 30 June 2019.

14. 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 June 2019 (Reviewed) QR	31 December 2018 (Audited) QR
At 1 January	76,423,363	101,909,351
Paid	(12,757,592)	(25,485,988)
	63,665,771	76,423,363

15. CONTRACT LIABILITIES

	30 June 2019 (Reviewed) QR	31 December 2018 (Audited) QR
Contract liability from Property development(Note (i))	117,548,484	150,880,049
Contract liability related to driving academy	1,476,122	-
	119,024,606	150,880,049

Note (i)

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. This amount is expected to be recognized in the consolidated statement of income based on the percentage of completion of the infrastructure development project.

16. SHARE CAPITAL

	30 June 2019 (Reviewed) QR	31 December 2018 (Audited) QR
Authorized, Issued and Fully paid-up		
494,802,000 ordinary shares of QR 1 each (Note i)	494,802,000	-
49,480,200 ordinary shares of QR 10	-	494,802,000
	494,802,000	494,802,000

Note (i)

On 18 February 2019, the shareholders of the Group approved in the Extraordinary General Meeting the par value of the ordinary share to be amended from QR 10 per share to of QR 1 per share, as per the instructions of Qatar Financial Markets Authority, and amendment of the related Articles of Association. On 11th June 2019 Qatar stock exchange announced that the stock split of the Group has been executed and the total number of shares has increased.

17. LEGAL RESERVE

In accordance with the Qatar Commercial Companies' Law No.11 of 2015, QR 321,621,300 received in excess of the nominal amount of the share issued during the year 2012 has been credited to the Legal reserve. The legal reserve is not available for distribution except in circumstances specified in the said Law. The Group ceased making any transfers to legal reserve as the reserve had already exceeded 50% of the Group's share capital.

18. DIVIDENDS PAID

At the Annual General Assembly meeting held on 18 February 2019, 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 2018 (for the year ended 31 December 2017: cash dividend distribution equivalent to 5% of the paid-up capital amounting to QR 24,740,100).

19. RESTATEMENT

In 2010, An agreement was signed between the Group and a local real estate investment company "Customer" to develop homogeneous residential, administrative and entertainment facilities for 895 land plots in Northern Villa and Seafront Western Area in Lusail (A new city under construction in Qatar). The Group's scope of infrastructure development comprises of setting up water, electricity and drainage networks, landscape works, street furniture and street lighting and gas network for land plots assigned with the Group in accordance with the specification in the agreement.

Over the period of executing the infrastructure project, the Company was recognizing the revenue from the project using the percentage of completion method.

During 2016, the Customer has identified gaps in specifications and scope of work assigned per contract in terms of landscaping, street lighting, street furnishing and the general layout and instructed the Group to rectify the identified gaps in project (remedial works). Accordingly, the Group acknowledged the gaps identified and obtained quotations for the fulfillment of the gaps from contractors. However, the related estimated costs for the remedial work were not considered in the overall budgeted cost in 2016 and 2017 which were the basis of revenue recognised in the past, as a consequence, revenues in 2016 and 2017 were misstated.

The expected cost increases were not considered by the management in their project budgets and no revision to the project cost to complete budget is made with respect to this triggering event in 2016. In addition, the scope of work performed (remedial work) were not charged to the property development cost in 2016 and 2017. The associated costs of remedial work carried out by the main subcontractor for the year ended 31 December 2016 amounted to QR 73,204,470 and for the year ended 31 December 2017 amounted to QR 959,180.

During 2018, in light of the change in property development department's key executive, the management has identified these lapses and were able to conclude that they have not accounted for these operational changes (budget revision and accrual of contract cost) resulting to misstatement in revenue and contract cost for the years ended 31 December 2016 and 2017.

Impact on the interim consolidated statement of comprehensive income;

	As reported in the consolidated condensed financial statements for the six months period ended 30 June 2018 QR	Adjustments for the six months period 30 June 2018 QR	As restated for the six months period ended 30 June 2018 QR
Revenue from real estate property development (a)	22,417,625	7,403,609	29,821,234
Profit for the period	3,949,133	7,403,609	11,352,742

19. RESTATEMENT(CONTNIUED)

	As reported in the consolidated condensed financial statements for the three months period ended 30 June 2018 QR	Adjustments for the three months period ended 30 June 2018 QR	As restated for the three months period ended 30-June-18 QR
Revenue from real estate property development (a)	11,791,928	3,894,383	15,686,311
Profit for the period	2,707,744	6,770,607	9,478,351

Note (a)

During the six and three months period ended 30 June 2018, the management has accounted for the revenues on property development project up to the extent of the costs incurred. As a result of the matters explained above, the results for the period ended 30 June 2018 is restated to reflect changes arisen from the property development project.

20. REVENUE FROM CORE BUSINESS

	30 June 2019 (Reviewed) QR	30 June 2018 (Reviewed) (Restated) QR
Revenue from leasing operations	**2,225,887**	1,227,508

	30 June 2019	30 June 2018
Morabaha	*2,063,774*	*988,478*
Ijarah	*162,113*	*239,030*

	30 June 2019 (Reviewed) QR	30 June 2018 (Reviewed) (Restated) QR
Type of goods or services		
Revenue from taxi operations	**20,486,150**	31,878,283
Revenue from plots resale	**464,350**	413,862
Revenue from real estate property development	**33,331,566**	29,821,234
Revenue from warehouse rental	**2,357,250**	240,000
Revenue from driving academy operations	**1,656,848**	-
	60,522,051	63,580,887

	30 June 2019 (Reviewed) QR	30 June 2018 (Reviewed) (Restated) QR
Timing of revenue recognition		
Products and services transferred over time	**34,988,414**	29,821,234
Products transferred at a point in time	**20,950,500**	32,292,145
Leasing income	**2,225,887**	1,227,508
Straight line over lease period	**2,357,250**	240,000
	60,522,051	63,580,887

All revenue sources are earned inside the State of Qatar.

21. INCOME FROM INVESTMENTS

	30 June 2019	30 June 2018
		(Reviewed)
	(Reviewed)	(Restated)
	QR	QR
(Loss) Gain on fair value of investment securities at FVPL	**(3,529,869)**	18,813,336
Dividend income	**8,788,623**	11,471,001
Other income from financial assets	**1,819**	-
	5,260,573	30,284,337

22. 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
- Property Development
- Driving School
- Taxi Services (including Limousine)

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

22. SEGMENT REPORTING (CONTINUED)

The following table presents segment revenues and profits of the Group's operating segments as at 30 June 2019 and 30 June 2018:

For the six months ended 30 June 2019 (Reviewed)	**Financial Leasing**	**Property Development**	**Driving School**	**Taxi Services**	**Holding**	**Elimination**	**Total**
	QR	**QR**	**QR**	**QR**	**QR**	**QR**	**QR**
Revenues and Gains:							
External Parties	**2,531,684**	**36,722,602**	**1,697,385**	**21,433,810**	**6,710,933**		**69,096,414**
Internal Parties				**1,512,163**		**(1,512,163)**	**-**
Total Revenues and Gains	**2,531,684**	**36,722,602**	**1,697,385**	**22,945,973**	**6,710,933**	**(1,512,163)**	**69,096,414**
Profit (Loss) for the period	**(2,811,807)**	**8,599,076**	**(622,808)**	**(3,866,086)**	**2,733,607**	**-**	**4,031,982**
Finance Income	**20,083**	**2,462,469**	**1,844**	**890,717**	**5,500,068**	**-**	**8,875,181**
Finance Cost	**-**	**(1,398,642)**	**-**	**-**	**(23,701)**	**-**	**(1,422,343)**
Depreciation and amortization	**(2,418)**	**(2,894,702)**	**(326,843)**	**(5,013,580)**	**(149,099)**	**-**	**(8,386,642)**

For the six months ended 30 June 2018 (Reviewed) (Restated)	Financial Leasing	Property Development	Driving School	Taxi Services	Holding	Elimination	Total
	QR	QR	QR	QR	QR	QR	QR
Revenues and Gains:							
External Parties	2,880,317	32,022,484	-	33,756,930	25,552,091	-	94,211,822
Total Revenues and Gains	2,880,317	32,022,484	-	33,756,930	25,552,091	-	94,211,822
Profit (Loss) for the period	533,669	7,546,634	(4,147,406)	(20,011,908)	27,431,753	-	11,352,742
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)

22. SEGMENT REPORTING (CONTINUED)

The following table presents segment assets and liabilities of the Group's operating segments as at 30 June 2019 and 31 December 2018.

As at 30 June 2019 (Reviewed)	**Financial Leasing**	**Property Development**	**Driving School**	**Taxi Services**	**Holding**	**Transportation**	**Elimination**	**Total**
	QR	**QR**	**QR**	**QR**	**QR**	**QR**	**QR**	**QR**
Current Asset	**292,288,089**	**277,754,421**	**1,660,874**	**60,905,722**	**521,633,884**	**19,261,685**	**(470,839,234)**	**702,665,441**
Non-Current Assets	**16,588,093**	**222,076,045**	**14,419,996**	**36,009,172**	**1,439,372**	**-**	**-**	**290,532,678**
Total Assets	**308,876,182**	**499,830,466**	**16,080,870**	**96,914,894**	**523,073,256**	**19,261,685**	**(470,839,234)**	**993,198,119**
Current Liabilities	**(6,906,096)**	**(161,606,472)**	**(18,329,362)**	**(334,102,874)**	**(98,840,948)**	**(75,714)**	**424,639,234**	**(195,222,232)**
Non-Current Liabilities	**(100,207)**	**(36,136,134)**	**(47,633)**	**(657,559)**	**(67,453,867)**	**-**	**-**	**(104,395,400)**
Total Liabilities	**(7,006,303)**	**(197,742,606)**	**(18,376,995)**	**(334,760,433)**	**(166,294,815)**	**(75,714)**	**424,639,234**	**(299,617,632)**

As at 31 December 2018 (Audited)	Financial Leasing	Property Development	Driving School	Taxi Services	Holding	Transportation	Elimination	Total
	QR	QR	QR	QR	QR	QR	QR	QR
Current Asset	292,052,249	345,502,180	382,220	72,045,302	459,221,419	19,272,800	(541,921,017)	646,555,153
Non-Current Assets	19,669,565	222,658,945	14,009,012	40,531,927	161,958,046	183,680	-	459,011,175
Total Assets	311,721,814	568,161,125	14,391,232	112,577,229	621,179,465	19,456,480	(541,921,017)	1,105,566,328
Current Liabilities	(6,966,670)	(237,685,763)	(16,033,541)	(345,976,859)	(239,413,206)	(270,510)	495,721,017	(350,625,532)
Non-Current Liabilities	(73,459)	(36,986,579)	(31,008)	(579,823)	(2,644,555)	-	-	(40,315,424)
Total Liabilities	(7,040,129)	(274,672,342)	(16,064,549)	(346,556,682)	(242,057,761)	(270,510)	495,721,017	(390,940,956)

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 2019.

23. CONTINGENT LIABILITIES AND COMMITMENTS

	30 June 2019	31 December 2018
	(Reviewed)	(Audited)
	QR	QR
Letter of guarantees from Islamic banks	**17,038,000**	17,038,000
Capital commitments	**128,365,148**	188,421,605

24. BASIC AND DILUTED (LOSSES) EARNINGS PER SHARE

	For the three months period ended 30 June		**For the six months period ended 30 June**	
	2019	**2018**	2019	**2018**
	(Reviewed)	(Reviewed) (Restated)	**(Reviewed)**	(Reviewed) (Restated)
Net (loss) profit for the period (QR)	**(943,261)**	9,478,351	**4,031,982**	11,352,742
Weighted average number of shares ***(Note (i))***	**494,802,000**	494,802,000	**494,802,000**	494,802,000
Basic and Diluted Earnings per share (QR)	**(0.002)**	0.019	**0.008**	0.023

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

	30 June 2019	30 June 2018
	(Reviewed)	(Reviewed) (Restated)
Qualifying shares *(Note (i))*	**494,802,000**	494,802,000
Balance at end of the period	**494,802,000**	494,802,000

Note (i)

On 18 February 2019, the shareholders of the Group and the Extraordinary General Meeting approved the par value of the ordinary share to be amended from QR 10 per share to of QR 1 per share, as per the instructions of Qatar Financial Markets Authority, and amendment of the related Articles of Association. Accordingly, the total number of shares has been increased from 49,480,200 to 494,802,000 ordinary shares. Consequently, Earning per share for comparative period has been restated to reflect this.

25. 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.

Key management personnel remuneration

	30 June 2019	30 June 2018
	(Reviewed)	(Reviewed) (Restated)
	QR	QR
Key management personnel remuneration	**1,765,861**	2,080,809

26. 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 interim condensed consolidated 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 2018.

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, and certain other accruals.

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

27. COMPARATIVE FIGURES

At the Annual General Assembly meeting held on 18 February 2019, the shareholders approved a resolution to transfer all the dividends paid out for the years ended 31 December 2015, 2016 and 2017 to be transferred out of the legal reserve instead from the previously reported retained earnings. Accordingly, the Group had transferred the respective dividends paid out of previously reported retained earnings. The reclassification adjustments were made pursuant to the shareholders resolution and have not resulted in any changes to previously reported net profit or equity.