GULF WAREHOUSING COMPANY Q.P.S.C.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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INDEPENDENT AUDITORS' REPORT

To the shareholders of Gulf Warehousing Company Q.P.S.C.
Doha, State of Qatar

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Gulf Warehousing Company Q.P.S.C. (the "Company") and its subsidiaries (together with the Company, the "Group"), which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2016, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the consolidated financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matter

Key audit matter is a matter that, in our professional judgment, is of most significance in our audit of the consolidated financial statements of the current year. The following key audit matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Impairment assessment of goodwill	
Refer to Note 8 to the consolidated financial statements.	
<u>Key audit matter</u>	<u>How the matter was addressed in our audit</u>
As at 31 December 2016 the Group had in its consolidated financial statements recognised goodwill of QR 98,315,463. Goodwill is allocated between two Cash Generating Units (CGUs): Logistics services QR 53,090,350 and Freight forwarding services QR 45,225,113. The annual impairment of goodwill is considered to be a key audit matter due to the complexity of the accounting requirements and the significant judgement required in the determining the assumption to be used to estimate the recoverable amount. The recoverable amount of the CGU, which is based on the higher of the value in use or fair value less costs to sell, has been derived from discounted forecast cash flow models. These models use several key assumptions, including estimates of future sales volumes and prices, operating costs, terminal value growth rates and weighted average cost of capital (discount rate).	Our audit procedures in this area for each CGU included, among other things: • evaluating the competence and capabilities of the people within the Group who performed the impairment evaluation of the goodwill; • inquiring the people within the Group who performed the impairment evaluation of the goodwill so that we get a good understanding of the process followed; • involving our own valuation specialists to assist in evaluating the appropriateness of the key assumptions used in the report provided by the Group on which management has based its reported amounts of the Group's goodwill in the consolidated financial statements; and • evaluating the adequacy of the relevant disclosures in the consolidated financial statements.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Group's Annual Report of year 2016 ("Annual Report") but does not include the consolidated financial statements and our auditors' report thereon. Prior to the date of this auditors' report, we obtained the Board of Directors report which forms part of the Annual Report, and the remaining sections of the Annual Report are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we have obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS and for such internal control as the Board of Directors determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. "Reasonable assurance" is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

We have obtained all the information and explanations we considered necessary for the purposes of our audit. The Company has maintained proper accounting records and its consolidated financial statements are in agreement therewith. We have reviewed the report of the Board of Directors to be included in the Annual Report and confirm that the financial information contained therein is in agreement with the books and records of the Company. We are not aware of any violations of the provisions of the Qatar Commercial Companies Law No. 11 of 2015 or the terms of the Company's Articles of Association during the year which might have had a material adverse effect on the Company or on its consolidated financial position as at 31 December 2016.

5 January 2017	Gopal Balasubramaniam
Doha	*KPMG*
State of Qatar	*Auditor's Registration No.251*

GULF WAREHOUSING COMPANY Q.P.S.C.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

In Qatari Riyals

	Note	**31 December 2016**	31 December 2015
ASSETS			
Non-current assets			
Property, plant and equipment	5	1,462,910,948	1,306,367,021
Capital work-in-progress	6	1,096,436,581	250,725,012
Investment property	7	37,115,833	186,252,270
Intangible assets and goodwill	8	126,252,975	128,669,413
		2,722,716,337	1,872,013,716
Current assets			
Inventories		8,717,242	8,724,153
Trade and other receivables	9	521,320,680	513,347,064
Cash and cash equivalents	10	488,636,917	586,450,755
		1,018,674,839	1,108,521,972
Total assets		**3,741,391,176**	2,980,535,688
EQUITY AND LIABILITIES			
Equity			
Share capital	11	586,031,480	475,609,750
Shares subscribed but not yet issued	12	-	429,361,153
Legal reserve	13	552,506,803	237,804,875
Retained earnings		380,706,676	268,087,040
Equity attributable to owners of the Company		1,519,244,959	1,410,862,818
Non-controlling interests		(3,681,223)	(3,681,223)
Total equity		1,515,563,736	1,407,181,595
Liabilities			
Non-current liabilities			
Loans and borrowings	15	1,681,967,270	1,231,538,748
Provision for employees' end of service benefits	16	26,507,473	22,807,254
		1,708,474,743	1,254,346,002
Current liabilities			
Loans and borrowings	15	193,956,482	141,636,259
Trade and other payables	17	323,396,215	177,371,832
		517,352,697	319,008,091
Total liabilities		2,225,827,440	1,573,354,093
Total equity and liabilities		**3,741,391,176**	2,980,535,688

These consolidated financial statements were approved by the Company's Board of Directors on 5 January 2017 and were signed on its behalf by:

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Abdulla Fahad J J Al-Thani
Chairman

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Fahad Hamad J J Al-Thani
Vice Chairman

The notes on pages 11 to 39 form an integral part of these consolidated financial statements.

GULF WAREHOUSING COMPANY Q.P.S.C.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2016 In Qatari Riyals

	Note	**31 December 2016**	31 December 2015
Revenue	19	849,530,566	787,944,114
Direct costs	21	(541,160,933)	(501,462,357)
Gross profit		308,369,633	286,481,757
Other income, net	20	18,251,993	19,173,609
Fair value gains on investment property	7	357,761	12,528,410
Administrative and other expenses	21	(93,541,620)	(98,152,246)
Operating profit		233,437,767	220,031,530
Finance costs, net	22	(27,771,774)	(34,874,383)
Profit		205,665,993	185,157,147
Other comprehensive income		-	-
Total comprehensive income		205,665,993	185,157,147
Profit and total comprehensive income attributable to:			
Owners of the Company		**205,665,993**	185,157,147
Earnings per share			
Basic and diluted earnings per share	23	**3.54**	3.60

The notes on pages 11 to 39 form an integral part of these consolidated financial statements.

GULF WAREHOUSING COMPANY Q.P.S.C.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

In Qatari Riyals

	Share capital	Shares subscribed but not yet issued	Legal reserve	Retained earnings	Total	Non-controlling interests	Total equity
	Attributable to owners of the Company						
Balance at 1 January 2016	475,609,750	429,361,153	237,804,875	268,087,040	1,410,862,818	(3,681,223)	1,407,181,595
Total comprehensive income:							
Profit	-	-	-	205,665,993	205,665,993	-	205,665,993
Transactions with the owners of the Company:							
Dividend relating to 2015 (Note 14)	-	-	-	(87,904,707)	(87,904,707)	-	(87,904,707)
Other movements:							
Issue of ordinary shares – rights issue (Note 12)	110,421,730	(425,123,658)	314,701,928	-	-	-	-
Excess rights refunded to shareholders	-	(4,237,495)	-	-	(4,237,495)	-	(4,237,495)
Transfer to social and sports development fund (Note 17)	-	-	-	(5,141,650)	(5,141,650)	-	(5,141,650)
	110,421,730	(429,361,153)	314,701,928	(5,141,650)	(9,379,145)	-	(9,379,145)
Balance at 31 December 2016	**586,031,480**	**-**	**552,506,803**	**380,706,676**	**1,519,244,959**	**(3,681,223)**	**1,515,563,736**

The notes on pages 11 to 39 form an integral part of these consolidated financial statements.

GULF WAREHOUSING COMPANY Q.P.S.C.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

In Qatari Riyals

	Share capital	Shares subscribed but not yet issued	Legal reserve	Retained earnings	Total	Non-controlling interests	Total equity
	Attributable to owners of the Company						
Balance at 1 January 2015	475,609,750	-	237,804,875	158,900,285	872,314,910	(3,681,223)	868,633,687
Total comprehensive income:							
Profit	-	-	-	185,157,147	185,157,147	-	185,157,147
Transactions with the owners of the Company:							
Dividend relating to 2014 (Note 14)	-	-	-	(71,341,463)	(71,341,463)	-	(71,341,463)
Other movements:							
Shares subscribed but not yet issued (Note 12)	-	429,361,153	-	-	429,361,153	-	429,361,153
Transfer to social and sports development fund (Note 17)	-	-	-	(4,628,929)	(4,628,929)	-	(4,628,929)
	-	429,361,153	-	(4,628,929)	424,732,224	-	424,732,224
Balance at 31 December 2015	475,609,750	429,361,153	237,804,875	268,087,040	1,410,862,818	(3,681,223)	1,407,181,595

The notes on pages 11 to 39 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016 In Qatari Riyals

	Note	31 December 2016	31 December 2015
Cash flows from operating activities			
Profit		205,665,993	185,157,147
Adjustments for:			
Depreciation of property, plant and equipment	5	100,558,984	89,072,543
Amortisation of intangible assets	8	6,242,808	6,070,790
Fair value gains on investment property	7	(357,761)	(12,528,410)
Provision for impairment of trade receivables	9	1,276,333	6,099,794
Gain on disposal of property, plant and equipment	20	(1,062,476)	(88,982)
Provision for employees' end of service benefits	16	5,342,157	6,298,363
Interest expense	22	38,223,287	35,105,832
Interest income	22	(10,451,513)	(231,449)
		345,437,812	314,955,628
Changes in:			
- Inventories		6,911	(1,197,636)
- Trade and other receivables		(1,244,362)	(269,896,879)
- Trade and other payables		158,942,269	23,741,829
Cash generated from operating activities		503,142,630	67,602,942
Contribution to social and sports development fund		(4,628,929)	(3,506,804)
Employees' end of service benefits paid	16	(1,641,938)	(1,390,112)
Net cash from operating activities		**496,871,763**	62,706,026
Cash flows from investing activities			
Acquisition of property, plant and equipment	5	(33,212,923)	(72,000,297)
Acquisition of intangible assets	8	(3,826,370)	-
Proceeds from disposal of property, plant and equipment		3,550,318	1,884,450
Payments towards capital work-in-progress	6	(922,595,201)	(199,733,787)
Interest received		2,445,926	231,449
Net cash used in investing activities		**(953,638,250)**	(269,618,185)
Cash flows from financing activities			
Shares subscribed but not yet issued	12	-	429,361,153
Proceeds from loans and borrowings	15	654,503,620	330,932,070
Repayment of loans and borrowings	15	(154,779,184)	(32,631,676)
Interest paid		(48,629,585)	(23,185,409)
Refund of share application money		(4,237,495)	-
Dividends paid	14	(87,904,707)	(71,341,463)
Net cash from financing activities		**358,952,649**	633,134,675
Net (decrease) / increase in cash and cash equivalents		**(97,813,838)**	426,222,516
Cash and cash equivalents at 1 January		586,450,755	160,228,239
Cash and cash equivalents at 31 December	10	**488,636,917**	586,450,755

The notes on pages 11 to 39 form an integral part of these consolidated financial statements.

1. LEGAL STATUS AND PRINCIPAL ACTIVITIES

Gulf Warehousing Company Q.P.S.C. (the "Company") is incorporated in accordance with the provisions of the Qatar Commercial Companies Law No. 11 of 2015 as a Qatari Public Shareholding Company, and was registered with the Ministry of Economy and Commerce of the State of Qatar with the Commercial Registration number 27386 dated 21 March 2004. The Company's shares are listed on the Qatar Stock Exchange since 22 March 2004.The Company's name has changed from Gulf Warehousing Company Q.S.C. to Gulf Warehousing Company Q.P.S.C. during the year ended 31 December 2016 to comply with Article (16) of Qatar Commercial Companies Law No. 11 of 2015. The Company is domiciled in the State of Qatar, where it also has its principal place of business. The Company's registered office is at D Ring Road, building number 92, Doha, State of Qatar.

The consolidated financial statements of the Company comprise the Company and its subsidiaries (together referred to as the "Group").

The principal activities of the Group, which have not changed since the previous year, are the provision of logistics (warehousing, inland transportation of goods for storage, international moving and relocation, express courier and records management) and freight forwarding (land, sea or air) services.

The details of Group's operating subsidiaries are as follows:

Name of subsidiary	**Country of incorporation**	**Nature of business**	**Group effective shareholding %**	
			31 December 2016	31 December 2015
Agility W.L.L.	State of Qatar	Logistics and transportation	100%	100%
GWC Global Cargo & Transport L.L.C.	United Arab Emirates	Warehousing and transportation	100%	100%
GWC Logistic S.P.C.	Kingdom of Bahrain	Operation and management of general warehouse	100%	100%

The Group also has the following non-operational subsidiaries:

Name of subsidiary	**Country of incorporation**	**Nature of business**	**Group effective shareholding %**	
			31 December 2016	31 December 2015
GWC Chemicals W.L.L.	State of Qatar	Chemical trading and transportation	100%	100%
GWC Food Services W.L.L.	State of Qatar	Trading food	100%	100%
Imdad Sourcing & Logistic Group W.L.L.	State of Qatar	Trading food and other consumables	51%	51%
GWC Saudi Arabia – Branches in Riyadh, Dammam & Jeddah	Kingdom of Saudi Arabia	Preparation, development and management of warehouses	100%	100%
Gulf Warehousing Company Limited	Republic of Nigeria	Warehousing and transportation	100%	100%
GWC Marine Services	State of Qatar	Marine services	100%	100%
GWC Express	State of Qatar	Courier services	100%	100%
GWC Logistics	Kingdome of Bahrain	Logistic services	100%	-

These consolidated financial statements were authorised for issue by the Board of Directors on 5 January 2017.

2. BASIS OF PREPARATION

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

b) Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment property.

c) Functional and presentation currency

These consolidated financial statements are presented in Qatari Riyal (“QR”), which is the Company’s functional currency. All amounts are rounded to the nearest thousand, unless otherwise indicated.

d) Use of judgments and estimates

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about significant areas that involve a higher degree of judgment or complexity, or areas where assumptions or estimates have a significant risk of resulting in a material adjustment to the amounts recognised in the consolidated financial statements are as follows:

Going concern
Management has made an assessment of the Group’s ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. The Group has been profitable, and it had positive net assets, working capital and cash flow positions as at the year end. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group’s ability to continue as a going concern. Therefore, the consolidated financial statements continue to be prepared on a going concern basis.

Depreciation of property, plant and equipment
Items of property, plant and equipment are depreciated over their estimated individual useful lives. The determination of useful lives is based on the expected usage of the asset, physical wear and tear, technological or commercial obsolescence and impacts the annual depreciation charge recognized in the financial statements. Management reviews annually the residual values and useful lives of these assets. Future depreciation charge could be materially adjusted where management believes the useful lives differ from previous estimates.

Classification of property into investment property
Judgement is needed to determine whether a property qualifies as investment property. Based on an assessment made by management, some properties of the Group comprising land and buildings were classified into investment property on the grounds that they are not occupied substantially for use by or in the operations of the Group nor are for sale in the ordinary course of business, but are held primarily to earn rental income.

Fair valuation of investment property
The fair value of investment property is determined by valuations from an external professional real estate valuer using recognised valuation techniques and the principles of IFRS 13 “Fair Value Measurement”. These valuations entail significant estimates and assumptions about the future as set out in Note 7.

2. BASIS OF PREPARATION (CONTINUED)

d) Use of judgments and estimates (continued)

Estimated impairment of goodwill
The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 3. These calculations require the use of significant estimates and assumptions about the future as disclosed in Note 8, which could impact the goodwill revaluation and the conclusion that no goodwill impairment is required.

Impairment of non-financial assets (other than inventories)
The carrying amounts of the Group's non-financial assets (property, plant and equipment, and capital work-in-progress) are reviewed at each reporting date to determine whether there is any indication of impairment. The determination of what can be considered impaired requires judgement. As at the reporting date, management did not identify any evidence from internal reporting indicating impairment of an asset or class of assets and there were no significant adverse changes in the market that could have an adverse effect of its assets. If such indication exists, then an impairment test is performed by the management. The determination of what can be considered impaired, as well as the determination of recoverable amounts require management to make significant judgments, estimation and assumptions.

Impairment of inventories
When inventories become old or obsolete, an estimate is made of their net realizable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence, based on historical selling prices. The necessity and setting up of a provision for slow moving and obsolete inventories requires considerable degree of judgment.

Impairment of trade and other receivables
The carrying amounts of the trade and other receivables are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, then an impairment test is performed by the management. Management uses considerable judgment to estimate any irrecoverable amounts of receivables, determined by reference to past default experience of a counterparty and an analysis of the counterparty's financial situation.

Provision for employees' end of service benefits
Management has measured the Group's obligation for the post-employment benefits of its employees based on the provisions of the relevant labour laws. Management does not perform an actuarial valuation as required by International Accounting Standard 19 "Employee Benefits" as it estimates that such valuation does not result to a significantly different level of provision The provision is reviewed by management at the end of each year, and any change to the projected benefit obligation at the year-end is adjusted in the provision for employees' end of service benefits in the profit or loss.

Other provisions and liabilities
Other provisions and liabilities are recognized in the period only to the extent management considers it probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the actual cash outflows can take place in subsequent years, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances. A change in estimate of a recognized provision or liability would result in a charge or credit to profit or loss in the period in which the change occurs.

Contingent liabilities
Contingent liabilities are determined by the likelihood of occurrence or non-occurrence of one or more uncertain future events. Assessment of contingent liabilities is tightly connected with development of significant assumptions and estimates relating to the consequences of such future events.

2. BASIS OF PREPARATION (CONTINUED)

e) Newly effective standards, and amendments to or interpretations of standards

During the current year, the Group adopted the below new International Financial Reporting Standards (standards), amendments to and interpretations of standards that are relevant to its operations and are effective for the first time for financial years ending 31 December 2016:

- *IFRS 14 “Regulatory Deferral Accounts”*
- *Amendments to IFRS 11 on accounting for acquisitions of interests in Joint Ventures*
- *Amendments to IAS 16 and IAS 38 on clarification of acceptable methods of depreciation and amortization*
- *Amendments to IAS 16 and IAS 41 on Agriculture: Bearer plants*
- *Annual improvements to IFRSs 2012-2014 cycle*
- *Amendments to IFRS 10, IFRS 12 and IAS 28 on investment entities applying the consolidation exception*
- *Amendments to IAS 1 on Disclosure Initiative*

The adoption of the above amendments and interpretations had no significant impact on the Group’s consolidated financial statements.

f) New and amended standards and interpretations to standards not yet effective, but available for early adoption:

The below International Financial Reporting Standards (standards), amendments to and interpretations of standards that are available for early adoption for financial years ending 31 December 2016 are not effective until a later period, and they have not been applied in preparing these consolidated financial statements.

Adoption expected to impact the Group’s consolidated financial statements:

IFRS 9 “Financial Instruments” (Effective for year ending 31 December 2018)
IFRS 9 published in July 2014, replaces the existing IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. The Group is assessing the potential impact on its financial statements resulting from the application of IFRS 9.

IFRS 15 “Revenue from Contracts with Customers” (Effective for year ending 31 December 2018)
IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 “Revenue”, IAS 11 “Construction Contracts” and IFRIC 13 “Customer Loyalty Programs”. IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2017, with early adoption permitted. The Group is assessing the potential impact on its financial statements resulting from the application of IFRS 15

IFRS 16 “Leases” (Effective for year ending 31 December 2019)
IFRS 16 requires most leases to present right-of-use assets and liabilities on the statement of financial position. IFRS 16 also eliminates the current dual accounting model for leases, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, IFRS 16 introduces a single on-balance sheet accounting model that is similar to the current accounting for finance leases. The lessor accounting will remain similar to the current practice, i.e. the lessors will continue to classify leases as finance and operating leases. The Group is assessing the potential impact on its financial statements resulting from the application of IFRS 16. Early adoption is permitted only if IFRS 15 is also early adopted.

2. BASIS OF PREPARATION (CONTINUED)

f) New and amended standards and interpretations to standards not yet effective, but available for early adoption: (continued)

Adoption not expected to impact the Group's consolidated financial statements:

Effective for year ending 31 January 2017	• *Amendments to IAS 7 "Disclosure Initiative"* • *Amendments to IAS 12 on recognition of deferred tax assets for unrealised losses*
Effective for year ending 31 January 2018	• *Amendments to IFRS 2 on classification and measurement of share based payment transactions*
Effective date to be determined	• *Amendments to IFRS 10 and IAS 28 on sale or contribution of assets between an investor and its associate or joint venture*

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies of the Group applied in the preparation of these consolidated financial statements are set out below. These policies have been applied consistently to both years presented in these consolidated financial statements.

a) Basis of consolidation

Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment (See section 3 (g) on "Non-financial assets" under "Impairment").

Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from Intra-group transactions are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are recognized at cost of acquisition and measured thereafter at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of an asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that future economic benefits associated with the expenditure will flow to the Group.

Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in profit or loss. Land is not depreciated.

The estimated useful lives for the current year and the comparative year are as follows:

Buildings and lease hold land rights	25 years
Office equipment	3 to 5 years
Furniture & fixtures	4 years
Warehouse equipment	5 to 25 years
Motor vehicles	5 to 15 years
Tools and equipment	4 years

Depreciation methods, residual values and useful lives are reviewed at each reporting date and adjusted if appropriate.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Profits and losses on disposals of items of property, plant and equipment are determined by comparing the proceeds from their disposals with their respective carrying amounts, and are recognised net within profit or loss.

c) Capital work-in-progress

Capital work-in-progress comprises projects of the Group under construction and is carried at cost less impairment, if any. Capital work in progress is not depreciated. Once the construction of assets within capital work-in-progress is completed, they are reclassified to either the property, plant and equipment or the investment property depending on their use and depreciated accordingly once they are put into use.

d) Investment property

Investment property represents land and buildings that are occupied substantially for use by third parties and are held by the Group to earn rentals.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Investment property (continued)

Recognition and measurement

An investment property is recognized initially at cost of acquisition including any transaction costs and is subsequently measured at fair value, representing open market value determined annually by external valuers. Any change in fair value is recognised in profit or loss.

Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that future economic benefits associated with the expenditure will flow to the Group.

Derecognition

An item of investment property is derecognised upon disposal or when no future economic benefits are expected from its use. Profits and losses on disposals of items of investment property are determined by comparing the proceeds from their disposals with their respective carrying amounts, and are recognised net within profit or loss.

e) Intangible assets and goodwill

Recognition and measurement

Goodwill – Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

Other intangible assets – Other intangible assets, which comprise “Customer contracts and related customer relationships” and the “Brand name” of Agility, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

Computer software – Computer software that is not an integral part of computer hardware and can be separately identified and that will probably generate economic benefits exceeding costs beyond one year, is measured at cost less accumulated amortization and any accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortization

Amortization is calculated to write off the cost of intangible assets less their estimated residual values, and is recognised in profit or loss. Goodwill is not amortised.

The estimated useful lives for the current year and the comparative year are as follows:

Customer contracts and related customer relationships:	4 - 10 years
Brand name:	10 years
Computer software:	3 years

The amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Financial instruments

Non-derivative financial assets and financial liabilities – recognition and derecognition

The Group classified its non-derivative financial assets into the following category: loans and receivables (Trade receivables, and cash at bank). The Group classified its non-derivative financial liabilities into the other financial liabilities category (Trade payables). The Group does not hold derivative financial instruments.

The Group initially recognizes loans and receivables on the date when they are originated. All other financial assets and financial liabilities are initially recognized on the trade date.

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Group is recognized as a separate asset or liability.

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Non-derivative financial assets – measurement

Loans and receivables
These assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortized cost using effective interest method.

Non-derivative financial liabilities – measurement

Non-derivative financial liabilities are initially recognized at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

g) Impairment

Non-derivative financial assets

Financial assets are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor;
- restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
- indications that a debtor will enter bankruptcy; or
- observable data indicating that there is measurable decrease in expected cash flows from a group of financial assets.

Financial assets measured at amortized cost

The Group considers evidence of impairment for these assets (trade receivables) at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g) Impairment (continued)

Non-derivative financial assets (continued)

Financial assets measured at amortized cost (continued)

Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (Property, plant and equipment, and capital work-in-progress, but not inventories and not investment property) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs of groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment is respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

h) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand and short-term deposits with a maturity of three months or less.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h) Cash and cash equivalents (continued)

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of any outstanding bank overdrafts.

i) Share capital

Ordinary shares issued by the Company are classified as equity.

j) Provision for employees' end of service benefits

The Group provides employees' end of service benefits to its expatriate employees in accordance with employment contracts and the relevant labour laws in the jurisdictions in which it operates. The expected costs of these benefits are accrued over the period of employment.

The Group has no expectation of settling its employees' end of service benefits obligation within 12 months from the balance sheet and, therefore, it has classified the obligation within non-current liabilities in the consolidated statement of financial position. The provision is not discounted to present value as the effect of the time value of money is not expected to be significant.

k) Provisions

A provision is recognised when:

- the Group has a present obligation (legal or constructive) as a result of a past event;
- it is probable that the Group will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

The amount of a provision is the present value, of the best estimate, of the amount required to settle the obligation. Provisions are reviewed annually to reflect current best estimates of the expenditure required to settle the obligations.

l) Revenue recognition

Revenue is measured at fair value of the consideration received or receivable and represents amounts receivable for sale of services in the ordinary course of the Group's activities, net of any trade discounts. The Group recognizes revenue from its services:

- when the amount of revenue can be reliably measured;
- when it is probable that future economic benefits will flow to the Group;
- in the accounting period in which the services are rendered; and
- when specific criteria have been met for each of the Group's activities as described below.

Revenue from logistic services
Logistic services provided by the Group comprise primarily inventory management and storage, order fulfilment and transportation services. Revenue from such services is recognised upon completion of the services.

Revenue from freight forwarding services
Freight forwarding represents purchasing transportation capacity from independent air, ocean and overland transportation providers and reselling that capacity to customers. Revenue from such services is recognised upon completion of services.

Rental income
Rental income arising on operating leases is recognised on a straight-line basis over the lease term.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

l) Revenue recognition (continued)

Interest income
Interest income is recognised using the effective interest rate method.

m) Expenses recognition

Expenses, including cost of sales, administrative and selling costs, depreciation, interest payable and foreign exchange losses on transactions, are recognized in profit or loss when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen and can be measured reliably.

An expense is recognized immediately in profit or loss when an expenditure produces no future economic benefits, or when, and to the extent that, future economic benefits do not qualify or cease to qualify for recognition in the statement of financial position as an asset, such as in the case of asset impairments.

n) Leasing

The determination of whether an arrangement is a lease or it contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Leases which do not transfer to the Group substantially all the risks and benefits incidental to ownership of the leased items are operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

o) Foreign currency

Foreign currency transactions and balances

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are recognized in profit or loss, Non-monetary items that are measured based on historic cost in a foreign currency are not translated.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Qatari Riyals at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Qatari Riyals at the average exchange rate of the reporting year (unless this rate is not a reasonable approximation of the exchange rate at the date of the transaction, in which case the exchange rates at the dates of the transactions are used).

p) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

p) Earnings per share (continued)

by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees, if any.

q) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, whose operating results are reviewed regularly by management (being the chief operating decision maker) to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available.

4. FINANCIAL RISK AND CAPITAL MANAGEMENT

a) Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these consolidated financial statements.

The Board of Directors has the overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group and to monitor risks.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Trade and other receivables
The Group's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty. The Group renders services to more than 1977 (2015: 1453) customers with its largest 5 customers accounting for 34% (2015: 41%) of its trade receivables. This significant concentration risk has been managed through enhanced monitoring and periodic tracking. The Group has a rigorous policy of credit screening prior to providing services on credit. Management evaluates the creditworthiness of each client prior to entering into contracts. Management also periodically reviews the collectability of its trade and other receivables and has a policy to provide any amounts whose collection is no longer probable and write-off as bad debts any amounts whose recovery is unlikely. As a result, management believes that there is no significant credit risk on its trade and other receivables as presented on the statement of financial position.

Bank balances
The Group has balances with credit worthy and reputable banks in Qatar with high credit ratings. Therefore, management believes that credit risk in respect of these balances is minimal.

Further information about the Group's exposure to credit risk is provided in Note 27.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Management's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet

4. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

a) Financial risk management (continued)

Liquidity risk (continued)

Its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Further information about the Group's exposure to liquidity risk is provided in Note 27.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk
Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the Group's functional currency. The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar. As the US Dollar is pegged with the Qatari Riyal, the Group is not exposed to currency risk when it transacts in this currency. Management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

Interest rate risk
As the Group has no significant interest bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest rate risk arises from bank deposits and borrowings. Bank deposits issued at fixed rates expose the Group to fair value interest rate risk. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

b) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong capital base in order to support its business and to sustain future development of the business. Management monitors its capital structure and makes adjustments to it, in light of economic conditions.

The Group monitors capital using a gearing ratio, which is calculated as net debt divided by total capital. The debt is calculated as total borrowings (non-current and current borrowings and bank overdrafts as shown on the statement of financial position) less cash and cash equivalents (excluding bank overdrafts). The total capital is calculated as 'equity' as shown on the statement of financial position plus net debt.

4. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

b) Capital management (continued)

	31 December 2016	31 December 2015
Total borrowings (Note 15)	1,875,923,752	1,373,175,007
Less: Cash and cash equivalents (Note 10)	(488,636,917)	(586,450,755)
Net debt	1,387,286,835	786,724,252
Total equity	1,515,563,736	1,407,181,595
Total capital	2,902,850,571	2,193,905,847
Gearing ratio	**47.79%**	35.86%

The Group's capital management policy remained unchanged since the previous year. The increase in the gearing ratio during year 2016 resulted primarily from the increase of borrowings, which were obtained in the year for financing the construction and development of various projects (Note 15).

The Group is not subject to any externally imposed capital requirements.

5. PROPERTY, PLANT AND EQUIPMENT

	Buildings (1)	Lease Hold Land rights	Office equipment	Furniture & fixtures	Warehouse equipment	Motor vehicles	Tools and equipment	Total
Cost								
Balance at 1 January 2015	1,104,840,089	-	33,592,530	31,995,692	82,847,930	150,240,211	2,145,074	1,405,661,526
Additions	27,956,656	-	10,639,490	9,665,007	10,128,775	13,284,600	325,769	72,000,297
Disposals	-	-	-	-	-	(9,877,818)	-	(9,877,818)
Transfers from capital work-in-progress (Note 6)	199,096,754	-	-	-	-	-	-	199,096,754
Balance at 31 December 2015	1,331,893,499	-	44,232,020	41,660,699	92,976,705	153,646,993	2,470,843	1,666,880,759
Additions	1,871,641	-	5,587,532	6,913,022	12,739,016	5,921,286	180,426	33,212,923
Disposals	-	-	-	-	-	(22,508,831)	-	(22,508,831)
Transfers from capital work-in-progress (Note 6)	75,423,552	-	1,460,080	-	-	-	-	76,883,632
Transfers from investment property (Note 7)	29,051,053	120,443,145	-	-	-	-	-	149,494,198
Balance at 31 December 2016	1,438,239,745	120,443,145	51,279,632	48,573,721	105,715,721	137,059,448	2,651,269	1,903,962,681
Accumulated depreciation								
Balance at 1 January 2015	112,848,450	-	23,241,208	12,798,906	33,465,739	95,932,757	1,236,485	279,523,545
Additions (Note 21)	52,021,299	-	6,480,322	8,349,034	6,445,625	15,630,463	145,800	89,072,543
Disposals	-	-	-	-	-	(8,082,350)	-	(8,082,350)
Balance at 31 December 2015	164,869,749	-	29,721,530	21,147,940	39,911,364	103,480,870	1,382,285	360,513,738
Additions (Note 21)	57,557,383	4,817,726	6,707,258	10,026,207	8,305,739	12,923,534	221,137	100,558,984
Disposals	-	-	-	-	-	(20,020,989)	-	(20,020,989)
Balance at 31 December 2016	222,427,132	4,817,726	36,428,788	31,174,147	48,217,103	96,383,415	1,603,422	441,051,733
Carrying amounts								
At 31 December 2016	**1,215,812,613**	**115,625,419**	**14,850,844**	**17,399,574**	**57,498,618**	**40,676,033**	**1,047,847**	**1,462,910,948**
At 31 December 2015	1,167,023,750	-	14,510,490	20,512,759	53,065,341	50,166,123	1,088,558	1,306,367,021

(1) Buildings are constructed on land leased from the State of Qatar. The leasing cost of the land is immaterial and therefore not reported separately. As at 31 December 2016, buildings with a carrying amount of QR 846 million (2015: QR 856 million) were mortgaged against Logistics Village Qatar (LVQ) term loans (Note15 (i)).

6. CAPITAL WORK-IN-PROGRESS

	31 December 2016	31 December 2015
Balance at 1 January	250,725,012	250,842,979
Additions	922,595,201	199,733,787
Transfers to property, plant and equipment (Note 5)	(76,883,632)	(199,096,754)
Transfers to investment property (Note 7)	-	(755,000)
Balance at 31 December	**1,096,436,581**	250,725,012

Capital work-in-progress comprise mainly the constructions of Logistic Village Qatar Phase 5, Bu-sulba Project and Ras Laffan project.

The amount of borrowing costs capitalized during the year ended 31 December 2016 was QR 21.7 million (2015: QR 2.8 million). The weighted average rate used to determine the amount of borrowing cost eligible for capitalization was 3.60% per annum (2015: 3.40% per annum), which is the effective interest rate of the specific borrowings. Building under constructions are mortgaged against certain loans and borrowings (Note 15).

7. INVESTMENT PROPERTY

	Land	**Building**	**Total**
Balance at 1 January 2015	111,545,185	61,423,675	172,968,860
Transfers from capital work-in- progress (Note 6)	-	755,000	755,000
Fair value gains	8,897,960	3,630,450	12,528,410
Balance at 31 December 2015	120,443,145	65,809,125	186,252,270
Fair value gains	-	357,761	357,761
Reclassified to Property, plant and equipment (Note 5)	(120,443,145)	(29,051,053)	(149,494,198)
Balance at 31 December 2016	**-**	**37,115,833**	**37,115,833**

The Group's investment property comprises three properties obtained under operating leases, which were sub-leased to third parties for earning rentals.

The fair valuations of all the three investment properties were performed as at 23 November 2016 by Al Haque Rental & Real Estate Office, an accredited independent valuer with a recognised and relevant professional qualification and with recent experience in the locations and categories of the investment property being valued.

The investment properties were valued using the market comparable approach. Under the market comparable approach, a property's fair value is estimated based on comparable transactions. The market comparable approach is based upon the principle of substitution under which a potential buyer will not pay more for the property than it will cost to buy a comparable substitute property. Management assumes that the lease agreements with the government of the State of Qatar, which have expiration dates, will be renewed for perpetuity. Consequently, it is not expected that the fair value of these properties will decline as the terms of the lease agreements close to their expiry dates. The unit of comparison applied by the valuer is the depreciated value for the buildings per square meter and the market price per square foot for the land.

On 1 January 2016 the Group occupied significant additional portions of land at Project ''MIC'', Project "Street 2" and Project "Street 43" that were previously substantially leased to third parties under finance lease agreements. The owner-occupation of these Projects increased to a level construed by the management of the Company as significant based on its interpretation of the provisions of the International Accounting Standard 40 ("Investment Property"), which necessitated the reclassification of the whole carrying value of land and buildings of these Projects from investment property to property, plant and equipment (Note 5).

7. INVESTMENT PROPERTY (CONTINUED)

The following amounts have been recognised in profit or loss:

	31 December 2016	31 December 2015
Rental income (Note 20)	**15,245,936**	18,919,021
Direct operating expenses arising from investment property that generate rental income	**608,016**	608,016
Direct operating expenses that did not generate rental income	**94,800**	2,972,381

8. INTANGIBLE ASSETS AND GOODWILL

	Goodwill (1)	**Customer contracts and related Customer relationships(2)**	**Brand name (2)**	**Softwares**	**Total**
Cost					
At 1 January 2015 / 31 December 2015	98,315,463	10,231,500	52,780,500	-	161,327,463
Balance at 1 January 2016	98,315,463	10,231,500	52,780,500	-	161,327,463
Additions	-	-	-	3,826,370	3,826,370
At 31 December 2016	98,315,463	10,231,500	52,780,500	3,826,370	165,153,833
Accumulated amortisation					
At 1 January 2015	-	5,475,060	21,112,200	-	26,587,260
Amortisation (Note 21)	-	792,740	5,278,050	-	6,070,790
At 31 December 2015	-	6,267,800	26,390,250	-	32,658,050
Amortisation (Note 21)	-	792,740	5,278,050	172,018	6,242,808
At 31 December 2016	-	7,060,540	31,668,300	172,018	38,900,858
Carrying amounts					
At 31 December 2016	**98,315,463**	**3,170,960**	**21,112,200**	**3,654,352**	**126,252,975**
At 31 December 2015	98,315,463	3,963,700	26,390,250	-	128,669,413

(1) *Impairment testing of goodwill*

Goodwill was recognised on the acquisition of Agility W.L.L. in November 2010, and is tested for impairment at least annually.

The goodwill tested for impairment is allocated to the below cash-generating units (CGUs) acquired with Agility W.L.L. and represent the premium paid on its acquisition (i.e., the amount paid in excess of the aggregate of the individual fair values of its net assets).

8. INTANGIBLE ASSETS AND GOODWILL (CONTINUED)

	Carrying amount of goodwill	
	31 December 2016	31 December 2015
Logistics services	53,090,350	53,090,350
Freight forwarding services	45,225,113	45,225,113
Total	**98,315,463**	98,315,463

Impairment is determined for goodwill by assessing the recoverable amount of each CGU to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised.

The recoverable amount of the above CGUs is determined based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period.

Key assumptions used in value-in-use calculations:

	Logistics services		Freight forwarding services	
	31 December 2016	31 December 2015	**31 December 2016**	31 December 2015
Compound annual volume growth	**7.50%**	10.94%	**9.37%**	7.50%
Terminal growth rate	**3.00%**	3.00%	**3.00%**	3.00%
Discount rate	**11.20%**	13.10%	**12.20%**	14.50%

Management determined compound annual volume growth rate for each CGU over five-year forecast to be a key assumption. The volume of growth in each period is the main driver for revenue and costs. The compound annual volume growth rate is based on past performance and management's expectations of market development.

The long term growth rates used are consistent with the forecasts included in industry reports. The terminal growth rate does not exceed the long-term average growth rate for the business in which the CGUs operate.

Discount rates represent the current market assessment of the risks specific to each CGU. The discount rate calculation is based on the specific circumstances of the Group and its operating segments.

Based on the above impairment test the management concluded that there is no impairment of goodwill (2015: no impairment was identified).

(1) Customer contracts and the related customer relationships and the brand name represent intangible assets acquired through the acquisition of Agility W.L.L. in November 2010. At that time, management determined these intangible assets had 10 years of useful life.

(2) Management concluded that as at 31 December 2016 there is no impairment of these assets (2015: no impairment was identified).

9. TRADE AND OTHER RECEIVABLES

	31 December 2016	31 December 2015
Trade receivables	310,471,651	227,241,602
Less: Provision for impairment of trade receivables (1)	(22,156,970)	(20,880,637)
Trade receivables, net	288,314,681	206,360,965
Advances to suppliers	80,954,767	195,355,614
Accrued revenue	47,711,233	39,977,064
Prepayments	88,155,592	62,771,108
Other receivables	16,184,407	8,882,313
	521,320,680	513,347,064

(1) The movements in the provision for impairment of trade receivables were as follows:

	31 December 2016	31 December 2015
Balance at 1 January	20,880,637	14,780,843
Provision made (Note 21)	1,276,333	6,099,794
Balance at 31 December	**22,156,970**	20,880,637

10. CASH AND CASH EQUIVALENTS

	31 December 2016	31 December 2015
Cash in hand	1,220,897	1,153,207
Bank balance – current accounts (1)	82,003,667	113,053,016
Bank balance – deposit account (2)	395,000,000	35,000,000
Bank balance – restricted deposit accounts (3)	10,412,353	437,244,532
	488,636,917	586,450,755

(1) Current accounts earn no interest.

(2) Deposits with an original maturity of less than 90 days are made for varying periods depending on the immediate cash requirements of the Group at commercial market rates.

(3) The restricted deposit accounts represent the unclaimed dividend by the shareholders of the Company.

Cash and cash equivalents are denominated mainly in Qatari Riyals.

11. SHARE CAPITAL

	31 December 2016		31 December 2015	
Authorised and fully paid:	**No. of shares**	**Value**	No. of shares	Value
Ordinary shares of QR 10 each as at 1 January/31 December	**58,603,148**	**586,031,480**	47,560,975	475,609,750

The movements of the issued shares were as follows:

	Number of shares	**Value**
At 1 January 2015 / 31 December 2015	47,560,975	475,609,750
Issue of shares	11,042,173	110,421,730
At 31 December 2016	**58,603,148**	**586,031,480**

All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

12. SHARES SUBSCRIBED BUT NOT YET ISSUED

At the Company's Extraordinary General Meeting held on 13 September 2015, the Company's shareholders decided to increase the Company's share capital via a rights issue by offering new shares for subscription at the ratio of one share for every four shares held by eligible shareholders.

The Company's eligible shareholders were those listed on the shareholders' register held by the Qatar Stock Exchange at the end of the working day of 12 October 2015. These shareholders were entitled to new shares at the price of QR 38.5 (QR 10 Nominal Value + QR 28.5 Premium) per share, except for any requested shares in excess to their entitlement which would be allocated based on the price of the Company's share on the Qatar Stock Exchange on the closing date prior to the subscription date. The subscription period was between 8 November 2015 and 25 November 2015.

The new shares were approved by the regulatory authorities of the State of Qatar on 27 January 2016 and issued. Therefore, they have been reclassified to the Company's share capital (Note 11).

13. LEGAL RESERVE

In accordance with the Qatar Commercial Companies' Law No. 11 of 2015, an amount equal to 10% of the net profit for the year of every company incorporated in the State of Qatar is required to be transferred to a legal reserve account until such time the balance of the legal reserve account of such a company reaches 50% of its paid up share capital. The share premium collected from the issuance of new shares is also transferred to the legal reserve in accordance with Article 154 of the above mentioned Law. Share premium is the difference between the fair value of the consideration receivable for the issue of shares and the nominal value of the shares. Legal reserve can only be utilised to for limited purposes, and is not available for the distribution and is otherwise subject to the provisions of the above mentioned law on reduction of share capital.

14. DIVIDENDS

At the Board Meeting held on 5 January 2017, a dividend in respect of the profit for the year ended 31 December 2016 of QR 1.6 per share is to be proposed. These consolidated financial statements do not reflect this dividend payable, which will be accounted for in shareholders' equity as an appropriation of retained earnings in the year ending 31 December 2017.

The dividends declared in respect of the profit for the year ended 31 December 2015 were QR 87,904,707 or QR 1.5 per share. They were paid in year 2016. The dividends declared in respect of the profit for the year ended 31 December 2014 were QR 71,341,463 or QR 1.5 per share. They were paid in year 2015.

15. LOANS AND BORROWINGS

The movements of bank borrowings were as follows:

	31 December 2016	31 December 2015
At 1 January	1,373,175,007	1,062,731,651
Additions	654,503,620	330,932,070
Repayments	(154,779,184)	(32,631,676)
Grace period interest transferred to loan	3,024,309	12,142,962
At 31 December	**1,875,923,752**	1,373,175,007

	Years of maturity	**31 December 2016**	31 December 2015
LVQ term loans (i)	2022-2023	1,080,742,114	1,033,095,042
Bu-sulba term loans (ii)	2025	695,497,396	181,375,278
Other project loans (iii)	2022-2025	70,670,765	65,021,084
Other term loans (iv)	2018	29,013,477	93,683,603
		1,875,923,752	1,373,175,007

Presented in the consolidated statement of financial position as follows:

	31 December 2016	31 December 2015
Current portion	193,956,482	141,636,259
Non-current portion	1,681,967,270	1,231,538,748
	1,875,923,752	1,373,175,007

(i) A term loan facility of QR 1,274 million was obtained from local banks to finance the construction and development of Logistic Village Qatar ("LVQ") located in Street # 52 of Industrial Area. The repayment on this facility began in April 2013. The term loan facility carries financing charges at Qatar Central Bank rate plus certain basis points with a floor of 3.2% - 4% per annum. The term loan facility is secured against the Group's buildings at the LVQ, and assignment of revenues from the LVQ operations to the lender.

(ii) These term loans have been taken from local financial institutions to finance the Bu-sulba capital work-in-progress of the Group. These loans carry financing charges at Qatar Central Bank rate plus certain basis points with a floor of 3.25% - 4% per annum. The loans are secured against related property to the financing.

(iii) A term loan amounting to QR 71.1 million was obtained from a local financial institution to finance capital work-in-progress of the Group. The repayment on this facility started in May 2016. The loan carries financing charges at Qatar Central Bank rate plus certain basis points with a floor of 3.2% - 4% per annum.

(iv) The term loan amounting to QR 123 million was obtained from a local financial institution to finance capital work-in-progress of the Group. The repayment on this facility began in November 2013. The loan carries financing charges at Qatar Central Bank rate plus certain basis points with a floor of 3.25% - 5.1% per annum. The loan is secured against corporate guarantees of the Company and assignment of revenues to the lender.

The face value of the Company's loans and borrowings approximates the carrying amount. The carrying amounts are denominated in Qatari Riyals.

16. PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS

The movements in the provision for employees' end of service benefits were as follows:

	31 December 2016	31 December 2015
Balance at 1 January	22,807,254	17,899,003
Provision made (Note 21)	5,342,157	6,298,363
Provision used	(1,641,938)	(1,390,112)
Balance at 31 December	**26,507,473**	22,807,254

17. TRADE AND OTHER PAYABLES

	31 December 2016	31 December 2015
Trade payables	42,460,321	16,218,595
Accrued expenses	98,064,239	57,616,271
Other payables	80,884,702	79,233,547
Retentions payable	96,845,303	19,674,490
Provision for contribution for social and sports fund (1)	5,141,650	4,628,929
	323,396,215	177,371,832

(1) The Company made an appropriation of QR 5.1 million (2015: QR 4.6 million) to the Social and Sports Development Fund of the State of Qatar pursuant to the Qatar Law No. 13 of 2008. This amount represents 2.5% of the net profit for the year.

18. RELATED PARTIES

Related party transactions

Transactions with related parties included in the consolidated statement of profit or loss are as follows:

Related party	**Nature of transactions**	**31 December 2016**	31 December 2015
Agility network	Revenue	**21,486,269**	7,064,121
Agility network	Purchase of services	**23,301,657**	35,274,938

Related party balances

Balances with related parties included in the consolidated statement of financial position under trade and other receivables and trade and other payables were as follows:

	31 December 2016	31 December 2015
Receivable from Agility network	**8,653,901**	886,885
Payable to Agility network	**4,749,971**	4,357,415

18. RELATED PARTIES (CONTINUED)

Compensation of key management personnel

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

	31 December 2016	31 December 2015
Short-term benefits	14,156,833	12,567,483
Employees' end of service benefits	84,000	84,000
	14,240,833	12,651,483

19. REVENUE

	31 December 2016	31 December 2015
Logistic operations	589,296,733	535,443,532
Freight forwarding	260,233,833	252,500,582
	849,530,566	787,944,114

20. OTHER INCOME, NET

	31 December 2016	31 December 2015
Rental income from investment property	15,245,936	18,919,021
Gain on disposal of property, plant and equipment	1,062,476	88,982
Others	1,943,581	165,606
	18,251,993	19,173,609

21. EXPENSES BY NATURE

	31 December 2016	31 December 2015
Logistic costs	62,611,931	41,644,037
Freight forwarding charges	178,537,235	171,657,537
Board of Directors' remuneration	8,500,000	7,500,000
Staff costs	171,194,275	165,317,973
Provision made for employees' end of service benefits (Note 16)	5,342,157	6,298,363
Manpower subcontract charges	4,456,752	3,580,182
Depreciation of property, plant and equipment (Note 5)	100,558,984	89,072,543
Amortization of intangible assets (Note 8)	6,242,808	6,070,790
Provision for impairment on trade receivables (Note 9)	1,276,333	6,099,794
Repairs and maintenance	32,898,912	33,854,685
Legal and professional fees	2,348,185	3,226,202
Rent	3,195,655	3,014,819
Fuel	10,226,124	16,949,871
Water and electricity	19,651,863	14,196,824
Insurance	5,086,857	4,725,441
Communication and postage	1,769,040	2,135,289
Advertisement	707,180	1,140,937
Travelling expenses	983,507	823,712
License and registration fees	3,324,634	1,992,116
Other expenses	15,790,121	20,313,488
	634,702,553	599,614,603

The expenses by nature are divided into direct and administrative and other expenses as follows:

	31 December 2016	31 December 2015
Direct cost	541,160,933	501,462,357
Administrative and other expenses	93,541,620	98,152,246
	634,702,553	599,614,603

22. FINANCE COSTS, NET

	31 December 2016	31 December 2015
Interest income on bank deposits	(10,451,513)	(231,449)
Interest expense on loans and borrowings	38,223,287	35,105,832
	27,771,774	34,874,383

23. EARNINGS PER SHARE

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

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

23. EARNINGS PER SHARE (CONTINUED)

	31 December 2016	31 December 2015
Profit attributable to the owners of the Company	**205,665,993**	185,157,147
Weighted average number of shares	**58,114,997**	51,389,632
Basic and diluted earnings per share	**3.54**	3.60

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

	31 December 2016	31 December 2015
Qualifying shares on 1 January	47,560,975	47,560,975
Effect of rights issue	10,554,022	3,828,657
	58,114,997	51,389,632

The Company has made a right issue of 11,042,173 shares on 27 January 2016 at an exercise price of QR 38.5 per share and theoretical ex-rights price consist of QR 62.04 per share.

24. CONTINGENCIES AND COMMITMENTS

	31 December 2016	31 December 2015
Letters of guarantee	29,715,022	23,812,992
Performance bonds	143,703,876	136,753,562
	173,418,898	160,566,554

The Group has entered into capital commitments relating to certain construction contracts amounting to QR 214 million (2015: QR 789 million).

25. OPERATING LEASES

Leases as lessee

The Group leases a number of plots of land under operating leases from the State of Qatar. These leases run for a period of 5 to 30 years with an option to the Group for renewal on their expiry.

All the land leases were classified since their inception as operating leases. The Group does not have an interest in the residual value of the land. As a result, it was determined that substantially all of the risks and rewards of the land are with the lessor.

The future lease payments under non-cancellable operating leases were payable as follows:

	31 December 2016	31 December 2015
Less than one year	4,331,220	3,473,059
Between one and five years	17,294,614	13,892,237
More than five years	47,813,522	39,999,961
	69,439,356	57,365,257

25. OPERATING LEASES (CONTINUED)

The amounts recognised in the consolidated statement of profit or loss in respect of the land plot leases were as follows:

	31 December 2016	31 December 2015
Lease expense	(4,939,401)	(2,987,720)
Sub-lease income	15,245,936	18,919,021
	10,306,535	15,931,301

Leases as lessor

A number of land plots leased by the Group from the State of Qatar (see above) have been sub leased to third parties and have been classified as investment property (Note 7).

The future minimum lease income under non-cancellable leases was as follows:

	31 December 2016	31 December 2015
Less than one year	12,282,186	12,775,452
Between one and five years	8,688,280	11,368,408
	20,970,466	24,143,860

26. SEGMENT INFORMATION

Basis for segmentation

The Group has the following three strategic divisions, which are its reportable segments. These divisions offer different services, and are managed by the Group separately for the purpose of making decisions about resource allocation and performance assessment.

The following summary describes the operations of each reportable segment.

Reportable segments	**Operations**
Logistics	Storage, handling, packing and transportation
Freight forwarding	Freight services through land, air and sea
Others	Trading

The Group's Chief Executive Officer reviews the internal management reports of each division at least quarterly.

There are varying level of integration between the logistics and freight forwarding segments. Inter-segment pricing is determined on an arm's length basis.

26. SEGMENT INFORMATION (CONTINUED)

The following table presents revenue and profit information regarding the Group's operating segments.

	31 December 2016		31 December 2015	
Operating segments	Segment revenue	Segment profit	Segment revenue	Segment profit
Logistics	589,296,733	167,474,112	535,443,532	145,607,248
Freight forwarding	260,233,833	12,231,471	252,500,582	11,451,416
Unallocated	-	25,960,410	-	28,098,483
	849,530,566	**205,665,993**	787,944,114	185,157,147

The following table presents segment assets as at 31 December 2016 and 31 December 2015:

	31 December 2016	31 December 2015
Operating segments		
Logistics	3,115,927,732	2,157,693,238
Freight forwarding	175,690,462	163,418,805
Others	9,651,562	8,810,224
Unallocated	440,121,420	650,613,421
	3,741,391,176	2,980,535,688

The segment revenue is generated mainly from the State of Qatar. The revenue generated from the overseas operations is insignificant.

27. FINANCIAL RISK MANAGEMENT

Credit risk

The Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of each class of receivables mentioned below. The Group does not hold any collateral as security:

	31 December 2016	31 December 2015
Bank balances	487,416,020	585,297,548
Trade receivables	288,314,681	206,360,965
Other receivables	16,184,407	8,882,313
	791,915,108	800,540,826

The ageing analysis of trade receivables is as follows:

	31 December 2016	31 December 2015
Not past due	11,806,289	28,497,265
Past due 0-30 days	57,945,121	43,492,295
Past due 31-60 days	59,889,220	36,650,813
Past due 61-90 days	37,205,403	20,239,878
More than 90 days	121,468,648	77,480,714
	288,314,681	206,360,965

27. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

The carrying amounts of the Group's trade and other receivables are denominated mainly in Qatari Riyals.

Liquidity risk

At the reporting date, a reasonably possible changes of 100 basis points in interest rates would have increased / (decreased) equity and profit or loss by the amounts showing below:

	31 December 2016	31 December 2015
Variable rate loans and borrowings	**18,759,238**	13,731,750

The table below summarizes the maturity profile of the Group's financial liabilities at 31 December based on contractual undiscounted payments.

2016	**Carrying Amount**	**Contractual cash flows**	**1-12 months**	**1-5 years**	**More than 5 years**
Trade and other payables	318,254,565	(318,254,565)	(318,254,565)	-	-
Loans and borrowings	1,875,923,752	(2,189,187,565)	(246,302,458)	(1,181,145,475)	(761,739,632)
At 31 December	**2,194,178,317**	**(2,507,442,130)**	**(564,557,023)**	**(1,181,145,475)**	**(761,739,632)**

2015	Carrying Amount	Contractual cash flows	1-12 months	1-5 years	More than 5 years
Trade and other payables	172,742,903	(172,742,903)	(172,742,903)	-	-
Loans and borrowings	1,373,175,007	(1,591,335,862)	(183,678,537)	(741,447,043)	(666,210,282)
At 31 December	1,545,917,910	(1,764,078,765)	(356,421,440)	(741,447,043)	(666,210,282)

Fair value measurement

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Management did not disclose the fair values of its financial instruments (trade and other receivables, cash and cash equivalents, bank loans, and trade and other payables, because their carrying amounts approximate their fair values.

28. COMPARATIVE FIGURES

The comparative figures for the previous year have been reclassified, where necessary, in order to conform to the current year's presentation. Such reclassifications do not affect the previously reported net profits, net assets or equity.

29. SUBSEQUENT EVENTS

There were no significant events after the reporting date, which have a bearing on the understanding of these consolidated financial statements

Independent Auditor's report on pages 2 to 5.