Nebras Power Q.S.C.

CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2016

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working world

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NEBRAS POWER Q.S.C.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Nebras Power Q.S.C. ("the Company"), and its subsidiary (together referred to as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated income statement, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for opinion

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

Responsibilities of management and Board of Directors for the consolidated financial statements

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

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

The Board of Directors are responsible for overseeing the Group's financial reporting process.

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

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

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

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

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NEBRAS POWER Q.S.C. (CONTINUED)

Report on the Audit of the Consolidated Financial Statements (continued)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Report on legal and other regulatory requirements
Furthermore, in our opinion, proper books of account have been kept by the Company and the consolidated financial statements comply with the Qatar Commercial Companies' Law No. 11 of 2015 and the Company's Articles of Association. We have obtained all the information and explanations we required for the purpose of our audit, and are not aware of any violations of the above mentioned law or the Articles of Association having occurred during the year, which might have had a material adverse effect on the Group's financial position or performance.

Ziad Nader
of Ernst & Young
Auditor's Registration No. 258

Date: 10 April 2017
Doha

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2016

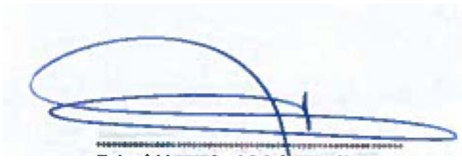
	Notes	***2016*** ***QR***	*2015* *QR*
Interest income	4	**101,865,353**	66,712,887
Fee income	5	**6,471,527**	11,015,549
Share of profit of associates and joint venture	10	**65,000,970**	3,383,116
Operating income		**173,337,850**	81,111,552
General and administrative expenses	6	**(42,467,577)**	(27,260,886)
Other operating expenses	7	**(9,482,263)**	(71,680)
Operating profit		**121,388,010**	53,778,986
Finance costs		**(5,729,581)**	-
PROFIT FOR THE YEAR		**115,658,429**	53,778,986
Other comprehensive income			
Items that may be reclassified to statement of income in subsequent periods			
Share of other comprehensive income (loss) from associates and joint venture	10	**9,544,783**	(7,290,815)
Other comprehensive income (loss) for the year		**9,544,783**	(7,290,815)
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**125,203,212**	46,488,171
Earnings per share			
Basic and diluted earnings per share (expressed in QR)	8	**0.32**	0.15

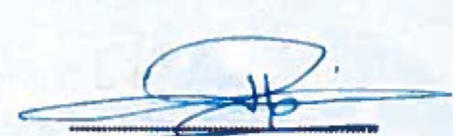
The attached notes 1 to 25 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2016

	Notes	***2016*** ***QR***	*2015* *QR*
ASSETS			
Non-current assets			
Motor vehicles and equipment	9	**1,577,447**	437,183
Investment in associates and joint venture	10	**4,186,359,525**	253,682,089
Loans receivable	12	**804,447,026**	10,573,503
Other non-current assets	11	**2,641,697**	4,979,558
		4,995,025,695	269,672,333
Current assets			
Prepayments and other receivable	14	**14,412,979**	1,006,432
Term deposits	13	**680,555,042**	3,562,626,080
Cash and cash equivalents	15	**94,729,890**	136,039,807
		789,697,911	3,699,672,319
TOTAL ASSETS		**5,784,723,606**	3,969,344,652
EQUITY AND LIABILITIES			
Equity			
Share capital	16	**3,650,000,000**	3,650,000,000
Share of hedging reserve of associates and joint venture	17	**2,253,968**	(7,290,815)
Retained earnings		**185,610,571**	69,952,142
Total equity		**3,837,864,539**	3,712,661,327
Non-current liabilities			
Loans and borrowings	18	**1,397,560,028**	-
Employees' end of service benefits	19	**791,333**	145,243
		1,398,351,361	145,243
Current liabilities			
Accruals and other payable	20	**27,773,206**	11,977,761
Loans and borrowings	18	**520,734,500**	-
Amounts due to related parties	21	**-**	244,560,321
		548,507,706	256,538,082
Total liabilities		**1,946,859,067**	256,683,325
TOTAL EQUITY AND LIABILITIES		**5,784,723,606**	3,969,344,652





Fahad Hamad Al-Mohannadi
Chairman

Khalid Jolo
Chief Executive Officer

The attached notes 1 to 25 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2016

	Notes	***2016*** ***QR***	*2015* *QR*
OPERATING ACTIVITIES			
Profit for the year		**115,658,429**	53,778,986
Adjustments for:			
Depreciation	9	**548,556**	71,680
Provision for employees' end of service benefits	19	**646,090**	145,243
Interest income	4	**(101,865,353)**	(66,712,887)
Interest received		**77,751,423**	56,443,016
Dividend received	10	**43,163,505**	-
Share of profit of associates and joint venture	10	**(65,000,970)**	(3,383,116)
Operating profit before working capital changes		**70,901,680**	40,342,922
Working capital changes:			
Prepayments and other receivable		**(12,507,685)**	(344,717)
Accruals and other payable		**15,795,445**	11,902,538
Amounts due to related parties		**(3,426,906)**	(4,034,786)
Net cash flows from operating activities		**70,762,534**	47,865,957
INVESTING ACTIVITIES			
Purchase of motor vehicles and equipment	9	**(1,688,820)**	(304,610)
Other non-current assets	11	**2,337,861**	(4,979,558)
Investment in term deposits	13	**2,905,286,106**	103,911,649
Loans receivable	12	**(793,873,523)**	(973,509)
Investment in associates and joint venture	10	**(3,901,295,188)**	(252,291,228)
Net cash flows used in investing activities		**(1,789,233,564)**	(154,637,256)
FINANCING ACTIVITIES			
Amounts due to shareholder for acquisition of associates		**(241,133,415)**	241,133,415
Proceeds from bank borrowings		**1,918,294,528**	-
Net cash flows from financing activities		**1,677,161,113**	241,133,415
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		**(41,309,917)**	134,362,116
Cash and cash equivalent at 1 January	15	**136,039,807**	1,677,691
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	15	**94,729,890**	136,039,807

The attached notes 1 to 25 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2016

	Share capital *QR*	*Share of hedging reserve of associates and joint venture* *QR*	*Retained earnings* *QR*	*Total* *QR*
Balance at 1 January 2015	3,650,000,000	-	16,173,156	3,666,173,156
Profit for the year	-	-	53,778,986	53,778,986
Other comprehensive loss for the year	-	(7,290,815)	-	(7,290,815)
Total comprehensive income for the year	-	(7,290,815)	53,778,986	46,488,171
Balance at 31 December 2015	3,650,000,000	(7,290,815)	69,952,142	3,712,661,327
Profit for the year			115,658,429	115,658,429
Other comprehensive income for the year	-	9,544,783	-	9,544,783
Total comprehensive income for the year	-	9,544,783	115,658,429	125,203,212
Balance at 31 December 2016	**3,650,000,000**	**2,253,968**	**185,610,571**	**3,837,864,539**

1 ACTIVITIES

Nebras Power Q.S.C. (the "Company") was incorporated on 6 January 2014 as a Qatari Shareholding Company under Commercial Registration No. 64383. The Company's registered office is P.O. Box 22328, Doha, State of Qatar. The Company commenced its commercial operations in February 2014.

The Company's shareholding structure is as follows:

Shareholder	***Shareholding Percentage***
Qatar Electricity and Water Company Q.S.C	60%
Qatar Holding L.L.C.	20%
Qatar Petroleum International Limited	20%

The Company and its subsidiaries (together referred to as the "Group") core activity is to invest globally in power generation, transmission and distribution, water desalination, water treatment, sourcing and logistic of fuels linked to power generation and district cooling / heating projects. The principal activities of the principal subsidiaries consolidated are disclosed in note 2.1 of this consolidated financial statements.

In order to implement the shareholders' vision, achieve sustainable growth and realize optimal shareholder return in the context of an acceptable risk profile:

- The Group aims to be a strategic investor pursing long-term value creation through active management of the investment portfolio and direct involvement in the operation and maintenance, energy trading, fuel sourcing and logistics in respect of individual assets.

- The Group will primarily focus on long-term 'take-and-hold' investment opportunities where it can actively participate in management of operations and have acceptable governance rights, enabling it to both exert influence and maintain visibility with regards to the investee's management, operations and ultimately the returns.

- The Group targets to build and develop a well-balanced investment portfolio that preserves diversification in terms of fuel mix, geography, markets, green-field vs M&A development and contracted cash flow streams vs merchant exposure.

The Group invests in power generation across all technologies (conventional and renewable energy) with the exception of nuclear. The Group constantly monitors sector trends including inter alia the environmental, social and regulatory implications on the business.

The Group invests across all geographies. Country attractiveness is assessed based on market fundamentals, power sector fundamentals and country risk. The Group prefers markets with contracted offtake, existing robust IPP regulations and a track record of producing expected returns to international investors. Country rating, as well as political, economic and currency stability are also very important factors in assessing investment attractiveness. The Group targets assets that have a visible long-term earnings profile. The Group favors projects where revenues are received from creditworthy counterparties under long-term contracts incorporating availability based capacity payment mechanisms. The risks associated with fuel supply, dispatch and currency exchange are required to be well mitigated. Merchant market exposure will be taken on a selective basis and then only for projects operating within a mature and transparent regulatory environment where the Group can negotiate an acceptable risk profile through contractual mitigation to fuel-supply, electricity price and dispatch risk.

It is a priority for the Group to secure significant governance rights through either direct control or acceptable level of influence over management, operations, cash flow generation and equity distributions from its investees.

The consolidated financial statements of the Group as of and for the year ended 31 December 2016 have been authorised for issue by the Board of Directors on 19 March 2017.

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

Statement of compliance
The accompanying consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and applicable provisions of Qatar Commercial Company Law No.11 of 2015.

Basis of measurement
The accompanying consolidated financial statements have been prepared under the historical cost convention except for certain accounts which are required to be stated at fair value or amortized cost.

Functional and presentation currency
The consolidated financial statements are presented in Qatari Riyal ("QR"), which is the Group's functional and presentation currency.

Basis of consolidation
The consolidated financial statements comprise the financial statements of Nebras Power Q.S.C. and its subsidiaries as at 31 December (together referred to as the "Group"). Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

The consolidated financial statements of the Group include:

Name	*Principal activities*	*Country of incorporation*	***% equity interest* 2016**	*2015*
Nebras Power Netherlands BV	Finance and Investment Management	Netherlands	100%	-
IPM Indonesia BV	Investment Management	Netherlands	100%	-

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

2.2 Changes in accounting policies and procedures

The accounting policies adopted are consistent with those of the previous financial year, except for the following new and amended IFRS recently issued by the International Accounting Standards Board (IASB) and International Financial Reporting Interpretations Committee (IFRIC) interpretations effective as of 1 January 2016.

New and amended standards and interpretations
The nature and the impact of each new standard and amendment are described below:

IFRS 14 Regulatory Deferral Accounts
IFRS 14 is an optional standard that allows an entity, whose activities are subject to rate-regulation, to continue applying most of its existing accounting policies for regulatory deferral account balances upon its first-time adoption of IFRS. Entities that adopt IFRS 14 must present the regulatory deferral accounts as separate line items on the statement of financial position and present movements in these account balances as separate line items in the statement of profit or loss and OCI. The standard requires disclosure of the nature of, and risks associated with, the entity's rate-regulation and the effects of that rate-regulation on its financial statements. Since the Group is an existing IFRS preparer and is not involved in any rate-regulated activities, this standard does not apply.

Amendments to IFRS 11 Joint Arrangements: Accounting for Acquisitions of Interests
The amendments to IFRS 11 require that a joint operator accounting for the acquisition of an interest in a joint operation, in which the activity of the joint operation constitutes a business, must apply the relevant IFRS 3 Business Combinations principles for business combination accounting. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation if joint control is retained. In addition, a scope exclusion has been added to IFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party. The amendments apply to both the acquisition of the initial interest in a joint operation and the acquisition of any additional interests in the same joint operation and are applied prospectively. These amendments do not have any impact on the Group as there has been no interest acquired in a joint operation during the period.

Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation
The amendments clarify the principle in IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is a part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendments are applied prospectively and do not have any impact on the Group, given that it has not used a revenue-based method to depreciate its non-current assets.

Amendments to IAS 16 and IAS 41 Agriculture: Bearer Plants
The amendments change the accounting requirements for biological assets that meet the definition of bearer plants. Under the amendments, biological assets that meet the definition of bearer plants will no longer be within the scope of IAS 41 Agriculture. Instead, IAS 16 will apply. After initial recognition, bearer plants will be measured under IAS 16 at accumulated cost (before maturity) and using either the cost model or revaluation model (after maturity). The amendments also require that produce that grows on bearer plants will remain in the scope of IAS 41 measured at fair value less costs to sell. For government grants related to bearer plants, IAS 20 Accounting for Government Grants and Disclosure of Government Assistance will apply. The amendments are applied retrospectively and do not have any impact on the Group as it does not have any bearer plants.

Amendments to IAS 27: Equity Method in Separate Financial Statements
The amendments allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. Entities already applying IFRS and electing to change to the equity method in their separate financial statements have to apply that change retrospectively. These amendments do not have any impact on the Group's consolidated financial statements.

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

2.2 Changes in accounting policies and procedures (continued)

Annual Improvements 2012-2014 Cycle
These improvements include:

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations
Assets (or disposal groups) are generally disposed of either through sale or distribution to the owners. The amendment clarifies that changing from one of these disposal methods to the other would not be considered a new plan of disposal, rather it is a continuation of the original plan. There is, therefore, no interruption of the application of the requirements in IFRS 5. This amendment is applied prospectively.

IFRS 7 Financial Instruments: Disclosures
(i) Servicing contracts
The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and the arrangement against the guidance for continuing involvement in IFRS 7 in order to assess whether the disclosures are required. The assessment of which servicing contracts constitute continuing involvement must be made retrospectively. However, the required disclosures need not be provided for any period beginning before the annual period in which the entity first applies the amendments.

(ii) Applicability of the amendments to IFRS 7 to condensed interim financial statements
The amendment clarifies that the offsetting disclosure requirements do not apply to condensed interim financial statements, unless such disclosures provide a significant update to the information reported in the most recent annual report. This amendment is applied retrospectively.

IAS 19 Employee Benefits
The amendment clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used. This amendment is applied prospectively.

IAS 34 Interim Financial Reporting
The amendment clarifies that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the interim financial report (e.g., in the management commentary or risk report). The other information within the interim financial report must be available to users on the same terms as the interim financial statements and at the same time. This amendment is applied retrospectively. These amendments do not have any impact on the Group.

Amendments to IAS 1 Disclosure Initiative
The amendments to IAS 1 clarify, rather than significantly change, existing IAS 1 requirements. The amendments clarify:

- The materiality requirements in IAS 1
- That specific line items in the statement(s) of profit or loss and OCI and the statement of financial position may be disaggregated
- That entities have flexibility as to the order in which they present the notes to financial statements
- That the share of OCI of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss.

Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and the statement of profit or loss and OCI. These amendments do not have any impact on the Group.

Amendments to IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation Exception
The amendments address issues that have arisen in applying the investment entities exception under IFRS 10 Consolidated Financial Statements. The amendments to IFRS 10 clarify that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value.

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

2.2 Changes in accounting policies and procedures (continued)

Annual Improvements 2012-2014 Cycle (continued)
Amendments to IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation Exception (continued)
Furthermore, the amendments to IFRS 10 clarify that only a subsidiary of an investment entity that is not an investment entity itself and that provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value. The amendments to IAS 28 Investments in Associates and Joint Ventures allow the investor, when applying the equity method, to retain the fair value measurement applied by the investment entity associate or joint venture to its interests in subsidiaries. These amendments are applied retrospectively and do not have any impact on the Group as the Group does not apply the consolidation exception.

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

Topic	***Effective date***
IFRS 9 Financial Instruments	1 January 2018
IFRS 15 Revenue from Contracts with Customers	1 January 2018
IAS 7 Disclosure Initiative – Amendments to IAS 7	1 January 2017
IAS 12 Recognition of Deferred Tax Assets for Unrealised Losses – Amendments to IAS 12	1 January 2017
IFRS 2 Classification and Measurement of Share-based Payment Transactions — Amendments to IFRS 2	1 January 2018
IFRS 16 Leases	1 January 2019
Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred indefinitely

2.3 Summary of significant accounting policies

a) Investment in associates and joint ventures
An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's investments in its associates and joint ventures are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss within operating profit and represents profit or loss after tax and non- controlling interests in the subsidiaries of the associate or joint venture.

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

2.3 Summary of significant accounting policies (continued)

a) Investment in associates and joint ventures (continued)
The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group. After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

b) Current versus non-current classification
The Group presents assets and liabilities based on current/non-current classification. An asset is current when it is:

- Expected to be recognise or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be recognise within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

c) Foreign currencies
Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period. All differences are taken to the statement of comprehensive income.

d) Revenue recognition
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The specific recognition criteria described below must also be met before revenue is recognised.

Revenue is recognised on the following basis:

Interest income
Interest income is recognised as the interest accrues using the effective interest rate method, under which the rate used exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Fee income
Fee income is recognized though the period for which the services are provided.

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

2.3 Summary of significant accounting policies (continued)

e) Motor vehicles and equipment

Motor vehicles and equipment is stated at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category	***Useful Life***
Furniture and fixtures	5 years
Computer equipment	3 years
Office equipment	3 years
Motor vehicles	5 years

The carrying values of motor vehicles and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

Expenditure incurred to replace a component of an item of motor vehicles and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of motor vehicles and equipment. All other expenditure is recognised in the statement of comprehensive income as the expense is incurred.

An item of motor vehicles and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income in the year the asset is derecognised.

The asset's residual values, useful lives and method of depreciation are reviewed, and adjusted if appropriate, at each reporting date.

f) Prepayments

Prepayments represent expenses not yet incurred but already paid in cash. Prepayments are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are charged to expense as they are consumed in operations or expire with the passage of time.

Prepayments are classified in the statement of financial position as current asset when the cost of goods or services related to the prepayment are expected to be incurred within one year or the Group's normal operating cycle, whichever is longer. Otherwise, prepayments are classified as noncurrent assets. Prepaid income tax is considered as prepayment.

g) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, AFS financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

The Group's financial assets include Loans and receivables.

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

2.3 Summary of significant accounting policies (continued)

g) Financial assets (continued)

Subsequent measurement
The subsequent measurement of financial assets depends on their classification as described below:

Loans and receivables
These assets are recognised initially at cost being fair value plus directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets
The Group assesses, at each reporting date, whether there is objective evidence that a financial asset or a Group of financial assets is impaired. A financial asset or a Group of financial assets is deemed to be impaired if there is objective evidence of impairment as a result of one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the Group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a Group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

h) Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include amounts due to related parties and other payables.

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

2.3 Summary of significant accounting policies (continued)

h) Financial liabilities (continued)

Subsequent measurement
The measurement of financial liabilities depends on their classification as described below:

Other payables and amounts due to related parties
Trade payables, other payables and due to related parties are recognised for amounts to be paid in the future for goods and services received, whether or not billed by the supplier. Subsequent to initial recognition, trade and other payables and due to related parties are measured at amortized cost using the effective interest method.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

i) Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

j) Impairment of non-financial assets
The carrying amounts of the Group's non-financial assets other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then asset's recoverable amount is estimated. An impairment loss is recognised in profit or loss, whenever the carrying amount of an asset exceeds its recoverable amount.

The impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

k) Cash and cash equivalents
Cash and cash equivalents in the statement of consolidated financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

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

l) Equity
Share capital. Capital stock is classified as equity.

m) Employees' end of service benefits
The Group provides for employees' end of service benefits determined in accordance with Group's regulations based on employees' salaries and the number of years of service in accordance with Qatar Labour Law No. 14 of 2004. The Group has no expectation of settling its employees' terminal benefits obligation in the near future and hence classified this as a non-current liability.

Provision for Employees' end of service benefits for the year amounted to QR 646,090(2015: QR 145,243). As at 31 December, Employees' end of service benefits amounted to QR 791,333 (2015: 145,243).

n) Provisions
Provisions are recognised when the Group has an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and able to be reliably measured.

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

2.3 Summary of significant accounting policies (continued)

o) Fair values

The fair value is the estimated amount for which assets could reasonably be exchanged for on the date of valuation between a willing buyer and a willing seller in an arm's length transaction wherein the buyer and seller has each acted knowledgeably, prudently and without compulsion.

2.4 Use of judgments and estimates

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affects the amounts reported in the consolidated financial statements and accompanying notes. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Judgments are made by management on the developments, selection and disclosure of the Group's critical accounting policies and the application of these policies and estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised of the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Operating leases – Group as a lessee

The Group has entered into a commercial property lease related to its office space and staff accommodations. The Group has determined that the significant risks and rewards of ownership of this property were not transferred to the Group. Hence, they have been accounted as operating leases.

Existence of significant influence on associates

Through the shareholder agreements, the Group is guaranteed seats on the board of directors and the right to appoint key management positions in all its associates and participates in all significant financial and operating decisions. The Group has therefore determined that it has significant influence over those entities.

Incidental costs incurred for the future acquisition of interest in other entities

The Group has recorded incidental costs incurred for the future acquisition of interest in other entities as other non-current assets and has determined that the probability of materialising of these investments is high.

End of Service Benefits

The determination of the obligation and the cost for end of service benefits is in accordance with Qatar Labour Law. End of service benefits as at 31 December 2016 amounted to QR 791,333 (2015: QR 145,243).

Useful lives of motor vehicles and equipment

The Group's management determines the estimated useful lives of its motor vehicles and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual values and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Going concern

The Group's management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going concern basis.

3 BUSINESS COMBINATIONS

3.1 Acquisitions by the Group

3.1.1 Incorporation of subsidiaries during the year

On 16 November 2016, the Company incorporated the following subsidiary:

Name of subsidiary	*Country of incorporation*	*Principal activity*
Nebras Power Netherlands BV	Netherlands	Finance and Investment Management

3.1.2 Acquisitions in 2016

Investment in IPM Indonesia BV
On 22 December 2016, the Group acquired 100% of the share capital of IPM Indonesia BV through it's fully own subsidiary, Nebras Power Netherland BV.

Nebras Power Netherland BV entered into an agreement with Engie Global Development BV to purchase 100% of the share capital of IPM Indonesia BV, a Company incorporated in the Netherlands. IPM Indonesia BV owns 35.514% of PT Paiton Energy Pte Ltd., a Company incorporated in Indonesia, which owns and operates a 2,045 MW coal-fired power plant in Indonesia.

Assets acquired and liabilities
The carrying value ("Provisional value") of the identifiable assets and liabilities of IPM Indonesia BV as at the date of acquisition were:

	Provisional Fair value QR
Investment in Associates *(Note 10)*	**3,635,379,365**
Cash at bank	**44,822,075**
Total assets	**3,680,201,440**
Total liabilities	**-**
Total identifiable net assets acquired	**3,680,201,440**
Purchase consideration transferred	**3,680,201,440**
Analysis of cash flows on acquisition	
Net cash acquired with the subsidiary	**44,822,075**
Cash paid	**(3,680,201,440)**
Net cash outflow	**(3,635,379,365)**

For the period ended 31 December 2016, IPM Indonesia BV contributed a net profit of QR 12,521,881 to the Group's results.

4 INTEREST INCOME

	2016	*2015*
	QR	*QR*
Interest income from term deposits	**98,527,520**	66,216,744
Interest income from other related parties *(Note 21(ii) and (vi))*	**3,337,833**	496,143
	101,865,353	66,712,887

5 FEE INCOME

	2016	*2015*
	QR	*QR*
Technical and financial service fees *(Note 21 (iv) and (v))*	**1,104,222**	6,840,979
Construction management fee *(Note 21(iii))*	**5,367,305**	4,174,570
	6,471,527	11,015,549

6 GENERAL AND ADMINISTRATIVE EXPENSES

	2016	*2015*
	QR	*QR*
Salaries and staff related cost	**23,375,152**	14,058,149
Consultancy and professional fees	**7,223,762**	4,572,016
Rent	**4,141,366**	1,741,185
Travel expenses	**3,175,646**	2,902,011
Board remuneration	**2,092,524**	3,234,460
Office expenses	**1,103,880**	281,417
Entertainment	**455,058**	217,911
License and registration fees	**226,170**	11,350
Bank charges	**198,553**	172,133
Miscellaneous	**475,466**	70,254
	42,467,577	27,260,886

7 OTHER OPERATING EXPENSES

	2016	*2015*
	QR	*QR*
Project development expenses	**8,933,707**	-
Depreciation (*Note 9*)	**548,556**	71,680
	9,482,263	71,680

8 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 year by the weighted average number of ordinary shares outstanding during the year.

	2016 *QR*	*2015* *QR*
Profit for the year attributable to the owners of the parent Company	**115,658,429**	53,778,986
Weighted average number of ordinary shares for basic EPS*	**365,000,000**	365,000,000
Basic and diluted EPS (expressed in QR per share)	**0.32**	0.15

*During the year, there is no increase or decrease of share capital and accordingly weighted average number of ordinary shares equals to the authorized and issued share capital *(Note 16).*

Diluted earnings per share
As the parent Company has no potential dilutive shares, the diluted EPS equals to the basic EPS.

9 MOTOR VEHICLES AND EQUIPMENT

	Furniture and fixtures *QR*	*Computer equipment* *QR*	*Office equipment* *QR*	*Motor vehicles* *QR*	*Total* *QR*
Cost:					
At 1 January 2016	-	234,606	20,580	261,460	516,646
Additions	67,206	455,246	79,868	1,086,500	1,688,820
At 31 December 2016	67,206	689,852	100,448	1,347,960	2,205,466
Depreciation:					
At 1 January 2016	-	26,964	2,384	50,115	79,463
Charge for the period	3,459	282,624	42,902	219,571	548,556
At 31 December 2016	3,459	309,588	45,286	269,686	628,019
Net carrying amounts:					
At 31 December 2016	**63,747**	**380,264**	**55,162**	**1,078,274**	**1,577,447**

	Computer equipment *QR*	*Office equipment* *QR*	*Motor vehicles* *QR*	*Total* *QR*
Cost:				
At 1 January 2015	3,306	1,730	207,000	212,036
Additions	231,300	18,850	54,460	304,610
At 31 December 2015	234,606	20,580	261,460	516,646
Depreciation:				
At 1 January 2015	643	240	6,900	7,783
Charge for the period	26,321	2,144	43,215	71,680
At 31 December 2015	26,964	2,384	50,115	79,463
Net carrying amounts:				
At 31 December 2015	207,642	18,196	211,345	437,183

10 INVESTMENT IN ASSOCIATES AND JOINT VENTURE

The Group has the following investments in associates and joint venture:

Movement for 2016	*Notes*	*% of ownership*	*Domicile*	*Opening Balance at 1 January QR*	*Additions (disposal) QR*	*Share in net income (loss) QR*	*Dividends received QR*	*Share in cash flow hedge reserve QR*	***Closing Balance at 31 December QR***
Associates									
Phoenix Power Company SAOG*	*10.1*	9.84%	Oman	135,217,269	218,976	17,199,620	(14,589,235)	8,787,378	**146,834,008**
Phoenix Operation and Maintenance Company LLC	*10.1*	15.00%	Oman	910,375	-	2,701,083	(2,731,125)	-	**880,333**
AES Oasis Ltd	*10.2*	38.89%	Cayman Islands	109,390,103	-	11,319,302	(8,023,244)	1,229,330	**113,915,491**
AES Baltic Holding BV	*10.3*	40.00%	Netherlands	-	77,408,348	18,723,346	(17,819,901)	-	**78,311,793**
PT Paiton Energy Pte Ltd	*10.4*	35.51%	Indonesia	-	3,635,379,365	12,521,881	-	(2,540,218)	**3,645,361,028**
IPM Asia Pte Ltd	*10.5*	35.00%	Singapore	-	175,141,584	371,035	-	-	**175,512,619**
Joint Venture									
Shams Maan Solar UK Limited	*10.6*	35.00%	United Kingdom	8,164,342	13,146,915	2,164,703	-	2,068,293	**25,544,253**
				253,682,089	**3,901,295,188**	**65,000,970**	**(43,163,505)**	**9,544,783**	**4,186,359,525**

Movement for 2015	*Notes*	*% of ownership*	*Domicile*	*Opening Balance at 1 January QR*	*Additions (disposal) QR*	*Share in net income (loss) QR*	*Dividends received QR*	*Share in cash flow hedge reserve QR*	*Closing Balance at 31 December QR*
Associates									
Phoenix Power Company SAOG*	*10.1*	9.84%	Oman	-	135,217,269	-	-	-	135,217,269
Phoenix Operation and Maintenance Company LLC	*10.1*	15.00%	Oman	-	910,375	-	-	-	910,375
AES Oasis Ltd	*10.2*	38.89%	Cayman Islands	-	106,478,549	1,727,421		1,184,133	109,390,103
Joint Venture									
Shams Maan Solar UK Limited	*10.6*	35.00%	United Kingdom	5,298,560	9,685,035	1,655,695	-	(8,474,948)	8,164,342
							-		
				5,298,560	252,291,228	3,383,116	-	(7,290,815)	253,682,089

** Note*

The Quoted fair value of Phoenix Power Company SAOG is QR 200,017,439 (2015 QR 195,361,988). The associate and joint ventures had no other contingent liabilities or capital commitments as at 31 December 2016, except as disclosed in Note 22.

10 INVESTMENT IN ASSOCIATES AND JOINT VENTURE (CONTINUED)

The table below represents the summarised financial information of investments in associates held by the Group.

Year ended 31 December 2016	*Phoenix Power Company SAOG*	*Phoenix Operation and Maintenance Company LLC*	*Total Phoenix*	*AES Oasis Ltd*	*AES Balatic Holding BV*	*PT Paiton Energy Pte Ltd*	*IPM Asia Pte Ltd*
	QR	*QR*	*QR*	*QR*	*QR*	*QR*	*QR*
Current assets	372,052,055	36,010,794		180,326,549	176,008,319	1,864,233,152	107,542,861
Non-current assets	5,536,948,090	-		783,194,870	1,002,101,586	14,025,018,760	-
Current liabilities	(596,310,191)	(14,718,943)		(66,118,782)	(55,935,073)	(715,420,015)	(49,030,006)
Non-current liabilities	(3,859,863,056)	(979,564)		(663,409,893)	(805,777,738)	(5,990,879,272)	(6,179,626)
Equity	1,452,826,898	20,312,287		233,992,744	316,397,094	9,182,952,625	52,333,229
Net assets of the investment in associates	142,934,922	3,046,843	145,981,765	54,599,867	75,935,303	3,260,866,477	18,316,630
Goodwill on acquisition			5,406,258	59,315,624	2,376,490	384,494,551	157,195,989
Carrying amount of investment			151,388,023	113,915,491	78,311,793	3,645,361,028	175,512,619
Summarised statement of comprehensive income*							
Revenue	1,110,926,971	74,246,544		63,427,370	49,785,658	3,148,531,938	111,939,710
Profit (loss)	174,832,057	18,007,218		48,660,687	100,793,715	1,460,223,293	44,729,982
Other comprehensive income	86,831,568	-		7,922,722	-	29,106,510	-
Total comprehensive income	261,663,625	18,007,218		56,583,409	100,793,715	1,489,329,803	44,729,982

**Note:*
All amounts represent full year results reported by respective associates

10 INVESTMENT IN ASSOCIATES AND JOINT VENTURE (CONTINUED)

Year ended 31 December 2015	*Phoenix Power Company SAOG QR*	*Phoenix Operation and Maintenance Company LLC QR*	*Total Phoenix QR*	*AES Oasis Ltd QR*
Current assets	337,974,898	34,390,326		177,029,836
Non-current assets	5,687,768,095	-		810,607,932
Current liabilities	(627,018,960)	(13,222,287)		(64,333,751)
Non-current liabilities	(4,099,298,456)	(655,470)		(707,318,046)
Equity	1,299,425,577	20,512,569		215,985,971
Net assets of the investment in associates	127,863,477	3,076,885	130,940,362	50,074,480
Goodwill on acquisition			5,187,281	59,315,624
Carrying amount of investment			136,127,643	109,390,104
Summarised statement of comprehensive income				
Revenue	964,746,237	56,800,117		61,039,336
Profit (loss)	272,493,445	17,672,200		51,594,152
Other comprehensive income	(29,485,226)	-		8,648,694
Total comprehensive income	243,008,219	17,672,200		60,242,846

The table below represents the summarised financial information of investments in joint ventures held by the Group.

	2016 QR	*2015 QR*
Current assets	**92,030,665**	33,667,148
Non-current assets	**580,587,204**	224,132,785
Current liabilities	**(66,461,194)**	(28,976,188)
Non-current liabilities	**(533,266,064)**	(205,497,054)
Equity	**72,890,611**	23,326,691
Net assets of the investment in joint venture	**25,544,253**	8,164,342
Summarised statement of comprehensive income		
Revenues	**381,433,075**	182,434,917
Cost of sales	**(362,445,607)**	(177,121,278)
Other income	**-**	54,022
Other expenses, including depreciation QR 223,496 (2015: QR 151, 018)	**(8,603,790)**	(689,555)
Profit before tax	**10,383,678**	4,678,106
Income tax (expenses)/ reversal	**(133,110)**	52,453
Profit for the year	**10,250,568**	4,730,559

10 INVESTMENT IN ASSOCIATES AND JOINT VENTURE (CONTINUED)

10.1 Phoenix Power Company SAOG and Phoenix Operation and Maintenance Company LLC

On 18 June 2015, the Group purchased 0.088% of the share capital of Phoenix Power Company SAOG from the Initial Public Offer. The company is incorporated in the Sultanate of Oman and owns and operates a high efficiency gas fired power generation facility with a capacity of 2,000 MW located at Sur, in the Sultanate of Oman.

On 30 December 2015, the Group entered into an agreement with Qatar Electricity and Water Company Q.S.C ("QEWC") to purchase 9.75% of the share capital of Phoenix Power Company SAOG and to purchase 15% of the share capital of Phoenix Operation and Maintenance Company LLC, a company incorporated in the Sultanate of Oman which provides operation and maintenance services to Phoenix Power Company SAOG.

10.2 AES Oasis Ltd

On 1 December 2015, the Group purchased from Qatar Electricity and Water Company Q.S.C ("QEWC") 38.89% of the share capital of AES Oasis Ltd, a Company incorporated in Cayman Islands. AES Oasis Ltd. holds effectively 60% of the share capital AES Jordan PSC which holds and operates a 370MW combined cycle gas fired power in the Kingdom of Jordan through its intermediary subsidiary.

10.3 AES Baltic Holding BV

On 18 February 2016, the Group purchased from Qatar Electricity and Water Company Q.S.C ("QEWC") 40% of the share capital of the share capital AES Baltic Holding BV, a Company incorporated in The Netherlands. AES Baltic Holding BV effectively holds 60% of the share capital AES Levant Holdings B.V. Jordan PSC which owns and operates a 241MW gas power plant in the Kingdom of Jordan through its intermediary subsidiary.

10.4 PT Paiton Energy Pte Ltd

On 22 December 2016, the Group purchased 35.514% of the share capital of PT Paiton Energy Pte Ltd through its fully own subsidiary, IPM Indonesia BV.

Nebras Power Netherland BV entered into an agreement with Engie Global Development B.V to purchase 100% of the share capital of IPM Indonesia BV, a Company incorporated in The Netherlands. IPM Indonesia BV holds 35.514% of the share capital PT Paiton Energy Pte Ltd., Fully own Company incorporated in Indonesia where it owns and operates a 2,045 MW coal-fired power plant.

10.5 IPM Asia Pte Ltd

On 22 December 2016, the Group purchased 35% of the share capital of IPM Asia Pte Ltd through its fully owned subsidiary, Nebras Power Netherlands BV.

Nebras Power Netherland BV entered into an agreement with Engie Global Development BV to purchase 35% of shares of IPM Asia Pte Ltd, a Company incorporated in Singapore. IPM Asia Pte Ltd. owns 84.1% of PT IPM Operation and Maintenance Indonesia., a Company incorporated in Indonesia which provides Operation and Maintenance services to PT Paiton Energy Pte Ltd. IPM Asia Pte Ltd fully. owns 100% IPM O&M Services Pte Ltd. a Company incorporated in Singapore, which provides technical services to PT IPM Operation and Maintenance.

10.6 Shams Maan Solar UK Limited

On 26 June 2015, the Group acquired 35% of the share capital of Shams Maan Solar UK Limited, a joint venture Company registered in England and Wales engaged in the financing, building, ownership and operation of a 52.5 MW solar power plant in Ma'an city in the Kingdom of Jordan.

11 OTHER NON-CURRENT ASSETS

	2016	*2015*
	QR	*QR*
Project development cost *(Note i)*	**1,416,356**	4,979,558
Work in progress *(Note ii)*	**1,225,341**	-
	2,641,697	4,979,558

(i) This consists of incidental costs incurred for potential future acquisition of interest in investees.

(ii) This represent cost of ERP implementation.

12 LOANS RECEIVABLE

	2016	*2015*
	QR	*QR*
Loans receivable from related parties *(Note 21)*	**740,590,100**	10,573,503
Loans receivable from other parties	**63,856,926**	-
	804,447,026	10,573,503

13 TERM DEPOSITS

	2016	*2015*
	QR	*QR*
Term deposit *(Note i)*	**628,110,561**	3,533,396,667
Interest receivable - term deposits	**52,444,481**	29,229,413
	680,555,042	3,562,626,080

The term deposits are placed with local banks with strong long term credit rating (Moody's rating: A1- Aa3, S&P rating: A- to A+ and Fitch rating: A to AA-).The interest rates are ranging from 1.7% % to 3.4% (2015: 1.3% to 2.26%).

14 PREPAYMENTS AND OTHER RECEIVABLE

	2016	*2015*
	QR	*QR*
Amounts due from related parties *(Note 21)*	**13,998,689**	661,715
Prepayments	**414,290**	344,717
	14,412,979	1,006,432

15 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows include the following amounts:

	2016 ***QR***	*2015* *QR*
Cash on hand	**142**	4,901
Cash at bank	**94,729,748**	136,034,906
	94,729,890	136,039,807

16 SHARE CAPITAL

	2016 ***QR***	*2015* *QR*
Authorised, issued and fully paid:		
365,000,000 shares of QR 10 each	**3,650,000,000**	3,650,000,000

17 RESERVES

17.1 Share of hedging reserve of associate and joint venture

This reserve in the statement of financial position represents the change in OCI of investment in associates and joint venture related to mark-to-market of interest rate hedges on long term financing. When there has been a change recognised directly in the equity of the associates or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity.

17.2 Legal reserve

The Company has been incorporated under Article 207 of the Qatar Commercial Companies Law No. 11 of 2015. The provisions of the article of association apply to the Company for legal reserve. As per the articles of the Company, The Company shall allocate such proportion of the profit for the year or quarter to reserves as decided by a vote of the shareholders at an ordinary general assembly. In case of no decision, there shall be no allocation made to the statutory reserves. The shareholders have not decided to allocate such proportion of profits to the reserve, and accordingly no such transfers were made to the legal reserve.

18 LOANS AND BORROWINGS

	Interest rate *%*	*Maturity*	***2016*** ***QR***
Current interest-bearing loans and borrowings			
QR 182,075,000 Bank Loan *(Note i)*	LIBOR+0.9%	2017	**182,075,000**
QR 182,075,000 Bank Loan *(Note ii)*	LIBOR+0.35%	2017	**182,075,000**
QR 1,565,845,000 Bank Loan *(Note iii)*	LIBOR+1%	2017	**156,584,500**
Total current interest-bearing loans and borrowings			**520,734,500**
Non-current interest-bearing loans and borrowings			
QR 1,565,845,000 Bank Loan *(Note iii)*	LIBOR+1%	2020	**1,397,560,028**
Total interest-bearing loans and borrowings			**1,918,294,528**

18 LOANS AND BORROWINGS (CONTINUED)

Notes:

(i) The Group has entered into an unsecured revolving loan agreement with HSBC Bank Middle East Ltd for a credit facility amounting to QR 182 million (USD 50 million) to fund the working capital requirements. The total outstanding amount as at 31 December 2016 is QR 182 million (USD 50 million). Interest is charged at a rate of LIBOR + 0.9% per annum as specified in the agreement. The loan is repayable at maturity, 12 months from the facility drawdown date.

(ii) The Group has entered into an unsecured revolving loan agreement with Mizuho Bank Ltd for a credit facility amounting to QR 182 million (USD 50 million) to finance the working capital requirements. The total outstanding amount as at 31 December 2016 is QR 182 million (USD 50 million). Interest is charged at a rate of USD LIBOR + 0.35% per annum as specified in the agreement. The loan is repayable one year from the date of countersignature of the loan facility letter.

(iii) The Group entered into a syndicated revolving unsecured credit facility amounting to QR 1,565 million (USD 430 million) with a consortium of banks for a specific fund asset acquisitions. The facility carries interest at LIBOR + 1% per annum as specified in the agreement. The total outstanding amount as at 31 December 2016 is QR 1,565 million (USD 430 million). The loan is amortized over period of 4 years in semi-annual instalments starting from 11 December 2017.

19 EMPLOYEES' END OF SERVICE BENEFITS

	2016	*2015*
	QR	*QR*
At 1 January	**145,243**	-
Provision made during the year	**646,090**	145,243
As 31 December	**791,333**	145,243

20 ACCRUALS AND OTHER PAYABLE

	2016	*2015*
	QR	*QR*
Accrued expenses	**25,468,516**	6,597,059
Accrued interest on bank loan	**2,238,382**	-
Deferred revenue *(Note i)*	**-**	5,367,305
Other payables	**66,308**	13,397
	27,773,206	11,977,761

Note:

(i) The deferred revenue refers to the Construction Management Fees from Shams Maan Power Generation Company for the 16 month service period which was completed in September 2016.

21 RELATED PARTY DISCLOSURES

Related parties represent parent company, major shareholders, associated companies, directors and key management personnel of the Group, and companies of which they are principal owners. Pricing policies and terms of these transactions are approved by the Group's management and/or by the Board of Directors on an arm-length basis under normal market terms and conditions.

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

	31 December 2016		
	Expenses QR	***Interest Income QR***	***Fee Income QR***
Shareholders			
Qatar Electricity and Water Company Q.S.C.	**6,662,812**	**-**	**-**
Other			
PT Paiton Energy Pte Ltd	**-**	**2,438,970**	**47,139**
Shams Maan Power Generation PSC *(Note (ii), (iii) and (iv))*	**-**	**898,863**	**5,434,219**
AES Oasis Ltd	**-**	**-**	**990,169**
	6,662,812	**3,337,833**	**6,471,527**

	31 December 2015		
	Expenses QR	*Interest Income QR*	*Fee Income QR*
Shareholders			
Qatar Electricity and Water Company Q.S.C.	19,403,484	-	-
Other			
Shams Maan Power Generation PSC *(Note (ii), (iii) and (iv))*	-	496,143	11,015,549

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

	31 December 2016		
	Loan receivable QR	***Other receivables QR***	***Payables QR***
Shareholders			
Qatar Electricity and Water Company Q.S.C.	**-**	**5,738,736**	**-**
Other			
PT Paiton Energy Pte Ltd *(Note (vi)*	**717,059,974**	**-**	**-**
Shams Maan Power Generation PSC *(Note (ii) and (iv))*	**23,530,126**	**1,560,577**	**-**
Phoenix Power Company SAOG *(Note (vii))*	**-**	**6,404,807**	**-**
AES Oasis Ltd *(Note (v))*	**-**	**294,569**	**-**
	740,590,100	**8,259,953**	**-**
	740,590,100	**13,998,689**	**-**

21 RELATED PARTY DISCLOSURES (CONTINUED)

	31 December 2015		
	Loan receivable QR	*Other receivables QR*	*Payables QR*
Shareholders			
Qatar Electricity and Water Company Q.S.C. *(Note (i))*	-	-	244,560,321
Other			
Shams Maan Power Generation PSC *(Note (iii))*	10,573,503	661,715	-

Notes:

(i) The receivable amount represents the dividend received through QEWC net of expenses incurred on behalf of the Group. The purchase consideration for the investment was paid during 2016.

(ii) According to the “Shareholder Loan Agreement” entered on 21 July 2014 between the Group and Shams Ma’an Power Generation PSC, the Group has agreed to lend an aggregate amount of USD 17 Million. This loan is long term in nature and does not have a fixed repayment schedule. The Group does not expect to recover the outstanding amount within a year, thus this is classified under non-current assets. The loan carries an interest at 5% per annum.

(iii) According to the “Construction Management Agreement” entered on 18 January 2014 between the Group and Shams Ma’an Power Generation PSC (“Shams Ma’an ”), the Group has agreed to assist Shams Ma’an in supervising, monitoring and controlling the construction of the solar power generating facility.

(iv) According to the “Technical and Financial Service Agreement” entered on 18 January 2014 between the Group and Shams Ma’an, the Group has agreed to provide certain technical and financial services as specified in the agreement.

(v) According to the “Technical Service Agreement” entered between AES Oasis Ltd and AES Jordan PSC, AES Oasis Ltd has agreed to provide technical services as specified in the agreement. The Group receives the respective share of the technical fee.

(vi) According to the “Share Purchase agreement” entered in to on 26 February 2016 with International Power (Impala) BV the Group has taken over the loan receivables from PT Paiton Energy Pte Ltd. The loan carries an interest rate of 2.29% per annum.

(vii) Dividend proposed but not paid as at 31 December 2016.

Compensation of key management personnel

The remunerations of directors and other members of key management during the year were as follows:

	2016 QR	*2015 QR*
Management		
Salaries and staff-related costs	**5,901,637**	6,983,724
Board remuneration*	**2,092,524**	3,234,460
	7,994,161	10,218,184

*****This amount includes paid amount for 2015 and accrued amount for 2016.

22 COMMITMENTS AND CONTINGENCIES

At 31 December 2016, the Group had the following commitments:

(i) Based on the shareholders' loan agreement entered on 21 July 2014, between Nebras Power Q.S.C. and Shams Ma'an Power Generation PSC, the Group has committed to lend up to USD 17 million to Shams Ma'an Power Generation PSC. As of 31 December 2016 QR 23,530,126 (USD 6,461,659) has been lent by the Group *(Note 21(ii))*.

(ii) According to the shareholders' agreement entered on 26 June 2014, the Group along with other shareholders have agreed to contribute for the development of the joint venture entity (Shams Maan Solar UK Limited) USD 800,000. As of 31 December 2016, the Group's share of committed contributions for the development of the joint venture amounted to USD 280,000.

(iii) Based on the shareholders' agreement entered on 26 June 2014 between Nebras Power Q.S.C. and Shams Maan Solar UK Limited, the Group has committed to subscribe to the capital of Shams Maan Solar UK Limited in accordance with a Shareholder Financing Plan. As of the reporting date, the Group's equity subscription amounts to QR 28,180,309 (USD 7,732,672).

(iv) At 31 December 2016, the Group had contingent liabilities amounting to QR 43,329,298 (2015: QR 71,895,506) in respect of tender bonds and performance bonds arising in the ordinary course of business from which no material liability is expected to arise.

(v) The share of IPM Indonesia B.V. are pledged with the lenders of PT Paiton Energy Pte Ltd under the relevant lending agreements.

Operating lease commitments
The Group has entered into agreements for the commercial lease of the office buildings. The lease agreement for the building is for an initial period of 2.8 years commencing on 1 August 2015.

The future minimum lease rental payable under non-cancellable operating leases as of 31 December as follows:

	2016	*2015*
	QR	*QR*
Within one year	**4,136,604**	4,136,604
After one year but not more than three years	**1,034,151**	5,170,755
	5,170,755	9,307,359

23 FINANCIAL RISK MANAGEMENT

Objectives and policies
The Group has put in place a robust financial risk management system aimed at identifying, assessing and managing key company's financial risks.

The main risks arising from the Group's financial instruments are credit risk**,** liquidity risk, interest rate risk and currency risk**.**

Credit risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge its obligation. The Group's exposure to credit risk is indicated by the carrying value of its financial assets which consists primarily of term deposits, bank balances, interest receivables and due from related parties.

With respect to credit risk in respect of bank balances and other financial assets, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments as follows:

23 FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

	2016 ***QR***	*2015* *QR*
Bank balances *(Note 15)*	**94,729,748**	136,034,906
Term deposits *(Note 13)*	**680,555,042**	3,562,626,080
Amounts due from related parties *(Note 14)*	**13,998,689**	661,715
Loans receivable *(Note 12)*	**804,447,026**	10,573,503
	1,593,730,505	3,709,896,204

Credit risk on bank balances and term deposits is negligible as they are placed with local Qatari banks having strong long term credit ratings (Moody's rating: A1- Aa3, S&P rating: A- to A+ and Fitch rating: A to AA-). Nebras Power Q.S.C has currently enforceable legal right to offset financial assets and financial liabilities and recognized the net amount.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet financial obligations as they fall due. The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group limits its liquidity risk by investing available cash in term deposits redeemable at any time at no cost and ensuring that bank facilities are promptly available when required.

Interest rate risk

The Group's financial assets and liabilities that are subject to interest rate risk comprise bank deposits and interest bearing loans and borrowings.

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's financial liabilities with floating interest rates.

The following table shows the sensitivity of the consolidated income statement to possible changes in interest rate by 25 basis points, with all other variables held constant. The sensitivity of the consolidated income statement is the effect of the assumed changes in interest rates for one year, on the floating rate borrowing held at 31 December. The effect of decreases in interest rates is expected to be equal and opposite to the effect of the increases shown

	Changes in basis points	*Effect on profit* *QR*
2016		
Floating rate instruments	**+25 bps**	**4,795,736**
2015		
Floating rate instruments	+25 bps	-

The Group plans to reduce significantly interest rate risk by entering into one or more interest rate hedging transactions during the first quarter of 2017.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. A significant portion of the Group's foreign currency transactions is denominated in US Dollar. As the Qatari Riyal is pegged to the US Dollar, balances in US Dollars are not considered to represent significant currency risk.

23 FINANCIAL RISK MANAGEMENT (CONTINUED)

Capital management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholder value.

Nebras Power targets to have non-recourse financing to fund its development projects. The Group also utilize corporate financing to optimize cost of capital, secure long-term growth and maximize shareholders value. However, the targeted level of corporate debt is consistent with maintaining an internally assessed stand-alone investment grade credit rating. This assessment is performed in accordance with methodologies adopted by major credit rating agencies.

The management monitors the capital, which the Group defines as share capital and retained earnings and is measured at QR 3,835,610,571 (2015: QR 3,719,952,142).

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

24 FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments comprise of financial assets and financial liabilities.

Financial assets consist of bank balance, term deposits, interest receivables, loans to related parties and amounts due from related parties. Financial liabilities consist of loans and borrowings, accruals and other payable and amounts due to related parties.

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

25 SUBSEQUENT EVENTS

On 17 January 2017, the Company and Qatar Electricity & Water Company Q.S.C., signed a Cooperation Agreement with Masdar, an Abu Dhabi renewable energy company, to develop jointly renewable and sustainable energy projects.

On 23 January 2017, the Company signed a term loan facility agreement with First Gulf Bank for QR 273 million (USD 75 million).

On 28 February 2017, the Company fully settled the revolving facility obtained from Mizuho Bank Ltd amounting to QR 182 million (USD 50 million).

However, these events do not require any adjustments to in the financial statements.