



Aljarah Holding Q.P.S.C.

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE SIX-MONTHS PERIOD ENDED
JUNE 30, 2024
TOGETHER WITH
INDEPENDENT AUDITOR'S REVIEW REPORT**

Alijarah Holding Q.P.S.C.

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTHS PERIOD ENDED JUNE 30, 2024**

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INDEPENDENT AUDITOR'S REPORT ON
REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Alijarah Holding Q.P.S.C. (the "Company") and its subsidiaries (together referred to as the "Group") as of June 30, 2024 which comprise the interim consolidated statement of financial position as of June 30, 2024, and related interim consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-months period then ended June 30, 2024, and related explanatory notes.

The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard (IAS 34) "Interim Financial Reporting" as issued by International Accounting Standards Board (IASB). 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 Engagement 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of the interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for the 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 aspects, in accordance with IAS 34 as issued by the IASB.

For Russell Bedford and Partners
Certified Public Accountant


Hanj Mukhaimer
License No. (275)
QFMA License No. (1202013)



Doha- Qatar
July 22, 2024

ALIJARAH HOLDING Q.P.S.C.
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024



	Notes	30 June 2024 (Reviewed) QR	31 December 2023 (Audited) QR
ASSETS			
Balances with financial institutions and cash	5	316,575,782	334,544,886
Installments and due from customers		7,203,659	7,758,744
Investment securities	6	191,629,117	168,579,994
Inventories	7	283,304	273,158
Prepayments and other receivables		5,856,337	3,684,952
Property and equipment	8	93,761,665	78,746,504
Right-of-use asset		400,965	429,268
Investment properties		129,264,989	111,194,082
Intangible assets		8,338,968	8,400,415
Total assets		753,314,786	713,612,003
LIABILITIES AND EQUITY			
LIABILITIES			
Accounts payable, accruals and other payables		49,692,556	47,337,949
Islamic financing	9	57,000,000	18,500,000
Contract liabilities		8,927,709	10,347,935
Lease liability		596,948	581,320
Total liabilities		116,217,213	76,767,204
EQUITY			
Share capital	10	494,802,000	494,802,000
Legal reserve	11	182,740,774	335,313,999
Fair value reserve		(44,261,824)	(52,843,693)
Revaluation surplus		102,788	102,788
Retained Earnings / (Accumulated losses)		3,713,835	(140,530,295)
Net equity		637,097,573	636,844,799
Total liabilities and equity		753,314,786	713,612,003

These interim condensed consolidated financial statements were approved by the Board of Directors on 22nd July 2024 and signed on their behalf by:


Falah Bin Jassim Bin Jabr Al-Thani
Chairman




Hamad Hassan AlJamali
Chief Executive Officer

The accompanying notes from 1 to 18 form an integral part of these interim condensed consolidated financial statements.

	Notes	For the six-month period ended 30 June	
		2024 (Reviewed) QR	2023 (Reviewed) QR
Income			
Revenue from core business	13	18,826,123	19,679,136
Income from investments		8,586,603	3,096,623
Finance income from deposits with Islamic banks		8,058,449	7,447,545
Other income		657,849	1,759,042
Total revenues and income		36,129,024	31,982,346
Expenses			
Operating expenses		(8,460,581)	(10,560,233)
General and administration expenses		(16,607,769)	(12,750,288)
Total expenses		(25,068,350)	(23,310,521)
Net operating income		11,060,674	8,671,825
Finance cost - Islamic financing		(1,252,934)	(28,983)
Profit before tax		9,807,740	8,642,842
Income tax expense		(67,548)	(7,912)
Profit for the period		9,740,192	8,634,930
Earnings per share			
Basic and diluted earnings per share	16	0.020	0.017



	For the six-month period ended 30 June	
	2024 (Reviewed) QR	2023 (Reviewed) QR
Profit for the period	9,740,192	8,634,930
Other comprehensive income for the period		
Items that will not be reclassified subsequently to profit or loss		
Change in fair value on equity instruments designated at fair value through other comprehensive income	5,600,147	(12,547,149)
Net other comprehensive income (loss) for the period	5,600,147	(12,547,149)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	15,340,339	(3,912,219)



	Notes	For the six-month period ended 30 June	
		2024 (Reviewed) QR	2023 (Reviewed) QR
Cash flows from operating activities			
Profit before tax for the period		9,807,740	8,642,842
Adjustments for:			
Depreciation and amortization		1,959,065	2,394,182
Loss on investment securities measured at FVTPL		1,148,850	1,254,033
Dividend income		(9,292,409)	(4,306,109)
Profit on disposal of property and equipment	8	-	(396,100)
Finance income		(8,484,501)	(7,447,546)
Finance cost		1,252,934	28,983
Reversal for slow moving inventories		-	(3,842,138)
Provision for employees' end of service benefits		311,929	644,615
Net operating loss for the period before working capital changes		(3,296,392)	(3,027,238)
Working Capital Changes			
Installments and dues from customers		555,088	1,342,971
Prepayments and other receivables		1,072,859	99,764
Inventories		(10,146)	3,908,109
Accounts payable, accruals and other payables		1,105,759	(2,444,083)
Deferred Revenue		(1,420,226)	(2,625,137)
Finance Cost Paid		(580,806)	-
Employees' end of service benefits paid		(30,637)	(46,649)
Net cash used in operating activities		(2,604,501)	(2,792,263)
Cash flows from investing activities			
Finance income received		5,236,427	10,673,768
Dividend received		9,292,409	4,306,109
Purchase of Intangible Asset		-	(425,645)
Purchase of property and equipment	8	(34,955,383)	(447,800)
Net movement in Bank Term Deposit		-	10,000,000
Purchase of investment securities		(26,277,570)	(15,173,901)
Proceeds from disposal of investment securities		7,683,574	27,217,921
Proceeds from disposal of property and equipment		-	407,139
Net cash (used in) from investing activities		(39,020,543)	36,557,591
Cash flows from financing activities			
Dividends paid	12	(14,844,060)	(14,844,212)
Proceeds from Islamic financing		38,500,000	18,500,000
Net cash from financing activities		23,655,940	3,655,788
Net (decrease) Increase in cash and cash equivalents		(17,969,104)	37,421,116
Cash and cash equivalents at the beginning of the period		35,866,067	22,940,496
Cash and cash equivalents at the end of the period	5	17,896,963	60,361,612



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 (as amended by Law No. 8 of 2021). 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 22 July 2024.

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
Aljarah Almobtkara Alaqariya	Kingdom of Saudi Arabia	Real Estate and Property Development

2. BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six-month period ended 30 June 2024 have been prepared in accordance with International Financial Reporting Standards, IAS 34 “Interim Financial Reporting”, and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2023.

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. In addition, the results for the six-month period ended 30 June 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

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 2023, except for the adoption of new standards and amendments effective as of 1 January 2024. 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 have been applied by the company in preparation of these financial statements. The adoption of the below did not result in changes to previously reported net profit (loss) or equity of the company.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Description	Effective Date
Non-current Liabilities with Covenants (Amendments to IAS 1)	January 1, 2024
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	

Standards/amendments issued but not yet effective:

Description	Effective Date
Lack of Exchangeability (Amendments to IAS 21)	January 01, 2025
Presentation and disclosures in financial statements (IFRS 18)	January 01, 2027
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Deferred indefinitely

The company is currently evaluating the impact of these new standards/amendments. The company will adopt these on the effective dates.

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 2023.

5. BALANCES WITH FINANCIAL INSTITUTIONS AND CASH

	30 June 2024	31 December 2023
	(Reviewed) QR	(Audited) QR
Cash on hand	249,590	137,336
Current accounts with Islamic banks	14,757,310	20,756,788
Current accounts with a conventional bank	2,496,408	3,776,353
Term deposits with Islamic banks	298,960,889	308,960,889
Deposits with financial institutions	393,655	1,195,590
	316,857,852	334,826,956
Allowance for expected credit losses	(282,070)	(282,070)
Balances with financial institutions and cash	316,575,782	334,544,886

Bank term deposits carry profit at commercial market rates. The Group has pledged QR 70,000,000 of the term deposit maturing after three months to fulfill collateral requirements of Islamic financing. (Note 9)

Movements in the allowance for expected credit losses as follows:

	30 June 2024	31 December 2023
	(Reviewed) QR	(Audited) QR
At 1 January	282,070	305,337
Allowance during the period / year	-	(23,267)
	282,070	282,070

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

	30 June 2024	31 December 2023
	(Reviewed) QR	(Audited) QR
Balances with financial institutions and cash prior to the expected credit losses	316,857,852	334,826,956
Term deposits with original maturity of more than 3 months	(298,960,889)	(298,960,889)
Cash and cash equivalents	17,896,963	35,866,067

6. INVESTMENT SECURITIES

	30 June 2024	31 December 2023
	(Reviewed) QR	(Audited) QR
Financial assets measured at FVTPL	21,850,668	15,317,374
Financial assets measured at FVTOCI	134,819,003	136,333,920
Sukuk at fair value through profit or loss	17,180,550	16,928,700
Sukuk at fair value through amortized cost	17,778,896	-
Quoted equity Investments	191,629,117	168,579,994

- (i) All investment securities are quoted equity investments in Qatar Stock Exchange that have been valued using Level 1 inputs measurement techniques as per IFRS 13. The change in the fair value of equity instruments classified at fair value through other comprehensive income was recognized within the items of the statement of other comprehensive income for the period/year.

7. INVENTORIES

	30 June 2024	31 December 2023
	(Reviewed) QR	(Audited) QR
Spare parts and consumables	283,304	273,158

Movement in provision for slow moving inventories

	30 June 2024	31 December 2023
	(Reviewed) QR	(Audited) QR
Balance at 1 January	-	3,842,138
Reversal during the period / year	-	(3,842,138)
	-	-

8. PROPERTY AND EQUIPMENT

Acquisitions

During the six-months period ended 30 June 2024, the Group acquired assets with a cost of QR 16,884,474 (six-month period ended 30 June 2023: QR 447,800).

Disposals

There were no assets disposed by the group during the six-month period ended 30 June 2024 (six-month period ended 30 June 2023: QR 396,100)

Write-Off

There were no assets written-off by the group during the six months ended 30 June 2024 (no assets written-off by the group during the six-month period ended 30 June 2023).

9. ISLAMIC FINANCING

The Group has obtained Islamic financing facility to fund its investments and expansion. The facility is secured, and it is repayable after 24 and 36 months. The facility is secured by term deposits and carries financing charges.

	30 June 2024	31 December 2023
	(Reviewed)	(Audited)
	QR	QR
At 1 January	18,500,000	-
Additions	38,500,000	18,500,000
	57,000,000	18,500,000

10. SHARE CAPITAL

	30 June 2024	31 December 2023
	(Reviewed)	(Audited)
	QR	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 and the Company's Articles of Association, 10% of the profit for the year should be transferred to statutory legal reserve until the reserve equals 50% of the Company's capital. The reserve is not normally available for distribution, except in circumstances stipulated in the above-mentioned law.

The company transferred an amount of 152,573,225 Qatari riyals from the legal reserve to absorb the accumulated losses as of December 31, 2022.

12. DIVIDENDS PAID

At the Annual General Assembly meeting held on 27 February 2024, the shareholders approved to distribute dividend equivalent to 3% amounting to QR 14,844,060 for the year ended 31 December 2023 (for the year ended 31 December 2022: QR 14,844,060).

13. REVENUE FROM CORE BUSINESS

	30 June 2024 (Reviewed) QR	30 June 2023 (Reviewed) QR
Revenue from contracts with customers (Note 13.1)	13,404,672	13,756,115
Revenue from leasing operations (Note 13.2) (Note i)	22,396	43,364
Revenue from operating lease	5,399,055	5,879,657
	18,826,123	19,679,136

13.1 Revenue from contracts with customers

	30 June 2024 (Reviewed) QR	30 June 2023 (Reviewed) QR
Revenue from real estate property development	-	1,374,333
Revenue from driving academy operations	13,168,434	12,085,907
Revenue from workshop operations	236,238	295,875
	13,404,672	13,756,115

	30 June 2024 (Reviewed) QR	30 June 2023 (Reviewed) QR
Timing of revenue recognition		
Products and services transferred over time	13,168,434	13,460,240
Products and services transferred at a point in time	236,238	295,875
	13,404,672	13,756,115

All revenue sources are earned inside the State of Qatar.

13. REVENUE FROM CORE BUSINESS (CONTINUED)

13.2 Revenue from leasing operations

	30 June 2024 (Reviewed) QR	30 June 2023 (Reviewed) QR
- Morabaha	22,328	43,364
- Ijarah	68	-
	22,396	43,364

Note (i)

During 2019, The Group received a letter from Qatar Central Bank (QCB) requesting to cease the leasing and Islamic finance operations of the group. The letter emphasized that the Group has to fully comply with Qatar Central Bank law and the Regulation of Financial Institutions no. 13 of 2012. The management of the Group is still in the process of preparing the relevant documents and updating its systems in order to register the leasing segment under QCB and accordingly the operation of leasing and Islamic finance was temporarily ceased until the matter is regularized with the Qatar Central Bank.

14. SEGMENT REPORTING

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

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

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

14. SEGMENT REPORTING (CONTINUED)

The following table presents segment revenues and profits of the Group's operating segments as at 30 June 2024 and 30 June 2023:

For the six months ended 30 June 2024 (Reviewed)	Financial Leasing	Transportation	Property Development	Driving School	Taxi Services	Holding	Elimination	Total
	QR	QR	QR	QR	QR	QR	QR	QR
Revenues and Gains:								
External Parties	22,396	-	5,405,423	13,471,322	-	9,171,434	-	28,070,575
Finance Income	4,874	-	6,641	27,519	-	8,019,415	-	8,058,449
Internal Parties	-	-	834,375	370,063	-	-	(1,204,438)	-
Total Revenues and Gains	27,270	-	6,246,439	13,868,904	-	17,190,849	(1,204,438)	36,129,024
Profit for the period	1,034	-	2,414,573	3,008,260	-	4,316,325	-	9,740,192
Finance Cost	-	-	(15,628)	-	-	(1,237,306)	-	(1,252,934)
Depreciation and amortization	371	-	1,271,571	613,553	-	73,570	-	1,959,065
For the six months ended 30 June 2023 (Reviewed)	Financial Leasing	Transportation	Property Development	Driving School	Taxi Services	Holding	Elimination	Total
	QR	QR	QR	QR	QR	QR	QR	QR
Revenues and Gains:								
External Parties	43,364	-	7,890,465	12,965,308	-	3,635,664	-	24,534,801
Finance Income	5,660	-	10,956	22,923	-	7,408,006	-	7,447,545
Internal Parties	-	-	834,374	282,882	-	-	(1,117,256)	-
Total Revenues and Gains	49,024	-	8,735,795	13,271,113	-	11,043,670	(1,117,256)	31,982,346
(Loss) Profit for the period	(401,747)	-	3,399,113	1,483,902	-	4,153,662	-	8,634,930
Finance Cost	-	-	(17,420)	-	-	(11,563)	-	(28,983)
Depreciation and amortization	730	-	1,391,722	918,911	-	82,819	-	2,394,182

14. SEGMENT REPORTING (CONTINUED)

The following table presents segment assets and liabilities of the Group's operating segments as at 30 June 2024 and 31 December 2023.

As at 30 June 2024 (Reviewed)	Financial Leasing	Transportation	Property Development	Driving School	Taxi Services	Holding	Elimination	Total
	QR	QR	QR	QR	QR	QR	QR	QR
Current Asset	13,216,360	20,000,000	1,186,275	4,787,990	5,000,000	310,862,712	(220,563,783)	134,489,554
Non-Current Assets	191,363	-	220,323,790	11,052,458	-	387,257,621	-	618,825,232
Total Assets	13,407,723	20,000,000	221,510,065	15,840,448	5,000,000	698,120,333	(220,563,783)	753,314,786
Current Liabilities	(13,006,689)	-	(187,591,722)	(10,768,468)	-	(57,020,065)	174,363,783	(94,023,161)
Non-Current Liabilities	-	-	(1,400,982)	(1,063,720)	-	(19,729,350)	-	(22,194,052)
Total Liabilities	(13,006,689)	-	(188,992,704)	(11,832,188)	-	(76,749,415)	174,363,783	(116,217,213)
As at 31 December 2023 (Audited)	Financial Leasing	Transportation	Property Development	Driving School	Taxi Services	Holding	Elimination	Total
	QR	QR	QR	QR	QR	QR	QR	QR
Current Asset	352,606,756	15,214,931	129,249,351	8,184,916	738,582	150,977,245	(531,137,336)	125,834,445
Non-Current Assets	625,460	-	187,886,126	10,477,001	6,300	388,782,671	-	587,777,558
Total Assets	353,232,216	15,214,931	317,135,477	18,661,917	744,882	539,759,916	(531,137,336)	713,612,003
Current Liabilities	(12,952,189)	(64,903)	(15,169,731)	(22,548,571)	(282,297,339)	(224,028,559)	484,937,336	(72,123,956)
Non-Current Liabilities	-	-	(1,131,471)	(940,476)	-	(2,571,301)	-	(4,643,248)
Total Liabilities	(12,952,189)	(64,903)	(16,301,202)	(23,489,047)	(282,297,339)	(226,599,860)	484,937,336	(76,767,204)

15. CONTINGENT LIABILITIES AND COMMITMENTS

	30 June 2024 (Reviewed) QR	31 December 2023 (Audited) QR
Letter of guarantees from Islamic banks	350,000	350,000

16. BASIC AND DILUTED EARNINGS PER SHARE

	For the six-month period ended 30 June	
	2024 (Reviewed)	2023 (Reviewed)
Profit for the period (QR)	9,740,192	8,634,930
Weighted average number of shares	494,802,000	494,802,000
Basic and diluted earnings per share (QR)	0.020	0.017

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

	30 June 2024 (Reviewed)	30 June 2023 (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 2024 (Reviewed) QR	30 June 2023 (Reviewed) QR
Key management personnel remuneration	2,042,043	1,828,944

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 2023.

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, 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.