

**Dlala Brokerage and Investments Holding  
Company Q.S.C.**

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS**

**30 JUNE 2015**

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF DLALA BROKERAGE AND INVESTMENTS HOLDING COMPANY Q.S.C.**

**Introduction**

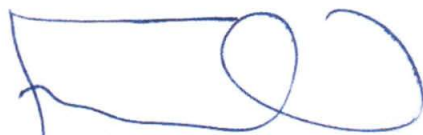
We have reviewed the accompanying interim condensed consolidated financial statements of Dlala Brokerage and Investments Holding Company Q.S.C. (the "Company") and its subsidiaries (together referred to as the "Group") as at 30 June 2015, comprising of the interim consolidated statement of financial position as at 30 June 2015 and the related interim consolidated statements of income and comprehensive income for the three-month and six-month period ended 30 June 2015, the related interim consolidated statement of changes in equity and interim consolidated statement of 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 International Financial Reporting Standard 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. Consequently, it 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.



Firas Qoussous  
of Ernst & Young  
Auditor's Registration No. 236

Date: 10 August 2015  
Doha



**Dlala Brokerage and Investments Holding Company Q.S.C.**

**INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

At 30 June 2015

	Notes	30 June 2015 QR'000 (Reviewed)	31 December 2014 QR'000 (Audited)
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and bank balances	3	152,626	162,034
Bank balances – customer funds	4	730,761	732,596
Due from customers		72,501	12,734
Due from Qatar Central Securities Depository (QCSD)		35,503	70,743
Financial investments - available-for-sale	5	105,876	123,198
Other assets		46,057	63,278
		<u>1,143,324</u>	<u>1,164,583</u>
<b>Non-current assets</b>			
Intangible asset	6	322	-
Property and equipment	7	42,498	43,480
		<u>42,820</u>	<u>43,480</u>
<b>TOTAL ASSETS</b>		<u>1,186,144</u>	<u>1,208,063</u>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Due to customers		832,749	812,043
Other liabilities		59,749	97,928
		<u>892,498</u>	<u>909,971</u>
<b>Non-current liability</b>			
Employees' end of service benefits		3,709	3,527
<b>Total liabilities</b>		<u>896,207</u>	<u>913,498</u>
<b>Equity</b>			
Share capital	8	284,160	222,000
Legal reserve		24,821	24,821
Fair value reserve		(2,451)	(14,701)
(Accumulated losses)/ retained earnings		(16,641)	62,388
<b>Equity attributable to owners of the parent</b>		<u>289,889</u>	<u>294,508</u>
Non-controlling interests		48	57
<b>Total equity</b>		<u>289,937</u>	<u>294,565</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>1,186,144</u>	<u>1,208,063</u>

Mr. Nasser Hamad Al Sulaiti  
(Chairman)

Mr. Ahmed Mohamed Al Asmakh  
(Managing Director)

The attached notes 1 to 16 form part of these interim condensed consolidated financial statements.

Dlala Brokerage and Investments Holding Company Q.S.C.

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the six months ended 30 June 2015

		<i>Three months ended</i>		<i>Six months ended</i>	
		<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>
		<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
		<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
	<i>Notes</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Brokerage and commission income		<b>13,010</b>	36,476	<b>28,504</b>	57,543
Brokerage and commission expense		<b>(4,585)</b>	(11,828)	<b>(9,046)</b>	(18,966)
<b>Net brokerage and commission income</b>		<b>8,425</b>	24,648	<b>19,458</b>	38,577
Investment income		<b>1,534</b>	15,208	<b>4,382</b>	23,630
Real estate income	9	<b>3,985</b>	647	<b>3,985</b>	2,256
Interest income		<b>317</b>	223	<b>644</b>	590
<b>Net operating income</b>		<b>14,261</b>	40,726	<b>28,469</b>	65,053
Other income		<b>11</b>	-	<b>45</b>	-
General and administrative expenses		<b>(6,934)</b>	(6,447)	<b>(14,205)</b>	(13,086)
Depreciation and amortization		<b>(540)</b>	(569)	<b>(1,082)</b>	(1,403)
<b>Profit before impairment losses on available-for-sale investments</b>		<b>6,798</b>	33,710	<b>13,227</b>	50,564
Impairment losses on available-for-sale investments	10	<b>(30,205)</b>	-	<b>(30,205)</b>	-
<b>(Loss) Profit for the period</b>		<b>(23,407)</b>	33,710	<b>(16,978)</b>	50,564
Attributable to:					
Owners of the parent		<b>(23,405)</b>	33,705	<b>(16,977)</b>	50,556
Non-controlling interests		<b>(2)</b>	5	<b>(1)</b>	8
		<b>(23,407)</b>	33,710	<b>(16,978)</b>	50,564
<b>BASIC AND DILUTED (LOSS) EARNINGS PER SHARE (QR)</b>					
<b>(Attributable to the owners of the parent)</b>	11	<b>(0.82)</b>	1.19	<b>(0.60)</b>	1.78

The attached notes 1 to 16 form part of these interim condensed consolidated financial statements.



**Dlala Brokerage and Investments Holding Company Q.S.C.**

**INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the six months ended 30 June 2015

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>
(Loss) Profit for the period	<u>(23,407)</u>	<u>33,710</u>	<u>(16,978)</u>	<u>50,564</u>
<b>Other comprehensive income:</b>				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Net fair value (loss) gain on available-for-sale investments	(8,883)	(705)	(16,786)	482
Net gain on disposal of available-for-sale investments reclassified to the interim consolidated statement of income	(1,534)	(14,303)	(1,168)	(17,745)
Impairment losses on available-for-sale investments reclassified to the interim consolidated statement of income	<u>30,205</u>	<u>-</u>	<u>30,205</u>	<u>-</u>
<b>Net other comprehensive income (loss) be reclassified to profit and loss in subsequent periods</b>	<u>19,788</u>	<u>(15,008)</u>	<u>12,251</u>	<u>(17,263)</u>
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total other comprehensive income (loss) for the period</b>	<u>19,788</u>	<u>(15,008)</u>	<u>12,251</u>	<u>(17,263)</u>
<b>TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD</b>	<u>(3,619)</u>	<u>18,702</u>	<u>(4,727)</u>	<u>33,301</u>
Attributable to:				
Owners of the parent	(3,617)	18,701	(4,727)	33,297
Non-controlling interests	<u>(2)</u>	<u>1</u>	<u>-</u>	<u>4</u>
	<u>(3,619)</u>	<u>18,702</u>	<u>(4,727)</u>	<u>33,301</u>

The attached notes 1 to 16 form part of these interim condensed consolidated financial statements.

**Dlala Brokerage and Investments Holding Company Q.S.C.**  
**INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

For the six months ended 30 June 2015

	Note	Six months ended 30 June	
		2015 QR'000 (Reviewed)	2014 QR'000 (Reviewed)
<b>OPERATING ACTIVITIES</b>			
(Loss) Profit for the period		(16,978)	50,564
Adjustments for:			
Impairment loss on available-for-sale investments	10	30,205	-
Depreciation and amortization		1,082	1,403
Provision for employees' end of service benefits		291	347
Net gain on disposal of available-for-sale investments		(1,168)	(17,745)
Interest income		(644)	(590)
Gain on disposal of property and equipment		(34)	-
Dividend income		(3,214)	(5,885)
Operating profit before working capital changes		9,540	28,094
Working capital changes:			
Bank balances – customer funds		1,835	(279,363)
Due from customers		(59,767)	(16,436)
Due from QCSD		35,240	(39,915)
Trading properties		-	(41,856)
Other assets		17,221	(12,765)
Due to customers		20,706	317,987
Other liabilities		(38,179)	4,600
Cash flows used in operations		(13,404)	(39,654)
Employees' end of service benefits paid		(109)	(125)
Net cash flows used in operating activities		(13,513)	(39,779)
<b>INVESTING ACTIVITIES</b>			
Proceeds from disposal of available-for-sale investments		130,739	587,804
Purchase of available-for-sale investments		(130,203)	(573,009)
Proceeds from disposal of property and equipment		34	-
Purchase of property and equipment		(422)	(266)
Interest income		644	590
Dividend received		3,214	5,885
Proceeds from sale of fractional shares arising from bonus issue		108	-
Net cash flows from investing activities		4,114	21,004
<b>FINANCING ACTIVITY</b>			
Dividends paid to non-controlling interests		(9)	-
Net cash flows used in financing activity		(9)	-
<b>NET DECREASE IN CASH AND BANK BALANCES</b>			
Cash and bank balances at 1 January		162,034	105,577
CASH AND BANK BALANCES AT 30 JUNE	3	152,626	86,802

The attached notes 1 to 16 form part of these interim condensed consolidated financial statements.

# Dlala Brokerage and Investments Holding Company Q.S.C.

## INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2015

	Equity attributable to Owner's of the parent					Non-controlling interests QR '000	Total equity QR '000
	Share capital QR '000	Legal reserve QR '000	Fair value reserve QR '000	Retained earnings/ (accumulated losses) QR '000	Total QR '000		
At 1 January 2014 (Audited)	222,000	18,143	(5,785)	3,964	238,322	45	238,367
Profit for the period	-	-	-	50,556	50,556	8	50,564
Other comprehensive loss for the period	-	-	(17,259)	-	(17,259)	(4)	(17,263)
Total comprehensive loss for the period	-	-	(17,259)	50,556	33,297	4	33,301
At 30 June 2014 (Reviewed)	222,000	18,143	(23,044)	54,520	271,619	49	271,668
At 1 January 2015 (Audited)	222,000	24,821	(14,701)	62,388	294,508	57	294,565
Loss for the period	-	-	-	(16,977)	(16,977)	(1)	(16,978)
Other comprehensive income for the period	-	-	12,250	-	12,250	1	12,251
Total comprehensive income for the period	-	-	12,250	(16,977)	(4,727)	-	(4,727)
Bonus shares issued (Note 14)	62,160	-	-	(62,160)	-	-	-
Proceeds from sale of fractional shares arising from bonus issue	-	-	-	108	108	-	108
Dividend paid to non-controlling interests	-	-	-	-	-	(9)	(9)
At 30 June 2015 (Reviewed)	284,160	24,821	(2,451)	(16,641)	289,889	48	289,937

The attached notes 1 to 16 form part of these interim condensed consolidated financial statements.



# Dlala Brokerage and Investments Holding Company Q.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2015

### 1 CORPORATE INFORMATION

Dlala Brokerage and Investments Holding Company Q.S.C. (the "Company") is a Qatari Shareholding Company (Q.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 and is governed by the provisions of the Qatar Commercial Companies Law No.11 of 2015 and the regulations of Qatar Financial Markets Authority 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, real estate and in other investment activities.

The interim condensed consolidated financial statements of the Group for the six month period ended 30 June 2015 were authorised for issue by the Board of Directors on 10 August 2015.

### 2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2015 have been prepared in accordance with International Financial Reporting Standard IAS 34 "Interim Financial Reporting" ("IAS 34").

During the period, a new Qatar Commercial Company's Law No. 11 of 2015 was issued in the State of Qatar. The new Law did not have any impact on the interim condensed consolidated financial statements.

The interim condensed consolidated financial statements are presented 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 have been prepared under the historical cost convention, except for available-for-sale financial assets which have been measured at fair value.

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 2014. In addition, the results for the six months ended 30 June 2015 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2015.

#### 2.2 Basis of consolidation

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

<i>Entity Name</i>	<i>Country of incorporation</i>	<i>Ownership interest 30 June 2015</i>	<i>Ownership interest 31 December 2014</i>
Dlala Brokerage W.L.L.	Qatar	99.98%	99.98%
Dlala Islamic Brokerage W.L.L.	Qatar	99.98%	99.98%
Dlala Real Estate S.P.C.	Qatar	100%	100%
Dlala Investment Company L.L.C. (Dormant)	Qatar	99.90%	99.90%
Dlala International L.L.C. (Dormant)	Qatar	99.50%	99.50%
Dlala Information Technology S.P.C. (Dormant)	Qatar	100%	100%



**2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.3 Significant accounting policies**

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are the same as those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2014, except as noted below:

The Group has adopted the following accounting policy for intangible asset purchased during current financial period.

**Intangible asset**

Intangible asset represents the computer software application. Intangible asset acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the interim consolidated statement of income in the year in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each financial year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the interim consolidated statement of income in the expense category consistent with the nature of the intangible asset.

The following are the useful life and method of amortization of Group's intangible asset.

	<i><b>Computer software application</b></i>
Useful life	3 years (finite)
Method of amortization	Straight line

During the period, the Group has adopted the following standards effective for annual periods beginning on or after 1 January 2015.

**Amendments to IAS 19 Defined Benefit Plans: Employee Contributions**

IAS 19 requires an entity to consider contributions from employees or third parties when accounting for defined benefit plans. Where the contributions are linked to service, they should be attributed to periods of service as a negative benefit. These amendments clarify that, if the amount of the contributions is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction in the service cost in the period in which the service is rendered, instead of allocating the contributions to the periods of service. This amendment is effective for annual periods beginning on or after 1 July 2014. These amendments have no impact on the Group's financial performance.

**Annual Improvements 2010-2012 Cycle**

These improvements are effective from 1 July 2014 and the Group has applied these amendments for the first time in these interim condensed financial statements, where applicable. They include:

- IFRS 2 Share-based Payment;
- IFRS 3 Business Combinations;
- IFRS 8 Operating Segments;
- IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets;
- IAS 24 Related Party Disclosures

## 2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.3 Significant accounting policies (continued)

#### Annual Improvements 2011-2013 Cycle

These improvements are effective from 1 July 2014 and the Group has applied these amendments for the first time in these interim condensed financial statements, where applicable. They include:

- IFRS 3 Business Combinations;
- IFRS 13 Fair Value Measurement;
- IAS 40 Investment Property.

#### Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's interim condensed financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

<i>Topic</i>	<i>Effective date</i>
IFRS 9 Financial Instruments	1 January 2018
IFRS 14 Regulatory Deferral Accounts	1 January 2016
IFRS 15 Revenue from Contracts with Customers	1 January 2018
Amendments to IFRS 11 Joint Arrangement: Accounting for acquisition of interest	1 January 2016
Amendments to IAS 16 and IAS 38: Clarification of acceptable methods of depreciation and amortization	1 January 2016
Amendments to IAS 27: Equity method in separate financial statements	1 January 2016
Amendments to IFRS 10, IFRS 12 and IAS 28 - Investment Entities : Applying the Consolidation Exception	1 January 2016
Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Annual Improvements to IFRSs 2012-2014 Cycle	1 January 2016
Amendments to IAS 1 – Disclosure Initiative	1 January 2016

The Group is assessing the impact of implementation of these standards

## 3 CASH AND BANK BALANCES

Cash and bank balances included in the interim consolidated statement of cash flows include the following balances:

	<i>30 June 2015 QR'000 (Reviewed)</i>	<i>31 December 2014 QR'000 (Audited)</i>	<i>30 June 2014 QR'000 (Reviewed)</i>
Cash and bank balances	<u>152,626</u>	<u>162,034</u>	<u>86,802</u>

Bank balances include short term deposits made for varying periods of between one day and three months, depending on the cash requirements of the Group, and earn interest at the respective short term deposit rates.

## 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 Investments Holding Company Q.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2015

### 5 FINANCIAL INVESTMENTS – AVAILABLE-FOR-SALE

	30 June 2015 (Reviewed)			31 December 2014 (Audited)		
	Listed QR'000	Unlisted QR'000	Total QR'000	Listed QR'000	Unlisted QR'000	Total QR'000
Shares	100,584	2,164	102,748	118,209	2,073	120,282
Funds	-	3,128	3,128	-	2,916	2,916
Total	100,584	5,292	105,876	118,209	4,989	123,198

### 6 INTANGIBLE ASSET

	30 June 2015 QR'000 (Reviewed)	31 December 2014 QR'000 (Audited)
Cost:		
Balance at the beginning of the period/year	-	-
Transfers from property and equipment during the period/year	374	-
Balance at the end of the period/year	374	-
Amortization:		
Balance at the beginning of the period/year	-	-
Amortization for the period/year	52	-
Balance at the end of the period/year	52	-
Net carrying amount at the end of the period/year	322	-

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

### 7 PROPERTY AND EQUIPMENT

	30 June 2015 QR'000 (Reviewed)	31 December 2014 QR'000 (Audited)
Cost:		
At the beginning of the period/year	87,014	85,878
Additions during the period/year	422	1,136
Transfers to intangible asset during the period/year	(374)	-
Disposal during the period/year	(178)	-
Reclassification during the period/year	-	1,785
Write-off of capital work-in-progress	-	(1,785)
At the end of the period/year	86,884	87,014
Accumulated depreciation:		
At the beginning of the period/year	43,534	40,974
Depreciation for the period/year	1,030	2,560
Relating to disposal	(178)	-
At the end of the period/year	44,386	43,534
Net carrying amount at the end of the period/year	42,498	43,480



# 8 SHARE CAPITAL

	30 June 2015 QR'000 (Reviewed)	31 December 2014 QR'000 (Audited)
<i>Authorised, issued and fully paid:</i>		
Balance at the beginning of the period/year:		
22,200,000 shares of QR 10 each	222,000	222,000
Add: Bonus shares issued during the period/year		
6,216,000 shares at QR 10 each (Note 14)	62,160	-
Balance at the end of the period/year		
28,416,000 shares of QR 10 each	284,160	222,000

As per the commercial registration of the Company, the share capital is QR 222,000 thousands. As at the reporting date, the Company is in the process of updating the commercial registration and the Company's Articles of Association to reflect the increase in capital due to the issuance of bonus shares.

# 9 REAL ESTATE INCOME

	Three months ended		Six months ended	
	30 June 2015 QR'000 (Reviewed)	30 June 2014 QR'000 (Reviewed)	30 June 2015 QR'000 (Reviewed)	30 June 2014 QR'000 (Reviewed)
Gain on sale of trading properties (Note i)	-	527	-	527
Real estate brokerage and commission income	3,985	120	3,985	146
Other real estate income	-	-	-	1,583
	3,985	647	3,985	2,256

Note i:

Gain on sale of trading properties:

	Three months ended		Six months ended	
	30 June 2015 QR'000 (Reviewed)	30 June 2014 QR'000 (Reviewed)	30 June 2015 QR'000 (Reviewed)	30 June 2014 QR'000 (Reviewed)
Sale of trading properties	-	3,924	-	3,924
Cost of properties sold	-	(3,397)	-	(3,397)
	-	527	-	527

# 10 IMPAIRMENT LOSSES ON AVAILABLE FOR SALE INVESTMENTS

At the reporting date the market prices of certain available-for-sale investments declined, resulting in an impairment loss amounting to QR 30,205 thousand. The management is of the opinion that the Group can hold these shares until such time these market prices are increased to avoid actual loss on disposal of these available for sale investments at reduced prices.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2015

**11 BASIC AND DILUTED EARNINGS PER SHARE**

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

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>
(Loss) profit for the period attributable to owners of the parent (QR'000)	<u>(23,405)</u>	<u>33,705</u>	<u>(16,977)</u>	<u>50,556</u>
Weighted average number of shares outstanding during the period (in thousands)	<u>28,416</u>	<u>28,416</u>	<u>28,416</u>	<u>28,416</u>
Basic and diluted earnings per share (QR)	<u>(0.82)</u>	<u>1.19</u>	<u>(0.60)</u>	<u>1.78</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.

At the Extra Ordinary General Assembly held on 7 April 2015, the shareholders approved a bonus share issue of 28 shares for every 100 shares held at 31 December 2014, amounting to QR 62,160 thousand. Therefore, previously reported basic and diluted earnings per share of QR 1.52 and QR 2.28 for the three months and six months ended 30 June 2014 have been restated to QR 0.13 and QR 1.19 respectively.

The weighted average number of shares has been calculated as follows:

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Qualifying shares at the beginning of the period (in thousands)	<u>22,200</u>	<u>22,200</u>	<u>22,200</u>	<u>22,200</u>
Effect of bonus shares issue (in thousands)	<u>6,216</u>	<u>6,216</u>	<u>6,216</u>	<u>6,216</u>
Balance at the end of the period (in thousands)	<u>28,416</u>	<u>28,416</u>	<u>28,416</u>	<u>28,416</u>

**12 COMMITMENTS AND CONTINGENCIES**

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

	<i>30 June</i>	<i>31 December</i>
	<i>2015</i>	<i>2014</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR'000</i>	<i>QR'000</i>
Letters of guarantee	<u>225,000</u>	<u>275,000</u>

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2015

## 12 COMMITMENTS AND CONTINGENCIES (continued)

	30 June 2015 (Reviewed) QR'000	31 December 2014 (Audited) QR'000
<b>Capital commitments</b>		
Capital commitments	-	364

**Operating lease commitments**

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

	30 June 2015 (Reviewed) QR'000	31 December 2014 (Audited) QR'000
Within one year	238	301
After one year but not more than three years	380	434
More than three years	-	46
	<b>618</b>	<b>781</b>

## 13 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.

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

	<b>Three months ended</b>		<b>Six months ended</b>	
	30 June 2015 QR'000 (Reviewed)	30 June 2014 QR'000 (Reviewed)	30 June 2015 QR'000 (Reviewed)	30 June 2014 QR'000 (Reviewed)
Brokerage and commission income (Board of Directors)	<b>1,152</b>	637	<b>1,359</b>	910

Balances with related parties included in the interim consolidated statement of financial position are as follows:

	<b>30 June 2015 (Reviewed)</b>		<b>31 December 2014 (Audited)</b>	
	Receivables QR'000	Payables QR'000	Receivables QR'000	Payables QR'000
Key management personnel	<b>27,262</b>	5,134	-	503

The above balances are included under due from and due to customers.



**13 RELATED PARTY DISCLOSURES (continued)**

**Terms and conditions of transactions with related parties**

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

The Group did not record any impairment of receivables relating to amount due from related party during the period/year. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**Compensation of key management personnel**

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

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Salaries and short-term benefits	618	376	1,039	760
Pension benefits	4	4	9	8
	<b>622</b>	<b>380</b>	<b>1,048</b>	<b>768</b>

**14 DIVIDENDS DECLARED**

At the Extra Ordinary General Assembly held on 7 April 2015, the shareholders approved a bonus share issue of 28 shares for every 100 shares held at 31 December 2014 (Note 8), amounting to QR 62,160 thousand, for the year ended 31 December 2014.

No dividends were declared for the year ended 31 December 2013.

**15 SEGMENT INFORMATION**

For management purposes, the Group is organized into 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;
- IT and International – this segment includes IT management services and other overseas financial services.
- Others – represents the Holding Company, which provides corporate services to the subsidiaries in the Group.

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 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 Investments Holding Company Q.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2015

### 15 SEGMENT INFORMATION (continued)

The following table presents revenue and profit information regarding the Group's operating segments for the six months ended 30 June 2015 and 2014, respectively.

<i>Six months ended 30 June 2015 (Reviewed)</i>	<i>Stock Broking QR'000</i>	<i>Real Estate QR'000</i>	<i>IT and International QR'000</i>	<i>Others QR'000</i>	<i>Elimination QR'000</i>	<i>Total QR'000</i>
Net brokerage and commission income	19,458	-	-	-	-	19,458
Others	3,082	5,822	-	65,764	(65,657)	9,011
Segment revenue	22,540	5,822	-	65,764	(65,657)	28,469
Segment (loss) profit	(3,051)	2,683	(34)	47,415	(63,991)	(16,978)
Depreciation and amortization	106	418	-	558	-	1,082
<i>Six months ended 30 June 2014 (Reviewed)</i>	<i>Stock Broking QR'000</i>	<i>Real Estate QR'000</i>	<i>IT and International QR'000</i>	<i>Others QR'000</i>	<i>Elimination QR'000</i>	<i>Total QR'000</i>
Net brokerage and commission income	38,577	-	-	-	-	38,577
Others	13,666	4,013	-	20,919	(12,122)	26,476
Segment revenue	52,243	4,013	-	20,919	(12,122)	65,053
Segment profit (loss)	39,999	668	(17)	9,914	-	50,564
Depreciation	105	438	-	860	-	1,403

The following table presents the segment assets and liabilities:

<i>At 30 June 2015 (Reviewed)</i>	<i>Stock Broking QR'000</i>	<i>Real Estate QR'000</i>	<i>IT and International QR'000</i>	<i>Others QR'000</i>	<i>Elimination QR'000</i>	<i>Total QR'000</i>
Segment assets	993,622	107,752	16,067	314,614	(245,911)	1,186,144
Segment liabilities	842,360	39,339	113	36,139	(21,744)	896,207
<i>At 31 December 2014 (Audited)</i>	<i>Stock Broking QR'000</i>	<i>Real Estate QR'000</i>	<i>IT and International QR'000</i>	<i>Others QR'000</i>	<i>Elimination QR'000</i>	<i>Total QR'000</i>
Segment assets	976,388	154,826	16,087	268,458	(207,696)	1,208,063
Segment liabilities	826,820	68,097	99	45,000	(26,518)	913,498

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

## 16 FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of bank balances, due from customers, bank balances – customer funds, due from QCSD, available-for-sale investments and other receivables. Financial liabilities consist of due to customers, and other payables.

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 QR'000</i>	<i>Level 1 QR'000</i>	<i>Level 2 QR'000</i>	<i>Level 3 QR'000</i>
<i>At 30 June 2015 (Reviewed)</i>				
Available-for-sale investments	<u>103,712</u>	<u>100,584</u>	<u>3,128</u>	<u>-</u>
	<i>Total QR'000</i>	<i>Level 1 QR'000</i>	<i>Level 2 QR'000</i>	<i>Level 3 QR'000</i>
<i>At 31 December 2014 (Audited)</i>				
Available-for-sale investments	<u>121,125</u>	<u>118,209</u>	<u>2,916</u>	<u>-</u>

During the period ended 30 June 2015, 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 (2014: Nil).