

**Dlala Brokerage and Investment Holding
Company Q.P.S.C.**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

30 JUNE 2019

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF DLALA BROKERAGE AND INVESTMENT HOLDING COMPANY Q.P.S.C.

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Dlala Brokerage and Investment Holding Company Q.P.S.C. (the "Company") and its subsidiaries (together referred to as the "Group") as at 30 June 2019 and for the six month period ended 30 June 2019, comprising of the interim consolidated statement of financial position as at 30 June 2019 and the related interim consolidated statement of income, interim consolidated statement of comprehensive income, interim consolidated statement of cash flows and interim consolidated statement of changes in equity for the six month period then ended, and the related explanatory notes.

The 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 statements 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.



Nader
Of Ernst & Young
Auditor's Registration No: 258

Date: 30 July 2019
Doha



ERNST & YOUNG
Doha
محاسبون قانونيين
الدوحة
22-2
إرنست ويونغ

Dlala Brokerage and Investment Holding Company Q.P.S.C.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2019

	<i>Notes</i>	<i>30 June 2019 QR'000 (Reviewed)</i>	<i>31 December 2018 QR'000 (Audited)</i>
ASSETS			
Current assets			
Cash and bank balances	3	93,493	77,680
Bank balances – customer funds	4	367,828	415,166
Due from customers		65	42
Due from Qatar Central Securities Depository (QCSD)		15,386	4,104
Other assets		<u>32,153</u>	<u>36,519</u>
		508,925	533,511
Non-current assets			
Investment securities	5	77,046	84,215
Intangible assets	6	884	1,002
Property and equipment	7	<u>40,830</u>	<u>41,201</u>
		118,760	126,418
TOTAL ASSETS		<u>627,685</u>	<u>659,929</u>
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Due to customers		383,228	419,233
Other liabilities		<u>29,183</u>	<u>25,431</u>
		412,411	444,664
Non-current liability			
Employees' end of service benefits		<u>4,660</u>	<u>4,705</u>
Total liabilities		<u>417,071</u>	<u>449,369</u>
Equity			
Share capital	8	284,160	284,160
Legal reserve		27,821	27,821
Fair value OCI reserve		(43,487)	(47,451)
Accumulated losses		<u>(58,001)</u>	<u>(54,351)</u>
Equity attributable to shareholders of the parent		210,493	210,179
Non-controlling interests		<u>121</u>	<u>381</u>
Total equity		<u>210,614</u>	<u>210,560</u>
TOTAL LIABILITIES AND EQUITY		<u>627,685</u>	<u>659,929</u>



Moza Mohamed Al Sulaiti
Board Member



Dr. Abdul Aziz Ali Al Hammadi
Chief Executive Officer

Dlala Brokerage and Investment Holding Company Q.P.S.C.

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the six months ended 30 June 2019

	<i>Note</i>	30 June 2019 QR'000 (Reviewed)	30 June 2018 QR'000 (Reviewed)
Brokerage commission income		11,204	19,562
Brokerage commission expense		<u>(3,842)</u>	<u>(6,604)</u>
Net brokerage commission income		7,362	12,958
Dividend income		3,278	3,597
Real estate income		3,156	275
Income from IT services		64	99
Interest income		<u>1,000</u>	<u>793</u>
Net operating income		14,860	17,722
Other income		50	8
General and administrative expenses		(17,925)	(15,433)
Depreciation and amortization		<u>(926)</u>	<u>(953)</u>
(Loss) profit for the period		<u>(3,941)</u>	<u>1,344</u>
Attributable to:			
Shareholders of the parent		(3,681)	1,435
Non-controlling interests		<u>(260)</u>	<u>(91)</u>
		<u>(3,941)</u>	<u>1,344</u>
BASIC AND DILUTED EARNINGS PER SHARE (QR) (Attributable to the shareholders of the parent)	9	<u>(0.013)</u>	<u>0.005</u>

The attached notes 1 to 13 form part of these interim condensed consolidated financial statements.

Dlala Brokerage and Investment Holding Company Q.P.S.C.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2019

	<i>30 June 2019 QR'000 (Reviewed)</i>	<i>30 June 2018 QR'000 (Reviewed)</i>
(Loss) profit for the period	<u>(3,941)</u>	<u>1,344</u>
Other comprehensive income:		
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>		
Net fair value gain (loss) on investment securities	<u>3,995</u>	<u>(2,390)</u>
Total other comprehensive income (loss) for the period	<u>3,995</u>	<u>(2,390)</u>
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	<u>54</u>	<u>(1,046)</u>
Attributable to:		
Shareholders of the parent	<u>314</u>	<u>(955)</u>
Non-controlling interests	<u>(260)</u>	<u>(91)</u>
	<u>54</u>	<u>(1,046)</u>

The attached notes 1 to 13 form part of these interim condensed consolidated financial statements.

Dlala Brokerage and Investment Holding Company Q.P.S.C.
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
For the six months ended 30 June 2019

	<i>Note</i>	30 June 2019 QR'000 (Reviewed)	30 June 2018 QR'000 (Reviewed)
OPERATING ACTIVITIES			
(Loss) profit for the period		(3,941)	1,344
<i>Adjustments for:</i>			
Depreciation and amortization		926	953
Provision for employees' end of service benefits		95	119
Interest income		(1,000)	(793)
Dividend income		(3,278)	(3,597)
Operating loss before working capital changes		(7,198)	(1,974)
<i>Working capital changes:</i>			
Bank balances – customer funds		47,338	120,148
Due from customers		(23)	(657)
Due from QCSD		(11,282)	(16,839)
Other assets		4,884	630
Due to customers		(36,005)	(102,660)
Other liabilities		3,752	(1,363)
Cash flow from (used in) operations		1,466	(2,715)
Employees' end of service benefits paid		(140)	(172)
Net cash flows from (used in) operating activities		1,326	(2,887)
INVESTING ACTIVITIES			
Proceeds from sale of investment securities		11,164	29,962
Net movement in bank deposits maturing after 90 days		-	(5,000)
Purchase of property and equipment		(437)	(147)
Interest income received		1,000	463
Dividend received		2,760	3,597
Net cash flows from investing activities		14,487	28,875
NET INCREASE IN CASH AND CASH EQUIVALENTS		15,813	25,988
Cash and cash equivalents at 1 January		77,680	52,777
CASH AND CASH EQUIVALENTS AT 30 JUNE	3	93,493	78,765

The attached notes 1 to 13 form part of these interim condensed consolidated financial statements.

Dlala Brokerage and Investment Holding Company Q.P.S.C.
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2019

	<i>Attributable to owners of the parent</i>					<i>Non-controlling interests</i> QR'000	<i>Total equity</i> QR'000
	<i>Share capital</i> QR'000	<i>Legal reserve</i> QR'000	<i>Fair value OCI reserve</i> QR'000	<i>Accumulated losses</i> QR'000	<i>Total</i> QR'000		
At 1 January 2018	284,160	27,821	(46,519)	(33,316)	232,146	602	232,748
Profit for the period	-	-	-	1,435	1,435	(91)	1,344
Other comprehensive loss for the period	-	-	(2,390)	-	(2,390)	-	(2,390)
Total comprehensive (loss) income for the period	-	-	(2,390)	1,435	(955)	(91)	(1,046)
Profit on sale of investment securities	-	-	(267)	267	-	-	-
At 30 June 2018 <i>(Reviewed)</i>	<u>284,160</u>	<u>27,821</u>	<u>(49,176)</u>	<u>(31,614)</u>	<u>231,191</u>	<u>511</u>	<u>231,702</u>
At 1 January 2019 <i>(Audited)</i>	284,160	27,821	(47,451)	(54,351)	210,179	381	210,560
Loss for the period	-	-	-	(3,681)	(3,681)	(260)	(3,941)
Other comprehensive income for the period	-	-	3,995	-	3,995	-	3,995
Total comprehensive income (loss) for the period	-	-	3,995	(3,681)	314	(260)	54
Profit on sale of investment securities	-	-	(31)	31	-	-	-
At 30 June 2019 <i>(Reviewed)</i>	<u>284,160</u>	<u>27,821</u>	<u>(43,487)</u>	<u>(58,001)</u>	<u>210,493</u>	<u>121</u>	<u>210,614</u>

The attached notes 1 to 13 form part of these interim condensed consolidated financial statements.

Dlala Brokerage and Investment Holding Company Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS At 30 June 2019

1 CORPORATE INFORMATION

Dlala Brokerage and Investment Holding Company Q.P.S.C. (the "Company") is a Qatari Public Shareholding Company (Q.P.S.C.) incorporated in the State of Qatar on 24 May 2005 under Commercial Registration No. 30670. The Company is listed in the Qatar Stock Exchange ("QSE") and is governed by the provisions of the Qatar Commercial Companies Law No. 11 of 2015, and the regulations of Qatar Financial Markets Authority ("QFMA") and Qatar Stock Exchange. The Company's registered office is at P.O. Box 24571, Doha, State of Qatar.

The Company, together with its subsidiaries (together referred to as the "Group"), is engaged in brokerage activities at the Qatar Stock Exchange, IT services, real estate and in other investment activities.

The interim condensed consolidated financial statements of the Group for the six months period ended 30 June 2019 were authorised for issue by the Board of Directors on 30 July 2019.

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2019 have been prepared in accordance with International Financial Reporting Standard (IAS) 34 "Interim Financial Reporting" ("IAS 34").

The interim condensed consolidated financial statements are prepared in Qatar Riyals, which is the Group's functional and presentation currency, and all values are rounded to the nearest thousands (QR'000) except when otherwise indicated.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at and for the year ended 31 December 2018. In addition, the results for the six months ended 30 June 2019 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2019.

2.2 Basis of consolidation

The interim condensed consolidated financial statements comprise the interim condensed financial statements of Dlala Brokerage and Investment Holding Company Q.P.S.C (the "Company") and its subsidiaries (together referred to as the "Group"). The subsidiaries of the Group are as follows:

<i>Entity Name</i>	<i>Country of incorporation</i>	<i>Ownership interest 30 June 2019</i>	<i>Ownership interest 31 December 2018</i>
Dlala Brokerage Company W.L.L.	Qatar	99.98%	99.98%
Dlala Islamic Brokerage Company W.L.L.	Qatar	99.98%	99.98%
Dlala Real Estate W.L.L.	Qatar	100%	100%
Dlala Information Technology W.L.L. (Dormant)	Qatar	100%	100%
Dlala Smart Information Technology W.L.L.	Qatar	60%	60%

On 19 October 2016, the Board of Directors of the Group approved to cease and transfer the operations of Dlala Islamic Brokerage Company W.L.L. to a related party, Dlala Brokerage Company W.L.L. Accordingly, the customers will either opt to transfer their balances to the related party or to cash out and receive settlement. Dlala Islamic Brokerage Company W.L.L. ceased operations with effect from 6 September 2018 as instructed by the QFMA and, QSE publicly announced that the last business day of the Company as 6 September 2018. The Group is waiting for the QFMA and QSE approval to complete the transfer.

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 New and amended standards and interpretations adopted by the Group

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 financial statements for the year ended 31 December 2018, except for following.

IFRS 16

In the current period, the Group, for the first time, has applied IFRS 16 Leases (as issued by the IASB in January 2016). IFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to the lessee accounting by removing the distinction between operating and finance lease requires and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged.

The Group has only one lease agreement relating to accommodation rental amounting to QR 60 thousand (2018: QR 82 thousand) which is renewed on an yearly basis and is considered short term. Therefore, the Company did not have an impact on the adoption of the new lease standard.

Standards and amendments to standards issued but not yet effective

Certain new, revised standards and interpretations that have been issued are not yet effective for the six month period ended 30 June 2019 and have not been early adopted in preparing these interim condensed consolidated financial statements.

3 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the interim consolidated statement of cash flows includes the following balances:

	<i>30 June 2019 QR'000 (Reviewed)</i>	<i>31 December 2018 QR'000 (Audited)</i>	<i>30 June 2018 QR'000 (Reviewed)</i>
Cash and bank balances	93,493	77,680	93,765
Bank deposits with maturity after 90 days	-	-	(15,000)
	<u>93,493</u>	<u>77,680</u>	<u>78,765</u>

Bank balances include short term deposits amounting to QR 52,000 thousand (31 December 2018: 58,000 thousand) made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short term deposit rates. For assessing the impairment (ECL) for short term deposits, General approach is used by the Group. The Group's exposure to credit risk arises from the default of the counterparty with a maximum exposure equal to the carrying amount of these assets as at 30 June 2019. Exposures are considered of good credit standing and management believes there is minimal risk of default, thus, expected credit loss is insignificant but being monitored for significant changes in credit risk.

4 BANK BALANCES – CUSTOMER FUNDS

Bank balances-customer funds represent bank balances for customers, which the Group holds in trust until the customers commit those funds to purchase of shares. At the settlement date of these transactions, the Group transfers due amounts from these customer funds to the settlement authority.

Dlala Brokerage and Investment Holding Company Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2019

5 INVESTMENT SECURITIES

	30 June 2019 (Reviewed)			31 December 2018 (Audited)		
	Listed QR'000	Unlisted QR'000	Total QR'000	Listed QR'000	Unlisted QR'000	Total QR'000
Equity Shares - FVTOCI	<u>75,136</u>	<u>1,910</u>	<u>77,046</u>	<u>82,638</u>	<u>1,577</u>	<u>84,215</u>

6 INTANGIBLE ASSETS

	30 June 2019 QR'000 (Reviewed)	31 December 2018 QR'000 (Audited)
Cost:		
At the beginning of the period/year	<u>1,592</u>	<u>1,209</u>
Additions during the year	<u>-</u>	<u>383</u>
At the end of the period/year	<u>1,592</u>	<u>1,592</u>
Accumulated amortization:		
Balance at the beginning of the period/year	<u>590</u>	<u>367</u>
Amortization for the period/year	<u>118</u>	<u>223</u>
At the end of the period/year	<u>708</u>	<u>590</u>
Net carrying amount at the end of the period/year	<u>884</u>	<u>1,002</u>

Intangible assets represents the trading and accounting software for the brokerage companies and the cost of the website purchased for Dlala Smart Information Technology W.L.L.

Amortization of intangible asset for the period is included under the depreciation and amortization in the interim consolidated statement of income.

7 PROPERTY AND EQUIPMENT

	30 June 2019 QR'000 (Reviewed)	31 December 2018 QR'000 (Audited)
Cost:		
At the beginning of the period/year	<u>91,402</u>	<u>88,716</u>
Additions during the period/year	<u>437</u>	<u>2,686</u>
At the end of the period/year	<u>91,839</u>	<u>91,402</u>
Accumulated depreciation:		
At the beginning of the period/year	<u>50,201</u>	<u>48,543</u>
Charge for the period/year	<u>808</u>	<u>1,658</u>
At the end of the period/year	<u>51,009</u>	<u>50,201</u>
Net carrying amount at the end of the period/year	<u>40,830</u>	<u>41,201</u>

Dlala Brokerage and Investment Holding Company Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
At 30 June 2019

8 SHARE CAPITAL

	<i>30 June 2019 QR'000 (Reviewed)</i>	<i>31 December 2018 QR'000 (Audited)</i>
<i>Authorised, issued and fully paid:</i>		
284,160,000 shares of QR 1 each (2018: 28,416,000 shares of QR 10 each)	<u>284,160</u>	<u>284,160</u>

The Board of Directors of QFMA issued its resolution at its 4th meeting for the year 2018 held on 16 December 2018, to reduce the nominal value of shares of listed companies in Qatar to be (1) one Qatari Riyal, accordingly each existing share has been split into 10 shares.

On 10 June 2019 Qatar Stock Exchange announced that the stock split of the Company has been executed. Accordingly, the number of shares as of that date became 284,160,000 shares, which has been used for the purpose of calculating the earning per share (Note 9) as per the requirement of IAS 33.

9 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period attributable to shareholders of the parent by the weighted average number of ordinary shares outstanding during the period.

	<i>Six months ended</i>	
	<i>30 June 2019 QR'000 (Reviewed)</i>	<i>30 June 2018 QR'000 (Reviewed)</i>
(Loss) profit for the period attributable to Shareholders of the parent (QR'000)	<u>(3,681)</u>	<u>1,435</u>
Weighted average number of shares outstanding during the period (in thousands) (Note 8)	<u>284,160</u>	<u>284,160</u>
Basic and diluted earnings per share (QR)	<u>(0.013)</u>	<u>0.005</u>

There were no potentially dilutive shares outstanding at any time during the period and therefore, the diluted earnings per share is equal to the basic earnings per share.

10 COMMITMENTS AND CONTINGENCIES

Contingent liabilities

The Group had the following contingent liabilities from which it is anticipated that no material liabilities will arise.

	<i>30 June 2019 (Reviewed) QR'000</i>	<i>31 December 2018 (Audited) QR'000</i>
Letters of guarantee	<u>150,000</u>	<u>150,000</u>

Letters of guarantee represent the financial guarantees issued by the banks on behalf of the Group to QCSD in the ordinary course of business and will mature within twelve months from the reporting date.

Dlala Brokerage and Investment Holding Company Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2019

10 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Operating lease commitments

Future minimum rental payable under non-cancellable operating lease as at the reporting date are as follows:

	<i>30 June 2019 (Reviewed) QR'000</i>	<i>31 December 2018 (Audited) QR'000</i>
Within one year	120	120
After one year but not more than three years	<u>10</u>	<u>70</u>
	<u>130</u>	<u>190</u>

Capital expenditure commitments

The Group had the following capital expenditure commitments contracted for at the end of the reporting period but not provided for:

	<i>30 June 2019 (Reviewed) QR'000</i>	<i>31 December 2018 (Audited) QR'000</i>
Capital expenditure commitments	<u>1,223</u>	<u>1,601</u>

Regulatory claims

The Accountability Committee of QFMA imposed penalties amounted to QR 5,200,000 in relation to two regulatory violations. The Group received two financial penalty notifications from QFMA on 29 April 2019 amounting to QR 5,000,000 and QR 200,000. The Group appealed for both penalties and QFMA has acknowledged the appeals. Appeals are in process of being evaluated as at 30 June 2019. The Group made a provision for the full amount of QR 5,200,000 during the period. In addition, the Group made a provision of QR 950,000 during 2018 in relation to potential penalties from QFMA. Accordingly, the Group has made a total provision of QR 6,150,000 for potential penalties from QFMA as at 30 June 2019. In addition, the Group is being investigated by QFMA on certain other violations which are currently in process of being evaluated. Accordingly, management believes that the provisions made are adequate and represents the best estimate of potential future penalty payments.

11 RELATED PARTY DISCLOSURES

Related parties represent major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

Related party transactions

Transactions with related parties included in the consolidated statement of income are as follows:

	<i>Six months ended</i>	
	<i>30 June 2019 QR'000 (Reviewed)</i>	<i>30 June 2018 QR'000 (Reviewed)</i>
<i>Key management personnel and their close family members:</i>		
Brokerage and commission income	<u>40</u>	<u>245</u>
<i>Other related parties:</i>		
Brokerage and commission income	<u>-</u>	<u>130</u>

Dlala Brokerage and Investment Holding Company Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2019

11 RELATED PARTY DISCLOSURES (CONTINUED)

Related party balances

Amounts due to related party included in the interim consolidated statement of financial position are as follows:

	<i>30 June 2019 QR'000</i>	<i>31 December 2018 QR'000</i>
Key management personnel and their close family members	<u>4</u>	<u>7</u>

Terms and conditions of transactions with related parties

The transactions with related parties are made at normal market prices or as per the contractual terms. Outstanding balances at the end of the year are unsecured and the settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Compensation of key management personnel

The remuneration of key management personnel during the period was as follows:

	<i>Six months ended</i>	
	<i>30 June 2019 QR'000 (Reviewed)</i>	<i>30 June 2018 QR'000 (Reviewed)</i>
Salaries and short-term benefits	<u>1,025</u>	<u>1,397</u>
Pension benefits	<u>58</u>	<u>68</u>
	<u>1,083</u>	<u>1,465</u>

12 SEGMENT INFORMATION

For management purposes, the Group is organised into four business units based on their nature of activities and has three reportable segments and other activities. The three reportable segments are as follows:

- Stock Broking – this segment includes financial services provided to customers as a stock broker;
- Real Estate – this segment includes providing property management, marketing and sales services for real estate clients;
- Information technology– this segment includes information technology management and consultation services and developing and programing special programs.
- Others – represents the Holding Company, which provide corporate services to subsidiaries in the Group and engages in investing activities.

Management monitors the operating results of the operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on the operating profit or loss. Transfer pricing between operating segments are on arm's length basis in a manner similar to transactions with third parties.

Dlala Brokerage and Investment Holding Company Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
At 30 June 2019

12 SEGMENT INFORMATION (CONTINUED)

The following table presents revenue, profit and depreciation and amortization information regarding the Group's operating segments for the six months ended 30 June 2019 and 2018, respectively.

<i>Six months ended 30 June 2019 (Reviewed)</i>	<i>Stock Broking QR'000</i>	<i>Real Estate QR'000</i>	<i>Information Technology QR'000</i>	<i>Others QR'000</i>	<i>Elimination QR'000</i>	<i>Total QR'000</i>
Net brokerage commission income	7,362	-	-	-	-	7,362
Others	3,368	4,964	68	1,648	(2,500)	7,548
Segment revenue	10,730	4,964	68	1,648	(2,500)	14,910
Segment (loss) profit	(6,049)	2,615	(666)	159	-	(3,941)
Depreciation and amortization	21	374	85	446	-	926
<i>Six months ended 30 June 2018 (Reviewed)</i>	<i>Stock Broking QR'000</i>	<i>Real Estate QR'000</i>	<i>Information Technology QR'000</i>	<i>Others QR'000</i>	<i>Elimination QR'000</i>	<i>Total QR'000</i>
Net brokerage commission income	12,958	179	-	-	-	13,137
Others	3,550	1,908	100	1,370	(2,343)	4,585
Segment revenue	16,508	2,087	100	1,370	(2,343)	17,722
Segment (loss) profit	2,105	(1,121)	(254)	614	-	1,344
Depreciation and amortization	31	375	98	449	-	953

The following table presents the segment assets and liabilities:

<i>At 30 June 2019 (Reviewed)</i>	<i>Stock Broking QR'000</i>	<i>Real Estate QR'000</i>	<i>Information Technology QR'000</i>	<i>Others QR'000</i>	<i>Elimination QR'000</i>	<i>Total QR'000</i>
Segment assets	543,463	78,771	16,518	317,956	(329,023)	627,685
Segment liabilities	443,568	4,019	981	63,426	(94,923)	417,071
<i>At 31 December 2018 (Audited)</i>	<i>Stock Broking QR'000</i>	<i>Real Estate QR'000</i>	<i>Information Technology QR'000</i>	<i>Others QR'000</i>	<i>Elimination QR'000</i>	<i>Total QR'000</i>
Segment assets	579,908	76,328	16,639	318,941	(331,887)	659,929
Segment liabilities	477,465	4,192	436	65,061	(97,785)	449,369

The Group's operations are located in the State of Qatar.

Dlala Brokerage and Investment Holding Company Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2019

13 FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of cash and bank balances, due from customers, bank balances – customer funds, due from QCSD, investment securities and other assets. Financial liabilities consist of due to customers and other liabilities.

The fair values of financial instruments are not materially different from their carrying values.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at 30 June, the following table shows an analysis of financial instruments recorded at fair value by level of fair value hierarchy:

	<i>Total</i> <i>QR'000</i>	<i>Level 1</i> <i>QR'000</i>	<i>Level 2</i> <i>QR'000</i>	<i>Level 3</i> <i>QR'000</i>
<i>At 30 June 2019 (Reviewed)</i>				
Investment securities	<u>77,046</u>	<u>75,136</u>	<u>1,910</u>	<u>-</u>
	<i>Total</i> <i>QR'000</i>	<i>Level 1</i> <i>QR'000</i>	<i>Level 2</i> <i>QR'000</i>	<i>Level 3</i> <i>QR'000</i>
<i>At 31 December 2018 (Audited)</i>				
Investment securities	<u>84,215</u>	<u>82,638</u>	<u>1,577</u>	<u>-</u>

During the period ended 30 June 2019, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements (31 December 2018: Nil).