نبراس للطاقة
Nebras Power

Pioneering Future Energy

ANNUAL REPORT 2016

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BUSINESS OVERVIEW

WHO WE ARE

Nebras Power Q.P.S.C. ("Nebras Power" or "Nebras") was established in 2014 as a Qatari shareholding company in accordance with the provision of Article 68 of Qatar commercial companies' law. The Company which is headquartered in Doha, Qatar is a joint venture of three Government Related Entities ("GREs"): Qatar Electricity and Water Company ("QEWC"), Qatar Petroleum International ("QPI") and Qatar Holding ("QH"). QPI and QH are fully owned (directly and indirectly) by the State of Qatar, whereas QEWC has been partly floated on the Doha stock exchange and State of Qatar owns directly and indirectly 52%.

Nebras was set up to take advantage of the investment opportunities created by continuously growing demand for electricity and water throughout the world, especially in the rapidly developing markets in the Middle East, Asia, Africa and Latin America. It was also set up to participate in the evolving nature of the global power industry and to pioneer future energy solutions in its investments.

Nebras was created as a fully-fledged investment company capable of building on this long-term opportunity. It is the vehicle through which Qatar intends to develop and manage a portfolio of strategic investments in power, water and renewables throughout the world. We form part of Qatar's 2030 vision to diversify the economy away from oil and gas and be the custodian of wealth for future generation of Qataris.

We draw on the extensive experience gained by our major shareholder, Qatar Electricity and Water Company ("QEWC"), in developing power and water projects in Qatar and abroad.

QEWC is Qatar's national power generating company, it controls the majority of Qatar's power generating fleet and it is the second largest utility in the Middle East and North Africa regions.

Over the last 3 years we have already developed a portfolio of 5 assets totalling 1.1 GW (net), around 3 geographies in Middle East and South-East Asia, delivering on our strategy and business plan. We are just at the beginning of our journey.

We have built a highly professional management team with extensive years of experience in the power and utilities sectors. The management team has a mix of global, regional and local experience to ensure full alignment with shareholders and global knowledge of the power sector.

We have the ambition and the strategic target to build a portfolio exceeding 9 GW net by 2026, well balanced in terms of technology mix, market geographies and off-taking arrangements.

We will pursue long term value creation through active management of the investment portfolio and direct involvement in engineering and construction, operation and maintenance, energy trading, sourcing and logistics of fuel. The focus will be on long-term investment opportunities pursued either through direct control or with associated significant governance rights to influence decision making and protection of underlying value.

We have the ambition to become one of the leading Energy companies of the world, pioneering future energy.

OUR VISION, MISSION AND VALUES

OUR VISION:

We have the ambition to become one of the leading Energy companies of the World, pioneering future energy.

OUR MISSION:

We are committed to provide safe, reliable, efficient, and environmentally sound energy solutions. We aspire to achieve this by living our values, which drive every decision and action we take. We encourage talents and we truly count on skills and creativity of our team to achieve excellence in everything we do.

OUR VALUES:

- Safety as a priority: We believe in conducting our business in a safe and sustainable way.
- Pursuing excellence: We believe in the pursuit of excellence in everything we do.
- Collaboration and teamwork: We believe we are better when we work together.
- Continuous improvement and knowledge: We always strive to get better. We share our know-how, expertise and ideas with each other. We apply the lessons we learn.
- Honesty, Integrity and transparency: We set the highest standard of corporate governance. We are open and honest with each other, our partners and stakeholders.
- Commitment to environment: We understand our impact on the environment and we work towards a more sustainable industry.

Nebras Power enjoys full support from three strong shareholders, with solid fundamentals and outstanding track record. They have invested into the company's growth and are able to bring our vison and strategy into life.

OUR SHAREHOLDERS

QATAR ELECTRICITY AND WATER COMPANY

QEWC is the national power and water company of the State of Qatar. The company was founded in 1990 with the purpose of owning and operating power generation and water desalination plants in Qatar, and selling their output to the sole state-owned off taker Qatar General Electricity and Water Corporation ("Kahramaa"). QEWC is majority (52%) owned by the State of Qatar and listed on Doha stock exchange. QEWC is rated A1 by Moody's.

QEWC is the second-largest utility in the Middle East and North Africa region. The company owns 13 assets of power and desalination plants with a capacity of over 7,300 MW (net) of Power generation and 411 MIGD (net) of water desalination. QEWC fully operates and maintains 8 of its assets which it owns 100% and leads the operation and maintenance of other 5 assets where it holds majority ownership.

QEWC is the main supplier for electricity and desalinated water in Qatar with a market share of 62% of electricity and 79% of water. Over the last decade, the company has witnessed remarkable growth in alignment with the rapid development of the Qatari economy and the increase of population, which has in turn increased the demand for electricity and water.

QATAR PETROLEUM INTERNATIONAL

QPI was established in 2005 as a wholly owned subsidiary of Qatar Petroleum ("QP"), the national oil company of the State of Qatar. QPI's role is to represent QP outside the State of Qatar by investing in projects worldwide to gain a long-term financial return. QPI's mandate was to fulfil the critical role of incubator for QP by building a portfolio of assets and opportunities internationally.

QPI currently invests in overseas companies that produce, develop, and explore for oil and natural gas as well as in companies who manage gas and power, refining/ petrochemicals and other midstream/ downstream activities.

QPI's multibillion portfolio of investments is global in scope, including partnerships and joint venture initiatives in the United States, Canada, United Kingdom, Italy, Greece, Singapore, Vietnam, China, Egypt, The Democratic Republic of Congo, Brazil, and Mauritania.

QP is rated AA by Standard & Poor's and Aa2 by Moody's.

QATAR HOLDING

QH is a global investment house established in 2006, founded by the Qatar Investment Authority ("QIA") and licensed by the Qatar Financial Centre Authority ("QFCA").

QH invests internationally and locally in strategic private and public equity as well as in other direct investments.

QH is recognized in the corporate world as one of the world-class investment holding corporations and QH is a partner of choice for investors, financiers, and other stakeholders. By applying best practices in corporate governance, strategic and investment planning, financial management and reporting, human resource management and stakeholder consideration.

The portfolio of QH includes some of the world's most prestigious institutions covering a wide range of industry sectors. Qatar Holding's investments cover more than 30 countries across all continents.

CHAIRMAN'S LETTER

Fahad Hamad Al-Mohannadi
Chairman of the Board

"2016 has marked a turning point for our company. Our portfolio grew from 272MW to 1085MW following the successful completion of landmark transactions across several geographies."

Over the last couple of decades, the global power generation sector has undergone a tremendous change. What traditionally has been the function of government ministries or centralized government-owned national utilities has increasingly been supplemented, or even replaced, by privately owned power generation.

Resulting in better operational efficiency and a business-like approach to building, operating and financing of power plants, plus prospective competitive tension between investors and operators of power plants, were all intended to improve the power generation business and benefit the consumer through efficiency, competition and better pricing.

Nebras Power has been set up to participate in, and actively shape, this fundamental change impacting the global power generation industry. Within the company's relatively short 3 year history, 2016 was a critical year: it saw Nebras's portfolio grow from 272 MW to 1,085 MW, with landmark transactions across a variety of geographies. Nebras has matured and is becoming what its founders and shareholders intended it to become: a leading player in the evolving global power industry.

During 2016 and looking forward, we have seen however further dramatic change not only in the power industry, but more generally in the energy industry - the industry which has been key to the development of Qatari economy over the last few decades. 2016 and the previous year have seen continued low oil and gas prices and related economic uncertainty across the GCC region.

The trend toward rapidly increasing participation of renewables in power generation is now combining with equally rapid trend toward use of electric vehicles for land transport. An even newer development – significant improvements in battery technology and efficiency, all combine to undermine the role of oil and gas in the economies of the future in the two key areas that it used to dominate – generation of electricity and provision of fuel for transport, as renewables combined with storage technology are looking at potentially providing relatively stable, quasi-baseload power.

Not only the role of oil and gas as fuel is being challenged; so is the very concept of a utility-scale power plant delivering power to an electric grid. Captive power plants for industry use, distributed generation, mini-grids serving remote locations, rapid development of offshore wind and solar industry, dropping prices of equipment for renewable plants, and finally growth of electric storage, all present challenges but also unprecedented opportunities for power sector developers and investors.

This means an even greater importance for knowledge and ability not just to navigate the issues presented by the new energy and power industry taking shape in front of us, but to take advantage of these new trends, turn them into benefits and sources of success.

Nebras's success is also that of its shareholders: QEWC, QPI and QH, three strong partners with solid fundamentals and outstanding track record, who have invested into the company's growth and supported it since its inception. Thanks to them, Nebras Power has an exceptionally strong balance sheet with assets totalling QR 5.785 million and an equity of QR 3,838 million as of December 31, 2016 enabling its continued growth as investor and developer.

I am very pleased and proud of the success achieved by the company to date and wish it continued success in the future.

Fahad Hamad Al-Mohannadi
Chairman of the Board

CHIEF EXECUTIVE OFFICER'S MESSAGE

Khalid Mohammed Jolo
Chief Executive Officer

"2016 has been a remarkable and critical year for Nebras Power. The company has scored significant successes, not only in terms of growing its investment portfolio, but also in not less important terms: growing its human capital and expertise and making a name for itself as an important industry player on a global scale."

Since its inception, Nebras has been very successful in delivering strong growth to its shareholders, but 2016 has been especially fruitful. The company's portfolio has grown from 272 MW to 1,085 MW, all in high-quality, contracted assets with high and predictable rate of return.

In addition, the growth of the portfolio enabled the company to grow its business development, finance, asset management and plant operation expertise, thus laying the foundation for further growth into the future. As of 2016, Nebras owns and participates in the management and operation of 5 power generating facilities from Jordan to Indonesia, totalling 1085 MW (net), and has signed agreements to add additional significant capacity in Africa, Middle East and South East Asia.

Going forward, I see knowledge-based companies like Nebras being at the forefront of creation of jobs, GDP growth as well as superior returns to shareholders: the engines of future growth, not only in the energy industry, but generally in the rapidly integrating international business.

The other role where I see Nebras becoming involved is the creation of an integrated link between global gas producers and global power consumers, especially in the fast-growing emerging markets of Asia and Africa.

Despite advances of renewables, gas and LNG will continue to provide very quick and clean power source where and when needed. LNG and clean gas are increasingly perceived by both national utilities and policy makers worldwide as the critical elements of a balanced grid supplying stability and availability of power, supplanting and balancing the growing role of renewables and their current intermittency. Where other sources of generation – whether nuclear, coal, or oil – are now generally considered as legacy and not being replaced with the like after the end of their useful life, demand for quick-response and clean gas and LNG are expected to significantly increase. This demand will be further fuelled in the future by increasing shift of the land transport to electric vehicles. This will create new, massive demand source for additional electric power.

Nebras Power is already looking at the combination of clean, gas-to-power fired capacity complementing the more intermittent in nature renewable generation from solar and wind plants as the next step of power industry evolution – the future of energy. We are already very active in this area, having been involved during 2016 in a number of bids for both wind and solar projects, from Morocco to the Gulf region to South East Asia.

We are currently involved in a number of gas-to-power projects in various geographies. This growing involvement is in line with Nebras's commitment to both clean environment and sustainable power generation and is increasingly defining where the company is going. Nebras is and will continue to be at the forefront of the efforts to preserve the environment.

Our company is also committed to the society within which it operates and to which it provides its services, and last but not least, to all its stakeholders: whether employees, shareholders, or partners. We cherish this fundamental principle of partnership with our stakeholders in everything we do.

To summarize, 2016 has been a year of great success for Nebras, as the company is confidently looking into the future and delivering in line with the vision of its founders. I wish Nebras and its team the best of success going forward.

Khalid Mohammed Jolo
Chief Executive Officer

Nebras Power will participate in and actively shape the ongoing power industry transformation process.

SECTOR OVERVIEW

Over the last couple of decades, the global power generation sector has undergone a profound transformation process.

As far as global power demand is concerned, Emerging Markets are expected to lead demand growth, driven by economic and population upward dynamics and increased electrification mainly in Asia, Africa, Middle East and Latin America. On the other side, most of the developed countries are experiencing slowing demand growth due to economic downturn, efficiency gains, growing demand-side management, and growth in distributed generation.

From a technology mix perspective, we are witnessing a global shift towards renewable energy sources, increasingly becoming less expensive. In conventional power generation, gas is expected to drive future capacity grow, being able to provide a quick and clean source of baseload capacity and considering the environmental challenges for coal and nuclear technologies. Notwithstanding that, coal will continue to play a role in Asian and African countries due to less stringent environmental guidelines and regulations and abundance of domestic cheap resources.

Besides that, the emergence and development of energy storage solutions is creating the premises for the renewable baseload revolution through the combination of intermittent power with fast and readily available reserve capacity.

On the other side, the fast-growing dynamics of distributed power generation and the advent of off-grid power systems is putting under pressure the traditional unidirectional model of electric power system and it is opening new market opportunities.

While most of the new greenfield developments are expected to come from emerging economies in South East Asia, Africa, Middle East and Latin America, to meet the upward trend in demand, market competitiveness is expected to increase and providers of both debt and equity capital are

expected to become more selective towards specific markets.

Governments are increasingly seeking private sector participation in the power sector to meet demand especially in Emerging Markets while the unbundling' of vertically integrated government owned entities is underway.

Merchant markets are expected to be predominant in future but there is increasing pressure on regulators to introduce capacity payment schemes to support long term returns.

As far as the electricity transmission and distribution segments are concerned, the adoption of smart grid solutions and systems is allowing electric utilities to control better their networks, to connect better to their customers, to compete more effectively and to provide expanded services to end-users who now become active players of the energy conservation process.

All of that is happening in a context where energy efficiency policies and programs are proliferating supported by technology advances as well as by shift in consumer's habits.

This new context is inevitably producing a paradigm shift in the decision-making process related to new asset development and asset management in the power industry.

Our overall strategic objective is to achieve optimal investment portfolio returns while growing our global asset base and to expand technological know-how across the whole spectrum of power generation and water desalination technologies. This includes active participation in the global shift in the nature of the power generation industry, pioneering new energy solutions.

To achieve this purpose, Nebras Power's Board of Directors have developed a clear set of strategic directions that guide the management team in assessing, selecting, executing and managing investments.

OUR STRATEGY

We invest globally in power generation, sourcing and logistic of fuel, water desalination, water treatment, district cooling/heating projects.

We are a strategic investor and we pursue long-term value creation. We aim at maximizing shareholder returns in the context of an acceptable risk profile.

We target to achieve a well-balanced investment portfolio in terms of technology mix, markets, merchant exposure, greenfield vs M&A development.

We target to secure significant governance rights over investees through either direct control or an acceptable level of influence over management, operations and cash flow generation.

We want to develop and retain key technical, commercial, market, management competences and expertise across all technologies and target markets.

We adopt financial discipline while pursuing growth. We aim at maintaining at all times a stand-alone investment grade credit rating.

We want to build successful long-term relationships with strategic partners (utilities, power developers, EPC, OEM, O&M providers, financial institutions) for developing opportunities in target markets.

OUR BOARD OF DIRECTORS

The broad range of backgrounds, expertise and experience brought by the members of our Board of Directors plays a crucial role in the long term sustainable development of our business and operations, and ensures that high standards of corporate governance are pursued and maintained. Eight out of ten Directors are non-executive Directors.

FAHAD HAMAD AL-MOHANNADI
CHAIRMAN

Appointed Chairman to the Board in February 2014.

CAREER AND EXPERIENCE

Mr. Fahad bin Hamad Al-Mohannadi is the Chairman of Nebras Power QPSC and Managing Director & General Manager of QEWC and has a career spanning more than 25 years including:

Various positions at the Ministry of Electricity & Water of Qatar from 1981 to 1992. Joined QEWC in 1992 as Technical Manager and currently he is the MD & GM of QEWC.

He is one of the Board of Directors of HK Electric Investments & HK Electric Investments Ltd., Qatar Hot Briquetted Iron Co., Qatar Steel Co., Ras Laffan Power Co. Ltd. and Qatar Electricity & Water Co. Mr. Al-Mohannadi also served in the Board at Industries Qatar Co., Qatar Petroleum Corp. and Qatar Science & Technology Park.

Mr. Fahad graduated in 1980 from the North Carolina Agricultural & State University in the USA with a Bachelor Degree in Mechanical Engineering.

Current Position affiliations: Chairman of Nebras Power QSC and Managing Director & General Manager of QEWC.

Career and Experience: With more than 25 years of professional experience. He held various positions at the Ministry of Electricity & Water of Qatar from 1981 to 1992. One of the Board of Directors of HK Electric Investments & HK Electric Investments Ltd., Qatar Hot Briquetted Iron Co., Qatar Steel Co., Ras Laffan Power Co. Ltd. and Qatar Electricity & Water Co.

Mr. Al-Mohannadi also served on the Board at Industries of Qatar., Qatar Petroleum Corp. and Qatar Science & Technology Park.

QUALIFICATIONS AND RECOGNITIONS

Graduated of Bachelor Degree in Mechanical Engineering in 1980 from North Carolina Agricultural & State University in the USA. He is a Qatari national.

KHALID MOHAMMED JOLO
CHIEF EXECUTIVE OFFICER

Elected as CEO in February 2014. Appointed to the Board in December 2014.

CAREER AND EXPERIENCE

Mr. Jolo has more than 20 years' experience in the power and utilities sector.

Having headed the QEWC's Business Development team in the recent past, he was responsible for leading critical development projects in and outside Qatar including Ras Abu Fontas-B1 (375 MW), Ras Abu Fontas-B2 (550 MW + 33MIGD), Ras Abu Fontas-A1 (45 MIGD) in Qatar, Sur IPP (2000 MW) in Oman and the acquisition of an equity stake in IPP4 (370 MW) in Jordan.

He is the Chairman of the Board of Phoenix Power Company (Oman) and Shams Ma'an Power Generation (Jordan). He is also a member of the Board of Directors in Ras Girtas Power Company (Qatar) and Ras Laffan Power Company (Qatar).

QUALIFICATIONS AND RECOGNITIONS

Mr. Jolo has a degree in Mechanical Engineering from Faculty of Engineering, Qatar University. He is a Qatari national.

ISSA S. AL-GHANIM
DIRECTOR

Appointed to the Board in February 2014.

CAREER AND EXPERIENCE

Mr. Al-Ghanim has more than 35 years' experience in the oil, gas, and power sector. He is currently Senior Advisor to the President & CEO of Qatar Petroleum. He has held vatious senior executive positions at Qatar Petroleum, Qatar Electricity and Water Corporation, Qatar Electricity and Water Company and the Ministry of Finance and Petroleum. He is the Chairman of Mesaieed Power Company and the State of Qatar's Governor to OPEC.

QUALIFICATIONS AND RECOGNITIONS

Mr. Al-Ghanim has a Master degree in Economics from the American University in Washington DC, USA and a B.A. in Political Science from the Portland State University in Oregon. He is a Qatari national.

ABDULSATTAR AL RASHEED
DIRECTOR

Appointed to the Board in February 2014.

CAREER AND EXPERIENCE

Mr. Al-Rasheed has more than 35 years of experience in the power and water sector in Qatar. He is currently the Business Development Director of Qatar Electricity & Water Company (QEWC). Mr. Al-Rasheed held various senior positions during his career including Operations Manager at RAF-A Station, Production Manager at QEWC, Executive Managing Director of Qatar Power Company and CEO Ras Abu Fontas Power and Desalination Station. Mr. Al-Rasheed currently serves on the Board of Directors of Phoenix Operation & Maintenance Company, Umm Al Houl Power Company and Ras Girtas Power Company.

QUALIFICATIONS AND RECOGNITIONS

Mr. Al Rashid holds a Bachelor Degree in Mechanical Engineering from California State University, Sacramento, USA. He is a Qatari national.

FAHAD A. AL-MANA
DIRECTOR

Appointed to the Board in February 2014.

CAREER AND EXPERIENCE

Mr. Al-Mana has joined Qatar Investment Authority in 2010 as senior financial analyst Business Development. Currently he is a senior member of the M&A / Co-investment team.

Mr. Al-Mana is Member of the Board of Directors of Juweel and AlRayyan Hospitality.

QUALIFICATIONS AND RECOGNITIONS

Mr. Al-Mana holds a Degree in Business Administration from Qatar University. He is a Qatari national.

MOHAMMED AL-HARDAN
DIRECTOR

Appointed to the Board in June 2015.

CAREER AND EXPERIENCE

Mr. Al-Hardan joined Qatar Investment Authority in 2009 where he is currently working as a Senior Investment Associate in the Technology, Media & Telecommunication Investing department. Prior to 2017, Mr. Al-Hardan used to be part of the Infrastructure & Power Investment department at the QIA. Mr. Al-Hardan is also a member of the Board of Directors of the Qatari Algerian Investment Company (QAIC).

QUALIFICATIONS AND RECOGNITIONS

Mr. Al-Hardan holds a Bachelor of Science degree in Business Administration with concentrations in Finance & Strategy from Carnegie Mellon University. He is a Chartered Financial Analyst (CFA). Mr. Al-Hardan is a Qatari national.

TAIEB BELMAHDI
DIRECTOR

Appointed to the Board in June 2015.

CAREER AND EXPERIENCE

Mr. Belmahdi started his career in the LNG shipping sector in 1976 when he joined the Gas Transportation Division of the Algerian National Shipping Line. He joined Abu Dhabi National Oil Co. (ADNOC) in 1982 where he occupied various positions including General Manager of Abu Dhabi National Tanker Co. Mr. Belmahdi joined Qatar Petroleum in 1995 where he occupied several senior positions. He currently holds the position of Senior Advisor (Gas) in the Office of the President & CEO. Mr. Belmahdi served as member of the Board of Directors of RasGas from January 2011 to march 2015. He also served on the Board of Directors of Qatar International Petroleum Marketing Company (Tasweeq) from January 2015 to December 2016.

QUALIFICATIONS AND RECOGNITIONS

Mr. Belmahdi graduated from the Quebec Institute of Marine Technology in Canada. He also holds a postgraduate diploma in marine studies from the Marine Research Centre of Japan. He is a Qatari national.

ABDULAZIZ AHMED AL-KUWARI
DIRECTOR

CAREER AND EXPERIENCE

Abdulaziz Al-Kuwari has over 19 years of experience in the oil and gas sector. This includes engineering and operations in the upstream and downstream projects at Qatar Petroleum. Since 2010 he has been involved in the development of petrochemical, refining and power projects.

In 2016 he was appointed to the position of Assistant Manager (Power & Water) in the Downstream Development Directorate. He is responsible for management of QP's Power & Water assets.

Currently he represents QP in the development of Siraj Energy to meet Qatar's National Vision to diversify Qatar's energy mix.

Abdulaziz is a board member of Nebras Power Q.S.C. and its Audit Committee. He is also a Board member of Heron II Viotas SA, Greece.

QUALIFICATIONS AND RECOGNITIONS

Abdulaziz Al-Kuwari earned undergraduate degree in Mechanical Engineering from Qatar University. He has the distinction of completing Qatar's Executive Leadership Program and QP's High Performance Board Program. Mr. Al-Kuwari is a Qatari national.

ABDULLA AL-HUSSAINI
DIRECTOR

Appointed to the Board in June 2015.

CAREER AND EXPERIENCE

Mr. Al-Hussaini is currently the Executive Vice President, Marketing at Qatar Petroleum. He joined Qatar Petroleum in September 2016. Previously, Mr. Al-Hussaini was Qatargas' Marketing Director, LNG from 2011 to 2016.

Mr. Al-Hussaini is also a member of South Hook Gas' Board of Directors and a member of Qatar Petroleum for the Sale of Petroleum Products' Board of Directors. As of 2017 he was appointed as the State of Qatar National Representative to OPEC and was in the past an active member of the International Gas Union (IGU) in addition to being a member of the IGU's Executive Committee.

QUALIFICATIONS AND RECOGNITIONS

Mr. Al-Hussaini holds a Business Bachelor Degree from the University of Texas. He is a Qatari national.

HAMAD ALI AL-KHATER
DIRECTOR

Appointed to the Board in December 2015.

CAREER AND EXPERIENCE

Mr. Hamad Ali Al-Khater has 9 years professional experience in the Oil & Gas sector. Hamad's primarily role is a Business Opportunity Manager with a focus on executing International Upstream developments and coordinating the efforts on QP's overall Business Strategy. His vast experience primarily focused on LNG economics within QP, where he was seconded to Shell Upstream International in The Hague to work as a Commercial Advisor for LNG market development and to RasGas as an LNG Marketer.

QUALIFICATIONS AND RECOGNITIONS

Hamad Ali Al Khater graduated with a Business Administration Degree from the University of Kent, UK. He is also an alumni of Qatar Leadership Centers Rising Leaders Programme. He is a Qatari national.

OUR EXECUTIVE MANAGEMENT

We have built a highly professional management team with extensive years of experience in the power and utilities sectors. The management team has a mix of global, regional and local experience to ensure full alignment with its shareholders and global knowledge of the power sector.

KHALID MOHAMMAD JOLO
CHIEF EXECUTIVE OFFICER

CAREER AND EXPERIENCE

Mr. Jolo has more than 20 years' experience in the power and utilities sector.

Having headed the QEWC's Business Development team in the recent past, he was responsible for leading critical development projects in and outside Qatar including Ras Abu Fontas-B1 (375 MW), Ras Abu Fontas-B2 (550 MW + 33MIGD), Ras Abu Fontas-A1 (45 MIGD) in Qatar, Sur IPP (2000 MW) in Oman and the acquisition of an equity stake in IPP4 (370 MW) in Jordan.

He has joined Nebras Power since its foundation in 2014.

He is the Chairman of the Board of Phoenix Power Company (Oman) and Shams Ma'an Power Generation (Jordan). He is also a member of the Board of Directors in the Ras Girtas Power Company (Qatar) and Ras Laffan Power Company (Qatar).

QUALIFICATIONS AND RECOGNITIONS

Mr. Jolo holds a B.S. in Mechanical Engineering from Qatar University. He is a Qatari national.

FAISAL AL SIDDIQI
CHIEF BUSINESS DEVELOPMENT OFFICER

CAREER AND EXPERIENCE

Mr. Al Siddiqi is an experienced Executive in the power sector with more than 15 years of experience including various roles in QEWC, with his last position being Business Development Director. From 2008 to 2015 Mr. Al Siddiqi was CEO of Ras Girtas Power Company, one of Qatar's largest power generating companies.

Mr. Al Siddiqi has joined Nebras Power in 2015.

QUALIFICATIONS AND RECOGNITIONS

Mr. Al Siddiqi holds a B.S. in Mechanical Engineering from Qatar University. He is a Qatari national.

LUCA SUTERA
CHIEF FINANCIAL OFFICER

CAREER AND EXPERIENCE

Mr. Sutera is a proven finance executive with more than 19 years of experience in the global energy sector and with a solid track record as Chief Financial Officer of publicly listed businesses.

Mr. Sutera has been working for global power utilities and Sovereign Wealth Funds across several market geographies (Europe, U.S., Asia, Middle East, Africa, and India) and combining experience in operating companies and group holding level positions.

Prior to joining Nebras Power, Mr. Sutera was Chief Financial Officer of the global power & water business at Abu Dhabi National Energy Company (TAQA).

Mr. Sutera has joined Nebras Power in 2015.

QUALIFICATIONS AND RECOGNITIONS

Mr. Sutera holds a Master's Degree in Business Economics with honors from "L. Bocconi" University of Milan, Italy and a Global Executive MBA from the I.E. Business School of Madrid, Spain.

He is also a Certified Public Accountant (CPA) and a Chartered Director from the U.K. Institute of Directors (CD IoD). He is an Italian national.

HUSSAIN ALISMAIL
CHIEF BUSINESS SUPPORT OFFICER

CAREER AND EXPERIENCE

Mr. Alismail is an experienced Executive with more than 30 years of experience including various roles in Qatar Petroleum, United development Company (UDC), Qatar Industrial Equipment and the National Council of Culture, Arts and Tradition, with his last position being Advisor to the CEO at United Development Company.

Mr. Alismail has joined Nebras Power in 2015.

QUALIFICATIONS AND RECOGNITIONS

Mr. Alismail holds a B.A in Sciences – Petroleum Engineer from U.S.C. University, U.S.A. He is a Qatari national.

INVESTMENT PORTFOLIO

PORTFOLIO OVERVIEW

Over the last two years Nebras has built a power investment portfolio of 1,085 MW underpinned by solid contractual and off taking structures and able to deliver highly visible cash flows, stable return on investment and strong financial position. Our management constantly and effectively monitors our investments to ensure safe and efficient operations, sustainable risk profile and, in turn, protection of the underlying value of our portfolio.

JORDAN
Shams Ma'an Power Generation (35%)
Solar
Gross capacity: 52.5MW
Partners: Mitsubishi (via DGE)

JORDAN
IPP4 (24%)
Gas
Gross capacity: 241MW
Partners: AES Corp (36%), Mitsui & Co (40%)

JORDAN
Amman East (23.4%)
CCGT
Gross capacity: 370MW
Partners: AES Corp (36.6%) Mitsui & Co (40%)

OMAN
Phoenix Power Company (9.8%)
CCGT
Gross capacity: 2,000MW
Partners: Marubeni (32.5%), Chubu (19.5%), Multitech (3.25%)
Free float (35%)

INDONESIA
Paiton Energy (35.5%)
Coal
Gross capacity: 2,045MW
Partners: Mitsui & Co. (45.5%), JERA (14%), BHP (5%)

4,708.5 MW
3 Countries
5 Assets

2,045 MW

Coal fired power generating capacity

Nebras Power owns

35.5%

PAITON ENERGY
INDONESIA

- Paiton Energy is one of the largest independent power producers ("IPP") in Indonesia; with 2,045 MW of coal fired power generating capacity (representing c.4% of installed capacity in Indonesia), and c.13,500 GWh of annual power output.
- Paiton Energy operates three power generating units (P7, P8 and P3) at the Paiton Power Complex in East Java.
- P7 and P8 commenced commercial operations in 1999 and P3 in 2012.
- All electricity produced and the capacity made available by Paiton is purchased by PLN under a long-term Power Purchase Agreement ("PPA") until 2042.
- The plants are operated and maintained by Paiton Operation & Maintenance Indonesia ("POMI").
- Nebras Power owns 35.5% equity stake in Paiton Energy. Other shareholders are Mitsui & Co (45.5%), Jera Co. (14%) and PT Batu Hitam Perkasa (5%).

2,000 MW

Gas fired power generating capacity

Nebras Power owns

9.8%

PHOENIX POWER COMPANY
SULTANATE OF OMAN

- Phoenix Power Company owns and operates the largest independent power producer ("IPP") in Oman, Sur Power generating facility.
- Sur IPP has 2,000 MW of gas fired power generating capacity (representing c.28% of the installed capacity in Oman).
- The power station comprises of 5 gas turbines and 3 steam turbines and it has started commercial operations in 2014.
- All the electricity produced and the capacity made available by Sur IPP is purchased by Oman Power and Water Procurement Company (OPWP) under a long term Power Purchase Agreement ("PPA") until 2029.
- The plant is operated and maintained by Phoenix Operation & Maintenance Company.
- Nebras Power owns 9.8% equity stake in Phoenix Power Company. Other major shareholders are Marubeni Corporation (32.5%) and Chubu Electric Power (19.5%) and Multitech (3.25%). The remaining shareholding stake has been floated on the Muscat securities stock market.

370 MW

Gas fired power generating facility

Nebras Power owns

23.4%

AMMAN EAST
JORDAN

- Amman East IPP is the first independent power producer ("IPP") in Jordan.
- Amman East owns and operates a 370 MW gas fired power generating facility.
- The power plant comprises of 2 gas turbines and 1 steam turbines and it has started its commercial operation in 2009.
- All the electricity produced and the capacity made available by Amman East IPP is purchased by National Electric Power Company (NEPCO) under a long term Power Purchase Agreement ("PPA") until 2034.
- Nebras Power owns 23.4% of Amman East. Other shareholders are AES Corp (36.46%) and Mitsui & Co. (40%).

241 MW

Gas fired power generating facility

Nebras Power owns

24%

IPP4
JORDAN

- IPP4 is the fourth independent power producers ("IPP") in Jordan.
- IPP4 owns and operates a 241 MW gas fired power generating facility.
- The power plant comprises of 16 Wartsila tri-fuel turbines and it has started its commercial operation in 2014.
- All the electricity produced and the capacity made available by IPP is purchased by National Electric Power Company (NEPCO) under a long term Power Purchase Agreement ("PPA") until 2036 Nebras owns 24% of IPP4. Other partners are AES Corp. (36%) and Mitsui & Co. (40%).

52.5 MW

Solar farm power

Nebras Power owns

35%

SHAMS MA'AN POWER GENERATION
JORDAN

- Shams Maan is the largest Solar Photovoltaic independent power producers ("IPP") in Jordan.
- Shams Maan owns and operates a 52.5 MW solar farm power and it has started its commercial operation in 2016.
- All the electricity produced and the capacity made available by Shams Ma'an IPP is purchased by National Electric Power Company (NEPCO) under a long term Power Purchase Agreement ("PPA") until 2040.
- Nebras owns 35% of Shams Ma'an. Other shareholders are Mitsubishi. (35%) and Kawar (30%).

OPERATIONAL HIGHLIGHTS

BUSINESS DEVELOPMENT

During 2016, Nebras Power has actively continued to pursue business opportunities, both greenfield developments and acquisition of operating assets, with the aim to expand its investment portfolio and in line with its corporate strategy and business plan.

Some of the key highlights of 2016 include:

- The successful acquisition of 35.51% stake in PT Paiton Energy which owns and operates a 2045 MW coal plant in Indonesia. Paiton Energy is the first and largest IPP project in Indonesia, representing 4% of the County's total installed generation capacity.
- The acquisition of a 24% stake in IPP4. The company owns and operates a 243 MW gas fired power generating facility in Jordan.
- Moreover, Nebras's associate Shams Ma'an has successfully completed the construction of a 52.5 MW solar photovoltaic farm in Jordan, achieving commercial operation in September 2016.

Besides that, in its efforts to pursue investment opportunities aimed at expanding its asset base Nebras Power has signed in 2016 two Memorandums of Understanding with the Japanese companies Marubeni Corporation and JERA Corporation. The MoU signed with Marubeni refers to the joint cooperation in projects in Taiwan and Philippines. The MoU signed with JERA Corporation aims at pursuing the joint development of business opportunities in the Middle East, South East Asia, Europe, United Sates and Africa.

INVESTMENT MANAGEMENT

During 2016 the company has set up a robust investment governance framework. New Investment strategy and operating procedures were established, defining guidelines for investment decision-making process which are aligned with the corporate strategy and consistent across all investment opportunities.

FINANCIAL MANAGEMENT

In 2016 Nebras Power has made significant efforts to enhance its financial management internal capabilities and to develop a best-in-class finance organization, aimed at effectively supporting the achievement of the company's strategic goals. The major achievements in 2016 include the following:

- The company's finance operating model has been fully deployed and a robust internal control and governance framework has been developed and is underpinned by operational policies and procedures that were developed and implemented for all major functional areas.
- Treasury strategy and operating model has been developed along with a robust financial risk management system aimed at identifying, assessing and managing key company's financial risks (liquidity, foreign exchange, interest rate risks and counter party risks).
- The Staffing plan has been largely executed; four key vacancies have been filled with highly experienced resources with international background.

FINANCIAL MANAGEMENT CONT'D

From a capital structuring perspective and in order to support sustainable growth, the long-term financing strategy has been developed and incorporated into the 10-year business plan approved by the Board of Directors. Nebras Power targets to have non-recourse financing to fund its development projects. The company will also utilize corporate financing to optimize cost of capital, secure long-term growth and maximize shareholders value. 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 the methodologies adopted by major credit rating agencies.

During 2016, Nebras has actively continued to establish and develop solid relationships with domestic and international banking institutions, ECAs and multilateral agencies across the Middle East, Africa, Asia, Europe, and the United States. These activities are essential to promoting the company's image and appeal in the local and international financial markets as well as getting visibility on banks' capabilities and service offerings in support of Nebras's international business development efforts.

Leveraging on its strong bank relationships, Nebras Power has successfully closed in December 2016 a $430 Million four years Revolving Credit Facility which represents Nebras Power's debut on the international financial markets. Sumitomo Mitsui Banking Corporation ("SMBC") was mandated as sole Bookrunner and Mandated Lead Arranger on the Facility. SMBC was joined in this relationship-defining Facility by the Joint Coordinator and Mandated Lead Arranger HSBC, and by the Mandated Lead Arranger Mizuho Bank, Ltd.

The facility enhances the Company's capital structure and provides financial flexibility for future growth. The competitive terms achieved on this Facility results from the high credit quality of Nebras Power, recognizing our sound investment approach and prudent capital structuring strategy.

The company recognizes the importance of managing its tax affairs in a prudent, socially responsible and effective manner; this will be getting recognition and appreciation by all key stakeholders including shareholders and foreign governments. One of the principal goals is to ensure a positive reputation of the Company as a taxpayer and constructive relationship with the tax authorities and communities in all jurisdictions where the company operates. Similarly, the company is working on fine tuning the internal tax processes in order to provide accurate, timely and relevant information on tax related matters to various stakeholders for compliance and reporting purposes.

Finally, the company aims to achieve best in class tax risk management and ensure that tax value is fairly distributed based on the laws of applicable jurisdictions and that Nebras shareholders are realizing their fair share of after-tax returns. In order to achieve the key objectives outlined above, the company aims at continuously improving internal tax controls and risk management process and at achieving optimal levels of awareness, proactivity, turn-around time and cost efficiency.

Being a truly international company, Nebras wants to embrace best practices in managing complex international tax relationships and transactions alike. This will be achieved by building a robust in-house tax management expertise that will initially be supported by outside tax consulting resources, and custom tailoring the tax processes and solutions to fit Nebras culture, risk appetite and scale of its investments.

ORGANIZATION AND CORPORATE STRUCTURE

During 2016, Nebras Power has redesigned its organization and brought it in line to lean, effective and fit-for-purpose management principles. The new organization has been designed to successfully enable the execution of the company's strategy and to build and develop internal capabilities across all core company's functions: Business Development, M&A, Finance, Asset Management and Business Support.

In December 2016, Nebras Power has established its international business hub in the Netherlands in the form of a wholly owned subsidiary, Nebras Power Netherlands BV. Nebras Power Netherlands has been incorporated with the purpose to serve as platform for managing our international asset portfolio, sourcing funds in the international capital markets and serve as international business development hub.

INFORMATION AND COMMUNICATION TECHNOLOGY

During 2016, Nebras Power has successfully designed and implemented its ERP strategy. Oracle E-Business Suite has been selected as Enterprise Resource Planning system to automate and integrate the Company's key business processes including Human Resources, Finance and Procurement.

The Oracle ERP went live on 15th February 2017. The project was completed within 5 months from the kick-off in late September. The project was completed on time and it has required a total spending of QAR 2 million. Total project costs and timeline of implementation provide leading benchmark as compared to other ERP implementations in Middle East.

The project has involved extensive efforts from key personnel in HR, Procurement, Finance and IT aimed at designing business processes based on approved policies and procedures, at aligning cross- functional requirements, conducting workshops with the wider teams conducting data migration from legacy systems and performing all relevant tests before the final go-live.

CORPORATE SOCIAL RESPONSIBILITY

1. GENERAL OVERVIEW

We strongly believe in a socially responsible business. Corporate social responsibility is at the core of Nebras Power's operations and business conduct and it is deeply embedded in our organizational culture.

In our continuous efforts to pursue a socially responsible business. We follow an approach that aims at achieving a greater balance between economic sustainability, social development and environmental protection.

Our 3P approach to management – People, planet and profit - ensures that we build and maintain a sustainable, profitable and successful business.

COMMITMENT TO PEOPLE AND SOCIETY

In our continuous effort to positively impact people life and the society, and especially the areas around our sites:

- We strongly support a balanced socio-economic development of the regions where we are present.
- We work towards the removal of barriers to the social inclusion of disadvantaged groups.
- We support education, health and cultural development.
- We promote zero tolerance to discrimination, trust and mutual respect.
- We provide fair working conditions while maintaining a safe and healthy work environment.

Commitment to the environment

We believe in an environmentally sustainable business and we seriously consider the impact that our operations have on our planet and future generations.

IN THIS RESPECT:

- We invest in renewable energy sources, highly efficient gas fired and clean coal power technologies.
- We follow global best practices in environmental management.
- We perform comprehensive environmental impact assessment for all green field development as well as for all business acquisitions.
- We adopt integrated management systems according to the highest environmental standards, periodically certified by reputable independent advisors.

2. IMPLEMENTATION OF CORPORATE SOCIAL RESPONSIBILITY PRINCIPLES ACROSS OUR INVESTMENTS

PAITON ENERGY (INDONESIA)

- Obtained the Program in Pollution Control, Environment and Rating ("PROPER") "Green" rating for P7/8 and "Blue" rating for P3, by the Ministry of Forestry and Environment of Indonesia.
- Received the Padmamitra Award from the Ministry of Social Affairs of Indonesia for its program on HIV and AIDS prevention.
- Received the Indonesian Green Award for its biodiversity conservation projects at the Selobanteng Natural Forest.
- Conducted stabilization and landscaping of the lands affected by coal mining activities for future beneficial use: wetlands developed around the works area.

PHOENIX POWER COMPANY (OMAN)

- Granted donations of convertible chairs to the Sur Hospital.
- Provided barriers for Sur ROP during their celebration day.
- Supported local students by providing practical training as component of their development programs.

IPP4 (JORDAN)

- Provided ongoing support to the two village schools (Al Manakher and Khashafieh Dabobi) : internet, stationary and maintenance, establishment of library.
- Training for customers in internship programs.
- Provided two scholarships annually for students from the nearby village's government university.
- Supported the Jordan Environment Society on different kind of activities (plantation, housekeeping and public awareness sessions).
- Supported the nearby village (Al Manakher) mosque, by providing financial support for maintenance and renovation works.
- Provided financial support for the full renovation of Al Khashafieh Dabobi village community center.
- Supported awareness campaign for drugs and alcohols initiated by local community council in coordination with local police and governor.
- Planted trees around the site in coordination with Greater Amman Municipality Environment section.

SHAMS MA'AN (JORDAN)

- Donated Computers for King Hussain Bin Talal University.
- Funded Summer Camp for local school.
- Provided financial support, through Al-Safinat Al-Jiyad Charity Association, for the acquisition and distribution of 800 winter jackets for poor primary students in Ma'an.
- Purchased and distributed blankets during winter to poor families in Ma'an through Jordanian Society for Family Care Association.
- Distributed food parcels in Ramadan at the orphanage of Maan and some needy families in Ma'an.

CORPORATE GOVERNANCE

Nebras is committed to adhere to the highest standards of corporate governance. We believe in promoting transparency and fairness throughout our governance and leadership system.

Highlights. In 2016, Nebras has laid the foundations of a well-structured, world class corporate governance framework: we have adopted new policies that will enable us to continue making sound investment decisions, and manage effectively and ethically our people, business and operations. At the same time, we have set up an internal audit function and designed and implemented a solid internal control system that will enable us to monitor our compliance with these policies.

In line with our continuing commitment to sound corporate governance, we have also started working on new projects, which include the development of a code of conduct and a conflict of interest policy that will be released in 2017.

THE SHAREHOLDERS MEETING

The shareholders meeting adopts the most relevant decisions concerning the company, such as the appointment of the corporate bodies, the approval of the annual financial statements and the allocation of net income.

THE BOARD OF DIRECTORS

The Board of Directors is the governing body accountable to the Shareholders and entrusted with the management of the Company. It carries out all the activities appropriate for the achievement of the corporate objectives. Nebras' Board of Directors comprises ten (10) directors. The broad range of backgrounds, expertise and experience brought by the members of our Board of Directors plays a crucial role in the long term sustainable development of our business and operations. Nine out of ten Directors are non-executive Directors.

Four Board of Directors' meetings were held during 2016.

OUR CORPORATE GOVERNANCE APPROACH

Our corporate governance framework is based

on local and international best practices and is aimed at promoting transparency and fairness in the way we conduct our business, while creating long term value for our shareholders. In doing so, we take into account the interests of all other stakeholders involved in our business: employees, customers, suppliers, partners and financiers, governments and other public authorities, as well as the local communities of the areas where we conduct our business.

BOARD COMMITTEES

The Board of Directors has two committees: the Audit Committee and the Investment Committee. Each of these Committees has been established pursuant to a resolution of the Board of Directors and has adopted a written charter setting forth its scope and responsibilities. The Committees act as consultancy and advisory bodies to the Board of Directors and do not assume the functions of management, which remain the responsibility of the CEO and the Executive Management team.

THE AUDIT COMMITTEE

The Audit Committee activity is focused on monitoring the integrity, completeness and accuracy of the financial statements, reviewing the reliability and effectiveness of the internal control and risk management systems and safeguarding the independence of the external auditors. The Audit Committee also advises the Board of Directors regarding compliance with law, regulations and internal policies.

The members of the Audit Committee are appointed by the Board of Directors and the duration of their office is of three years. The charter of the Audit Committee sets out professional and experience requirements

applicable to the Committee members, and stipulates that at least one member of the Audit Committee must be a finance, accounting or audit expert.

As at 31 December 2016, the members of the Audit Committee were:

1. Abdulla Ahmad A. Al Hussaini, Chairman of the Audit Committee
2. Abdulaziz Ahmad Mohammad Al-Boafra Al-Kuwari, Committee Member
3. Fahad Al Mana, Committee Member

In 2016 the Audit Committee has supported the Company in establishing and staffing the internal audit function, which has in turn worked closely with management to implement policies and procedures, review internal controls, and provide recommendations for process improvement.

THE INVESTMENT COMMITTEE

The Investment Committee activity is focused on assisting the Board of Directors in setting the Company's investment strategy and reviewing investment proposals. Investment Committee members are appointed by the Board of Directors and serve a three-year term.

As at 31 December 2016, the members of the Investment Committee were:

1. Mohammed Al-Hardan, Chairman
2. Khalid Jolo, Committee Member
3. Taieb Belmahdi, Committee Member
4. Abdulla Al-Hussaini, Committee Member
5. Hamad Al-Khater, Committee Member

INTERNAL CONTROLS

Ultimate responsibility for the operation of the internal control system rests with the Board of Directors of the Company, supported in this crucial task by the Audit Committee.

In 2016, the Company has completed the process of setting up of a robust and effective internal control function. Nebras' internal controls are processes designed to achieve effectiveness and efficiency of operations, reliability of financial reporting and compliance with laws and regulations.

The Internal Audit function is responsible for designing, overseeing, implementing and auditing Nebras' internal control processes, and testing the compliance of our business and operations with the internal control framework.

The Internal Audit function reports directly to the Audit Committee, and our governance framework ensures that the Internal Audit function is able to operate independently and objectively in the performance of its duties.

EXTERNAL AUDITORS

The Board of Directors proposes to the General Shareholders Meeting the appointment of an external auditor, based on the recommendation of the Audit Committee.

At the general assembly meeting of 9/3/2016, and based on the recommendation of the Board of Directors, the shareholders have resolved upon the appointment of Ernst & Young as the Nebras' external auditors for year 2016, and approved their annual audit fees of QAR 105,000.

No company other than Ernst & Young and its affiliates has provided external audit services to the Nebras in relation to year 2016. In addition to fees for audit work, Ernst & Young and/or its affiliates were paid QAR 37.207 for tax filings and other advisory fees.

FINANCIAL REVIEW

QR 5.8 BN
Total Assets

QR 3.8 BN
Shareholder's Equity

115%
Year-on-year Net Income Growth

QR 1.4 BN
Total Liquidity

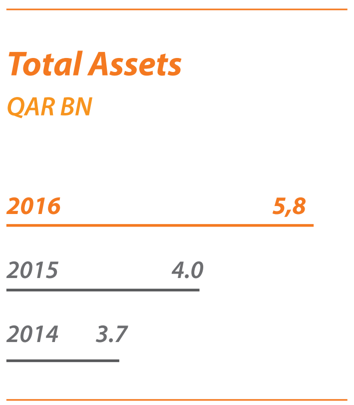
Our capability to deliver on our growth strategy is reflected by the strong financial results the company posted in 2016. The current asset portfolio provides high quality, stable cash flow and earnings base which is essential for future growth.

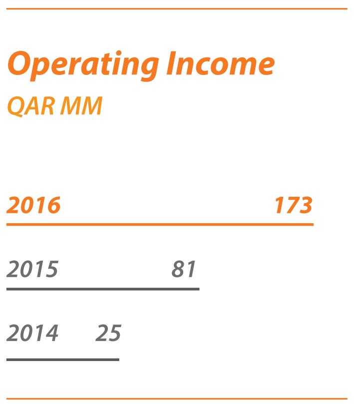
In 2016 the company has successfully experienced its debut in the global financial markets optimizing its capital structure and enhancing financial flexibility for future growth. Our balance sheet is strong as well as our liquidity position.

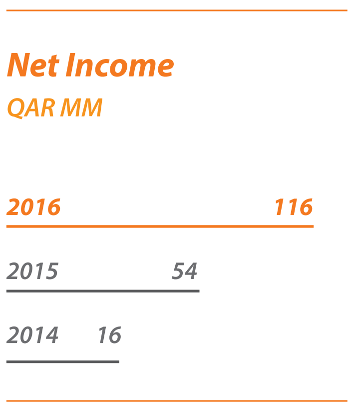
We are just at the beginning of our journey". In 2016 Nebras Power posted strong financial results following the growth of its asset base. Both operating income and net income show a triple digit increase as compared to the previous financial year.

It is worth mentioning that our largest asset, Paiton Energy, has contributed to those financial results for one month only. Indeed, the acquisition has been completed on December 2016 and only from 2017 we will experience a full year contribution to Nebras Power's earnings and cash flow. This will further boost our financial performance.

In December 2016, Nebras Power has successfully closed a U$D 430 Million four years Revolving Credit Facility which represents Nebras Power's debut on the international financial markets. The strength of our relationships with key financial institutions contributed to the success of this transaction. The facility enhances the Company's capital structure and provides financial flexibility for future growth. The competitive terms achieved on this Facility results from the high credit quality of Nebras Power, recognizing our sound investment approach and prudent capital structuring strategy.







At the end of 2016 our Balance Sheet shows a robust and well balanced financial position as well as a healthy liquidity headroom to fund future growth.

INCOME STATEMENT

Revenue

Revenue for the year 2016 was QAR 173.3 million compared to QAR 81.1 million in 2015. The 114% year-on-year growth is primarily due to higher income from associates and joint ventures, acquisitions during the year and higher interest income on bank deposits driven by higher interest rates ranging from 1.7% % to 3.4% (2015: 1.3% to 2.3%).It is worth mentioning that the acquisition of our largest asset, Paiton Energy, has been completed on December 2016 and only from 2017 we will experience a full year contribution to Nebras Power's earnings.

Operating Profit

In 2016 Operating Profit was QAR 121.4 million, as compared to QAR 53.8 million in 2015 (+126%). The significant year-on-year growth is mostly explained by the above-mentioned increase in operating revenue.

Finance Costs

Finance costs in 2016 were QAR 5.7 Million and represent interest expenses on the credit facilities available to and utilized by the company.

Net Income

Net Income for the year 2016 was QAR 115.7 Million, QAR 61.9 million (115%) higher than the previous year. The basic and diluted earnings per share attributable to the equity holders was QAR 0.32 in 2016 as compared to QAR 0.15 in 2015, showing an increase of 2.1 times.

BALANCE SHEET

Assets

Total assets at the end of 2016 were QAR 5,784.7 Million, QAR 1,815 Million higher than previous year. The increase is mainly attributable to:

- The acquisition of 35.5% stake in PT Paiton Energy and associated O&M companies, finalized in December 2016.
- The acquisition of 24% stake in a peaking gas fired power plant in Jordan (IPP4), completed in March 2016.
- The loans provided to associated and joint ventures partially offset by lower bank deposits that were redeemed to partly fund the acquisitions.

Liabilities

Total Liabilities at the end of 2016 stood at QAR 1,946.9 million, QAR 1,690.2 million higher than previous year. The increase is largely attributable to Debt financing raised by the company to primarily fund assets acquisitions.

Shareholders 'Equity

Total Equity in 2016 was 3,837.9 Million, QAR 125.2 Million higher than 2015. The positive change is explained by the net income for the year 2016.

Liquidity Position

As of 31st of December 2016, Nebras Power' total liquidity (cash and available credit facilities) was QAR 1,433 Million as compared to QAR 3,698.6 at the end of 2015. The change is explained by the capital deployment to support the growth of the investment portfolio.

Cash flow from operating activities

The net cash flow from Operating Activities in 2016 was QAR 70.8 million, QAR 22.9 million higher than the previous year (+48%) The increase is mainly attributable to dividends received from investees. It is worth mentioning that the acquisition of our largest asset, Paiton Energy, has been completed on December 2016 and only from 2017 we will experience a full year contribution to Nebras Power's cash flows.

Cash flow from investing activities

The net cash flow from Investing Activities in 2016 was QAR 1,789.2 Million, as compared to QAR 154.6 Million in 2015. The change is mainly explained by:

- The acquisition of 35.51% stake in PT Paiton Energy and associated O&M company, finalized in December 2016;
- The acquisition of 24% stake in a peaking gas fired power plant in Jordan (IPP4), completed in February 2016;
- The loans provided to associated and joint ventures, partially offset by
- Lower bank deposits that were redeemed to partially fund the acquisitions.

Cash flow from financing activities

The net cash flow from Financing Activities in 2016 was QAR 1,677 Million and it primarily consists of Debt financing raised by the company in order to fund asset acquisitions. QAR 1,929 million was drawn in 2016 from multiple credit lines and partially offset by QAR 241.1 of payable to QEWC in respect of two asset acquired in 2015 but for which the purchase consideration was settled in 2016.

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

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the consolidated financial statement 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 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.

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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 misstatements 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 one resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 are inadequate, to modify our opinion. Our conclusions are based on 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 REQUIREMENT

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 o. 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

NEBRAS POWER Q.S.C.

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

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

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 DECEMBER 2016

	Share capital	Share of hedging reserve of associates and joint venture	Retained earnings	Total
	QR	QR	QR	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

Nebras Power Q.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
At 31 December 2016

1. BASIS OF PREPARATION

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 10 April 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%	-

2.2 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.

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.

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.

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.

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.

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.

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.

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 QR	2015 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 QR	2015 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 QR	2015 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 QR	2015 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	Additions (disposal)	Share in net income (loss)	Dividends received	Share in cash flow hedge reserve	Closing Balance at 31 December
				QR	QR	QR	QR	QR	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									
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.

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

Year ended 31 December 2015	Phoenix Power Company SAOG	Phoenix Operation and Maintenance Company LLC	Total Phoenix	AES Oasis Ltd
	QR	QR	QR	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	2015
	QR	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**

10.1 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 QR	2015 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

- This consists of incidental costs incurred for potential future acquisition of interest in investees.
- This represent cost of ERP implementation.

12. LOANS RECEIVABLE

	2016 QR	2015 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 QR	2015 QR
Term deposit	**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 QR	2015 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**

Notes:

- 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.
- 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.
- 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 QR	2015 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 QR	2015 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:

- 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	-

	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:

- 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.
- 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.
- 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.
- 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.
- 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.
- 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.
- 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:

- 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)).
- 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.
- 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).
- 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.
- 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 QR	2015 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:

	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.

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.

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