

Alijarah Holding Q.P.S.C.

**Interim Condensed Consolidated
Financial Statements**

30 June 2020

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

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Aljarah Holding Q.P.S.C. (the "Company") and its subsidiaries (the "Group") as at 30 June 2020, which comprise the interim consolidated statement of financial position as at 30 June 2020 and the related interim consolidated statements of comprehensive income, for the six-month period ended 30 June 2020, 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: 23 July 2020
Doha



	Notes	30 June 2020 (Reviewed) QR	31 December 2019 (Audited) QR
ASSETS			
Balances with financial institutions and cash	5	361,706,271	404,291,022
Installments and due from customers		21,084,645	32,762,966
Investment securities	6	202,125,592	164,048,002
Inventories	7	2,046,618	1,344,134
Prepayments and other receivables		8,703,027	34,908,463
Property and equipment	8	145,516,337	153,403,525
Investment property		103,291,058	103,291,058
Right-of-use asset		627,392	655,695
Intangible assets		8,542,896	8,636,880
Total Assets		853,643,836	903,341,745
LIABILITIES AND EQUITY			
LIABILITIES			
Accounts payable, accruals and other payables		69,160,998	78,738,144
Islamic financing under Wakalah Arrangements	9	45,000,000	50,890,341
Contract liabilities		43,754,511	59,619,623
Lease liability		850,053	827,799
Total liabilities		158,765,562	190,075,907
EQUITY			
Share capital	10	494,802,000	494,802,000
Legal reserve	11	362,528,109	387,268,209
Accumulated losses		(162,451,835)	(168,804,371)
Total equity		694,878,274	713,265,838
Total liabilities and equity		853,643,836	903,341,745

These interim condensed consolidated financial statements were approved by the Board of Directors on 23rd July 2020 and signed on their behalf by:



Falah Bin Jassim Bin Jabr Al-Thani
 Chairman



Hamad Shareef Al-Emadi
 Chief Executive Officer

	Notes	For the six months period ended 30 June	
		2020 (Reviewed) QR	2019 (Reviewed) QR
Income			
Revenue from core business	13	33,396,305	60,522,051
Income from investments		32,106,327	5,260,573
Other income		759,790	3,313,790
Total revenues and income		66,262,422	69,096,414
Expenses			
Operating expenses		(42,155,103)	(49,191,385)
General and administration expenses		(20,209,559)	(23,325,885)
Total expenses		(62,364,662)	(72,517,270)
Net operating income (loss)		3,897,760	(3,420,856)
Finance income from deposits with Islamic banks		3,398,108	8,875,181
Finance cost - Islamic financing under Wakalah Arrangements		(780,446)	(1,422,343)
Net finance income		2,617,662	7,452,838
Profit for the period		6,515,422	4,031,982
Other comprehensive income that may be reclassified to profits or loss in subsequent periods:		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		6,515,422	4,031,982
Earnings per share			
Basic and diluted earnings per share	16	0.013	0.008

ALJAHRAH HOLDING Q.P.S.C.
 INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE SIX MONTHS ENDED 30 JUNE 2020



	Notes	Share Capital QR	Legal Reserve QR	Accumulated Losses QR	Total QR
Balance at 1 January 2019 (As reported)		494,802,000	412,008,309	(192,184,937)	714,625,372
Effect of adoption of IFRS 16		-	-	(235,967)	(235,967)
Balance at 1 January 2019 (Adjusted)		494,802,000	412,008,309	(192,420,904)	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
Dividends paid	12	-	(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
Balance at 1 January 2020 (Audited)		494,802,000	387,268,209	(168,804,371)	713,265,838
Profit for the Period		-	-	6,515,422	6,515,422
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		-	-	6,515,422	6,515,422
Dividends paid	12	-	(24,740,100)	-	(24,740,100)
Social and sports fund appropriation		-	-	(162,886)	(162,886)
Balance at 30 June 2020 (Reviewed)		494,802,000	362,528,109	(162,451,835)	694,878,274

		For the six months period ended 30 June	
Notes	30 June 2020 (Reviewed) QR	30 June 2019 (Reviewed) QR	
Cash flows from operating activities			
	6,515,422	4,031,982	
Profit for the period			
Adjustments for:			
	7,993,217	8,386,642	
	(23,137,253)	3,529,869	
	(18,582)	3,248,503	
5	(8,889,356)	(8,788,623)	
	(2,323)	(208,755)	
8	1,847,592	900,000	
7	-	58,456	
	(3,398,110)	(8,875,181)	
	780,446	1,422,343	
	421,397	519,585	
	(17,887,550)	4,224,821	
Net operating (Loss) Profit for the period before working capital changes			
Working Capital Changes			
	11,678,321	378,761	
	22,266,575	(1,138,198)	
	(2,550,076)	7,094,738	
	(4,556,493)	(48,284,598)	
	(15,865,112)	(31,855,443)	
	(6,914,335)	(69,579,919)	
Cash flows used in operating activities			
	(664,540)	(1,280,666)	
	(102,213)	(93,055)	
	(7,681,088)	(70,953,640)	
Net cash flows used in operating activities			
Cash flows from investing activities			
	7,336,969	9,073,084	
	8,889,356	8,788,623	
	-	(114,000)	
	(35,099)	(1,337,346)	
	-	(2,462,781)	
	220,000,000	60,000,000	
	(48,122,390)	(1,659,254)	
	33,182,053	-	
	53,680	208,755	
	221,304,569	72,497,081	
Net cash flows from investing activities			
Cash flows from financing activities			
	(30,336,474)	(24,740,100)	
12	(5,890,341)	(12,757,592)	
	(36,226,815)	(37,497,692)	
Net cash flows used in financing activities			
	177,396,666	(35,954,251)	
	84,454,993	199,506,271	
	261,851,659	163,552,020	
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Cash and cash equivalents at the end of the period			

1. CORPORATE INFORMATION AND PRINCIPAL ACTIVITIES

Aljarah 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 23 July 2020.

The consolidated financial statements of the Group include the financial statements of the Company and its fully owned subsidiaries (listed below):

Name of subsidiaries	Country of incorporation	Principal activity
Aljarah Leasing Company W.L.L.	State of Qatar	Islamic leasing
Aljarah Equipment Company W.L.L.	State of Qatar	Transportation
Aljarah Limousine Company W.L.L.	State of Qatar	Taxi & Limousine services
Aljarah Property Development Company W.L.L.	State of Qatar	Property Development
Aljarah Driving Academy W.L.L.	State of Qatar	Driving School

2. BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 2020 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 2019. In addition, the results for the six months ended 30 June 2020 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2020.

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 2019, except for the adoption of new standards and amendments effective as of 1 January 2020. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The following amendments to existing standards and framework have been applied by the Group in preparation of these interim condensed consolidated financial statements. The adoption of the below did not result in changes to previously reported net profit or equity of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Standard/Interpretation	Content	Effective Date
Amendments to IAS 1 and IAS 8	Definition of Material	January 1, 2020
Amendments to IFRS 3	Definition of a Business	January 1, 2020
Amendments to References to Conceptual Framework in IFRS Standards		January 1, 2020

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, 2023

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 2019.

5. BALANCES WITH FINANCIAL INSTITUTIONS AND CASH

	30 June 2020 (Reviewed) QR	31 December 2019 (Audited) QR
Cash on hand	76,870	172,057
Current accounts with Islamic banks	31,669,374	38,688,167
Current accounts with a conventional bank	-	5,594,769
Term deposits with Islamic banks	295,000,000	360,000,000
Deposits with financial institutions	35,105,415	-
	361,851,659	404,454,993
Allowance for expected credit losses	(145,388)	(163,971)
Balances with financial institutions and cash	361,706,271	404,291,022

Bank term deposits carry profit at commercial market rates. The Group has pledged QR 45,000,000 and QR 13,386,000 of the term deposit maturing after three months to fulfill collateral requirements of Islamic financing and Letter of guarantees.

5. BALANCES WITH FINANCIAL INSTITUTIONS AND CASH (CONTINUED)

Movements in the allowance for expected credit losses as follows:

	30 June 2020 (Reviewed) QR	31 December 2019 (Audited) QR
At 1 January	163,971	220,075
Reversal of allowance during the Period / year	(18,583)	(56,104)
	145,388	163,971

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

	30 June 2020 (Reviewed) QR	31 December 2019 (Audited) QR
Balances with financial institutions and cash prior to the expected credit losses	361,851,659	404,454,993
Term deposits maturing after 3 months	(100,000,000)	(320,000,000)
Cash and cash equivalents	261,851,659	84,454,993

6. INVESTMENT SECURITIES

	30 June 2020 (Reviewed) QR	31 December 2019 (Audited) QR
Financial assets measured at FVTPL	202,125,592	164,048,002
Quoted equity investments	202,125,592	164,048,002

- (i) all investment securities are Quoted equity investments that have been valued using Level 1 measurement techniques as per IFRS 7.

7. INVENTORIES

	30 June 2020 (Reviewed) QR	31 December 2019 (Audited) QR
Vehicles	5,604,532	2,979,073
Spare parts and consumables	5,045,744	5,121,127
Gross inventories	10,650,276	8,100,200
Provision for slow moving inventories	(8,603,658)	(6,756,066)
	2,046,618	1,344,134

7. INVENTORIES (CONTINUED)

Movement in provision for slow moving inventories

	30 June 2020 (Reviewed) QR	31 December 2019 (Audited) QR
Balance at 1 January	6,756,066	3,628,166
Net movement during the period / year	1,847,592	3,127,900
	8,603,658	6,756,066

8. PROPERTY AND EQUIPMENT

Acquisitions

During the six months ended 30 June 2020, the Group acquired assets with a cost of QR 35,099 (six-month period ended 30 June 2019: QR 1,337,346).

Disposals

Assets with a net book value of QR 51,357 were disposed by the group during the six months ended 30 June 2020 (six-month period ended 30 June 2019: QR Nil) resulting in a net gain on disposal of QR 2,323 (six-month period ended 30 June 2019: 208,755).

9. 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 2020 (Reviewed) QR	31 December 2019 (Audited) QR
At 1 January	50,890,341	76,423,363
Paid	(5,890,341)	(25,533,022)
	45,000,000	50,890,341

10. SHARE CAPITAL

	30 June 2020 (Reviewed) QR	31 December 2019 (Audited) QR
Authorized, Issued and Fully paid-up 494,802,000 ordinary shares of QR 1 each	494,802,000	494,802,000

11. 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.

12. DIVIDENDS PAID

At the Annual General Assembly meeting held on 25 March 2020, 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 2019 (for the year ended 31 December 2018: cash dividend distribution equivalent to 5% of the paid-up capital amounting to QR 24,740,100).

13. REVENUE FROM CORE BUSINESS

	30 June 2020	30 June 2019
	(Reviewed) QR	(Reviewed) QR
Revenue from leasing operations	613,088	656,949
	30 June 2020	30 June 2019
<i>Morabaha</i>	530,751	494,836
<i>Ijarah</i>	82,337	162,113
<i>Type of goods or services</i>		
Revenue from taxi operations	11,400,221	22,055,088
Revenue from plots resale	-	464,350
Revenue from real estate property development	16,667,640	33,331,566
Revenue from warehouse rental	2,376,214	2,357,250
Revenue from driving academy operations	2,339,142	1,656,848
	33,396,305	60,522,051
	30 June 2020	30 June 2019
	(Reviewed) QR	(Reviewed) QR
<i>Timing of revenue recognition</i>		
Products and services transferred over time	19,006,782	34,988,414
Products transferred at a point in time	11,400,221	22,519,438
Leasing income	613,088	656,949
Straight line over lease period	2,376,214	2,357,250
	33,396,305	60,522,051

All revenue sources are earned inside the State of Qatar.

14. SEGMENT REPORTING

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

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

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

ALJARAH HOLDING Q.P.S.C.
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2020

14. SEGMENT REPORTING (CONTINUED)

The following table presents segment revenues and profits of the Group's operating segments as at 30 June 2020 and 30 June 2019:

For the six months ended 30 June 2020 (Reviewed)	Financial Leasing	Property Development	Driving School	Taxi Services	Holding	Elimination	Total
	QR	QR	QR	QR	QR	QR	QR
Revenues and Gains:							
External Parties	626,858	19,138,102	2,341,186	11,942,774	32,213,502	-	66,262,422
Internal Parties	-	2,094,000	-	45,036	-	(2,139,036)	-
Total Revenues and Gains	626,858	21,232,102	2,341,186	11,987,810	32,213,502	(2,139,036)	66,262,422
Profit (Loss) for the period	(386,387)	(6,087,073)	(2,885,744)	(10,269,193)	26,143,819	-	6,515,422
Finance Income	21,232	982,721	9,028	224,376	2,160,751	-	3,398,108
Finance Cost	-	(780,446)	-	-	-	-	(780,446)
Depreciation and amortization	2,787	3,320,033	712,978	3,851,617	105,802	-	7,993,217
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)

ALJARAH HOLDING Q.P.S.C.
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2020

14. SEGMENT REPORTING (CONTINUED)

The following table presents segment assets and liabilities of the Group's operating segments as at 30 June 2020 and 31 December 2019.

As at 30 June 2020 (Reviewed)	Financial Leasing	Property Development	Driving School	Taxi Services	Holding	Transportation	Elimination	Total
	QR	QR	QR	QR	QR	QR	QR	QR
Current Asset	304,367,665	213,795,027	3,842,850	33,887,162	488,394,985	19,078,005	(476,111,994)	587,253,700
Non-Current Assets	6,238,779	216,529,427	12,918,310	30,039,751	480,189	183,680	-	266,390,136
Total Assets	310,606,444	430,324,454	16,761,160	63,926,913	488,575,174	19,261,685	(476,111,994)	853,643,836
Current Liabilities	(7,185,609)	(59,614,236)	(23,376,680)	(320,590,207)	(109,550,368)	(75,714)	429,911,994	(90,480,820)
Non-Current Liabilities	(152,048)	(63,791,542)	(154,626)	(698,699)	(3,487,827)	-	-	(68,284,742)
Total Liabilities	(7,337,657)	(123,405,778)	(23,531,306)	(321,288,906)	(113,038,195)	(75,714)	429,911,994	(158,765,562)

As at 31 December 2019 (Audited)	Financial Leasing	Property Development	Driving School	Taxi Services	Holding	Transportation	Elimination	Total
	QR	QR	QR	QR	QR	QR	QR	QR
Current Asset	302,258,004	191,693,267	2,768,067	34,654,627	493,202,351	19,083,801	(418,775,117)	624,885,000
Non-Current Assets	8,556,923	219,179,164	13,631,288	35,669,503	1,236,187	183,680	-	278,456,745
Total Assets	310,814,927	410,872,431	16,399,355	70,324,130	494,438,538	19,267,481	(418,775,117)	903,341,745
Current Liabilities	(7,033,483)	(67,106,556)	(20,190,629)	(316,738,615)	(115,831,824)	(81,510)	372,575,117	(154,407,500)
Non-Current Liabilities	(126,269)	(30,760,126)	(93,129)	(678,314)	(4,010,569)	-	-	(35,668,407)
Total Liabilities	(7,159,752)	(97,866,682)	(20,283,758)	(317,416,929)	(119,842,393)	(81,510)	372,575,117	(190,075,907)

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 from that period.

15. CONTINGENT LIABILITIES AND COMMITMENTS

	30 June 2020 (Reviewed) QR	31 December 2019 (Audited) QR
Letter of guarantees from Islamic banks	13,386,000	17,088,000
Capital commitments	31,888,473	48,825,842

16. BASIC AND DILUTED EARNINGS PER SHARE

	For the six months period ended 30 June	
	2020 (Reviewed)	2019 (Reviewed)
Net profit for the period (QR)	6,515,422	4,031,982
Weighted average number of shares	494,802,000	494,802,000
Basic and Diluted Earnings per share (QR)	0.013	0.008

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

	30 June 2020 (Reviewed)	30 June 2019 (Reviewed)
Qualifying shares	494,802,000	494,802,000
Balance at end of the period	494,802,000	494,802,000

17. RELATED PARTY DISCLOSURES

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

Key management personnel remuneration

	30 June 2020 (Reviewed) QR	30 June 2019 (Reviewed) QR
Key management personnel remuneration	2,105,088	1,765,861

18. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

Financial Risk Factors

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

The 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 2019.

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.

19. COMPARATIVE FIGURES

Certain accounts in the comparative figures have been reclassified to conform to the presentation in the current period's financial statements. However, such reclassifications did not have any effect on the reported profit in the previous period.

20. IMPACT OF COVID-19

The outbreak of Novel Coronavirus (COVID-19) continues to progress and evolve. More countries have imposed travel bans on millions of people, and more people in more locations are placed with quarantine measures. The extent and duration of such impacts remain uncertain and dependent on future developments that cannot be accurately predicted at this time, such as the transmission rate of the coronavirus and the extent and effectiveness of containment actions taken. Businesses are dealing with lost revenue and disrupted supply chains. The Group engages in Leasing, Real Estate, Property Development, Transportation, Taxi Services and Driving Academy.

Further, the Group operations are concentrated in Qatar that relatively depend on the oil and gas income. The outbreak of COVID-19 has had an impact on demand for oil and petroleum products. Recent global developments have caused further volatility in commodity markets.

The Group is carefully monitoring the evolving situation around the spreading of the COVID-19 and the volatility in the oil prices and its impact on the business.

The inputs and assumptions used for the expected credit loss calculation ("ECL") as at 30 June 2020 were updated by the Group to reflect the economic uncertainties resulted due to the COVID-19 and volatility in oil prices. The Group has adjusted the forward-looking macro-economic factors and probability weights assigned to economic scenarios for ECL determination to reflect the economic uncertainties. Given the level of uncertainty and the sensitivity of judgments and estimates, the assumptions will be reassessed if adverse conditions continue.

Furthermore, on 22 March 2020 the Ministry of Interior have announced a temporary cease of operation of certain sectors as parts of the measures taken by the government to suppress the spread of COVID 19 in Qatar. Al Ijarah Driving Academy was one of the affected sectors. The temporary cease of operations had negative impact on the revenues of this segment of the Group. The Driving school is expected to re-operate on 1 August 2020 as per the Ministry of interior plan to fully reopen the economy.

20. IMPACT OF COVID-19 (CONTINUED)

Considering the current economic conditions, the Board have approved certain concessions for a short period to the existing tenants of the Group warehouses for a period of two months., that resulted in a negative impact on the Group revenue.

The Group has also considered potential impacts of the current economic volatility in determination of the reported amounts of the Group's financial and non-financial assets and liabilities as of 30 June 2020, these are considered to represent management's best estimate based on the available or observable information. However, marker remain volatile and the recorded amounts remain sensitive to market fluctuations: