



## **Alijarah Holding Q.P.S.C.**

Interim Condensed Consolidated  
Financial Statements

30 September 2019

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



	Notes	30 September 2019 (Unaudited) QR	31 December 2018 (Audited) QR
<b>ASSETS</b>			
Balances with financial institutions and cash	5	472,606,030	579,286,196
Installments and dues from customers	6	31,498,000	44,616,069
Investment securities	7	168,227,614	161,347,708
Inventories	8	3,934,488	12,468,920
Prepayments and other receivables	9	17,829,751	30,044,435
Intangible assets	10	8,465,682	8,456,000
Investment property	11	106,277,617	106,277,617
Property and equipment	12	157,931,503	163,069,383
Right-of-use asset	3	669,847	-
<b>Total Assets</b>		<b>967,440,532</b>	<b>1,105,566,328</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Accounts payable, accruals and other payables	13	120,669,000	163,637,544
Islamic financing under Wakalah Arrangements	14	57,292,415	76,423,363
Contract liabilities	15	86,434,609	150,880,049
Lease liability	3	816,672	-
<b>Total liabilities</b>		<b>265,212,696</b>	<b>390,940,956</b>
<b>EQUITY</b>			
Share capital	16	494,802,000	494,802,000
Legal reserve	17	387,268,209	412,008,309
Accumulated losses		(179,842,373)	(192,184,937)
<b>Total equity</b>		<b>702,227,836</b>	<b>714,625,372</b>
<b>Total liabilities and equity</b>		<b>967,440,532</b>	<b>1,105,566,328</b>

These interim condensed consolidated financial statements were approved by the Board of Directors on 24<sup>th</sup> October 2019 and signed on their behalf by:

Sheikh Fahal 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 COMPREHENSIVE INCOME  
 FOR THE THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2019



	Notes	For the three months period ended 30 September		For the nine months period ended 30 September	
		2019 (Unaudited) QR	2018 (Unaudited) (Restated) QR	2019 (Unaudited) QR	2018 (Unaudited) (Restated) QR
<b>Income</b>					
Revenue from core business	20	44,733,053	18,491,727	105,255,104	82,072,614
Income from investments	21	8,750,522	(4,187,932)	14,011,095	26,153,702
Other income		950,136	104,328	4,263,926	393,629
<b>Total revenues and income</b>		<b>54,433,711</b>	<b>14,408,123</b>	<b>123,530,125</b>	<b>108,619,945</b>
<b>Expenses</b>					
Operating expenses		(39,851,196)	(9,163,160)	(92,697,194)	(85,259,943)
General and administration expenses		(8,757,505)	(8,323,717)	(28,428,777)	(23,992,805)
<b>Total expenses</b>		<b>(48,608,701)</b>	<b>(17,486,877)</b>	<b>(121,125,971)</b>	<b>(109,252,748)</b>
<b>Net operating income (loss)</b>		<b>5,825,010</b>	<b>(3,078,754)</b>	<b>2,404,154</b>	<b>(632,803)</b>
Finance income from deposits with Islamic banks		3,660,409	4,480,829	12,535,590	13,387,620
Finance cost - Islamic financing under Wakalah Arrangements		(616,344)	-	(2,038,687)	-
<b>Net finance income</b>		<b>3,044,065</b>	<b>4,480,829</b>	<b>10,496,903</b>	<b>13,387,620</b>
<b>Profit for the period</b>		<b>8,869,075</b>	<b>1,402,075</b>	<b>12,901,057</b>	<b>12,754,817</b>
<b>Other comprehensive income that may be reclassified to profits or loss in subsequent periods:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>8,869,075</b>	<b>1,402,075</b>	<b>12,901,057</b>	<b>12,754,817</b>
<b>Earnings per share</b>					
Basic and diluted earnings per share	24	0.018	0.003	0.026	0.026



ALIJARAH HOLDING Q.P.S.C.  
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2019

	Notes	Share Capital QR	Legal Reserve QR	Fair Value Reserve QR	Accumulated Losses QR	Total 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	-	-	-	12,754,817	12,754,817
Other comprehensive income for the period		-	-	-	-	-
<b>Total comprehensive income for the period</b>		-	-	-	12,754,817	12,754,817
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		-	-	-	(108,217)	(108,217)
Balance at 30 September 2018 (Unaudited) (Restated)		494,802,000	412,008,309	-	(186,500,245)	720,310,064
<b>Balance at 1 January 2019 (As reported)</b>	27	494,802,000	476,187,993	-	(256,364,621)	714,625,372
Effect of adoption of IFRS 16	3	-	-	-	(235,967)	(235,967)
<b>Balance at 1 January 2019 (restated)</b>		494,802,000	476,187,993	-	(256,600,588)	714,389,405
Profit for the Period		-	-	-	12,901,057	12,901,057
Other comprehensive income for the period		-	-	-	-	-
<b>Total comprehensive income for the period</b>		-	-	-	12,901,057	12,901,057
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		-	-	-	(322,526)	(322,526)
<b>Balance at 30 September 2019 (Unaudited)</b>		494,802,000	387,268,209	-	(179,842,373)	702,227,836

**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

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 CASH FLOWS**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2019**



	Notes	30 September 2019	30 September 2018
		(Unaudited) QR	(Unaudited) (Restated) QR
<b>Cash flows from operating activities</b>			
Profit for the period		12,901,057	12,754,817
<b>Adjustments for:</b>			
Depreciation and amortization		12,299,212	14,620,419
Gain on investment securities measured at FVTPL	21	(5,220,653)	(14,589,506)
Net allowance for expected credit losses on financial assets		3,203,219	-
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		1,350,000	1,540,077
Finance income		(12,535,590)	(13,387,620)
Finance cost		2,038,687	-
Provision for employees' end of service benefits		775,487	388,210
<b>Net operating Profit (Loss) for the period before working capital changes</b>		<b>5,814,041</b>	<b>(8,158,710)</b>
<b>Working Capital Changes</b>			
Installments and dues from customers		9,914,850	19,984,972
Prepayments and other receivables		8,863,251	49,730,363
Inventories		7,184,432	3,010,525
Accounts payable, accruals and other Payables		(44,092,311)	(14,729,205)
Contract liabilities		(64,445,440)	(33,939,918)
Finance cost paid		(1,897,010)	-
Employees' end of service benefits paid		(115,922)	(521,281)
<b>Net cash flows (used in) from operating activities</b>		<b>(78,774,109)</b>	<b>15,376,746</b>
<b>Cash flows from investing activities</b>			
Finance income received		15,643,770	10,531,828
Dividend received		8,788,623	11,471,001
Purchase of intangible assets		(114,000)	-
Purchase of property and equipment		(1,405,987)	(15,255,886)
Additions to capital work in progress		(5,526,031)	(22,275,616)
Net movement in bank term deposit		60,000,000	20,000,000
Purchase of investment securities		(1,659,253)	(51,551,537)
Proceeds from disposal of investment securities		-	61,184,987
Proceeds from disposal of property and equipment		208,755	2,030,224
<b>Net cash flows from investing activities</b>		<b>75,935,877</b>	<b>16,135,001</b>
<b>Cash flows from financing activities</b>			
Dividends paid	18	(24,740,100)	(24,740,100)
Repayment of financing under Wakalah Arrangements		(19,130,948)	(19,057,976)
<b>Net cash flows used in financing activities</b>		<b>(43,871,048)</b>	<b>(43,798,076)</b>
Net decrease in cash and cash equivalents		(46,709,280)	(12,286,329)
Cash and cash equivalents at the beginning of the period		199,506,271	248,444,228
<b>Cash and cash equivalents at the end of the period</b>	5	<b>152,796,991</b>	<b>236,157,899</b>

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 24 October 2019.

## 2. BASIS OF PREPARATION

The interim condensed consolidated financial statements for the nine months ended 30 September 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 nine months ended 30 September 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 (Unaudited) QR
Right-of-use asset	712,303
Prepayments	(66,667)
<b>Total Assets</b>	<b>645,636</b>
Lease Liability	881,603
<b>Total Liabilities</b>	<b>881,603</b>
Accumulated Losses	(235,967)
<b>Total Equity</b>	<b>(235,967)</b>

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

#### 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 September 2019 (Unaudited) QR
At 1 January	712,303
Depreciation for the period	(42,456)
<b>Closing balance</b>	<b>669,847</b>

#### Lease liability

	30 September 2019 (Unaudited) QR
At 1 January	881,603
Finance costs for the period	35,069
Payment during the period	(100,000)
<b>Closing balance</b>	<b>816,672</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 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

	<b>30 September 2019</b>	<b>31 December 2018</b>
	<b>(Unaudited) QR</b>	<b>(Audited) QR</b>
Cash on hand	255,861	214,222
Current accounts with Islamic banks	43,969,100	12,310,258
Current accounts with a conventional bank	5,665,250	5,417,578
Term deposits with Islamic banks	420,000,000	530,000,000
Deposits with financial institutions	2,906,780	31,564,213
	<b>472,796,991</b>	<b>579,506,271</b>
Allowance for expected credit losses	<b>(190,961)</b>	<b>(220,075)</b>
<b>Balances with financial institutions and cash</b>	<b>472,606,030</b>	<b>579,286,196</b>

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:

	<b>30 September 2019</b>	<b>31 December 2018</b>
	<b>(Unaudited) QR</b>	<b>(Audited) QR</b>
At 1 January	220,075	239,664
Reversal of allowance during the Period / year	<b>(29,114)</b>	<b>(19,589)</b>
	<b>190,961</b>	<b>220,075</b>

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

	<b>30 September 2019</b>	<b>31 December 2018</b>
	<b>(Unaudited) QR</b>	<b>(Audited) QR</b>
Balances with financial institutions and cash prior to the expected credit losses	472,796,991	579,506,271
Term deposits maturing after 3 months	<b>(320,000,000)</b>	<b>(380,000,000)</b>
Cash and cash equivalents	<b>152,796,991</b>	<b>199,506,271</b>

## 6. INSTALLMENTS AND DUES FROM CUSTOMERS

		30 September 2019	31 December 2018	30 September 2019	31 December 2018
		(Unaudited) QR	(Audited) QR	(Unaudited) QR	(Audited) QR
Gross installments due from leasing		85,366,583	101,608,271		
	<b>30 September 2019</b>		<b>31 December 2018</b>		
<i>Morabaha</i>	79,138,175		94,604,763		
<i>Ijarah</i>	6,228,408		7,003,508		
Less: deferred profits of future installments		(3,229,083)	(4,006,458)		
	<b>30 September 2019</b>		<b>31 Dec 2018</b>		
<i>Morabaha</i>	(2,196,981)		(2,586,460)		
<i>Ijarah</i>	(1,032,102)		(1,419,998)		
<b>Net installments due from leasing</b>		<b>82,137,500</b>	<b>97,601,813</b>		
Other trade related receivables		9,310,773	3,740,763		
<b>Gross installments and dues from customers</b>		<b>91,448,272</b>	<b>101,342,576</b>		
Allowance for expected credit losses		(59,950,272)	(56,726,507)		
<b>Total installments and dues from customers</b>		<b>31,498,000</b>	<b>44,616,069</b>		

## 7. INVESTMENT SECURITIES

	30 September 2019	31 December 2018
	(Unaudited) QR	(Audited) QR
Financial assets measured at FVTPL	168,227,614	161,347,708
<b>Quoted equity Investments</b>	<b>168,227,614</b>	<b>161,347,708</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.

## 8. INVENTORIES

	30 September 2019	31 December 2018
	(Unaudited) QR	(Audited) QR
Vehicles	3,761,891	11,115,107
Spare parts and consumables	5,150,763	4,981,979
Gross inventories	8,912,654	16,097,086
Provision for slow moving inventories	(4,978,166)	(3,628,166)
	<b>3,934,488</b>	<b>12,468,920</b>

## 8. INVENTORIES (CONTINUED)

### Movement in provision for slow moving inventories

	<b>30 September 2019</b>	31 December 2018
	<b>(Unaudited) QR</b>	(Audited) QR
Balance at 1 January	3,628,166	1,921,348
Addition during the period / year	1,350,000	1,706,818
	<b>4,978,166</b>	<b>3,628,166</b>

## 9. PREPAYMENTS AND OTHER RECEIVABLES

	<b>30 September 2019</b>	31 December 2018
	<b>(Unaudited) QR</b>	(Audited) QR
Advance payments to suppliers	11,219,208	18,760,721
Pre-payments and other receivables	2,730,242	4,291,162
Profits accrued on bank deposits	3,679,721	6,787,902
Security deposit	200,580	204,650
	<b>17,829,751</b>	<b>30,044,435</b>

## 10. INTANGIBLE ASSETS

	<b>Driving School License</b>	<b>Software</b>	<b>Total</b>
	<b>QR</b>	<b>QR</b>	<b>QR</b>
<b>Cost:</b>			
At 1 January 2019	8,000,000	5,046,185	13,046,185
Additions	-	114,000	114,000
<b>At 30 September 2019</b>	<b>8,000,000</b>	<b>5,160,185</b>	<b>13,160,185</b>
At 1 January 2018	8,000,000	4,944,335	12,944,335
Additions	-	114,000	114,000
Written off	-	(12,150)	(12,150)
<b>At 31 December 2018</b>	<b>8,000,000</b>	<b>5,046,185</b>	<b>13,046,185</b>
<b>Amortization:</b>			
At 1 January 2019	-	4,590,185	4,590,185
Charge for the period	-	104,318	104,318
<b>At 30 September 2019</b>	<b>-</b>	<b>4,694,503</b>	<b>4,694,503</b>
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)
<b>At 31 December 2018</b>	<b>-</b>	<b>4,590,185</b>	<b>4,590,185</b>
<b>Net carrying amounts:</b>			
<b>30 September 2019 (Unaudited)</b>	<b>8,000,000</b>	<b>465,682</b>	<b>8,465,682</b>
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

	<b>30 September 2019</b>	31 December 2018
	<b>(Unaudited)</b>	(Audited)
	<b>QR</b>	QR
<b>Investment property</b>	<b>106,277,617</b>	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 September 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 September 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
<b>Cost:</b>							
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)	-
<b>At 31 December 2018</b>	<b>29,991,000</b>	<b>107,707,716</b>	<b>7,054,690</b>	<b>9,451,853</b>	<b>64,713,996</b>	<b>2,195,501</b>	<b>221,114,756</b>
Additions	-	-	804,649	64,222	537,116	5,526,031	6,932,018
Disposal	-	-	-	-	(1,773,600)	-	(1,773,600)
Write off	-	-	(8,295)	(500)	(2,201,903)	2,267,750	57,052
<b>At 30 September 2019</b>	<b>29,991,000</b>	<b>107,707,716</b>	<b>7,851,045</b>	<b>9,515,575</b>	<b>61,275,609</b>	<b>9,989,281</b>	<b>226,330,226</b>
<b>Accumulated Depreciation:</b>							
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)
<b>At 31 December 2018</b>	<b>-</b>	<b>22,025,355</b>	<b>6,284,261</b>	<b>8,635,828</b>	<b>21,099,929</b>	<b>-</b>	<b>58,045,373</b>
Charge for the period	-	4,577,103	333,544	197,535	7,044,260	-	12,152,442
Related to Disposal	-	-	-	-	(1,773,600)	-	(1,773,600)
Related to write off	-	2,650	(27,171)	(971)	-	-	(25,492)
<b>At 30 September 2019</b>	<b>-</b>	<b>26,605,108</b>	<b>6,590,634</b>	<b>8,832,392</b>	<b>26,370,589</b>	<b>-</b>	<b>68,398,723</b>
<b>30 September 2019 (Unaudited)</b>	<b>29,991,000</b>	<b>81,102,608</b>	<b>1,260,411</b>	<b>683,181</b>	<b>34,905,022</b>	<b>9,989,281</b>	<b>157,931,503</b>
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

	<b>30 September 2019</b>	31 December 2018
	<b>(Unaudited) QR</b>	(Audited) QR
Accounts payable and advances from customers	51,155,749	47,641,266
Unclaimed dividends	12,731,803	12,471,583
Provision for employees' end of service benefits (a)	4,049,602	3,390,037
Provision for social contribution (b)	322,526	178,510
Accrued expenses	52,409,320	99,956,148
	<b>120,669,000</b>	<b>163,637,544</b>

Notes:

(a) Provision for employees' end of service benefits

	<b>30 September 2019</b>	31 December 2018
	<b>(Unaudited) QR</b>	(Audited) QR
At 1 January	3,390,037	3,329,810
Charge for the period / year	775,487	619,527
Payments during the period / year	<b>(115,922)</b>	<b>(559,300)</b>
	<b>4,049,602</b>	<b>3,390,037</b>

(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 322,526 for the period ended 30 September 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 September 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.

	<b>30 September 2019</b>	31 December 2018
	<b>(Unaudited) QR</b>	(Audited) QR
At 1 January	76,423,363	101,909,351
Paid	<b>(19,130,948)</b>	<b>(25,485,988)</b>
	<b>57,292,415</b>	<b>76,423,363</b>

## 15. CONTRACT LIABILITIES

	30 September 2019	31 December 2018
	(Unaudited) QR	(Audited) QR
Contract liability from Property development(Note (i))	85,121,246	150,880,049
Contract liability related to driving academy	1,313,363	-
	<b>86,434,609</b>	<b>150,880,049</b>

### 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 September 2019	31 December 2018
	(Unaudited) QR	(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
	<b>494,802,000</b>	<b>494,802,000</b>

### 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 11<sup>th</sup> 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 nine months period ended 30 September 2018 QR	Adjustments for the nine months period 30 September 2018 QR	As restated for the nine months period ended 30 September 2018 QR
Revenue from real estate property development (a)	25,513,778	8,426,140	33,939,918
Profit for the period	4,328,677	8,426,140	12,754,817

19. RESTATEMENT(CONTNIUED)

	As reported in the consolidated condensed financial statements for the three months period ended 30 September 2018 QR	Adjustments for the three months period ended 30 September 2018 QR	As restated for the three months period ended 30 September 2018 QR
Revenue from real estate property development (a)	5,057,411	1,670,252	6,727,663
Profit for the period	379,544	1,022,531	1,402,075

**Note (a)**

During the nine and three months period ended 30 September 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 September 2018 is restated to reflect changes arisen from the property development project.

20. REVENUE FROM CORE BUSINESS

	30 September 2019  (Unaudited) QR	30 September 2018  (Unaudited) (Restated) QR
Revenue from leasing operations	<b>3,399,217</b>	1,813,662
	<b>30 September 2019</b>	<b>30 September 2018</b>
<i>Morabaha</i>	3,059,605	1,370,144
<i>Ijarah</i>	339,612	443,518
<b>Type of goods or services</b>		
Revenue from taxi operations	<b>28,248,314</b>	44,357,776
Revenue from plots resale	<b>662,643</b>	551,258
Revenue from real estate property development	<b>65,758,804</b>	33,939,918
Revenue from warehouse rental	<b>3,639,300</b>	1,410,000
Revenue from driving academy operations	<b>3,546,826</b>	-
	<b>105,255,104</b>	82,072,614
	<b>30 September 2019  (Unaudited) QR</b>	<b>30 September 2018  (Unaudited) (Restated) QR</b>
<i>Timing of revenue recognition</i>		
Products and services transferred over time	<b>69,305,630</b>	33,939,918
Products transferred at a point in time	<b>28,910,957</b>	44,909,034
Leasing income	<b>3,399,217</b>	1,813,662
Straight line over lease period	<b>3,639,300</b>	1,410,000
	<b>105,255,104</b>	82,072,614

All revenue sources are earned inside the State of Qatar.

## 21. INCOME FROM INVESTMENTS

	30 September 2019	30 September 2018
	(Unaudited)	(Unaudited)
	QR	(Restated) QR
Gain on fair value of investment securities at FVPL	5,220,652	14,589,506
Dividend income	8,788,623	11,471,001
Other income from financial assets	1,820	93,195
	<b>14,011,095</b>	<b>26,153,702</b>

## 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 September 2019 and 30 September 2018:

For the nine months ended 30 September 2019 (Unaudited)	Financial Leasing	Property Development	Driving School	Taxi Services	Holding	Elimination	Total
	QR	QR	QR	QR	QR	QR	QR
<b>Revenues and Gains:</b>							
External Parties	3,708,569	71,125,183	3,592,965	29,641,953	15,461,455	-	123,530,125
Internal Parties	-	-	-	2,436,865	-	(2,436,865)	-
<b>Total Revenues and Gains</b>	<b>3,708,569</b>	<b>71,125,183</b>	<b>3,592,965</b>	<b>32,078,818</b>	<b>15,461,455</b>	<b>(2,436,865)</b>	<b>123,530,125</b>
Profit (Loss) for the period	(4,166,391)	12,907,082	(152,871)	(5,098,230)	9,411,467	-	12,901,057
Finance Income	27,825	3,426,086	5,105	1,312,528	7,764,046	-	12,535,590
Finance Cost	-	(2,003,618)	-	-	(35,069)	-	(2,038,687)
Depreciation and amortization	3,812	4,351,484	550,964	7,167,311	225,641	-	12,299,212
For the nine months ended 30 September 2018 (Unaudited) (Restated)	Financial Leasing	Property Development	Driving School	Taxi Services	Holding	Elimination	Total
	QR	QR	QR	QR	QR	QR	QR
<b>Revenues and Gains:</b>							
External Parties	3,476,021	37,593,693	-	46,326,701	21,223,530	-	108,619,945
<b>Total Revenues and Gains</b>	<b>3,476,021</b>	<b>37,593,693</b>	<b>-</b>	<b>46,326,701</b>	<b>21,223,530</b>	<b>-</b>	<b>108,619,945</b>
Profit (Loss) for the period	(277,896)	9,791,014	(570,504)	(19,015,304)	22,827,507	-	12,754,817
Finance Income	747,649	2,879,724	-	946,992	8,813,255	-	13,387,620
Depreciation and amortization	(3,075)	(2,052,486)	(23,765)	(12,363,244)	(177,849)	-	(14,620,419)



## 22. SEGMENT REPORTING (CONTINUED)

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

As at 30 September 2019 (Unaudited)	Financial Leasing	Property Development	Driving School	Taxi Services	Holding	Transportation	Elimination	Total
	QR	QR	QR	QR	QR	QR	QR	QR
Current Asset	275,621,368	250,125,802	1,334,680	61,548,143	526,491,584	19,261,685	(473,176,674)	661,206,588
Non-Current Assets	32,899,343	223,652,763	14,267,625	34,037,543	1,376,670	-	-	306,233,944
<b>Total Assets</b>	<b>308,520,711</b>	<b>473,778,565</b>	<b>15,602,305</b>	<b>95,585,686</b>	<b>527,868,254</b>	<b>19,261,685</b>	<b>(473,176,674)</b>	<b>967,440,532</b>
Current Liabilities	(7,892,178)	(136,634,569)	(17,364,783)	(333,947,177)	(160,764,883)	(75,714)	426,976,674	(229,702,630)
Non-Current Liabilities	(113,238)	(30,748,130)	(63,710)	(716,192)	(3,868,796)	-	-	(35,510,066)
<b>Total Liabilities</b>	<b>(8,005,416)</b>	<b>(167,382,699)</b>	<b>(17,428,493)</b>	<b>(334,663,369)</b>	<b>(164,633,679)</b>	<b>(75,714)</b>	<b>426,976,674</b>	<b>(265,212,696)</b>
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	620,569,128	19,272,800	(541,921,017)	807,902,862
Non-Current Assets	19,669,565	222,658,945	14,009,012	40,531,927	610,337	183,680	-	297,663,466
<b>Total Assets</b>	<b>311,721,814</b>	<b>568,161,125</b>	<b>14,391,232</b>	<b>112,577,229</b>	<b>621,179,465</b>	<b>19,456,480</b>	<b>(541,921,017)</b>	<b>1,105,566,328</b>
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)
<b>Total Liabilities</b>	<b>(7,040,129)</b>	<b>(274,672,342)</b>	<b>(16,064,549)</b>	<b>(346,556,682)</b>	<b>(242,057,761)</b>	<b>(270,510)</b>	<b>495,721,017</b>	<b>(390,940,956)</b>

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 September 2019.

### 23. CONTINGENT LIABILITIES AND COMMITMENTS

	30 September 2019	31 December 2018
	(Unaudited) QR	(Audited) QR
Letter of guarantees from Islamic banks	17,038,000	17,038,000
Capital commitments	103,988,502	188,421,605

### 24. BASIC AND DILUTED EARNINGS PER SHARE

	For the three months period ended 30 September		For the nine months period ended 30 September	
	2019	2018	2019	2018
	(Unaudited)	(Unaudited) (Restated)	(Unaudited)	(Unaudited) (Restated)
Net profit for the period (QR)	8,869,075	1,402,075	12,901,057	12,754,817
Weighted average number of shares <i>(Note (i))</i>	494,802,000	494,802,000	494,802,000	494,802,000
<b>Basic and Diluted Earnings per share (QR)</b>	<b>0.018</b>	<b>0.003</b>	<b>0.026</b>	<b>0.026</b>

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

	30 September 2019	30 September 2018
	(Unaudited)	(Unaudited) (Restated)
Qualifying shares <i>(Note (i))</i>	494,802,000	494,802,000
<b>Balance at end of the period</b>	<b>494,802,000</b>	<b>494,802,000</b>

#### *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 September 2019	30 September 2018
	(Unaudited) QR	(Unaudited) (Restated) QR
Key management personnel remuneration	2,959,201	3,410,777

## 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.