

Gulf Warehousing Company Q.P.S.C.

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

**FOR THE SIX-MONTH PERIOD ENDED
30 JUNE 2019**

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF GULF WAREHOUSING COMPANY (Q.P.S.C.)

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Gulf Warehousing Company Q.P.S.C. (the "Company") and its subsidiaries (together referred to as the "Group"), as at 30 June 2019, which comprises of the interim consolidated statement of financial position as at 30 June 2019 and the related interim consolidated statements of profit or loss and other comprehensive income for the three and six months periods then ended, the interim consolidated statements of changes in equity and interim consolidated statement of cash flows for the six month period then ended 30 June 2019, and the related explanatory notes. The Board of Directors of the Company is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34 *Interim Financial Reporting* ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

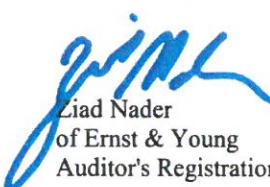
We conducted our review in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial 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.

Other matter

The interim condensed consolidated financial statements as at and for the six months ended 30 June 2018 were reviewed, and the consolidated financial statements as at and for the year ended 31 December 2018 were audited, by another auditor, whose review and audit reports dated 19 July 2018 and 16 January 2019 respectively, expressed an unmodified review conclusion and an unmodified audit opinion thereon.


Liad Nader
of Ernst & Young
Auditor's Registration No: 258

Date: 21 July 2019
Doha



Gulf Warehousing Company Q.P.S.C.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2019

		30 June 2019 <i>QR</i>	31 December 2018 <i>QR</i> (Audited) (Restated)
	Notes	<i>(Reviewed)</i>	
ASSETS			
Non-current assets			
Property, plant and equipment	6	2,493,839,906	2,483,994,863
Capital work-in-progress	7	62,843,196	57,453,637
Right -of-use of assets	3	327,347,124	339,175,722
Investment property	8	37,522,065	37,522,065
Intangible assets and goodwill		127,357,954	131,191,476
Refundable deposits		<u>18,251,000</u>	<u>18,251,000</u>
		<u>3,067,161,245</u>	<u>3,067,588,763</u>
Current assets			
Inventories		10,977,785	11,001,248
Trade and other receivables	9	435,011,843	414,920,455
Cash and cash equivalents	10	<u>302,634,103</u>	<u>426,840,672</u>
		<u>748,623,731</u>	<u>852,762,375</u>
TOTAL ASSETS		<u>3,815,784,976</u>	<u>3,920,351,138</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	11	586,031,480	586,031,480
Legal reserve	12	552,506,803	552,506,803
Retained earnings		536,105,093	524,916,679
Foreign currency translation reserve		<u>(383,964)</u>	-
Equity attributable to owners of the Company		1,674,259,412	1,663,454,962
Non-controlling interests		<u>(2,926,021)</u>	<u>(2,926,021)</u>
Total equity		<u>1,671,333,391</u>	<u>1,660,528,941</u>
Liabilities			
Non-current liabilities			
Interest bearing loans	14	1,338,605,236	1,462,338,906
Lease liabilities	3	272,477,783	280,818,797
Employees' end of service benefits		<u>41,958,331</u>	<u>36,986,130</u>
		<u>1,653,041,350</u>	<u>1,780,143,833</u>
Current liabilities			
Interest bearing loans	14	266,330,995	221,587,069
Trade and other payables		209,174,959	242,274,640
Lease liabilities	3	<u>15,904,281</u>	<u>15,816,655</u>
		<u>491,410,235</u>	<u>479,678,364</u>
Total liabilities		<u>2,144,451,585</u>	<u>2,259,822,197</u>
TOTAL EQUITY AND LIABILITIES		<u>3,815,784,976</u>	<u>3,920,351,138</u>

These interim condensed consolidated financial statements were approved by the Board of Directors on 21 July 2019 and were signed on its behalf by:


Abdulla Fahad J J Al Thani

Chairman


Fahad Hamad J J Al Thani

Vice Chairman

The attached notes 1 to 20 form part of these interim condensed consolidated financial statements.

Gulf Warehousing Company Q.P.S.C.
INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the three and six month periods ended 30 June 2019

	Notes	<i>For the three month period ended 30 June</i>		<i>For the six month period ended 30 June</i>	
		<i>2019</i> <i>QR</i>	<i>2018</i> <i>QR</i> (Reviewed) (Restated)	<i>2019</i> <i>QR</i>	<i>2018</i> <i>QR</i> (Reviewed) (Restated)
		<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Revenue	16	295,897,957	314,032,885	599,585,175	629,296,088
Cost of sales	17	(183,480,089)	(206,641,806)	(378,170,838)	(417,845,961)
Gross profit		112,417,868	107,391,079	221,414,337	211,450,127
Other income		1,089,601	574,725	1,215,740	1,020,867
General and administrative expenses	17	(28,741,278)	(27,704,530)	(57,027,658)	(56,618,559)
Operating profit		84,766,191	80,261,274	165,602,419	155,852,435
Finance costs, net	18	(21,778,875)	(23,790,565)	(43,068,024)	(45,160,959)
Profit for the period		62,987,316	56,470,709	122,534,395	110,691,476
<i>Other comprehensive income:</i>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of foreign operations		(4,838)	-	(383,964)	-
Total profit and other comprehensive income		62,982,478	56,470,709	122,150,431	110,691,476
<i>Profit and total comprehensive income attributable to:</i>					
Equity holders of the parent		62,982,478	56,470,709	122,150,431	110,691,476
<i>Earnings per share:</i>					
Basic and diluted earnings per share (Qatari Riyals)	19	0.11	0.10	0.21	0.19

The attached notes 1 to 20 form part of these interim condensed consolidated financial statements.

Gulf Warehousing Company Q.P.S.C.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six month period ended 30 June 2019

<i>Attributable to owners of the Company</i>						
	<i>Share capital QR</i>	<i>Legal reserve QR</i>	<i>Retained earnings QR</i>	<i>Foreign currency reserve QR</i>	<i>Total QR</i>	<i>Non-controlling interests QR</i>
As at 1 January 2019 (Audited)	586,031,480	552,506,803	593,663,204 (68,746,525)	-	1,732,201,487 (68,746,525)	(2,926,021) -
Adjustment on initial application of IFRS 16 (Note 3)	-	-	-	-	-	1,729,275,466 (68,746,525)
Restated balances as at 1 January 2019 (2)	586,031,480	552,506,803	524,916,679	-	1,663,454,962	(2,926,021) 1,660,528,941
Profit for the period	-	-	122,534,395	-	122,534,395	- 122,534,395
Other comprehensive income	-	-	-	(383,964)	(383,964)	- (383,964)
Total comprehensive income for the period	-	-	122,534,395 (111,345,981)	(383,964)	122,150,431 (111,345,981)	- -
Dividends (Note 13)	-	-	-	-	-	(111,345,981)
Balance at 30 June 2019 (Reviewed)	586,031,480	552,506,803	536,105,093	(383,964)	1,674,259,412	(2,926,021) 1,671,333,391
As at 1 January 2018 (Audited)	586,031,480	552,506,803	497,017,101 (34,550,064) (58,805,361)	-	1,635,555,384 (34,550,064) (58,805,361)	(3,681,223) - -
Adjustment on initial application of IFRS 9 and 15 (1)	-	-	-	-	-	1,631,874,161 (34,550,064) (58,805,361)
Adjustment on initial application of IFRS 16 (Note 3)	-	-	-	-	-	- (99,625,352)
Restated balances as at 1 January 2018	586,031,480	552,506,803	403,661,676	-	1,542,199,959	(3,681,223) 1,538,518,736
Profit for the period as reported in the 30 June 2018 consolidated financial statements	-	-	115,662,254 (4,970,778)	-	115,662,254 (4,970,778)	- (4,970,778)
Adjustment on initial application of IFRS 16 (Note 3)	-	-	-	-	-	- -
Other comprehensive income	-	-	-	-	-	- -
Restated total comprehensive income for the period	-	-	110,691,476 (99,625,352)	-	110,691,476 (99,625,352)	- -
Dividends (Note 13)	-	-	-	-	-	110,691,476 (99,625,352)
Balance at 30 June 2018 (Reviewed)	586,031,480	552,506,803	414,727,800	-	1,553,266,083	(3,681,223) 1,549,584,860

(1) The Group has initially applied IFRS 15 and IFRS 9 at 1 January 2018 and adjusted the retained earnings. Under the transition method, comparative information has not been restated.

(2) The Group has initially applied IFRS 16 at 1 January 2019. Under the transition method, comparative information has been restated.

Gulf Warehousing Company Q.P.S.C.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six month period ended 30 June 2019

	<i>For the six month period ended 30 June</i>		
	<i>2019</i>	<i>2018</i>	
	<i>QR</i>	<i>QR</i>	
<i>Notes</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Restated)</i>
OPERATING ACTIVITIES			
Profit for the period	122,534,395	110,691,476	
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment	17 66,997,897	76,548,320	
Depreciation of right-of-use-assets	17 12,310,630	10,920,224	
Amortisation of intangible assets	17 3,833,522	3,673,123	
Provision for expected credit losses	9 450,000	300,000	
Profit on sale of property, plant and equipment	6 (296,808)	(439,884)	
Provision for employees' end of service benefits	17 5,697,424	4,558,007	
Interest expense	18 46,463,865	48,880,926	
Interest income	18 (3,395,841)	(3,719,967)	
Operating profit before working capital changes	254,595,084	251,412,225	
<i>Working capital adjustments:</i>			
Inventories		23,463	496,911
Trade and other receivables		(23,403,178)	107,904,527
Trade and other payables		(28,155,527)	(120,812,451)
Cash flows from operating activities	203,059,842	239,001,212	
Employees' end of service benefits paid	(725,223)	(1,647,631)	
Net cash flows from operating activities	202,334,619	237,353,581	
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	6 (66,458,718)	(29,207,416)	
Acquisition of a subsidiary, net of cash acquired		-	(8,001,169)
Proceeds from disposal of property, plant and equipment	6 309,000	465,000	
Payment towards capital work in progress		(15,731,284)	(18,543,154)
Interest received		5,873,667	8,600,406
Net cash flows used in investing activities	(76,007,335)	(46,686,333)	
FINANCING ACTIVITIES			
Proceeds from interest bearing loans		7,500,000	60,949,282
Repayments of interest bearing loans		(86,489,744)	(104,945,128)
Payments of lease liability		(8,735,420)	(5,462,142)
Interest paid		(51,462,708)	(48,880,926)
Dividends paid	13 (111,345,981)	(99,625,352)	
Net cash flows used in financing activities	(250,533,853)	(197,964,266)	
NET DECREASE IN CASH AND CASH EQUIVALENTS	(124,206,569)	(7,297,018)	
Cash and cash equivalents at beginning of period	426,840,672	351,816,004	
CASH AND CASH EQUIVALENTS AT END OF PERIOD	302,634,103	344,518,986	

The attached notes 1 to 20 form part of these interim condensed consolidated financial statements.

Gulf Warehousing Company Q.P.S.C.

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

1 CORPORATE INFORMATION

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 at the Ministry of Commerce and Industry 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 was changed from Gulf Warehousing Company Q.S.C. to Gulf Warehousing Company Q.P.S.C. during the year ended 31 December 2016 so as to comply with the Article 16 of the 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 interim condensed consolidated financial statements comprise the Company and its subsidiaries (collectively referred as the "Group" and individually as the "Group entities").

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.

Details of the Company's operational subsidiaries are as follows:

<i>Name of entities</i>	<i>Country of incorporation</i>	<i>Principal activity</i>	<i>Ultimate ownership interest</i>	
			<i>30 June 2019</i>	<i>31 December 2018</i>
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%
GWC Logistics Holding L.L.C.	State of Qatar	Logistics and freight forwarding	100%	100%
Qontrac Global Logistics B.V.	Netherlands	Logistics and freight forwarding	100%	100%
GWC Marine Services W.L.L	State of Qatar	Marine services	100%	100%
LEDD Technologies W.L.L.	State of Qatar	Information technology services	100%	100%
Prime Shipping Services W.L.L	State of Qatar	Shipping services	100%	100%
Qontrac Shipping Services W.L.L.	State of Qatar	Shipping services	100%	100%
GWC Shipping Services W.L.L.	State of Qatar	Shipping services	100%	-

Details of the Company's non-operational subsidiaries are as follows:

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 Express W.L.L.	State of Qatar	Courier services	100%	100%
GWC Sea Freight W.L.L.	State of Qatar	Shipping Services	100%	100%
Prime Container Services W.L.L.	State of Qatar	Shipping services	100%	-
LEDD Technologies India Pvt. Ltd.	India	Information technology services	100%	-

Gulf Warehousing Company Q.P.S.C.

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

2 BASIS OF PREPARATION

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

The interim condensed consolidated financial statements have been presented in Qatar Riyals ("QR"), which is the functional and presentation currency of the Group.

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

These condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 21 July 2019.

3 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2018, except for the adoption of new standards effective as of 1 January 2019. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The Group applied, for the first time, IFRS 16 Leases that requires restatement of previous financial statements. As required by IAS 34, the nature and effect of these changes are disclosed below.

Several other amendments and interpretations apply for the first time in 2019, but do not have an impact on the interim condensed consolidated financial statements of the Group.

IFRS 16 Leases

IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

Lessor accounting under IFRS 16 is substantially unchanged under IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 did not have an impact for leases where the Group is the lessor.

The Group adopted IFRS 16 using the full retrospective method of adoption with the date of initial application of 1 January 2019. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

Gulf Warehousing Company Q.P.S.C.

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

3 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP (CONTINUED)

IFRS 16 Leases (continued)

a) Nature of the effect of adoption on IFRS 16

Impact on the statement of financial position (increase/(decrease)):

	<i>31 December 2018 QR</i>	<i>1 January 2018 QR</i>
Assets		
Right-of-use assets	339,175,722	361,027,257
Property, plant and equipment	(105,989,966)	(110,807,692)
Prepayments	<u>(5,296,829)</u>	<u>(4,752,000)</u>
Total assets	<u>227,888,927</u>	<u>245,467,565</u>
Liabilities		
Lease liabilities	296,635,452	304,272,926
Total liabilities	<u>296,635,452</u>	<u>304,272,926</u>
Total adjustment on equity		
Retained Earnings	<u>(68,746,525)</u>	<u>(58,805,361)</u>

Impact on the statement of profit or loss (increase/(decrease)) for the three months and six months periods ended 30 June 2018:

	<i>For the three month period ended 30 June 2018 Amount QR</i>	<i>For the six month period ended 30 June 2018 Amount QR</i>
Depreciation expense (included in Cost of sales)	(4,255,681)	(8,511,362)
Rent expense (included in Cost of sales and Administrative expenses)	<u>5,019,170</u>	<u>10,038,340</u>
Operating profit	763,489	1,526,978
Finance costs	<u>(3,248,878)</u>	<u>(6,497,756)</u>
Profit for the period	<u>(2,485,389)</u>	<u>(4,970,778)</u>
Attributable to:		
Equity holders of the parent	<u>(2,485,389)</u>	<u>(4,970,778)</u>

Impact on the statement of cash flows (increase/(decrease)) for the six-month period ended 30 June 2018:

	<i>Amount QR</i>
Net cash flows from operating activities	<u>11,863,639</u>
Net cash flows from financing activities	<u>(11,863,639)</u>

There is no impact on other comprehensive income and no material impact on the basic and diluted EPS.

Gulf Warehousing Company Q.P.S.C.

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

3 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP (CONTINUED)

IFRS 16 Leases (continued)

a) Nature of the effect of adoption on IFRS 16 (continued)

The Group has lease contracts for various items of vehicles and properties. Before the adoption of IFRS 16, the Group classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Group; otherwise it was classified as an operating lease. Finance leases were capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between interest (recognised as finance costs) and reduction of the lease liability. In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognised under Prepayments and Trade and other payables, respectively.

Upon adoption of IFRS 16, the Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the Group. The Group recognised lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. In accordance with the full retrospective method of adoption, the Group applied IFRS 16 at the date of initial application as if it had already been effective at the commencement date of existing lease contracts. Accordingly, the comparative information in this interim condensed consolidated financial statement has been restated.

As at 31 December 2018:

- Right-of-use assets of QR 339,175,722 were recognised and presented separately in the statement of financial position. Lease assets recognised previously under finance leases of QR 105,989,966 and included under Property, plant and equipment were adjusted.
- Additional lease liabilities of QR 296,635,452 were recognised and presented separately in the statement of financial position.
- Prepayments of QR 5,296,829 related to previous operating leases were derecognised.
- The net effect of these adjustments amounting to QR 68,746,525 had been adjusted to Retained earnings.

For the six months period ended 30 June 2018:

- Depreciation expense increased by QR 8,511,362 relating to the depreciation of additional assets recognised (i.e., increase in right-of-use assets, net of decrease in Property, plant and equipment).
- Rent expense decreased by QR 10,038,340 relating to previous operating leases.
- Finance costs increased by QR 6,497,756 relating to the interest expense on additional lease liabilities recognised.
- Cash outflows from operating activities decreased by QR 11,863,639 and cash outflows from financing activities increased by the same amount, representing the payments for the principal portion of recognised lease liabilities.

For the three months period ended 30 June 2018:

- Depreciation expense increased by QR 4,255,681 relating to the depreciation of additional assets recognised (i.e., increase in right-of-use assets, net of decrease in Property, plant and equipment).
- Rent expense decreased by QR 5,019,170 relating to previous operating leases.
- Finance costs increased by QR 3,248,878 relating to the interest expense on additional lease liabilities recognised.

Gulf Warehousing Company Q.P.S.C.

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

3 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP (CONTINUED)

IFRS 16 Leases (continued)

b) Amounts recognised in the statement of financial position and statement of profit or loss and other comprehensive income

Set out below, are the carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the period:

	<i>Right-of-use assets</i>		
	<i>Land</i> <i>QR</i>	<i>Building</i> <i>QR</i>	<i>Total</i> <i>QR</i>
As at 31 December 2018	316,153,215	23,022,507	339,175,722
Additions	-	482,032	482,032
Depreciation expense	(7,187,551)	(5,123,079)	(12,310,630)
As at 30 June 2019	308,965,664	18,381,460	327,347,124
			<i>Lease</i> <i>liabilities</i> <i>QR</i>
As at 31 December 2018			296,635,452
Additions			482,032
Interest expense			6,276,005
Payments			(15,011,425)
As at 30 June 2019			288,382,064
Current portion			15,904,281
Non-current portion			272,477,783

The Group recognised rent expense from short-term leases of QR 200,620 for the six months period ended 30 June 2019.

c) Summary of new accounting policies – IFRS 16

Set out below are the new accounting policies of the Group upon adoption of IFRS 16, which have been applied from the date of initial application:

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in- substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

Gulf Warehousing Company Q.P.S.C.

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

3 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP (CONTINUED)

IFRS 16 Leases (continued)

c) Summary of new accounting policies – IFRS 16 (continued)

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below QR 20,000 (€5,000)). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases to lease the assets for additional terms. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

4 USE OF JUDGEMENTS AND ESTIMATES

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

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the last annual consolidated financial statements, except for new significant judgements and key sources of estimation uncertainty related to the application of IFRS 16, which is described in Note 3.

Measurement of fair values

The Group has an established control framework with respect to the measurement of fair values. The Group's Chief Financial Officer (CFO) has overall responsibility for overseeing all significant fair value measurements, and reports significant valuation issues directly to the Group's Internal Audit Committee. The CFO regularly reviews valuation adjustments. If third party information is used to measure fair values, then the CFO assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS.

Management believes that as at the reporting date the fair values of the Group's financial assets and liabilities approximated their carrying amounts.

Gulf Warehousing Company Q.P.S.C.

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

5 SEGMENTAL INFORMATION

The Group has the following four 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 table below sets out the operations of each reporting segments.

<i>Reportable segments</i>	<i>Operations</i>
Logistics operations	Storage, handling, packing and transportation
Freight forwarding	Freight services through land, air and sea
Rentals	Rental income
Others	Fixed deposit income and other

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.

The following table presents revenue and profit information regarding the Group's operating segments for the six month period ended:

<i>Revenue / profit</i>	<i>30 June 2019</i> (Reviewed)			<i>30 June 2018</i> (Reviewed)		
	<i>Segment revenue</i>		<i>Segment</i>	<i>Segment revenue</i>		<i>Segment</i>
	<i>External</i>	<i>Inter- segment</i>	<i>profit</i>	<i>External</i>	<i>Inter- segment</i>	<i>profit (Restated)</i>
	<i>QR</i>	<i>QR</i>	<i>QR</i>	<i>QR</i>	<i>QR</i>	<i>QR</i>
Logistics operations	389,693,010	29,180,173	104,444,684	385,173,409	23,326,988	89,497,657
Freight forwarding	205,703,277	11,882,235	10,252,419	236,884,711	10,900,523	10,872,495
Rentals	4,188,888	-	4,057,488	7,237,968	-	6,471,168
Others	-	-	3,779,804	-	-	3,850,156
	599,585,175	41,062,408	122,534,395	629,296,088	34,227,511	110,691,476

The following table presents the assets and liabilities of the Group's operating segments as at:

<i>Assets / liabilities</i>	<i>30 June 2019</i> (Reviewed)			<i>31 December 2018</i> (Audited) (Restated)	
	<i>Segment</i>		<i>Segment</i>	<i>Segment</i>	<i>Segment</i>
	<i>assets</i>	<i>liabilities</i>	<i>assets</i>	<i>liabilities</i>	<i>assets</i>
	<i>QR</i>	<i>QR</i>	<i>QR</i>	<i>QR</i>	<i>QR</i>
Logistics operations	3,424,193,745	1,980,461,177	3,410,570,600	2,101,197,984	
Freight forwarding	185,621,370	77,985,044	177,081,533	75,725,282	
Rentals	37,522,065	-	37,522,065	-	
Others	168,447,796	86,005,364	295,176,940	82,898,931	
	3,815,784,976	2,144,451,585	3,920,351,138	2,259,822,197	

Gulf Warehousing Company Q.P.S.C.

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

6 PROPERTY, PLANT AND EQUIPMENT

Acquisitions

During the six-month period ended 30 June 2019, the Group acquired assets with a cost of QR 66,458,718 (six-month period ended 30 June 2018: QR 29,207,416) to meet increased operational requirements of the Group.

Transfers

During the six-month period ended 30 June 2019, buildings and equipment with a cost of QR 10,396,414 (six-month period ended 30 June 2018: QR 743,636,871) were transferred to Property, plant and equipment from Capital work-in-progress (Note 7).

Disposals

During the six-month period ended 30 June 2019, the Group disposed assets with a cost of QR 3,574,021 having a carrying value of QR 12,192 resulting to a profit on disposal of QR 296,808 (six-month period ended 30 June 2018: the Group disposed assets with a cost of QR 6,446,485 having carrying value of QR 25,116 resulting to a profit on disposal of QR 439,884).

During the period, the Group has reviewed the residual values and the useful lives of property, plant and equipment. Accordingly, the residual value of Motor vehicles and warehouse equipment pertaining to the Qatar operations was increased to 15% -20% as a percentage of the cost. Further, useful lives of buildings were revised from 25 years to a range of 25 to 30 years.

The effect of changes relating to the useful lives and the residual values has been recognised prospectively. If the Group had continued with the useful lives and the residual values as estimated during the previous years, the depreciation charged to the statement of comprehensive income would have been increased by QR 9,661,257 for the six-months ended 30 June 2019, and the carrying value of such fixed assets would have been decreased by the same amount. It is not practicable to quantify the effects on future period.

7 CAPITAL WORK-IN-PROGRESS

Capital work-in-progress represents the cost of assets under construction that are not available for use as at the reporting date. Capital work-in-progress comprises mainly the construction work in relation to Ras Laffan project and certain final completion work related to the Logistic Village Qatar Phase 5 and Bu-sulba projects. Upon completion, these assets are transferred to Property, plant and equipment (Note 6).

The amount of borrowing costs capitalized during the six month period ended 30 June 2019 was QR 54,689 (Six month period ended 30 June 2018: QR 1,416,181). The weighted average rate used to determine the amount of borrowing costs eligible for capitalization was 4.7% per annum, which was the effective interest rate of the specific borrowing.

8 INVESTMENT PROPERTY

	<i>30 June 2019 QR (Reviewed)</i>	<i>31 December 2018 QR (Audited)</i>
Balance as at 1 January	37,522,065	37,397,470
Fair value gain	-	124,595
Balance as at end of the period/year	37,522,065	37,522,065

The Investment property comprises buildings. The management is of the view that the fair value as at 30 June 2019 is not materially different from the fair value determined as of 31 December 2018.

Gulf Warehousing Company Q.P.S.C.

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

9 TRADE AND OTHER RECEIVABLES

	<i>30 June 2019 QR (Reviewed)</i>	<i>31 December 2018 QR (Audited) (Restated)</i>
Trade receivables	366,130,987	278,511,715
Less: Provision for expected credit losses	<u>(52,069,615)</u>	<u>(51,619,615)</u>
Trade receivables, net	314,061,372	226,892,100
Advances to suppliers	28,699,270	12,462,913
Accrued revenue	22,505,814	87,368,354
Prepayments	50,128,939	67,269,571
Other receivables	<u>19,616,448</u>	<u>20,927,517</u>
	<u>435,011,843</u>	<u>414,920,455</u>

Set out below is the movement in the provision for expected credit losses of trade receivables:

	<i>30 June 2019 QR (Reviewed)</i>	<i>31 December 2018 QR (Audited)</i>
At 1 January (Audited)	51,619,615	24,493,445
Adjustment on initial application of IFRS 9	<u>-</u>	<u>34,550,064</u>
At 1 January under IFRS 9	51,619,615	59,043,509
Amount collected against provision	-	(1,523,894)
Provision for expected credit losses made (reversed) for the period/year (Note 17)	<u>450,000</u>	<u>(5,900,000)</u>
Balance as at end of the period/year	<u>52,069,615</u>	<u>51,619,615</u>

10 CASH AND CASH EQUIVALENTS

	<i>30 June 2019 QR (Reviewed)</i>	<i>31 December 2018 QR (Audited)</i>
Cash in hand	1,370,911	1,984,460
Cash at bank - current accounts (1)	126,748,330	127,860,204
Cash at bank – short-term deposit accounts (2)	155,000,000	280,000,000
Cash at bank – restricted short-term deposit accounts (3)	<u>19,514,862</u>	<u>16,996,008</u>
	<u>302,634,103</u>	<u>426,840,672</u>

- (1) Current account earns 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 short-term deposit accounts include dividends declared but not yet claimed by the Company's shareholders.

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

11 SHARE CAPITAL

	<i>30 June 2019 (Reviewed)</i>	<i>31 December 2018 (Audited)</i>		
	No. of Shares (i) <i>QR</i>	Value <i>QR</i>	No. of Shares (i) <i>QR</i>	Value <i>QR</i>
<i>Authorized, issued and fully paid:</i>				
Ordinary shares of QR 10 each	58,603,148	586,031,480	58,603,148	586,031,480

(i) Stock split

On 4 February 2019, the Extraordinary General Meeting of the Group approved the reduction of the par value of the ordinary share from QR 10 to QR 1, as per the instruction of Qatar Financial Markets Authority. The Qatar Financial Markets Authority (QFMA) announced that the enforcement date of the decision of stock split of the companies listed at Qatar Stock Exchange (QSE) is on 9 June 2019 and the decision of the stock split shall be enforced during the period of 9 June to 7 July 2019. On 4 July 2019, the Qatar Stock Exchange announced that the share split of the Company has been executed and the listing of the new shares in Stock Exchange was effective from 7 July 2019. Accordingly, the total number of shares of the Company, subsequently, has increased from 58,603,148 to 586,031,480.

12 LEGAL RESERVE

In accordance with 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. Share premium collected from the issuance of new shares is also transferred to the legal reserve. The legal reserve is not available for distribution, except in circumstances specified in the above mentioned Law.

13 DIVIDENDS

A dividend of QR 111,345,981 (QR 1.9 per share) was proposed by the Board of Directors in respect of the Group profit for the year ended 31 December 2018, which was approved by the Company's shareholders at the Company's Annual General Meeting held on 4 February 2019.

A dividend of QR 99,625,352 (QR 1.7 per share) was proposed by the Board of Directors in respect of the Group profit for the year ended 31 December 2017, which was approved by the Company's shareholders at the Company's Annual General Meeting held on 5 February 2018.

14 INTEREST BEARING LOANS

	<i>30 June 2019 QR (Reviewed)</i>	<i>31 December 2018 QR (Audited)</i>
LVQ term loans	778,038,787	846,478,857
Bu-sulba term loans	761,922,049	777,659,639
Other project loans	64,975,395	59,787,479
	1,604,936,231	1,683,925,975

The loans are secured against the buildings and other tangible assets capitalized under property, plant and equipment.

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

14 INTEREST BEARING LOANS (CONTINUED)

The interest-bearing loans are presented in the condensed consolidated statement of financial position as follows:

	<i>30 June 2019 QR (Reviewed)</i>	<i>31 December 2018 QR (Audited)</i>
Current portion	266,330,995	221,587,069
Non-current portion	<u>1,338,605,236</u>	<u>1,462,338,906</u>
	<u>1,604,936,231</u>	<u>1,683,925,975</u>

15 RELATED PARTY DISCLOSURES

Related parties represent associated companies, major shareholders, directors and key management personnel of the Company, 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 profit or loss and other comprehensive income are as follows:

<i>Nature of relationship</i>	<i>Nature of transactions</i>	<i>For the six month period ended 30 June</i>	
		<i>2019 QR (Reviewed)</i>	<i>2018 QR (Reviewed)</i>
Agility network	Affiliate	Revenue	<u>3,750,613</u>
Agility network	Affiliate	Purchase of services	<u>15,034,116</u>

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

	<i>Nature of relationship</i>	<i>30 June 2019 QR (Reviewed)</i>	<i>31 December 2018 QR (Audited)</i>
Receivable from Agility network	Affiliate	<u>556,949</u>	2,104,614
Payable to Agility network	Affiliate	<u>3,332,145</u>	7,911,523
Payable to Prompt International W.L.L.	Affiliate	<u>249,676</u>	13,200
Payable to Al Bateel Travel	Affiliate	<u>-</u>	311,310

Compensation of key management personnel

The remuneration of the Board of Directors and members of key management during the period is as follows:

<i>Short-term benefits</i>	<i>For the six month period ended 30 June</i>	
	<i>2019 QR (Reviewed)</i>	<i>2018 QR (Reviewed)</i>
Key management remuneration	1,258,642	1,200,000
Board of Directors' remuneration	<u>4,800,000</u>	4,650,000
Employees' end of service benefits	<u>75,000</u>	141,362

Gulf Warehousing Company Q.P.S.C.

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

16 REVENUE

The Group derives its revenue from contracts with customers for the transfer of goods and services over time and at a point in time in the following major revenue streams. This is consistent with the revenue information that is disclosed for each reportable segment (See Note 5).

	For the three month period ended 30 June		For the six month period ended 30 June	
	2019	2018	2019	2018
	QR (Reviewed)	QR (Reviewed)	QR (Reviewed)	QR (Reviewed)
Revenue from contracts with customer				
Rental income from investment property	293,803,513	310,413,901	595,396,287	622,058,120
Revenue	2,094,444	3,618,984	4,188,888	7,237,968
	295,897,957	<u>314,032,885</u>	599,585,175	<u>629,296,088</u>

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets, major products and service lines and timing of revenue recognition.

	For the three month period ended 30 June		For the six month period ended 30 June	
	2019	2018	2019	2018
	QR (Reviewed)	QR (Reviewed)	QR (Reviewed)	QR (Reviewed)
Revenue from contracts with customer				
Logistics operations	193,572,990	187,526,502	389,693,010	385,173,409
Freight forwarding	100,230,523	122,887,399	205,703,277	236,884,711
	293,803,513	<u>310,413,901</u>	595,396,287	<u>622,058,120</u>
Primary geographical markets				
Local operations	275,129,924	282,729,773	559,287,580	587,947,421
Foreign operations	18,673,589	27,684,128	36,108,707	34,110,699
	293,803,513	<u>310,413,901</u>	595,396,287	<u>622,058,120</u>
Major products and service lines				
Warehouse management services	150,232,636	136,819,022	301,266,228	299,999,240
Records management systems	13,631,796	14,442,867	30,048,348	29,234,898
Transport services	19,718,699	31,257,920	37,889,879	38,675,987
Freight forwarding services	92,285,833	117,042,119	189,473,054	224,542,886
International move and relocation services	9,989,859	5,006,693	20,488,555	17,263,284
Courier services	7,944,690	5,845,280	16,230,223	12,341,825
	293,803,513	<u>310,413,901</u>	595,396,287	<u>622,058,120</u>
Timing of revenue recognition				
Products and services transferred over time	193,572,990	187,526,502	389,693,010	385,173,409
Products transferred at a point in time	100,230,523	122,887,399	205,703,277	236,884,711
	293,803,513	<u>310,413,901</u>	595,396,287	<u>622,058,120</u>

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

16 REVENUE (CONTINUED)

Disaggregation of revenue from contracts with customers (continued)

Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

	For the three month period ended 30 June 2019 (Reviewed)		For the six month period ended 30 June 2018 (Reviewed)	
	Logistics operations QR	Freight forwarding QR	Logistics operations QR	Freight forwarding QR
Revenue				
External customer	193,572,990	100,230,523	187,526,502	122,887,399
Inter-segment	13,817,414	5,716,086	10,284,485	2,987,775
	207,390,404	105,946,609	197,810,987	125,875,174
Adjustments and eliminations	(13,817,414)	(5,716,086)	(10,284,485)	(2,987,775)
	193,572,990	100,230,523	187,526,502	122,887,399

	For the three month period ended 30 June 2019 (Reviewed)		For the six month period ended 30 June 2018 (Reviewed)	
	Logistics operations QR	Freight forwarding QR	Logistics operations QR	Freight forwarding QR
Revenue				
External customer	389,693,010	205,703,277	385,173,409	236,884,711
Inter-segment	29,180,173	11,882,235	23,326,988	10,900,523
	418,873,183	217,585,512	408,500,397	247,785,234
Adjustments and eliminations	(29,180,173)	(11,882,235)	(23,326,988)	(10,900,523)
	389,693,010	205,703,277	385,173,409	236,884,711

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17 EXPENSES BY NATURE

	For the three month period ended 30 June		For the six month period ended 30 June	
	2019 QR	2018 QR (Reviewed) (Restated)	2019 QR	2018 QR (Reviewed) (Restated)
	(Reviewed)	(Restated)	(Reviewed)	(Restated)
Freight forwarding charges	63,225,358	93,821,505	133,298,026	182,606,516
Staff cost (i)	63,747,070	55,794,562	123,044,640	110,992,444
Depreciation of property, plant and equipment	30,522,626	38,450,206	66,997,897	76,548,320
Logistic costs	12,891,008	1,637,806	27,964,144	18,042,272
Repairs and maintenance	9,485,282	9,277,831	19,290,985	18,113,794
Water and electricity	7,707,457	8,462,067	15,347,264	17,198,118
Depreciation of right-of-use-assets	6,185,442	5,460,112	12,310,630	10,920,224
Fuel cost	3,944,445	3,990,758	7,374,210	7,491,146
Board of Directors' remuneration	2,400,000	2,325,000	4,800,000	4,650,000
Insurance cost	1,972,665	1,583,687	4,091,601	3,290,714
Amortization of intangible assets	1,918,154	1,836,562	3,833,522	3,673,123
Legal and professional fees	1,440,158	1,116,935	2,621,103	2,727,734
Communication and postage	627,011	594,936	1,260,763	1,185,731
Manpower subcontract charges	764,226	1,716,153	1,333,776	2,193,912
Travelling expenses	148,110	718,355	531,458	997,394
Advertisement expenses	107,972	257,137	416,527	476,826
Provision made for impairment of trade receivables (Note 9)	225,000	300,000	450,000	300,000
Rent expense	181,120	1,421,250	200,620	1,421,250
Miscellaneous expenses	4,728,263	5,581,474	10,031,330	11,635,002
	212,221,367	234,346,336	435,198,496	474,464,520

(i) Staff cost includes a provision for employees' end of service benefits for the three month period ended 30 June 2019 QR 1,889,103 and for the six month period ended 30 June 2019 QR 5,697,424 (For the three month period ended 2018: QR 1,762,545 and for the six month period ended 2018: QR 4,558,007)

The above expenses are presented in the interim condensed consolidated statement of profit or loss and other comprehensive income as follows:

	For the three month period ended 30 June		For the six month period ended 30 June	
	2019 QR	2018 QR (Reviewed) (Restated)	2019 QR	2018 QR (Reviewed) (Restated)
	(Reviewed)	(Restated)	(Reviewed)	(Restated)
Cost of sales	183,480,089	206,641,806	378,170,838	417,845,961
General and administrative expenses	28,741,278	27,704,530	57,027,658	56,618,559
	212,221,367	234,346,336	435,198,496	474,464,520

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18 FINANCE COSTS, NET

	For the three month period ended 30 June		For the six month period ended 30 June	
	30 June 2019	30 June 2018	30 June 2019	30 June 2018
	QR	QR	QR	QR
Interest income on bank deposits	(1,513,526)	(1,629,937)	(3,395,841)	(3,719,967)
Interest expense on bank loans	20,149,215	22,171,624	40,187,860	42,383,170
Interest expense on lease liabilities	<u>3,143,186</u>	<u>3,248,878</u>	<u>6,276,005</u>	<u>6,497,756</u>
	<u>21,778,875</u>	<u>23,790,565</u>	<u>43,068,024</u>	<u>45,160,959</u>

19 EARNINGS PER SHARE

The calculation of basic earnings per share ('EPS') is arrived by dividing the profit attributable to the owners of the parent Company for the period by the weighted average number of ordinary shares outstanding during the period.

	For the three month period ended 30 June		For the six month period ended 30 June	
	2019	2018	2019	2018
	QR	QR	QR	QR
(Reviewed)	(Reviewed)	(Restated)	(Reviewed)	(Restated)
Profit for the period attributable to equity holder of the parent	<u>62,987,316</u>	<u>56,470,709</u>	<u>122,534,395</u>	<u>110,691,476</u>
Weighted average number of shares outstanding during the period (i)	<u>586,031,480</u>	<u>586,031,480</u>	<u>586,031,480</u>	<u>586,031,480</u>
Basic and diluted earnings per share (expressed in QR per share)	<u>0.11</u>	<u>0.10</u>	<u>0.21</u>	<u>0.19</u>

For purpose of calculating earnings per share, weighted average number of shares outstanding have been adjusted consequent to the share split disclosed in Note 11.

Diluted earnings per share

As the parent has no potential dilutive shares, the diluted EPS equals to the basic EPS.

20 COMMITMENTS AND CONTINGENT LIABILITIES

	30 June 2019	31 December 2018
	QR	QR
(Reviewed)	(Reviewed)	(Audited)
<i>(a) Commitments:</i>		
Capital commitments	<u>103,380,464</u>	<u>72,814,244</u>
<i>(b) Contingent liabilities:</i>		
Bank guarantees, corporate guarantees and documentary credits	<u>150,655,918</u>	<u>135,317,518</u>