AL TAYYAR TRAVEL GROUP HOLDING COMPANY
(A Saudi Joint Stock Company)
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2018
AND
INDEPENDENT AUDITORS' REVIEW REPORT

AL TAYYAR TRAVEL GROUP HOLDING COMPANY (A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

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Independent Auditors' Review Report

To the shareholders of Al Tayyar Travel Group Holding Company
(A Saudi Joint Stock Company)

Review of Interim Condensed Consolidated Financial Statements

We have reviewed the accompanying interim consolidated statement of financial position of **Al Tayyar Travel Group Holding Company** ("the Company") and its subsidiaries (the "Group') as of 31 March 2018 and the related interim consolidated statements of profit or loss and other comprehensive income, cash flows and changes in equity for the three-month period then ended, and a summary of significant accounting policies and other selected explanatory notes.

Management is responsible for the preparation and fair presentation of these interim condensed financial statements in accordance with International Accounting Standard 34 – ("IAS 34") *"Interim Financial Reporting"* endorsed in the Kingdom of Saudi Arabia.

Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, *"Review of Interim Condensed Financial Statements Performed by the Independent Auditor of the Entity"*, endorsed in the Kingdom of Saudi Arabia. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements do not present fairly, in all material respects, the interim consolidated financial position of the Group as at 31 March 2018, and of its interim consolidated financial performance and its interim consolidated cash flows for the three-month period then ended in accordance with IAS 34 endorsed in the Kingdom of Saudi Arabia.

For Dr. Mohamed Al-Amri & Co.

Gihad Al-Amri
Certified Public Accountant
Registration No. 362

May 7, 2018 (G)
21 Shaban, 1439 (H)

AL TAYYAR TRAVEL GROUP HOLDING COMPANY (A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018
(SAUDI RIYALS)

	Note	31 March 2018 (Un-audited)	31 December 2017 (Audited)
ASSETS			
Non-current			
Property and equipment		**3,402,066,815**	3,384,064,647
Capital work in progress		**140,539,968**	132,147,360
Capital work in progress – recoverable on disposal		**359,747,097**	359,747,097
Intangible assets and goodwill		**169,675,656**	168,796,890
Investment properties		**1,055,024,807**	1,058,975,801
Investments in equity-accounted associates	7	**891,061,098**	921,489,825
Deferred tax assets		**5,532,537**	4,445,627
		6,023,647,978	6,029,667,247
Current			
Trade and other receivables	8	**2,049,688,458**	1,883,708,123
Due from related parties		**236,988,451**	173,185,170
Prepayments and advances		**319,028,627**	295,016,153
Cash and cash equivalents	9	**835,099,476**	981,198,632
		3,440,805,012	3,333,108,078
TOTAL ASSETS		**9,464,452,990**	9,362,775,325
EQUITY AND LIABILITIES			
Equity			
Equity attributable to owners of the parent:			
Share capital	10	**2,096,500,000**	2,096,500,000
Share premium		**707,345,000**	707,345,000
Statutory reserve		**628,950,000**	628,950,000
Other reserves		**15,345,010**	7,998,371
Retained earnings		**2,556,785,234**	2,594,564,298
		6,004,925,244	6,035,357,669
Non-controlling interests		**1,744,054**	9,340,498
TOTAL EQUITY		**6,006,669,298**	6,044,698,167
LIABILITIES			
Non-current			
Loans and borrowings	11	**816,669,355**	880,433,761
Employees' benefits		**100,544,448**	98,169,751
Deferred tax liabilities		**3,579,923**	4,548,751
		920,793,726	983,152,263
Current			
Bank overdraft		**24,033,326**	10,399,165
Loans and borrowings	11	**737,448,783**	497,429,810
Employees' benefits		**5,105,138**	1,870,896
Zakat and tax liabilities		**55,066,094**	46,551,046
Trade and other payables		**1,338,227,280**	1,295,968,242
Due to related parties		**3,961,257**	92,057,947
Contract liabilities		**348,148,088**	365,647,789
Provisions		**25,000,000**	25,000,000
		2,536,989,966	2,334,924,895
TOTAL LIABILITIES		**3,457,783,692**	3,318,077,158
TOTAL EQUITY AND LIABILITIES		**9,464,452,990**	9,362,775,325

Majed Aydeh Al Nifaie (Board Member) | **Abdullah Nasser Al Dawood** (CEO) | **Yousif Mousa Yousif** (Group CFO)

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

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2018
(SAUDI RIYALS)

	Note	Three months ended 31 March 2018	31 March 2017
Revenue	13	**481,705,944**	466,620,428
Cost of revenue		**(126,221,895)**	(120,028,982)
Gross profit		**355,484,049**	346,591,446
Selling expenses		**(88,803,469)**	(73,148,937)
Administrative expenses		**(123,018,920)**	(104,077,834)
Impairment loss on trade receivables	8	**(11,382,981)**	-
Other expenses, net		**892,661**	(3,344,052)
Operating profit		**133,171,340**	166,020,623
Finance income		**5,392,069**	8,064,929
Finance costs		**(16,383,851)**	(9,029,400)
Net finance cost		**(10,991,782)**	(964,471)
Loss on disposal of subsidiaries		-	(607,355)
Recognized foreign currency loss on disposal of subsidiaries		-	(1,535,132)
Impairment loss on equity-accounted investees, net of tax		**(6,419,483)**	-
Share of loss on equity-accounted investees, net of tax		**(24,009,244)**	(20,911,223)
Profit before Zakat and tax		**91,750,831**	142,002,442
Zakat and income tax expense		**(9,444,539)**	(7,630,359)
Profit for the period		**82,306,292**	134,372,083
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability		-	-
		-	-
Items that are or may be reclassified subsequently to profit or loss			
Foreign operations – foreign currency translation differences	10	**8,871,120**	11,414,009
Other comprehensive income, net of tax		**8,871,120**	11,414,009
Total comprehensive income		**91,177,412**	145,786,092
Profit attributable to:			
Owners of the parent		**85,572,427**	136,729,393
Non-controlling interests		**(3,266,135)**	(2,357,310)
		82,306,292	134,372,083
Total comprehensive income attributable to:			
Owners of the parent		**94,443,547**	148,143,402
Non-controlling interests		**(3,266,135)**	(2,357,310)
		91,177,412	145,786,092
Earnings per share			
Basic and diluted earnings per share	14	**0.41**	0.65

Majed Aydeh Al Nifaie (Board Member)   **Abdullah Nasser Al Dawood** (CEO)   **Yousif Mousa Yousif** (Group CFO)

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

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2018
(Saudi Riyals)

					Other reserves							
	Note	Share Capital	Share premium	Statutory reserve	Translation reserve	Staff general fund reserve	Charity fund reserve	Total	Retained earnings	Total attributable to the owners of the parent	Non-controlling interests	Total Equity
Balance at 1 January 2018, as previously reported		2,096,500,000	707,345,000	628,950,000	(115,475,080)	88,054,182	35,419,269	7,998,371	2,594,564,298	6,035,357,669	9,340,498	6,044,698,167
Effect of transition to IFRS 9	6	-	-	-	-	-	-	-	(18,526,491)	(18,526,491)	-	(18,526,491)
Balance at 1 January 2018, adjusted		2,096,500,000	707,345,000	628,950,000	(115,475,080)	88,054,182	35,419,269	7,998,371	2,576,037,807	6,016,831,178	9,340,498	6,026,171,676
Profit for the period		-	-	-	-	-	-	-	85,572,427	85,572,427	(3,266,135)	82,306,292
Other comprehensive income for the period	10	-	-	-	8,871,120	-	-	8,871,120	-	8,871,120	-	8,871,120
Total comprehensive income		-	-	-	8,871,120	-	-	8,871,120	85,572,427	94,443,547	(3,266,135)	91,177,412
Transferred to statutory reserve		-	-	-	-	-	-	-	-	-	-	-
Net movement of staff general fund reserve		-	-	-	-	(192,750)	-	(192,750)	-	(192,750)	-	(192,750)
Net movement of charity fund reserve		-	-	-	-	-	(1,331,731)	(1,331,731)	-	(1,331,731)	-	(1,331,731)
Transactions with shareholders												
Dividends	10	-	-	-	-	-	-	-	(104,825,000)	(104,825,000)	(4,330,309)	(109,155,309)
Changes in ownership interests												
Disposal of subsidiary with NCI		-	-	-	-	-	-	-	-	-	-	-
Balance at 31 March 2018		2,096,500,000	707,345,000	628,950,000	(106,603,960)	87,861,432	34,087,538	15,345,010	2,556,785,234	6,004,925,244	1,744,054	6,006,669,298

Majed Aydeh Al Nifaie (Board Member)

Abdullah Nasser Al Dawood (CEO)

Yousif Mousa Yousif (Group CFO)

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

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2018

(Saudi Riyals)

					Other reserves							
	Note	Share Capital	Share premium	Statutory reserve	Translation reserve	Staff general fund reserve	Charity fund reserve	Total	Retained earnings	Total attributable to the owners of the parent	Non-controlling interests	Total equity
Balance at 1 January 2017		2,096,500,000	707,345,000	618,485,496	(141,684,337)	88,054,182	35,419,269	(18,210,886)	2,197,536,615	5,601,656,225	31,579,793	5,633,236,018
Profit for the period		-	-	-	-	-	-	-	136,729,393	136,729,393	(2,357,310)	134,372,083
Other comprehensive income for the period	10	-	-	-	11,414,009	-	-	11,414,009	-	11,414,009	-	11,414,009
Total comprehensive income		-	-	-	11,414,009	-	-	11,414,009	136,729,393	148,143,402	(2,357,310)	145,786,092
Transferred to statutory reserve		-	-	-	-	-	-	-	-	-	-	-
Net movement of staff general fund reserve		-	-	-	-	-	-	-	-	-	-	-
Net movement of charity fund reserve		-	-	-	-	-	-	-	-	-	-	-
Transactions with shareholders												
Dividends	10	-	-	-	-	-	-	-	-	-	-	-
Changes in ownership interests												
Disposal of subsidiary with NCI		-	-	-	1,535,132	-	-	1,535,132	-	1,535,132	(295,144)	1,239,988
Balance at 31 March 2017		2,096,500,000	707,345,000	618,485,496	(128,735,196)	88,054,182	35,419,269	(5,261,745)	2,334,266,008	5,751,334,759	28,927,339	5,780,262,098

Majed Aydeh Al Nifaie (Board Member)

Abdullah Nasser Al Dawood (CEO)

Yousif Mousa Yousif (Group CFO)

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

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2018
(Saudi Riyals)

	Note	**31 March 2018**	31 March 2017
Cash flows from operating activities			
Profit before zakat and tax		**91,750,831**	142,002,442
Adjustments for:			
- Depreciation		**33,168,401**	26,855,315
- Amortization		**2,095,393**	2,498,255
- Impairment loss for trade receivables		**11,382,981**	-
- Net finance cost		**10,991,782**	964,471
- Loss on disposal of subsidiaries		**-**	607,355
- Impairment loss on equity-accounted investees, net of tax		**6,419,483**	-
- Share of loss on equity-accounted investees, net of tax		**24,009,244**	20,911,223
- Gain on sale of property and equipment		**(1,511,347)**	(516,437)
- Gain on sale of equity accounted investees		**-**	(1,397,539)
- Provision of employees' benefits		**5,567,581**	5,489,679
Changes in:			
- Trade and other receivables		**(197,019,245)**	(118,946,732)
- Prepayments and advances		**(24,012,474)**	(69,124,212)
- Related parties, net		**(151,899,971)**	(19,212,153)
- Trade and other payables		**55,941,755**	(315,819,404)
- Contract liabilities		**(17,499,701)**	24,364,993
Cash used in operating activities		**(150,615,287)**	(301,322,744)
Finance expense paid		**(27,801,154)**	(7,282,479)
Finance income received		**5,434,597**	22,781,523
Employees' benefits paid		**(3,192,884)**	(2,398,995)
Zakat and income taxes paid		**(929,491)**	(466,711)
Net cash used in operating activities		**(177,104,219)**	(288,689,406)
Cash flows from investing activities			
Proceeds from sale of property and equipment		**6,884,247**	10,489,825
Proceeds from sale of equity accounted investees		**-**	12,589,926
Disposal of intangible asset		**805,707**	-
Disposal of subsidiaries		**-**	(3,489,461)
Proceeds from disposal of subsidiaries		**-**	4,308,750
Acquisition of property and equipment		**(51,802,774)**	(18,645,979)
Acquisition of investment property		**-**	(706,046)
Acquisition of intangible assets		**(663,833)**	(836,361)
Acquisition of equity-accounted investees		**-**	(23,212,422)
Net movement in capital work in progress		**(8,392,608)**	(70,381,808)
Net cash used in investing activities		**(53,169,261)**	(89,883,576)
Cash flows from financing activities			
Proceeds from loans and borrowings		**637,453,663**	474,592,564
Repayment of loans and borrowings		**(461,199,096)**	(171,542,672)
Staff general fund reserve paid		**(192,750)**	-
Charity fund reserve paid		**(1,331,731)**	-
Net movement of non-controlling interests		**-**	(295,144)
Dividends paid		**(109,155,309)**	-
Net cash generated from financing activities		**65,574,777**	302,754,748
Net decrease in cash and cash equivalents		**(164,698,703)**	(75,818,234)
Cash and cash equivalents at 1 January		**970,799,467**	1,239,695,504
Effect of movements in exchange rates on cash held		**4,965,386**	11,633,740
Cash and cash equivalents at 31 March	9	**811,066,150**	1,175,511,010

Majed Aydeh Al Nifaie (Board Member) | **Abdullah Nasser Al Dawood** (CEO) | **Yousif Mousa Yousif** (Group CFO)

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

(Saudi Riyals)

1. LEGAL STATUS AND NATURE OF OPERATIONS

Al Tayyar Travel Group Holding Company (the 'Company') is a Saudi Joint Stock Company registered in Riyadh, Kingdom of Saudi Arabia under Commercial Registration No. 1010148039 dated 24/07/1418H corresponding to 24/11/1997. These interim condensed consolidated financial statements ("interim financial statements") comprise the Company and its subsidiaries (together referred to as the 'Group').

The Group is primarily involved in selling tickets for scheduled air travel services, tourism, cargo, transportation, Hajj and Umrah, arranging conference and events, education, chartered flights, furnished suites and hotels, shipping and other travel related products and services (refer operating segments note 16) through its 234 branches (31 March 2017: 235) inside and outside the Kingdom of Saudi Arabia.

The Company's registered address is:

P.O. Box 52660
Riyadh 11573
Kingdom of Saudi Arabia

1.1 Interest in subsidiaries

Name of subsidiary	Activities	Country of incorporation	31 March 2018	31 December 2017
National Travel and Tourism Bureau Limited (NTTB)	Travel and tourism business	KSA	**100%**	100%
Al Sarh Travel and Tourism Limited (ASTT)	Travel and tourism business	KSA	**80%**	80%
Al Tayyar International Air Transportation Agency Company Limited (ATI)	Travel and tourism business	KSA	**100%**	100%
Al Tayyar Holiday for Travel and Tourism Company Limited (ATH)	Travel and tourism business	KSA	**100%**	100%
Al Tayyar Travel, Tourism and Cargo Company Limited (ATC)	Travel and cargo business	KSA	**100%**	100%
Al Tayyar Holidays Travel Group Company (ATE)	Travel and tourism business	Egypt	**100%**	100%
Al Tayyar Cargo and Custom Clearance Company (ATCC)	Travel and cargo business	Egypt	**100%**	100%
E Al Tayyar Tourism Company (ATT)	Rent a car business	Egypt	**100%**	100%
E Al Tayyar Tours Company (ALC)	Rent a car business	Egypt	**100%**	100%
Nile Holidays Tourism Company (NALC)	Rent a car business	Egypt	**100%**	100%
Al Tayyar Rent A Car Company (ARC)	Rent a car business	Egypt	**100%**	100%
Lena Tours & Travel (LTT)	Travel and tourism business	Lebanon	**100%**	100%
Fuego Travel & Tours SDN. BHD (FTTSB)	Travel and tourism business	Malaysia	**80%**	80%
Al Tayyar Travel and Tourism (ATD)	Tourism business	UAE	**100%**	100%
Taqniatech Company for Communication Technology Limited (TAQ)	Telecommunication services	KSA	**100%**	100%
Al Tayyar Real Estate, Tourism Development and Investment Company Hotels (ARE)	Hotel and property business	KSA	**100%**	100%
Al Tayyar Rent A Car (ARAC)	Rent a car business	KSA	**100%**	100%
Saudi World Travel and Tourism Company (SWTT)	Travel and tourism business	KSA	**100%**	100%
High Speed Company for Transportation (HSC)	Transportation business	KSA	**100%**	100%
Tajawal Travel and Tourism Company Limited (TTC)	Travel and tourism business	KSA	**100%**	100%
Tajawal General Trading, LLC (TGT)	Travel and tourism business	UAE	**100%**	100%
Al Mousim Travel & Tours (AMTT)	Travel and tourism business	KSA	**100%**	100%
Jawlah Tours Establishment for Tourism (JTET)	Tourism business	KSA	**51%**	51%
Al Mawasim Tourism and Umrah Services (MWT)	Tourism business	KSA	**51%**	51%
Fly IT (FIT)	SMS / MMS services	KSA	**60%**	60%
Muthmerah Real Estate Investment Company (MREIC)	Property rental business	KSA	**100%**	100%
Mawasem Travel and Tourism Limited (MTT)	Travel and tourism business	UK	**100%**	100%
Elegant Resorts Limited and subsidiaries (ERL)	Tourism business	UK	**100%**	100%
Elite Private Jet Services Company (EPJS)	Own and operate aircraft	KSA	**100%**	100%
Al Hanove Tourism and Services Company (AHTS)	Tourism business	Egypt	**70%**	70%
Mawasem Limited (formerly Co-op Group Travel 1 Limited (CTM))	Transportation service	UK	**100%**	100%
Connecting Trade & Services (CTS)	Travel and tourism business	Lebanon	**51%**	51%
Fayfa Travel & Tourism Agency Company (FTT)	Travel and tourism business	KSA	**100%**	100%
Saudi Conference & Incentive Tours Company (SCI)	Event management services	KSA	**100%**	100%
Calculus Technologies, LLC (CTL)	Travel and tourism business	India	**100%**	100%
B2B Travel Group S.L. (B2B)	Travel and tourism business	Spain	**100%**	100%
Hanay Trading Company Limited (HTCL)	Rent a car business	KSA	**80%**	80%
Saudi Company for Transportation United (SCT)	Rent a car business	KSA	**100%**	100%
Mosafer Company for Travel and Tourism (MCT)	Tourism business	KSA	**60%**	60%
Wadi Saudi Trading Co. (WSTC)	Online shopping for fashion and accessories	KSA	**100%**	100%
Portman Group International S.A.R.L. (PGI)	Travel and tourism business	UK	**100%**	100%

(Saudi Riyals)

1.2 Interest in associates

Name of associates	Activities	Country of incorporation	31 March 2018	31 December 2017
Felix Airways Limited (FAL)	Travel business	Yemen	**30%**	30%
Al Shamel International Holding Company KSC (ASI)	Travel business	Kuwait	**30%**	30%
Taqniatech Company for Communication Technology JV (TAQJV)	Telecommunication services	KSA	**70%**	70%
Al Tayyar Travel and Tourism – Abu Dhabi (TTAD)	Travel business	UAE	**49%**	49%
Voyage Amro Travel (VAT)	Travel business	Canada	**49%**	49%
2share United Communication Company (TUCC)	Call Centre services	KSA	**35%**	35%
Net Tours & Travels LLC (NT)	Tourism business	UAE	**44.3%**	44.3%
Careem Inc. (CIL)	Rent a car business	BVI	**14.7%**	14.7%
Saudi Heritage Hospitality Company (SHHC)	Hospitality services	KSA	**20%**	20%
Equinox Group Limited (EGL)	Hospitality services	UAE	**40%**	40%
Thakher Investment and Real Estate Company (TIREC)	Real estate business	KSA	**30%**	30%
Wadi Middle East S.A.R.L (WME)	Trading companies and distributors	LUX	**33.3%**	33.3%
CHME Limited (CHM)	Hospitality services	UAE	**40%**	40%

2 STATEMENT OF COMPLIANCE

These interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as endorsed in Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Certified Public Accountants – SOCPA ("IFRSs"). These interim financial statements should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2017 ('last annual financial statements'). The accompanying financial statements do not include all the information that is required to prepare a complete set of financial statements in accordance with International Financial Reporting Standards as endorsed by SOCPA. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

This is the first set of the Group's financial statements where IFRS 9 has been applied. Changes to significant accounting policy is described in note 6.

3 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO EXISTING STANDARDS

3.1 New standards, interpretations and amendments adopted

In preparing the Group's interim financial statements, the significant accounting policies adopted are based on IFRSs effective on 31 March 2018. Furthermore, the Group has already early adopted IFRS 15 – Revenue from contracts with customers.

3.2 Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2019 and earlier application is permitted; however, the Group has not early adopted them in preparing these interim financial statements.

The Group has the following updates to the information provided in the last annual financial statements about the standards issued but not yet effective that may have a significant impact on the Group's interim financial statements.

IFRS 16 Leases

IFRS 16 replaces existing leases guidance, including 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 is effective for annual periods beginning on or after 1 January 2019. Early adoption is permitted.

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

IFRS 16 Leases (continued)

The Group has completed an initial assessment of the potential impact on its condensed consolidated financial statements, but has not yet completed its detailed assessment. The actual impact of applying IFRS 16 on the financial statements in the period of initial application will depend on future economic conditions, including the Group's borrowing rate on 1 January 2019, the composition of the Group's lease portfolio at that date, the Group's latest assessment of whether it will exercise any lease renewal options and the extent to which the Group chooses to use practical expedients and recognition exemptions.

i. Determining whether an arrangement contains a lease

The Group has an arrangement that was not in the legal form of a lease, for which it concluded that the arrangement contains a lease of equipment under IFRIC 4.

On transition to IFRS 16, the Group can choose whether to:

- Apply the IFRS 16 definition of a lease of all its contracts; or
- Apply a practical expedient and not reassess whether a contract is, or contains, a lease.

The Group plans to apply a practical expedient to the recognition of leases on transition. Under this expedient it will apply IFRS 16 to all contracts entered into before 1 January 2019 and identified as leases under IAS 17 and IFRIC 4.

ii. Transition

As a lessee, the Group can either apply the standard using a:

- Retrospective approach; or
- Modified retrospective approach with optional practical expedients.

The lessee applies the election consistently to all of its leases.

The Group plans to apply IFRS 16 initially on 1 January 2019, using a modified retrospective approach. Therefore, the cumulative effect of adopting IFRS 16 will be recognized as an adjustment to the opening balance of retained earnings at 1 January 2019, with no restatement of comparative information.

When applying a modified retrospective approach to leases previously classified as operating leases under IAS 17, the lessee can elect, on a lease-by-lease basis, whether to apply a number of practical expedients on transition. The Group is assessing the potential impact of using these practical expedients.

The Group is not required to make any adjustments for leases in which it is a lessor except where it is an intermediate lessor in a sub-lease.

4. BASIS OF PREPARATION

These interim financial statements have been prepared using the measurement bases specified by IFRSs for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies.

The preparation of interim financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies. The areas where significant judgments and estimates have been made in preparing the interim financial statements and their effect are disclosed in note 5.

These interim financial statements have been prepared on the historical cost basis, except for the following:

- Equity instruments at fair value through other comprehensive income; and
- Defined benefits plan is measured at the present value of future obligations using Projected Unit Credit Method.

Furthermore, these interim financial statements are prepared using the accrual basis of accounting and the going concern concept.

5. USE OF JUDGEMENT AND ESTIMATES

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements, except for new significant judgements and key sources of estimation uncertainty related to the application of IFRS 9, which are described in Note 6.

5.1 Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Significant valuation issues are reported to the Group's audit committee.

When measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted priced included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the low level input that is significant to the entire measurement.

The Group recognizes transfers between the levels of the fair value hierarchy at the end of the reporting year during which the change has occurred.

6. SIGNIFICANT ACCOUNTING POLICIES

Except as described below, the accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2017.

CHANGES IN SIGNIFICANT ACCOUNTING POLICY

The changes in accounting policies are also expected to be reflected in the Group's consolidated financial statements as at and for the year ending 31 December 2018

The Group initially adopted IFRS 9 Financial Instruments since 1 January 2018. A number of other new standards are effective from 1 January 2018 but they do not have a material effect on the Group's financial statements.

The effect of initially applying these standards is mainly attributed to the increase in impairment losses recognizined on financial assets.

IFRS 9 Financial Instruments

IFRS 9 sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

i. Classification and measurement of financial assets and financial liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale.

The adoption of IFRS 9 has not had a significant effect on the Group's accounting policies related to financial liabilities and derivative financial instruments. The impact of IFRS 9 on the classification and measurement of financial assets is set out below.

i. Classification and measurement of financial assets and financial liabilities (continued)

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL. The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to the subsequent measurement of financial assets.

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other, net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other, net gains and losses are recognized in OCI and are never reclassified to profit or loss.

The effect of adopting IFRS 9 on the carrying amounts of financial assets at 1 January 2018 relates solely to the new impairment requirements, as described further below.

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Group's financial assets as at 1 January 2018.

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i. Classification and measurement of financial assets and financial liabilities (continued)

	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
Financial assets				
Equity securities	Available for sale	FVOCI – equity investment	-	-
Trade receivables	Loans and receivables	Amortized cost	1,756,468,321	1,737,941,830
Cash and cash equivalents	Loans and receivables	Amortized cost	981,198,632	981,198,632
Total financial assets			2,737,666,953	2,719,140,462
Financial liabilities				
Bank overdrafts	Other financial liabilities	Other financial liabilities	10,399,165	10,399,165
Secured bank loans	Other financial liabilities	Other financial liabilities	861,000,000	861,000,000
Unsecured bank loans	Other financial liabilities	Other financial liabilities	516,863,571	516,863,571
Trade payables	Other financial liabilities	Other financial liabilities	1,099,309,797	1,099,309,797
Total financial liabilities			2,487,572,533	2,487,572,533

Trade and other receivables that were classified as loans and receivables under IAS 39 are now classified at amortized cost. A increase of SR 18.5 million in the allowance for impairment was recognized in opening retained earnings on 1 January 2018 on transition to IFRS 9.

ii. Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognized earlier than under IAS 39.

The financial assets at amortized cost consist of trade receivables, cash and cash equivalents, and corporate debt securities.

Under IFRS 9, loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Group measures loss allowances at an amount equal to the lifetime ECLs, except for the following, which are measured as 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. The risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The Group has elected to measure loss allowances for trade receivables and contract assets in an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held)

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

(Saudi Riyals)

ii. Impairment of financial assets (continued)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. The difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset. The Group has not considered in discounting the short term trade receivables and payables as they are expected to be received and paid within the accounting period, the impact of discounting such short term receivable or payable would be immaterial hence they are kept at invoice amounts (cost).

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Presentation of impairment

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Impairment losses related to trade and other receivables, including contract assets, are presented separately in the statement of profit or loss and OCI. As a result, the Group reclassified impairment losses amounting to SR 11.4 million, recognized under IAS 39, from 'other expenses' to 'impairment loss of trade and other receivables, including contract assets' in the statement of profit or loss and OCI for the three month period ended 31 March 2018.

Impairment losses on other financial assets are presented under 'finance costs', similar to the presentation under IAS 39, and not presented separately in the statement of profit or loss and OCI due to materiality considerations.

Impact of the new impairment model

For assets in the scope of the IFRS 9 impairment model, impairment losses are generally expected to increase and become more volatile. The Group has determined that the application of IFRS 9's impairment requirements at 1 January 2018 results in an additional impairment allowance as follows.

	Impact of adopting IFRS 9 on opening balance
Impairment loss on 31 December 2017 under IAS 39	242,904,966
Increase of impairment loss recognized on 1 January 2018 on trade and other receivables	18,526,491
Impairment loss on 1 January 2018 under IFRS 9	261,431,457

Trade receivables and contract assets

The following analysis provides further detail about the calculation of ECLs related to trade receivables and contract assets on the adoption of IFRS 9. The Group considers the model and some of the assumptions used in calculating these ECLs as key sources of estimation uncertainty.

The ECLs were calculated based on actual credit loss experience over the past seven years. The Group performed the calculation of ECL rates separately for wholesale customers and other customers.

Exposures within each group were segmented based on common credit risk characteristics such as credit risk grade, geographic region and industry – for wholesale customers; and delinquency status, geographic region, age of relationship and the type of product purchased – for other customers.

(Saudi Riyals)

iii. Transition

Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively, except as described below.

- The Group has taken an exemption in accordance with paragraph 7.2.15 not to restate comparative information for prior periods with respect to classification and measurement (including impairment) requirements. Differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of IFRS 9 are recognized in retained earnings and reserves as at 1 January 2018. Accordingly, the information presented in 2017 does not generally reflect the requirements of IFRS 9 but rather those of IAS 39.
- The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application.
  - The determination of the business model within which a financial asset is held.
  - The designation and revocation of previous designations of certain financial assets and financial liabilities as measured at FVTPL.
  - The designation of certain investments in equity instruments not held for trading as at FVOCI.
- If an investment in a debt security had low credit risk at the date of initial application of IFRS 9, then the Group has assumed that the credit risk on the asset had not increased significantly since its initial recognition.

7. INVESTMENTS IN EQUITY-ACCOUNTED INVESTEES

	Percentage holding			
	31 March 2018	31 December 2017	**31 March 2018**	31 December 2017
Al Shamel International Holding Co. KSC (ASI)	**30%**	30%	**22,178,314**	23,318,009
Taqniatech Company for Communication Technology JV (TAQJV)	**70%**	70%	**-**	-
Al Tayyar Travel and Tourism - Abu Dhabi (TTAD)	**49%**	49%	**-**	-
Voyage Amro Travel (VAT)	**49%**	49%	**-**	6,419,483
2Share Emerging Technology (TSET)	**35%**	35%	**-**	-
Net Tours & Travels LLC (NT)	**44.3%**	44.3%	**-**	-
Careem Inc. (CIL)	**14.7%**	14.7%	**-**	9,268,648
Saudi Heritage Hospitality Company (SHHC)	**20%**	20%	**9,572,741**	9,872,522
Equinox Group Limited (EGL)	**40%**	40%	**13,843,074**	13,843,765
Thakher Investment and Real Estate Co. (TIREC)	**30%**	30%	**801,543,424**	801,600,100
Wadi Middle East S.A.R.L. (WME)	**33.3%**	33.3%	**38,319,236**	51,055,338
CHME Limited (CHM)	**40%**	40%	**5,604,309**	6,111,960
			891,061,098	921,489,825

8. TRADE AND OTHER RECEIVABLES

	31 March 2018	31 December 2017
Trade receivables	**2,188,203,612**	1,999,373,287
Impairment loss on trade receivables	**(272,814,438)**	(242,904,966)
	1,915,389,174	1,756,468,321
Other receivables:		
Accrued incentives	**68,558,348**	63,219,948
Employee receivables	**14,018,324**	13,951,748
Taxes	**8,096,730**	5,314,971
Consumables	**8,400,813**	8,160,016
Accrued finance income	**647,778**	690,306
Others	**34,577,291**	35,902,813
	2,049,688,458	1,883,708,123

(Saudi Riyals)

8. TRADE AND OTHER RECEIVABLES (continued)

The summary for the movement of impairment loss on trade receivables is as follows:

	31 March 2018	31December 2017
Opening balance	**242,904,966**	241,128,153
Impairment loss due to transition to IFRS 9, note 6	**18,526,491**	-
Adjusted opening balance	**261,431,457**	241,128,153
Impairment loss for the period	**11,382,981**	1,776,813
Closing balance	**272,814,438**	242,904,966

Information about the Group's exposure to credit and market risks, and impairment losses in trade and other receivables is included in note 15.

9. CASH AND CASH EQUIVALENTS

	31 March 2018	31 December 2017
Cash in hand	**13,397,199**	7,289,806
Bank balances – current account	**320,081,418**	469,587,040
Call deposits	**501,620,859**	504,321,786
Cash and cash equivalents in the statement of financial position	**835,099,476**	981,198,632
Bank overdrafts used for cash management purposes	**(24,033,326)**	(10,399,165)
Cash and cash equivalents in the statement of cash flows	**811,066,150**	970,799,467

Call deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn finance income at the respective short-term deposit rates.

On 31 March 2018, the Group had available SR 502 million (31 December 2017: SR 504 million) of undrawn committed borrowing facilities.

Cash and cash equivalents held in Egypt total SR 10 million (31 December 2017: SR 10 million). The remittance of this is currently restricted due to foreign exchange control policy in Egypt.

10. CAPITAL AND RESERVES

Share capital

	31 March 2018	31 December 2017
Ordinary shares - issued and fully paid	**209,650,000**	209,650,000
Par value @ SR 10 each	**2,096,500,000**	2,096,500,000

All ordinary shares rank equally with regards to the Company's residual assets.

Ordinary shares

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.

Statutory reserves

In accordance with the Company's bylaws effective from 25 Rajab 1437H (corresponding to May 2, 2016), the Company sets aside 10% of its net income each year as a statutory reserve until such reserve equals to 30% of the share capital.

Dividends

The board of directors of the Company during their meeting dated 8 February 2018 approved dividends for the financial results for the year ended 31 December 2017 amounting to SAR 104.83 million (SAR 0.50 per share) and were paid on 21 February 2018.

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11. LOANS AND BORROWINGS

	31 March 2018	31 December 2017
Non-current liabilities		
Secured bank loans	**799,500,000**	861,000,000
Unsecured bank loans	**17,169,355**	19,433,761
	816,669,355	880,433,761
Current liabilities		
Current portion of secured bank loans	**61,500,000**	-
Unsecured bank loans	**675,948,783**	497,429,810
	737,448,783	497,429,810

The secured bank loans are secured against land and buildings with a carrying amount of SR 2 billion (31 December 2017: SR 2 billion).

The outstanding secured and unsecured loans as of 31 March 2018 have an average commission rate of 3 - 4% above the Banks' lending base rate (31 December 2017: 2.7 – 4%).

The Group has a secured bank loan with a carrying amount of SR 861 million at 31 March 2018 (31 December 2017: 861 million). This loan is repayable in tranches over the ten years. The unsecured bank loans are payable over a period of one year.

During the period ended 31 March 2018, the Group capitalized finance charges amounted to SR nil million (31 March 2017: SR 10.7 million).

On 28 November 2016, the Company repaid certain installments of the above loan before schedule, which were and are due in 2018 for an amount of SR 246 million.

12. COMMITMENTS AND CONTINGENCIES

Capital commitments

As at 31 March 2018, the Group has capital commitments of SR 85 million (31 December 2017: SR 91 million) with respect to property developments, software development and construction of new office premises.

Contingencies

On 31 March 2018, the Group has a letter of guarantees totaling SR 302 million (31 December 2017: SR 295 million) issued by the Company's banks in favor of certain suppliers. Included within, this is advances for a letter of guarantee margins totalling SR 28.1 million (31 December 2017: SR 28.7 million)

13. REVENUE

Commission	31 March 2018	31 March 2017
Airline ticketing & incentives	**263,098,899**	276,567,128
Hotel booking	**25,132,690**	29,251,252
Shipments	**3,187,989**	3,216,573
Train ticketing	**6,144,296**	5,680,070
	297,563,874	314,715,023
Other revenue		
Package holidays	**126,649,780**	116,423,987
Car rentals	**33,862,974**	21,197,733
Property and room rentals	**11,851,481**	9,915,177
Chartered flights	**1,238,467**	1,434,341
Others	**10,539,368**	2,934,167
	184,142,070	151,905,405
	481,705,944	466,620,428

13. REVENUE (continued)

In respect of recognizing revenue as commissions, management considers that the following factors indicate that the Group acts as an agent.

- Another service supplier is primarily responsible for fulfilling the contract;
- The Group does not have inventory risk;
- The Group does not have discretion in establishing prices for the other supplier's services and, therefore, the benefit that the Group can receive from those services is limited; and
- The Group's consideration is in the form of commission.

Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical market. The table also includes a reconciliation of the disaggregated revenue with the Group's five strategic divisions, which are its reportable segments (see note 16).

(Saudi Riyals)

Disaggregation of revenue (continued)

	31 March 2018						
	Reportable segments						
Primary geographical markets	**Ticketing**	**Tourism**	**Transportation**	**Hospitality**	**Property**	**All other segments**	**Total**
Kingdom of Saudi Arabia	**237,929,945**	**36,167,895**	**35,160,752**	**11,851,481**	**-**	**7,303,371**	**328,413,444**
United Kingdom	**28,731,700**	**112,765,207**	**-**	**-**	**-**	**-**	**141,496,907**
Egypt	**573,178**	**1,652,428**	**3,128,678**	**-**	**-**	**16,337**	**5,370,621**
United Arab Emirates	**369,082**	**523,408**	**-**	**-**	**-**	**211,950**	**1,104,440**
India	**-**	**-**	**-**	**-**	**-**	**631,319**	**631,319**
Spain	**-**	**200,560**	**-**	**-**	**-**	**2,376,391**	**2,576,951**
Lebanon	**1,639,290**	**376,275**	**-**	**-**	**-**	**-**	**2,015,565**
Malaysia	**-**	**96,697**	**-**	**-**	**-**	**-**	**96,697**
	269,243,195	**151,782,470**	**38,289,430**	**11,851,481**	**-**	**10,539,368**	**481,705,944**
Timing of revenue recognition							
Services transferred at a point in time	**269,243,195**	**25,132,690**	**3,187,989**	**11,851,481**	**-**	**-**	**309,415,355**
Services transferred over time	**-**	**126,649,780**	**35,101,441**	**-**	**-**	**10,539,368**	**172,290,589**
	269,243,195	**151,782,470**	**38,289,430**	**11,851,481**	**-**	**10,539,368**	**481,705,944**

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Disaggregation of revenue (continued)

	31 March 2017						
	Reportable segments						
Primary geographical markets	**Ticketing**	**Tourism**	**Transportation**	**Hospitality**	**Property**	**All other segments**	**Total**
Kingdom of Saudi Arabia	251,389,113	38,615,285	23,569,519	8,947,068	968,109	1,496,864	324,985,958
United Kingdom	29,820,987	101,675,217	-	-	-	-	131,496,204
Egypt	88,077	1,156,430	2,279,129	-	-	24,896	3,548,532
United Arab Emirates	614,915	706,758	-	-	-	-	1,321,673
India	-	-	-	-	-	1,412,406	1,412,406
Spain	-	2,867,841	-	-	-	-	2,867,841
Lebanon	334,106	469,632	-	-	-	-	803,738
Malaysia	-	184,076	-	-	-	-	184,076
	282,247,198	145,675,239	25,848,648	8,947,068	968,109	2,934,166	466,620,428
Timing of revenue recognition							
Services transferred at a point in time	282,247,198	29,251,252	3,216,574	8,947,068	-	-	323,662,092
Services transferred over time	-	116,423,987	22,632,074	-	968,109	2,934,166	142,958,336
	282,247,198	145,675,239	25,848,648	8,947,068	968,109	2,934,166	466,620,428

(Saudi Riyals)

14. EARNINGS PER SHARE (EPS)

Basic and diluted EPS

The calculation of basic and diluted EPS has been based on the following profit attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding.

Profit attributable to ordinary shareholders (basic)

	31 March 2018	31 March 2017
Profit attributable to ordinary shareholders	**85,572,427**	136,729,393

Weighted-average number of ordinary shares (basic)

	31 March 2018	31 March 2017
Weighted-average number of ordinary shares at the end of the period	**209,650,000**	209,650,000

Earnings per share attributable to owners of the parent

	31 March 2018	31 March 2017
Basic and diluted	**0.41**	0.65

15. FINANCIAL INSTRUMENTS – FAIR VALUE AND RISK MANAGEMENT

A. Accounting classification and fair value

The table on the next page shows carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Saudi Riyals)

A. Accounting classification and fair value (continued)

	Carrying amount			Fair value			
31 March 2018	**FVOCI – equity instrument**	**Financial assets at amortized cost**	**Total Carrying amount**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value							
Equity investment at FVOCI	-	-	-	-	-	-	-
Current:							
Cash and cash equivalents	-	835,099,476	835,099,476	-	-	835,099,476	835,099,476
Trade and other receivables	-	2,049,688,458	2,049,688,458	-	-	2,049,688,458	2,049,688,458
Due from related parties	-	236,988,451	236,988,451	-	-	236,988,451	236,988,451
Total financial assets	-	3,121,776,385	3,121,776,385	-	-	3,121,776,385	3,121,776,385
Financial liabilities							
Non-current:							
Loans and borrowings	-	816,669,355	816,669,355	-	-	816,669,355	816,669,355
Current:							
Bank overdraft	-	24,033,326	24,033,326	-	-	24,033,326	24,033,326
Loans and borrowings	-	737,448,783	737,448,783	-	-	737,448,783	737,448,783
Trade and other payables	-	1,338,227,280	1,338,227,280	-	-	1,338,227,280	1,338,227,280
Due to related parties	-	3,961,257	3,961,257	-	-	3,961,257	3,961,257
Total financial liabilities	-	2,920,340,001	2,920,340,001	-	-	2,920,340,001	2,920,340,001

(Saudi Riyals)

A. Accounting classification and fair value (continued)

	Carrying amount			Fair value			
31 December 2017	**FVOCI – equity instrument**	**Financial assets at amortized cost**	**Total Carrying amount**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value							
Equity investment at FVOCI	-	-	-	-	-	-	-
Current:							
Cash and cash equivalents	-	981,198,632	981,198,632	-	-	981,198,632	981,198,632
Trade and other receivables	-	1,883,708,123	1,883,708,123	-	-	1,883,708,123	1,883,708,123
Due from related parties	-	173,185,170	173,185,170	-	-	173,185,170	173,185,170
Total financial assets	-	3,038,091,925	3,038,091,925	-	-	3,038,091,925	3,038,091,925
Financial liabilities							
Non-current:							
Loans and borrowings	-	880,433,761	880,433,761	-	-	880,433,761	880,433,761
Current:	-			-	-		
Bank overdraft	-	10,399,165	10,399,165	-	-	10,399,165	10,399,165
Loans and borrowings	-	497,429,810	497,429,810	-	-	497,429,810	497,429,810
Trade and other payables	-	1,295,968,242	1,295,968,242	-	-	1,295,968,242	1,295,968,242
Due to related parties	-	92,057,947	92,057,947	-	-	92,057,947	92,057,947
Total financial liabilities	-	2,776,288,925	2,776,288,925	-	-	2,776,288,925	2,776,288,925

(Saudi Riyals)

16. OPERATING SEGMENTS

Basis for segmentation

The Group has the following five strategic divisions, which are its reportable segments. These divisions offer different services and are managed separately because they have different economic characteristics – such as trends in sales growth, rates of return and level of capital investment – and have different marketing strategies.

The following summary describes the operations of each reportable segment:

Reportable segments	**Operations**
Ticketing	Providing air, ferry and train ticketing services across the Group.
Tourism	Providing tourism, package holidays and rooms for rent across the Group.
Transportation	Providing car rental, chartered flights and delivery of shipments across the Group.
Hospitality	Providing hotel rooms and catering services mainly in the Kingdom of Saudi Arabia.
Property rentals	Providing investment properties on operating lease mainly in the Kingdom of Saudi Arabia.

Other operations include sundry services such as event management, IT support, advertising, drivers professional fee, insurance brokerage, triptique and international driving license. None of these segments met the quantitative thresholds for reportable segments in 2018 or 2017.

The Group's Executive Committee reviews the internal management reports of each segment at least quarterly.

Inter-segment pricing is determined on an arm's length basis.

Information about reportable segments

Information related to each reportable segment is set out below. Segment profit before tax is used to measure performance because management believes that such information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

31 March 2018

	Reportable segments						
	Ticketing	Tourism	Transportation	Hospitality	Property rentals	All other segments	Total
External revenues	-	126,649,780	35,101,441	11,851,481	-	10,539,368	184,142,070
Inter-segment revenue	-	-	7,125,706	-	20,000,000	-	27,125,706
External commissions	269,243,195	25,132,690	3,187,989	-	-	-	297,563,874
Segment revenue	269,243,195	151,782,470	45,415,136	11,851,481	20,000,000	10,539,368	508,831,650
Segment profit before zakat and tax	73,279,606	10,990,060	164,348	(10,136,472)	16,047,290	1,405,999	91,750,831
Segment assets	4,280,188,094	641,918,333	469,379,302	3,546,825,680	1,435,778,510	82,122,991	10,456,212,910
Segment liabilities	2,845,287,007	426,720,007	100,837,509	15,593,808	14,753,491	54,591,870	3,457,783,692

31 March 2017

	Reportable segments						
	Ticketing	Tourism	Transportation	Hospitality	Property rentals	All other segments	Total
External revenues	-	116,423,987	22,632,074	8,947,068	968,109	2,934,166	151,905,404
Inter-segment revenue	-	-	6,522,645	-	7,000,000	-	13,522,645
External commissions	282,247,198	29,251,252	3,216,574	-	-	-	314,715,024
Segment revenue	282,247,198	145,675,239	32,371,293	8,947,068	7,968,109	2,934,166	480,143,073
Segment profit / (loss) before zakat and tax	127,477,799	17,402,206	(6,416,722)	(3,616,655)	4,249,902	2,905,912	142,002,442
Segment assets	6,179,126,358	843,522,814	460,633,929	1,520,896,260	1,388,261,602	140,855,863	10,533,296,826
Segment liabilities	2,907,869,884	396,958,153	371,706,151	5,862,076	16,719,063	66,286,155	3,765,401,482

(Saudi Riyals)

Reconciliations of information on reportable segments to IFRS measures

	31 March 2018	31 March 2017
Revenues		
Total revenue for reportable segments	**498,292,282**	477,208,907
Revenue for other segments	**10,539,368**	2,934,166
Elimination of inter-segment revenue	**(27,125,706)**	(13,522,645)
Consolidated revenue	**481,705,944**	466,620,428

	31 March 2018	31 March 2017
Profit before zakat and tax		
Total profit before zakat and tax for reportable segments	**90,344,832**	139,096,530
Profit before zakat and tax for other segments	**1,405,999**	2,905,912
Consolidated profit before zakat and tax	**91,750,831**	142,002,442

	31 March 2018	31 December 2017
Assets		
Total assets for reportable segments	**10,374,089,919**	10,295,970,898
Assets for other segments	**82,122,991**	58,564,347
Inter-segment eliminations	**(991,759,920)**	(991,759,920)
Consolidated assets	**9,464,452,990**	9,362,775,325

	31 March 2018	31 December 2017
Liabilities		
Total liabilities for reportable segments	**3,403,191,822**	3,280,103,395
Liabilities for other segments	**54,591,870**	37,973,763
Consolidated liabilities	**3,457,783,692**	3,318,077,158

17. SUBSEQUENT EVENTS

There are no subsequent events that require disclosure or amendments to the accompanying condensed consolidated interim financial statements.

18. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The financial statements have been approved by the board of directors on 7 May 2018 corresponding to 21 Shaban 1439.