EZDAN HOLDING GROUP Q.P.S.C.

CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2024

Contents

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF EZDAN HOLDING GROUP Q.P.S.C.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Ezdan Holding Group Q.P.S.C. (the "Company") and its subsidiaries (together with the Company, the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information as set out on pages 11 to 65.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

We conducted our audit in accordance with International Standard on Auditing (ISA). 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 International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the Group's consolidated financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters (continued)

Valuation of Investment Properties	
See Notes 3(f), 7, 25 and 28 to the consolidated financial statements	
Key audit matter	**How the matter was addressed in our audit**
The Group has recognised investment properties in the amount of QR 45,488,397 thousand (2023: QR 45,643,861 thousand) which represents 98% (2023: 98%) of the Group's total assets and is measured at fair value. Estimating the fair value is a complex process involving number of judgements and estimates including key assumptions. Consequently, the valuation of investment properties is considered to be a key audit matter.	Our audit procedures in this area included, among others: • Evaluating the competence and capabilities of the two external valuation experts appointed by the Group; • Agreeing the property information in the valuation by tracing a sample of inputs to the underlying property records held by the Group; • Involving our own valuation specialist to assist us in the following matters: - assessing the consistency of the valuation basis and appropriateness of the methodology used, based on generally accepted valuation practices; and - evaluating the appropriateness of the assumptions applied to key inputs such as annual cash flows, market prices, operating costs, terminal value growth rates, terminal yield and the weighted-average cost of capital (discount rate), which included comparing these inputs with externally derived data as well as our own assessments based on our knowledge of the Group and the industry. • Evaluating the adequacy of the disclosures in the consolidated financial statements including the disclosures of key assumptions and judgments.

Other information

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

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

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

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE SHAREHOLDERS OF EZDAN HOLDING GROUP Q.P.S.C.
Report on the audit of the consolidated financial statements (continued)

Responsibilities of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as 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, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risk of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our audit's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the 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.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE SHAREHOLDERS OF EZDAN HOLDING GROUP Q.P.S.C.
Report on the audit of the consolidated financial statements (continued)

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

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

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

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

Report on legal and other regulatory requirements

Further, as required by the Qatar Commercial Companies Law (QCCL) No. 11 of 2015, whose certain provisions were subsequently amended by Law No. 8 of 2021 ("the amended QCCL"), we report the following:

- The Group has maintained proper books of account and the consolidated financial statements are in agreement therewith;
- An inventory count has been conducted in accordance with established principles;
- We have obtained all the information and explanations we considered necessary for the purpose of our audit;
- We are not aware of any violations of the amended QCCL or the Articles of Association having occurred during the year which might have had a material effect on the Group's consolidated financial position or on its financial performance as at and for the year ended 31 December 2024; and
- We have read the report of the Board of Directors to be included in the Annual Report, and the financial information contained therein is in agreement with the books and records of the Group.

12/3

Tarek Mohamed Solman
Auditor's Registration No. 355
QFMA Registration No. 120191
12 March 2025
Doha, State of Qatar

Mazars SA Limited-Trade License: 264007-P.O. 5583, Doha, Qatar
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SA Limited
مزارز اس إيه ليمتد - رخصة تجارية: ٢٦٤٠٠٧ - صندوق بريد: ٥٥٨٣، الدوحة، قطر

EZDAN HOLDING GROUP Q.P.S.C.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024
(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

	Note	2024	2023
ASSETS			
Cash and bank balances	4	**113,210**	371,574
Trade and other receivables	5	**75,141**	100,433
Inventories	6	**14,320**	14,592
Investment properties	7	**45,488,397**	45,643,861
Property and equipment	8	**676,825**	670,977
TOTAL ASSETS		**46,367,893**	46,801,437
LIABILITIES AND EQUITY			
LIABILITIES			
Trade and other payables	9	**1,749,038**	2,478,432
Islamic financings	11	**11,185,540**	10,995,266
TOTAL LIABILITIES		**12,934,578**	13,473,698
EQUITY			
Share capital	12	**26,524,967**	26,524,967
Legal reserve	13	**1,717,025**	1,706,526
Foreign currency translation reserve		**3,957**	729
Retained earnings		**5,362,767**	5,270,900
Equity attributable to owners of the Company		**33,608,716**	33,503,122
Non-controlling interests	27	**(175,401)**	(175,383)
TOTAL EQUITY		**33,433,315**	33,327,739
TOTAL LIABILITIES AND EQUITY		**46,367,893**	46,801,437

These consolidated financial statements were authorized for issue by the Group's Board of Directors and were signed on their behalf by the following on 12 March 2025.

Sheikh Thani Bin Abdulla Al-Thani
Chairman

Tamer Fouad Mahmoud
Group Chief Financial Officer

These financial statements have been prepared by the management of the Group and stamped by the auditor for identifications purposes only.

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The accompanying notes from 1 to 30 are an integral part of these consolidated financial statements.

EZDAN HOLDING GROUP Q.P.S.C.
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

	Note	2024	2023
Rental income	7, 16	**1,746,627**	1,763,987
Other operating revenues	7, 16	**85,899**	87,546
Operating expenses	17(i)	**(353,071)**	(364,649)
NET OPERATING PROFIT		**1,479,455**	1,486,884
Loss from change in fair value of investment properties	7(i)	**(197,957)**	(192,857)
Other income	16, 18	**24,433**	61,877
Finance costs	19	**(1,054,489)**	(1,109,741)
General and administrative expenses	17(ii)	**(107,376)**	(123,440)
Depreciation of property and equipment	8	**(22,199)**	(21,313)
Provision of impairment loss of trade and other receivables – net	5	**(9,507)**	(10,650)
(Loss) / gain from foreign currency exchange		**(7,387)**	8,886
PROFIT FOR THE YEAR		**104,973**	99,646
Profit attributable to:			
Owners of the Company		**104,991**	99,657
Non-controlling interests	27	**(18)**	(11)
	26	**104,973**	99,646
BASIC AND DILUTED EARNINGS PER SHARE (QR)	20	**0.004**	0.004

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EZDAN HOLDING GROUP Q.P.S.C.
CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

	Note	2024	2023
Profit for the year		**104,973**	99,646
Other comprehensive income			
Item that is or may be reclassified subsequently to profit or loss:			
Foreign operations - foreign currency translation differences	15	**3,228**	(3,527)
Other comprehensive income / (loss) for the year	15	**3,228**	(3,527)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**108,201**	96,119
Attributable to:			
Owners of the Company		**108,219**	96,130
Non-controlling interests	27	**(18)**	(11)
		108,201	96,119

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EZDAN HOLDING GROUP Q.P.S.C.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

	Share capital	*Legal reserve (1)*	*Foreign currency translation reserve*	*Retained earnings*	*Total*	*Non-controlling interest*	*Total equity*
Balance at 1 January 2024	**26,524,967**	**1,706,526**	**729**	**5,270,900**	**33,503,122**	**(175,383)**	**33,327,739**
Total comprehensive income for the year							
Profit for the year	-	-	-	**104,991**	**104,991**	**(18)**	**104,973**
Other comprehensive income for the year	-	-	**3,228**	-	**3,228**	-	**3,228**
	-	-	**3,228**	**104,991**	**108,219**	**(18)**	**108,201**
Transferred to legal reserve	-	**10,499**	-	**(10,499)**	-	-	-
Transferred to Social and Sports Activities Fund (Note 14)	-	-	-	**(2,625)**	**(2,625)**	-	**(2,625)**
Balance at 31 December 2024	**26,524,967**	**1,717,025**	**3,957**	**5,362,767**	**33,608,716**	**(175,401)**	**33,433,315**

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EZDAN HOLDING GROUP Q.P.S.C.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

	Share capital	*Legal reserve (1)*	*Foreign currency translation reserve*	*Retained earnings*	*Total*	*Non-controlling interest*	*Total equity*
Balance at 1 January 2023	26,524,967	1,696,560	4,256	5,183,699	33,409,482	(175,372)	33,234,110
Total comprehensive income for the year							
Profit for the year	-	-	-	99,657	99,657	(11)	99,646
Other comprehensive loss for the year	-	-	(3,527)	-	(3,527)	-	(3,527)
	-	-	(3,527)	99,657	96,130	(11)	96,119
Transferred to legal reserve	-	9,966	-	(9,966)	-	-	-
Transferred to Social and Sports Activities Fund (Note 14)	-	-	-	(2,490)	(2,490)	-	(2,490)
Balance at 31 December 2023	26,524,967	1,706,526	729	5,270,900	33,503,122	(175,383)	33,327,739

(1) In accordance with the requirements of the Qatar Commercial Companies Law No. 11 of 2015 and the Company's Articles of Association, a minimum of 10% of the annual profit should be transferred to legal reserve until the reserve equals 50% of the share capital. The reserve is not available for distribution except in the circumstances stipulated in the above law and the Company's Articles of Association.

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EZDAN HOLDING GROUP Q.P.S.C.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

	Note	2024	2023
OPERATING ACTIVITIES			
Profit for the year		**104,973**	99,646
Adjustments for:			
Loss from change in fair value of investment properties	7	**197,957**	192,857
Depreciation of property and equipment	8	**22,199**	21,313
Provision of impairment loss of trade and other receivables – net	5	**9,507**	10,650
Provision for employees' end - of - service benefits	17(ii)	**5,825**	4,853
Operating expenses recognised from the consumption of small operating equipment	17(i)	**791**	856
Profit on Islamic bank accounts	18	**(10,076)**	(16,618)
Finance costs on Islamic financing and borrowing from other related party	19	**999,233**	1,109,741
Finance cost from modification of Islamic financings	19	**55,256**	-
Operating profit before changes in working capital		**1,385,665**	1,423,298
Working capital changes:			
Trade and other receivables		**15,785**	27,775
Inventories		**(519)**	151
Trade and other payables		**(42,907)**	(20,903)
Cash generated from operating activities		**1,358,024**	1,430,321
Employees' end of service benefits paid	9	**(1,140)**	(980)
Net cash generated from operating activities		**1,356,884**	1,429,341
INVESTING ACTIVITIES			
Acquisition of property and equipment	8	**(2,580)**	(4,371)
Payments for development of investment properties		**(72,221)**	(129,245)
Profit on Islamic bank accounts received		**10,076**	16,618
Net movement in restricted bank balances		**1,861**	(227)
Net cash used in investing activities		**(62,864)**	(117,225)
FINANCING ACTIVITIES			
Repayments of borrowings from other related party	10	**(412,792)**	(245,223)
Proceeds from Islamic financings	11	**657,000**	-
Repayments for Islamic financings	11	**(1,329,088)**	(1,090,624)
Movement in transaction costs - net	11	**4,065**	(335)
Dividends paid related to dividend payable	21	**(477,194)**	(58,962)
Net cash used in financing activities		**(1,558,009)**	(1,395,144)
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(263,989)**	(83,028)
Net foreign exchange difference		**7,486**	(8,723)
Cash and cash equivalents as of 1 January		**368,360**	460,111
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	4	**111,857**	368,360
NON-CASH-TRANSACTIONS:			
Transfers of employees' end-of-service benefits from other related party	9, 10	**1,923**	-
Transfer from investment property to property and equipment	7, 8	**25,470**	-
Investment property foreign exchange adjustment	7	**4,258**	(5,196)

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The accompanying notes from 1 to 30 are an integral part of these consolidated financial statements.

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(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

1. CORPORATE INFORMATION AND PRINCIPAL ACTIVITIES

Ezdan Holding Group Q.P.S.C. (the "Company") is a Qatari Public Shareholding Company registered in the State of Qatar under the Commercial Registration Number 15466. The Company was established on 24 May 1993 as a limited liability company and was publicly listed at Qatar Stock Exchange on 18 February 2008. The Company is domiciled in the State of Qatar and its registered office is at Ezdan Towers, West Bay, Doha, State of Qatar.

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

The principal activity of the Group is management and rentals of real estate properties. The Group is also engaged in controlling the subsidiaries by exposing the Company, or having rights, to variable returns from the Company's involvement with the company and has the ability to affect those returns through its power over the company or more by owning at least 51% of its shares, investment in shares, financial securities and other investments inside and outside the State of Qatar.

The principal subsidiaries of the Group are as follows:

			Effective percentage of ownership	
			31 December	
	Name of subsidiaries	***Principal activity***	***2024***	*2023*
1	Ezdan Hotels Company W.L.L.	Hotel services	100%	100%
2	Ezdan Mall Company W.L.L.	Malls management	100%	100%
3	Ezdan Real Estate Company W.L.L.	Real estate services	100%	100%
4	Ezdan Palace Hotel Company W.L.L.	Hotel services	100%	100%
5	Haloul Ezdan For Trading and Construction Co W.L.L.	Maintenance works	100%	100%
6	Ezdan 70 Park Street Limited (1)	Real estate services	100%	100%
7	Vianon Ltd (1)	Real estate services	100%	100%
8	Mayfair Residential Ltd (1)	Real estate services	100%	100%
9	Ezdan World W.L.L.	Entertainment services	70.0%	70.0%
10	Emtedad Real Estate for Projects W.L.L.	Real estate development	67.5%	67.5%

The Parent of the Group is Al-Tadawul Trading Group Q.P.S.C. ("Tadawul") which owns directly 54% (approximately) of the share capital of the Group as at 31 December 2024 (31 December 2023: 54%).

All of the subsidiaries enumerated above were incorporated in the State of Qatar except for United Kingdom – based entities.

(1) These three entities were previously owned by Ezdan Holding Group through Ezdan International Limited, one of the Company's subsidiaries based in the United Kingdom, which was liquidated previously . As a result of the liquidation, these entities, which were also incorporated in the United Kingdom , became direct subsidiaries of Ezdan Holding Group, without any direct impact on the ultimate ownership of these entities.

2. BASIS OF PREPARATION

a) Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and applicable requirements of Qatar Commercial Companies' Law No. 11 of 2015, as amended by Law No. 8 of 2021.

b) Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention as modified by investment property which have been measured at fair value.

2. BASIS OF PREPARATION (Continued)

c) Functional and presentation currency

These consolidated financial statements are presented in Qatari Riyals ("QR"), which is the Group's functional currency. All Group entities, except for those based in the United Kingdom, have the Qatari Riyal ("QR") as their functional currency. However, Ezdan 70 Park Street Limited, Vianon Ltd, and Mayfair Residential Ltd have the Sterling Pound ("GBP") as their functional currency. All amounts are rounded to the nearest thousand, unless otherwise indicated.

d) Use of judgments and estimates

The information about significant areas of estimation uncertainty and critical judgments applied in the preparation of the consolidated financial statements are disclosed in Note 28.

e) Newly effective amendments to standards

The Group has applied the following amendments to International Financial Reporting Standards (IFRSs) that became effective for annual periods beginning on or after 1 January 2024. These amendments have been adopted in the preparation of these consolidated financial statements:

Amendments to IAS 1 – Classification of Liabilities as Current or Non-Current:
The amendments clarify how Group classifies liabilities as current or non-current based on the right to defer settlement.
Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback:
These amendments specify how a seller-lessee should subsequently measure lease liabilities in a sale and leaseback transaction.
Amendments to IAS 12 – Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction:
These amendments clarify how Group should account for deferred tax on transactions such as leases and decommissioning obligations.

The adoption of these amendments did not have a material impact on the Group's consolidated financial statements.

f) Amendments to standards not yet effective, but available for early adoption

The following amendments to IFRSs have been issued but are not yet effective for annual periods beginning on or after 1 January 2024. The Group has not early adopted these amendments but may consider their application in future periods.

Amendments to IAS 1 – Non-Current Liabilities with Covenants (Effective January 1, 2025):
These amendments specify how covenants affect the classification of liabilities.
Amendments to IFRS 9 – Financial Instruments – Contractual Cash Flow Characteristics (Effective January 1, 2025):
These amendments clarify how Group assess contractual cash flow characteristics of financial assets.
Amendments to IFRS 17 – Initial Application of IFRS 17 and IFRS 9 – Comparative Information (Effective January 1, 2025):
These amendments simplify the transition requirements for insurers.

The Group is currently assessing the potential impact of these amendments on its consolidated financial statements.

2. BASIS OF PREPARATION (Continued)

g) Amendments to standards not yet effective

The following amendments to IFRSs have been issued but are not yet effective and are not available for early adoption:

Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Effective date to be determined):

These amendments address the accounting treatment for transactions between an investor and its associate or joint venture.

Amendments to IAS 21 – Lack of Exchangeability (Effective January 1, 2025):

These amendments provide guidance on how entities determine the exchange rate to use when a currency is not exchangeable.

3. MATERIAL ACCOUNTING POLICIES

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

a) Basis of consolidation

Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group (see section on "Subsidiaries" below).

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

Subsidiaries

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

Non-controlling interests (NCI)

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

Loss of control

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

3. MATERIAL ACCOUNTING POLICIES (Continued)

a) Basis of consolidation (continued)

Transactions eliminated on consolidation

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

b) Financial instruments

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

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

Financial assets: Classification and subsequent measurement

A financial asset is classified at:

- Amortised cost – if it meets both of the following conditions and is not designated as at FVTPL:

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

- FVOCI - if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

- FVTPL – All financial assets not classified as measured at amortised cost or FVOCI as described above.

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

On initial recognition, the Group may irrecoverably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

3. MATERIAL ACCOUNTING POLICIES (Continued)

b) Financial instruments (continued)

Financial assets: Classification and subsequent measurement (continued)

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Group has classified on initial recognition its cash and cash equivalents and trade and other receivables at amortised cost.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual cash flows or realising cash flows through the sale of assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets: Assessment whether contractual cash flows are Solely Payments of Principal and Interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

3. MATERIAL ACCOUNTING POLICIES (Continued)

b) Financial instruments (continued)

Financial assets: Assessment whether contractual cash flows are SPPI (continued)

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

- Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

- Financial assets FVTPL -These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. The Group does not hold such assets.

- Debt instruments at FVTOCI - These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss. The Group does not hold such assets.

- Equity investments at FVOCI - These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never derecognised to profit or loss. The Group does not hold such assets.

Financial liabilities: Classification and subsequent measurement

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

3. MATERIAL ACCOUNTING POLICIES (Continued)

b) Financial instruments (continued)

Financial assets: Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its consolidated statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities: Derecognition

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

c) Impairment

Non-derivative financial assets

The Group recognises loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortised cost (cash at bank and receivables). The Group does not hold debt investments measured at amortised cost or contract assets.

The Group measures loss allowance either at an amount equal to:

- lifetime ECLs, which are those ECLs that result from all possible default events over the expected life of a financial instruments; or
- 12-month ECLs, which includes the portion of ECLs that results from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Loss allowances for receivables are always measured at an amount equal to lifetime ECLs.

Loss allowances on bank balances are always measured at an amount equal to 12-month ECLs.

3. MATERIAL ACCOUNTING POLICIES (Continued)

c) Impairment (continued)

Non-derivative financial assets (continued)

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

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

Measurement of ECLs

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

Credit-impaired financial assets

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

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer; or
- a breach of contract such as a default or being more than 120 days past due (more than 365 days for mall operations); or
- it is probable that the borrower will enter bankruptcy or other financial reorganization.

Presentation of impairment

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

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

3. MATERIAL ACCOUNTING POLICIES (Continued)

c) Impairment (continued)

Non-financial assets

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

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGUs).

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

An impairment loss is recognized if the carrying amount of an asset or a CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

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, if no impairment loss had been recognise.

d) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash and bank balances and bank deposits with original maturities of three months or less and unrestricted balances held with banks which are subject to insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments, net of any outstanding bank overdrafts and restricted bank balances.

e) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average method, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. A provision is made for any write-down of inventories to net realisable value and such a provision is reflected as an expense in profit or loss in the period of write-down. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised in profit or loss in the period in which the reversal occurs.

f) Investment property

Investment property are properties which are held either to earn rental income, including those under development, or for capital appreciation or for both and are initially measured at cost, including transaction costs.

3. MATERIAL ACCOUNTING POLICIES (Continued)

f) Investment property (continued)

Subsequent to initial recognition, investment property are stated at fair value which reflects market condition at the reporting date. Gains and losses arising from changes in the fair values of investment property are included in the consolidated statement of profit or loss in the period in which they arise. Fair values are determined based on revaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when disposed all or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal and the carrying amount of the asset is recognised in the consolidated statement of profit or loss in the period of derecognition.

Property that is being constructed for future use as investment property is accounted for as investment property under the fair value model. Property under construction is designated as investment property only if there are unambiguous plans by management to subsequently utilize the property for rental activities upon completion of development, or if there is undetermined future use of the property and hence the property is held for long term capital appreciation.

Transfers between property categories

Transfers to, or from, investment property shall be made when, and only when, there is a change in use, evidenced by:

(a) commencement of owner-occupation, for a transfer from investment properties to owner- occupied property;
(b) commencement of development with a view to sale, for a transfer from investment properties to inventories;
(c) end of owner-occupation, for a transfer from owner-occupied property to investment property;
(d) commencement of an operating lease to another party, for a transfer from inventories to investment property.

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified as investment property. Any difference between carrying value and fair value arising on remeasurement is recognized directly in equity as a revaluation surplus.

For a transfer from investment property carried at fair value to owner-occupied property or inventories, the property's deemed cost for subsequent accounting in accordance with IAS 16 'Property, Plant and Equipment' or IAS 2 'Inventories' shall be its fair value at the date of change in use.

For a transfer from inventories to investment property that will be carried at fair value, any difference between the fair value of the property at that date and its previous carrying amount shall be recognized in consolidated statement of profit or loss.

g) Property and equipment

Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

3. MATERIAL ACCOUNTING POLICIES (Continued)

g) Property and equipment (continued)

Recognition and measurement (continued)

Cost includes expenditure that is directly attributable to the acquisition of the asset. The capital work in progress includes the cost of materials and direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that computers and office equipment.

Any gain or loss on disposal of an item of property and equipment is recognised in profit or loss.

Subsequent expenditure

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

Depreciation is recognized in the consolidated statement of profit or loss on a straight-line basis over the estimated useful lives of each item of property and equipment.

Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in profit or loss.

The estimated useful lives of property and equipment for current and comparative periods are as follows:

	Years
Buildings	20
Motor vehicles	5
Furniture, fixtures and office equipment	2-5

Land and capital work in progress are not depreciated. Once assets within capital work in progress are completed, they are reclassified to the relevant category of other property and equipment stated above and depreciated accordingly once they are put into use.

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

Impairment

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate 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.

Derecognition

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

3. MATERIAL ACCOUNTING POLICIES (Continued)

g) Property and equipment (continued)

Allocation of depreciation expense

Depreciation is allocated to operating and general and administrative expenses on the basis of relative usage of assets for these purposes.

h) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity.

i) Revenue recognition

Rental income

Rental income receivable from operating leases, less the Group's initial direct costs of entering into the leases, is recognized on a straight-line basis over the term of the lease, except for contingent rental income which is recognized when it arises.

Incentives for lessees to enter into lease agreements are spread evenly over the lease term, even if the payments are not made on such a basis. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the lessors are reasonably certain that the tenant will exercise that option. Amounts received from tenants to terminate leases or to compensate for dilapidations are recognized in the consolidated statement of profit or loss when they arise.

Service charges and expenses recoverable from tenants

Income arising from expenses recharged to tenants is recognized in the period in which the expense can be contractually recovered. Service charges and other such receipts are included gross of the related costs in revenue, as the Group acts as principal in this respect.

Sale of goods

Revenue is recognized when the control of the goods is transferred to the buyer.

Other income

Revenue is recognized when earned.

j) Expense recognition

Expenses are recognized in profit or loss when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen and can be measured reliably.

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

3. MATERIAL ACCOUNTING POLICIES (Continued)

k) Foreign currency transactions and balances

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 consolidated statement of financial position date. All differences are taken to the consolidated statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

l) Borrowing costs

Borrowing costs are finance cost and other costs that the Group incurs in connection with the borrowing of funds. A qualifying asset for finance cost capitalization is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The Group capitalizes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The Group recognizes other borrowing costs as an expense in the period in which it incurs them.

The Group begins capitalizing borrowing costs as part of the cost of a qualifying asset on the commencement date. The commencement date for capitalization is the date when the Group first meets all of the following conditions:

a) incurs expenditures for the asset;
b) incurs borrowing costs; and
c) undertakes activities that are necessary to prepare the asset for its intended use or sale.

To the extent that the Group borrows funds specifically for the purpose of obtaining a qualifying asset, the Group determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings, if any.

The borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than those specific borrowings mentioned above as made specifically for the purpose of obtaining a qualified asset, are capitalized by applying a capitalization rate to the expenditures on that asset.

The amount of borrowing costs that the Group capitalizes during the period is not to exceed the amount of borrowing costs it incurred during that period. The Group suspends capitalization of borrowing costs during extended periods in which it suspends active development of a qualifying asset, and ceases capitalizing borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset, being an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are expensed in profit or loss using the effective interest method.

3. MATERIAL ACCOUNTING POLICIES (Continued)

m) Tenants' deposits

Tenant's deposits liabilities are initially recognized at fair value and subsequently measured at amortized cost where material. Any difference between the initial fair value and the nominal amount is included as a component of operating lease income and recognized on a straight-line basis over the lease term.

n) Employees' end of service benefits

The Group provides end of service benefits to its expatriate employees in accordance with Qatari Labor Law. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of minimum service period. The expected costs of these benefits are accrued over the period of employment.

o) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. The expense relating a provision is presented in the consolidated statement of profit or loss net of any reimbursement.

With respect to its Qatari employees, the Group provides contributions to the General Pension and Social Insurance Authority calculated as a percentage of the employees' salaries. The Group's obligations are limited to these contributions, which are expensed when due.

p) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees, if any.

q) Dividends

The Group recognizes a liability to make cash distributions to equity shareholders of the Parent when distribution is authorized and the distribution in no longer at the discretion of the company. As per the Qatar Commercial Law No 11 of 2015 as amended by Law No.8 of 2021, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

r) Income tax

Taxes are calculated based on tax laws and regulations in jurisdictions in which the Group operates. A tax provision is made based on an evaluation of the expected tax liability.

s) Operating segments

The Group's operating segments are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Financial information on operating segments is presented in Note 26 to the consolidated financial statements. The Chairman of the Board of Directors (the chief operating decision maker) reviews management reports on a regular basis.

3. MATERIAL ACCOUNTING POLICIES (Continued)

s) Operating segments (continued)

The measurement policies the Group used for segment reporting under IFRS 8 are the same as those used in the consolidated financial statements. There have been no changes in the measurement methods used to determine reported segment profit or loss from prior periods. All inter-segment transfers are carried out at arm's length prices.

Segment revenues, expenses and performance include sales and purchases between business segments. Such sales and purchases are eliminated in consolidation.

t) Current versus non-current classification

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

- Expected to be realised or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised 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.

u) Contingent assets and liabilities

Contingent assets are not recognised in the consolidated financial statements, but are disclosed when an inflow of economic benefits is probable.

Contingent liabilities are not recognised in the consolidated financial statements, but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

v) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

3. MATERIAL ACCOUNTING POLICIES (Continued)

v) Leases (continued)

Group as a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:
- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

3. MATERIAL ACCOUNTING POLICIES (Continued)

v) Leases (continued)

Group as a lessee (continued)

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. Right-of-use assets that meet the definition of investment property are presented within investment property.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Group as a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'rental revenues'.

Generally, the accounting policies applicable to the Group as a lessor in the comparative period were not different from IFRS 16 except for the classification of the sub-lease entered into during current reporting period that resulted in a finance lease classification.

w) Fair value measurement

The Group measures financial instruments such as derivatives, equity investment financial assets and non-financial assets such as investment property at fair value at each reporting date. Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value are disclosed in these consolidated financial statements in Note 25.

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

3. MATERIAL ACCOUNTING POLICIES (Continued)

w) Fair value measurement (continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

If an asset or liability measured at fair value has a bid price and an ask price, then the Group measures assets at a bid price and liabilities at an ask price.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4. CASH AND BANK BALANCES

	2024	2023
Cash on hand	**240**	291
Cash at banks and other financial institutions		
Current accounts	**45,488**	49,197
Savings, short - term deposits and call accounts (1)	**66,129**	318,872
Margin accounts	**1,353**	3,214
Total cash at banks and other financial institutions	**112,970**	371,283
Total cash and bank balances in the consolidated statement of financial position	**113,210**	371,574
Less: restricted bank balances (2)	**(1,353)**	(3,214)
Cash and bank balances in the consolidated statement of cash flows	**111,857**	368,360

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

4. CASH AND BANK BALANCES (Continued)

(1) This includes short term deposits of QR 36,500 (2023: QR 246,000) as at 31 December 2024.

(2) Restricted bank balances represent cash margin (letter of guarantees) and are not available for use by the Group (Note 22).

5. TRADE AND OTHER RECEIVABLES

	2024	2023
Tenant receivables, net (1)	**41,342**	53,722
Notes receivable (2)	**17,567**	24,481
Refundable deposits	**9,677**	8,738
Prepaid expenses	**4,848**	5,891
Advances to suppliers and contractors	**665**	3,590
Due from a related party (Note 10(b))	**453**	473
Net other receivables and debit balances, net	**589**	3,538
	75,141	100,433

Trade and other receivables are segregated between current and non-current portions as follows:

2024	**Current**	**Non-current**	**Total**
Tenant receivables – net	**41,342**	-	**41,342**
Notes receivable	**17,567**	-	**17,567**
Refundable deposits	-	**9,677**	**9,677**
Prepaid expenses	**4,848**	-	**4,848**
Advances to suppliers and contractors	**665**	-	**665**
Due from a related party	**453**	-	**453**
Net other receivables and debit balances – net	**589**	-	**589**
	65,464	**9,677**	**75,141**

2023	Current	Non-current	Total
Tenant receivables – net	53,722	-	53,722
Notes receivable	24,481	-	24,481
Refundable deposits	-	8,738	8,738
Prepaid expenses	5,891	-	5,891
Advances to suppliers and contractors	3,590	-	3,590
Due from a related party	473	-	473
Net other receivables and debit balances – net	3,538	-	3,538
	91,695	8,738	100,433

(1) The allowance for impairment of trade and other receivables consists of:

	2024	2023
Tenants' receivables	**91,368**	86,905
Other receivables	**11,299**	13,665
	102,667	100,570

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

5. TRADE AND OTHER RECEIVABLES (Continued)

The movements in the allowance for impairment of trade and other receivables were as follows:

	2024	2023
At 1 January	**100,570**	102,909
Provision of impairment loss of trade and other receivables – net	**9,507**	10,650
Provision written – off	**(7,410)**	(12,989)
At 31 December	**102,667**	100,570

(2) On 12 June 2022, the Board of Directors unanimously approved the sale of the Group's proportionate share in its investment in White Square. On 3 July 2022, an agreement was executed and the Group sold to Mr. Ibrahim Rashid Al-Mohannadi, joint venture partner, its investment share amounting to QR 45,000 which is collectible in instalments. The Group received post - dated cheques and the remaining balance of QR 17,567 (2023: QR 24,381) is recognized as part of "Trade and other receivables – notes receivables" account.

6. INVENTORIES

	2024	2023
Inventories carried at cost		
Consumables (1)	**4,044**	4,921
Buildings and maintenance materials	**10,276**	9,671
	14,320	14,592

(1) This includes small operating equipment such as linen, cutlery and other hotel consumables. During the year, small operating equipment of QR 791 (2023: QR 856) were recognized as an expense during the year and included in "Operating expenses" account (Note 17).

7. INVESTMENT PROPERTIES

I. Reconciliation of carrying amounts

The movements in the investment properties during the year are as follows:

	2024	2023
At 1 January	**45,643,861**	45,702,277
Development costs during the year	**72,221**	129,245
Transferred to property and equipment (Note 8)	**(25,470)**	-
Net loss from change in fair value of investment properties	**(197,957)**	(192,857)
Foreign exchange adjustment	**(4,258)**	5,196
At 31 December	**45,488,397**	45,643,861

Investment properties consist of:

	2024	2023
Completed properties (Note 7.v)	**44,164,397**	44,311,171
Vacant land	**1,324,000**	1,332,690
	45,488,397	45,643,861

Investment properties are located in State of Qatar and United Kingdom.

The mortgages on the investment properties are disclosed in Note 11.

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

7. INVESTMENT PROPERTIES (Continued)

II. Reconciliation of fair value of investment properties

	2024	2023
Fair value of investment property as received from valuer (1)	**45,492,655**	45,638,665
Other adjustments	**(4,258)**	5,196
Fair value of investment property as disclosed in the consolidated financial statements	**45,488,397**	45,643,861

Investment properties are stated at fair value, which has been determined based on valuation performed by accredited independent valuers as at reporting date. During the year 2024, the Group engaged two independent valuation experts (2023: two independent valuation experts) to assess the fair market values of the Group's investment properties. These valuers are accredited independent valuers with a recognized and relevant professional qualification and with recent experience in the location and category of those investment property being valued. In arriving at estimated market values, the valuers have used their market knowledge and professional judgment and not only relied on historical comparable transactions. The valuation has been prepared in accordance with the appropriate sections of the Practice Statements ("PS"), contained with the RICS Valuation- Professional Standards 2022 (the "Red Book").

The Group's management believes that the assumptions used in valuation of investment properties performed by accredited independent valuers were within the acceptable range within real estate market at State of Qatar. The valuation of investment properties as performed by accredited independent valuers as stated previously and as stated in the Group's financial position represents a fair value and reflects the real estate market situation in the State of Qatar.

(1) Based on the two independent valuation reports received by the Group, the management selected the valuation report with the lowest fair market value, which amounted to QR 45,492,655 (2023: QR 45,638,665) as at reporting date.

III. Valuation Process

The Group's management determines the valuation policies and procedures for property valuations. Each year, the management, after approval of the Audit Committee, appoints the external valuers responsible for the valuations of the Group's investment property. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

The management decides after discussion with the external valuers:

- the valuation method to be applied for each property (the methods that are applied for fair value measurements categorised within Level 3 of the fair value hierarchy are the discounted cash flow method and the income capitalisation method; for fair value measurements in Level 2 of the fair value hierarchy, the market comparison approach is used) and;
- the assumptions made for unobservable inputs that are used in valuation methods (the major unobservable inputs are estimated rental value, rent growth per annum, long term vacancy rate, discount rate and exit yield)

Description of valuation techniques used by the Group and key inputs to valuation of the investment property are disclosed in Note 25.

Income approach

Income approach is a valuation method appraisers and real estate investors use to estimate the value of income producing real estate. It is based upon the premise of anticipation i.e., the expectation of future benefits. This method of valuation relates value to two things: the "market rent" that a property can be expected to earn and, the "reversion" (resale) when a property is sold.

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

7. INVESTMENT PROPERTIES (Continued)

III. Valuation Process (continued)

Income approach (continued)

The most commonly used technique for assessing market value within the income approach is discounted cash flow. This is a financial modelling technique based on explicit assumptions regarding the prospective cash-flow to a property or business and the costs associated with being able to generate the income. To this assessed cash-flow a market-derived discount rate is applied to establish a present value of the income stream. The income approach of valuation has been adopted for all the properties in Qatar and UK except for land.

Market approach

Market approach or direct comparison method is based on comparing the subject asset with identical or similar assets (or liabilities) for which price information is available, such as a comparison with market transactions in the same, or closely similar (i.e. similar properties that have actually been sold in arms'-length transactions or are offered for sale), type of asset (or liability) within an appropriate time horizon. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar assets (or liabilities) in an open and competitive market. Generally, the opinion on value is based on evidence of open market transactions in similar property with adjustments of the comparable to differentiate the differences between the subject property and the comparable. The market approach of valuation has primarily been adopted for plots of land in Qatar and vacant properties in UK.

IV. Amounts recognised in profit or loss

The following amounts are recognized in consolidated statement of profit or loss:

	2024	2023
Rental income and other operating revenues	**1,832,526**	1,851,533
Direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income and other operating revenues during the year	**(320,983)**	(332,897)
Profit arising from investment property carried at fair value	**1,511,543**	1,518,636

V. Reconciliation of fair values categorized within level 3

	2024	2023
At 1 January	**44,311,171**	44,679,237
Loss on valuation recognized in the consolidated statement of profit or loss	**(189,267)**	(502,507)
Transferred to property and equipment (Note 8)	**(25,470)**	-
Net movements (1)	**72,221**	129,245
Others (foreign exchange adjustment)	**(4,258)**	5,196
At 31 December (Note 7.i and 25)	**44,164,397**	44,311,171

(1) This pertains to the other non - related valuation movements in the fair market values of the investment properties such as acquisitions, development costs, etc.

No reclassification between level 2 and level 3 during the year.

The capital expenditure and operating lease commitments of the Group are disclosed in Note 23.

7. INVESTMENT PROPERTIES (Continued)

VI. Others

On 15 July 2024, the Group held Ordinary General Assembly meeting and it approved the proposal to sell certain investment properties in order to enhance the Group's cash flow. The purchase offers that will be received by the Board of Directors shall be submitted to the next Ordinary General Assembly meeting of the Group for further discussion and decision. The General Assembly had also authorized the Board of Directors for the following:

- Determine the investment properties to be offered for sale;
- Assign accredited valuators to determine the valuation of these properties;
- Disclose the valuation results (to official parties and on the Group's website);
- Grant interested buyers to the option to submit purchase offers within a specified period; and
- Disclose the purchase offers (to official parties and on the Group's website).

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

8. PROPERTY AND EQUIPMENT

I. Reconciliation of carrying amounts

	Land	Buildings	Motor vehicles	Furniture, fixtures and office equipment	Capital work in progress	Total
Cost						
At 1 January 2023	407,660	363,072	9,611	126,562	-	906,905
Additions	-	-	-	3,420	951	4,371
Disposals (1)	-	-	-	(466)	-	(466)
Reclassifications	-	-	-	683	(683)	-
At 31 December 2023	**407,660**	**363,072**	**9,611**	**130,199**	**268**	**910,810**
Additions	**-**	**-**	**240**	**2,027**	**313**	**2,580**
Disposals (1)	**-**	**-**	**(157)**	**(90)**	**-**	**(247)**
Reclassifications	**-**	**231**	**-**	**-**	**(231)**	**-**
Transfer from investment property (Note 7)	**-**	**25,470**	**-**	**-**	**-**	**25,470**
At 31 December 2024	**407,660**	**388,773**	**9,694**	**132,136**	**350**	**938,613**
Accumulated depreciation						
At 1 January 2023	-	89,586	8,824	120,575	-	218,985
Charge for the year	-	18,154	216	2,943	-	21,313
Disposals (1)	-	-	-	(465)	-	(465)
At 31 December 2023	**-**	**107,740**	**9,040**	**123,053**	**-**	**239,833**
Charge for the year	**-**	**18,419**	**244**	**3,536**	**-**	**22,199**
Disposals (1)	**-**	**-**	**(157)**	**(87)**	**-**	**(244)**
At 31 December 2024	**-**	**126,159**	**9,127**	**126,502**	**-**	**261,788**
Carrying amounts						
31 December 2024	**407,660**	**262,614**	**567**	**5,634**	**350**	**676,825**
31 December 2023	407,660	255,332	571	7,146	268	670,977

(1) The Group disposed property and equipment items in current and prior years which resulted to immaterial gain or loss.

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

9. TRADE AND OTHER PAYABLES

	2024	2023
Due to related parties (Note 10.c)	**1,369,872**	1,589,257
Tenants' deposits	**163,190**	172,057
Unearned rent income	**78,136**	87,799
Payables to contractors and suppliers	**70,235**	77,924
Provision for employees' end of service benefits (1)	**26,085**	19,477
Accrued expenses	**29,434**	28,227
Provision for Social and Sports Activities Fund (Note 14)	**2,625**	2,490
Dividend payables (2)	**-**	477,194
Other payables	**9,461**	24,007
	1,749,038	2,478,432

2024	Current	Non-Current	Total
Due to related parties	**43,115**	**1,326,757**	**1,369,872**
Tenants' deposits	**150,691**	**12,499**	**163,190**
Unearned rent income	**78,136**	**-**	**78,136**
Payables to contractors and suppliers	**70,235**	**-**	**70,235**
Provision for employees' end of service benefits	**-**	**26,085**	**26,085**
Accrued expenses	**29,434**	**-**	**29,434**
Provision for Social and Sports Activities Fund	**2,625**	**-**	**2,625**
Other payables	**9,461**	**-**	**9,461**
	383,697	**1,365,341**	**1,749,038**

2023	Current	Non-current	Total
Due to related parties	20,795	1,568,462	1,589,257
Tenants' deposits	152,218	19,839	172,057
Payables to contractors and suppliers	77,924	-	77,924
Unearned rent income	87,799	-	87,799
Provision for employees' end of service benefits	-	19,477	19,477
Accrued expenses	28,227	-	28,227
Provision for Social and Sports Activities Fund	2,490	-	2,490
Dividend payables	477,194	-	477,194
Other payables	24,007	-	24,007
	870,654	1,607,778	2,478,432

(1) The movements in the employees' end of service benefits were as follows:

	2024	2023
At 1 January	**19,477**	15,604
Provision made during the year (Note 17)	**5,825**	4,853
Transfer from a related party (Note 10 (a))	**1,923**	-
Provision paid during the year	**(1,140)**	(980)
At 31 December	**26,085**	19,477

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

9. TRADE AND OTHER PAYABLES (Continued)

(2) According to the Qatar Financial Markets Authority (the "QFMA") Board of Directors' Decision No. (7) of 2023, published in the Official Gazette on January 9, 2024, regarding the compliance with dividend distribution regulations for publicly listed companies, and in accordance with Article 15 of this law, a listed company is required, in case of any outstanding dividends from previous years that have not been claimed by their rightful owners, to transfer those funds to an account specified by QFMA within six months from the issuance date of these regulations. The transfer must be accompanied by lists of the rightful owners and their respective shares of the distributed dividends for each year in which cash dividends were declared but not claimed by their rightful owners.

Subsequently, Circular No. 3 of 2024 (No. / MRT / 145 / 2024) issued by QFMA requests publicly listed companies to continue distributing dividends from the years prior to 2023 to the rightful shareholders according to the procedures in place at each company until the implementation and application of the provisions of Article 15 above. Therefore, the Group had decided to fully pay the outstanding amount of QR 477,194 directly to the shareholders during the year 2024, in accordance with its previous practice.

10. RELATED PARTY DISCLOSURES

(a) Related party transactions

	2024	2023
Transactions with related parties:		
Rental income	**815**	1,162
Transactions with key management personnel:		
Allowances of key management personnel (1)	**16,307**	13,448
Transactions with other related parties:		
Financings - net (2) (Note 10(c))	**(216,600)**	(45,160)
Transfers of provision for employees' end-of-services benefits (Note 9)	**1,923**	-

(1) No allowances were approved for the Group's Board of Directors for the year ended 31 December 2024 and 2023 as per Annual General Meeting ("AGM") (Notes 10(d) and 17(ii)).

(2) These includes borrowings directly or indirectly received or provided through other related party.

(b) Due from a related party

	2023	2022
Parent Company:		
Al-Tadawul Trading Group Q.P.S.C. (Note 5)	**453**	473

The above balance is of financing in nature, bears no profit or securities, receivable on demand and collectible in cash.

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

10. RELATED PARTY DISCLOSURES (Continued)

(c) Due to related parties

	2024	2023
Entity under common control:		
SAK Holding Group W.L.L. (1)	-	2,785
Other related parties:		
Borrowings directly or indirectly received through other related party (2)	**1,369,872**	1,586,472
Total (Note 9)	**1,369,872**	1,589,257

The above balance bears no profit or securities, payable on demand and to be settled in cash except for the borrowings directly or indirectly received through other related party.

(1) This amount represents the other remaining balance due to SAK Holding Group W.L.L. and its subsidiaries in relation to the settlement agreement with the Group and its subsidiaries.

(2) The Group obtained unsecured profit – bearing borrowings which were directly or indirectly received through other related party to repay its borrowings. The unsecured borrowings carry profits at commercial rates. The maturity of unsecured borrowings is 10 years. The Group recognised finance costs amounting to QR 196,192 (2023: 200,063) during the year.

The movements on the borrowing directly or indirectly through other related party during the year were as follows:

	2024	2023
At 1 January	**1,586,472**	1,631,632
Finance costs (Note 19)	**196,192**	200,063
Repayments	**(412,792)**	(245,223)
At 31 December	**1,369,872**	1,586,472

(d) Compensation of directors and other key management personnel

	2024	2023
Allowances of key management personnel - short term benefits (Notes 10(a) and 17(ii))	**16,307**	13,448

No compensation of Board of Directors were incurred during the years 2024 and 2023.

11. ISLAMIC FINANCINGS

The movements on the Islamic financings during the year were as follows:

	2024	2023
At 1 January	**11,030,397**	11,211,343
Additions	**657,000**	-
Finance costs including finance cost from modification of Islamic financings (Note 19)	**858,297**	909,678
Repayments	**(1,329,088)**	(1,090,624)
Total	**11,216,606**	11,030,397
Less: transaction costs (1)	**(31,066)**	(35,131)
At 31 December	**11,185,540**	10,995,266

(1) The movements of transaction costs are as follows:

	2024	2023
At 1 January	**35,131**	34,796
Net movement including amortization	**(4,065)**	335
At 31 December	**31,066**	35,131

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

11. ISLAMIC FINANCINGS (Continued)

The maturity of these borrowings are as follows:

	2024	2023
Current portion	**356,823**	385,691
Non - current portion	**10,828,717**	10,609,575
	11,185,540	10,995,266

Terms and conditions of the outstanding borrowing facilities were as follows:

Type of facility	*Currency*	*Condition*	*Profit rates / terms*	**2024**	2023
Murabaha	QR	Secured	QMRL rate	**6,445,608**	6,707,490
Ijara	QR	Secured	QMRL rate	**4,113,387**	4,226,007
Ijara (1)	USD	Secured	1Y/3 M LIBOR	**657,611**	-
Murabaha (2)	USD	Secured	1Y/3 M LIBOR	**-**	96,900
				11,216,606	11,030,397

The Islamic financing borrowings have been obtained for the purpose of financing the obligations of the Group. All the contracts carry profits at commercial rates.

(1) During the year, the Group obtained short-term Ijara facility amounting to QR 657,000 (USD 180,000) which carry profit at commercial rate. The Group will repay aforesaid loan in full in year 2026.

(2) During the year, the Group fully-settled the Murabaha facility in June 2024.

As at 31 December 2024, the Group had secured borrowings against mortgages on different types of investment property (Note 7) owned by the Group with a fair market value of QR 17,282,350 (2023: QR 18,214,860).

During the year, the Group agreed with a local bank for a modification of Islamic financings through partial settlement, modifying the repayment periods and profit rates. As a result, the Group recognized finance cost from modification of Islamic financings amounting to QR 55,256 during the year (Note 19).

The maturity profiles of the facilities are as follows:

2024	**1 year**	**2-5 years**	**Over 5 years**	**Total**
Type of facility				
Murabaha (QR)	**214,924**	**3,111,275**	**3,119,409**	**6,445,608**
Ijara (QR)	**141,288**	**586,711**	**3,385,388**	**4,113,387**
Ijara (USD)	**611**	**657,000**	**-**	**657,611**
	356,823	**4,354,986**	**6,504,797**	**11,216,606**

2023	1 year	2-5 years	Over 5 years	Total
Type of facility				
Murabaha (QR)	152,106	3,460,425	3,094,959	6,707,490
Ijara (QR)	136,685	421,086	3,668,236	4,226,007
Murabaha (USD)	96,900	-	-	96,900
	385,691	3,881,511	6,763,195	11,030,397

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

12. SHARE CAPITAL

	2024	2023
Authorised, issued and fully paid up:		
26,524,967 thousand of shares of QR 1 each (2023: 26,524,967 thousand of shares of QR 1 each) (Note 20)	**26,524,967**	26,524,967

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

13. TRANSLATION AND LEGAL RESERVES

I. Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

II. Legal reserve

In accordance with the requirements of the Qatar Commercial Companies Law No. 11 of 2015, as amended by Law no. 8 of 2021 ("Amended Law") and the Company's Articles of Association, a minimum of 10% of the net profit should be transferred to a legal reserve each year until this reserve is equal to 50% of the paid-up share capital. The reserve is not available for distribution except in the circumstances stipulated in the above Amended Law and the Company's By-Laws.

14. CONTRIBUTION TO SOCIAL AND SPORTS ACTIVITIES FUND

In accordance with Law No. 8 of 2011 (Amendment to Law No. 13 of 2008), the Group made an appropriation of profit in amount of QR 2,625 (2023: QR 2,490) equivalent to 2.5% of the consolidated net profit for the year for the support of sports, cultural, social and charitable activities (Note 9).

15. COMPONENTS OF OTHER COMPREHENSIVE INCOME

	2024	2023
Foreign currency translation reserve		
Foreign operations - foreign currency translation differences	**3,228**	(3,527)
Other comprehensive income / (loss) for the year	**3,228**	(3,527)

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

16. RENTAL INCOME AND OTHER OPERATING REVENUES

Revenue streams

The Group's operations and main revenue streams are those described below. Apart from income from investments and leasing, Group has revenue from contracts with customers.

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by major service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments.

A. Disaggregation of revenue based on major revenue streams:

For the year ended 31 December 2024	***Residential and commercial property***	***Hotel and suites***	***Malls***	***Total***
Rental income (under IFRS 16)	**1,490,792**	**181,896**	**73,939**	**1,746,627**
Revenue under IFRS 15				
Major service lines				
Food and beverage	-	**21,991**	-	**21,991**
Common area charges	-	-	**15,917**	**15,917**
Provision of utilities services	**11,861**	-	-	**11,861**
Property management services	**9,553**	-	-	**9,553**
Marketing services	-	-	**3,982**	**3,982**
Health club	-	**3,367**	-	**3,367**
Internet	-	**2,416**	-	**2,416**
Laundry	-	**1,146**	-	**1,146**
Others	**12,858**	**1,128**	**1,680**	**15,666**
Revenue under IFRS 15	**34,272**	**30,048**	**21,579**	**85,899**
Other income				
Other income	**23,920**	**328**	**185**	**24,433**
External revenue as reported in Note 26	**1,548,984**	**212,272**	**95,703**	**1,856,959**

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

16. RENTAL INCOME AND OTHER OPERATING REVENUES (Continued)

A. Disaggregation of revenue based on major revenue streams (continued):

For the year ended 31 December 2023	*Residential and commercial property*	*Hotel and suites*	*Malls*	*Total*
Rental income (under IFRS 16)	1,530,377	162,452	71,158	1,763,987
Revenue under IFRS 15				
Major service lines				
Food and beverage	-	19,022	-	19,022
Common area charges	-	-	17,799	17,799
Provision of utilities services	12,260	-	-	12,260
Property management services	10,419	-	-	10,419
Marketing services	-	-	4,811	4,811
Internet	-	4,302	-	4,302
Health club	-	3,253	-	3,253
Laundry	-	818	-	818
Others	9,963	1,450	3,449	14,862
Revenue under IFRS 15	32,642	28,845	26,059	87,546
Other income				
Other income	55,640	6,228	9	61,877
External revenue as reported in Note 26	1,618,659	197,525	97,226	1,913,410

B. Disaggregation of revenue under IFRS 15 based on timing of revenue recognition:

	For the year ended 31 December		**Timing of revenue recognition**
	2024	2023	
Food and beverage	**21,991**	19,022	Point in time
Common area charges	**15,917**	17,799	Over the time
Provision of utilities services	**11,861**	12,260	Over the time
Property management services	**9,553**	10,419	Over the time
Marketing services	**3,982**	4,811	Over the time
Health club	**3,367**	3,253	Over the time
Internet	**2,416**	4,302	Over the time
Laundry	**1,146**	818	Point in time
Others	**15,666**	14,862	Over the time
Revenue under IFRS 15	**85,899**	87,546	

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

17. EXPENSES

(i) Operating expenses:

	2024	2023
Staff cost (1)	**97,832**	96,538
Utilities	**66,094**	72,944
Repairs and maintenance	**56,891**	48,266
Sewage	**48,904**	64,741
Air conditioning	**22,310**	22,159
Security	**15,328**	14,460
Cleaning	**13,624**	13,789
Registration fees	**6,582**	7,588
Laundry and dry cleaning	**6,373**	5,834
Food and beverage	**5,460**	5,068
Advertising expense	**5,365**	4,397
Commission	**2,039**	1,901
Other operating expenses (2)	**6,269**	6,964
	353,071	364,649

(ii) General and administrative expenses:

	2024	2023
Staff cost (1) (3)	**53,505**	47,207
Professional expenses	**20,542**	45,486
Registration fees	**8,406**	8,406
Bank charges	**8,079**	6,645
Information system	**5,547**	4,779
Insurance	**3,701**	3,944
Communication	**2,376**	1,935
Printing and stationery	**702**	722
Advertising costs	**669**	797
Other general and administrative expenses	**3,849**	3,519
	107,376	123,440

(1) The account includes a provision for employees' end of service benefits of QR 5,825 (2023: QR 4,853) during the year (Note 9).

(2) This account includes operating expenses recognised from the consumption of small operating equipment amounted to QR 791 (2023: QR 856) based on its issuance to operation during the year (Note 6).

(3) This also includes allowances of key management personnel amounting to QR 16,307 (2023: QR 13,448) (Note 10(a and d)).

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

18. OTHER INCOME

	2024	2023
Profit on Islamic bank accounts	**10,076**	16,618
Miscellaneous income (1)	**14,357**	45,259
	24,433	61,877

(1) This mainly pertains to reversal of contractor liabilities, scrap sales etc. generated during the year.

19. FINANCE COSTS

	2024	2023
Finance costs		
Islamic financings (Note 11)	**803,041**	909,678
Borrowings from other related party (Note 10 (c))	**196,192**	200,063
Finance cost from modification of Islamic financings (1) (Note 11)	**55,256**	-
	1,054,489	1,109,741

20. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the period attributable to shareholders of the Company by the weighted average number of shares outstanding during the year. There were no potentially dilutive shares outstanding at any time during the year and, therefore, the dilutive earnings per share are equal to the basic earnings per share.

	2024	2023
Profit attributable to ordinary shareholders		
Profit attributable to equity holders of the parent from continuing operations	**104,991**	99,657
Weighted-average number of ordinary shares (basic)		
Weighted average number of shares outstanding during the year (thousands of shares) (Note 12)	**26,524,967**	26,524,967
Basic and diluted earnings per share (QR)	**0.004**	0.004
Basic and diluted earnings per share from continuing operations (QR)	**0.004**	0.004

21. DIVIDENDS

No dividends were declared during year 2024 and 2023. The Group paid dividends payable amounting to QR 477,194 (2023: QR 58,962) during the year. The outstanding dividend amounted to QR nil (2023: QR 477,194) as at reporting date (Note 9).

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

22. CONTINGENT LIABILITIES

	2024	2023
Bank guarantees (Note 4)	**1,353**	3,214

The Group anticipates that no material liabilities will arise from the above guarantees which are issued in the ordinary course of business.

23. COMMITMENTS

(i) Capital expenditure commitments

The Group has contractual commitments to contractors and suppliers amounting to QR 24,331 (2023: QR 101,303) for development of investment property projects (Note 7).

(ii) Operating lease commitments – Group as a lessor

The Group leases out residential and commercial properties under non-cancelable operating lease agreements.

Rent income recognized to profit or loss during the year is disclosed in Note 16 as "Rental income".

The future aggregate minimum lease receivables under non-cancelable operating leases are as follows (Note 7):

	2024	2023
No later than one year	**976,559**	957,040
Later than one year and no later than five years	**232,993**	274,503
More than five years	**128,109**	149,897
	1,337,661	1,381,440

24. FINANCIAL INSTRUMENTS

(a) Financial risk management

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

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

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

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

Credit risk

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

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

24. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management (continued)

Credit risk (continued)

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty. The Group's maximum exposure to credit risk as at the reporting date is the carrying amount of its financial assets, which are the following (Note 5):

	2024	2023
Tenant's receivables	**132,710**	140,627
Notes receivable	**17,567**	24,481
Due from a related party	**453**	473
Refundable deposits	**9,677**	8,738
Other receivables	**11,888**	17,203
Cash at bank	**112,970**	371,283
	285,265	562,805

Tenants' receivables

The Group renders services to around 32 (2023: 29) customers with its largest ten customers accounting for 28% (2023: 32%) of its tenants receivables. This significant concentration risk has been managed through enhanced monitoring and periodic tracking. In accordance with the provisions of the lease contracts, the lessees are required to deposit with the Group security deposits and advance rentals which help reduce the Group's credit risk exposure in case of defaults by the tenants. The Group has a rigorous policy of credit screening prior to providing services on credit. Management evaluates the creditworthiness of each client prior to entering into contracts. Management also periodically reviews the collectability of its tenants' receivables and has a policy to provide any amounts whose collection is no longer probable and to write-off as bad debts any amounts whose recovery is unlikely. As a result, management believes that there is no significant credit risk on its tenants' receivables as presented on the consolidated statement of financial position.

More than 65% (2023: 65%) of the Group's customers have been transacting with the Group for over three years, and losses have occurred infrequently. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a government or non-government entity, their geographic location, industry, trading history with the Group and existence of previous financial difficulties.

The Group's most significant customers are corporates and individuals.

The Group uses an allowance matrix to measure the ECLs of tenants' receivables.

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

24. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management (continued)

Credit risk (continued)

Tenants' receivables (continued)

The following table provides information about the exposure to credit risk and ECLs for tenants' receivables:

At 31 December 2024:

	Weighted average loss rate (1)	**Gross carrying amounts**	**Loss allowance**
Not past due	**1%**	**21,103**	**117**
1-30 days past due	**13%**	**7,867**	**995**
31-60 days past due	**34%**	**8,167**	**2,762**
61-90 days past due	**13%**	**5,369**	**688**
90 -120 days past due	**82%**	**2,029**	**1,659**
Above 120 days (2)	**95%**	**60,082**	**57,054**
Above 365 days (3)	**100%**	**18,443**	**18,443**
Specific provision (4)	**100%**	**9,650**	**9,650**
Total (Note 5)	**69%**	**132,710**	**91,368**

At 31 December 2023:

	Weighted average loss rate (1)	Gross carrying amounts	Loss allowance
Not past due	7%	38,873	2,738
1-30 days past due	17%	10,389	1,751
31-60 days past due	26%	3,174	818
61-90 days past due	7%	5,499	407
90 -120 days past due	25%	1,342	340
Above 120 days (2)	99%	52,305	51,806
Above 365 days (3)	100%	19,395	19,395
Specific provision (4)	100%	9,650	9,650
Total (Note 5)	62%	140,627	86,905

(1) Loss rates are calculated using a 'net flow rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Net flow rates are calculated based on common credit risk characteristics.

(2) This represents default period for residential, commercial and hotel segments.

(3) This represents default period for mall segment.

(4) This represents provision made by management for customers where the recoverability is doubtful or balances are considered credit-impaired.

The movements in the provision for impairment of tenants' receivables are disclosed in Note 5.

24. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management (continued)

Credit risk (continued)

Due from related parties

Management believes that there is no significant credit risk in its receivables from the related parties because these counterparties are under the control of the Group's shareholders, who are financially healthy.

Notes receivable

Management believes that there is no significant credit risk from its notes receivable from White Square since this entity owned by a financially - healthy individual.

Refundable deposits

Credit risks are considered to be minimal as the refundable deposits are collectible from a government agency.

Other receivables

Credit risks on these receivables are considered to be minimal as these are substantially recovered on monthly basis and based on historical payment behaviour and analysis of customer credit base.

Cash at banks and bank deposits

The Group's cash at banks and bank deposits are held with banks that are independently rated by credit rating agencies such as Moody's. Substantial portion of the Group's cash at banks and bank deposits are with "A1" and "A2" ratings.

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

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

24. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management (continued)

Liquidity risk (continued)

The table below summarizes the contractual undiscounted maturities of the Group's financial liabilities at the reporting date. The Group's financial liabilities include any contractual profit payments.

	Carrying amounts	**Contractual cash flows**	**Less than 1 year**	**1 - 2 years**	**2 - 5 years**	**More than 5 years**
2024						
Non-derivative financial liabilities						
Due to related parties (1)	**1,369,872**	**(2,317,286)**	**(188,501)**	**(241,313)**	**(1,027,372)**	**(860,100)**
Tenants' deposits (2)	**163,190**	**(163,190)**	**(150,691)**	**(12,499)**	**-**	**-**
Payables to contractors and suppliers (3)	**70,235**	**(70,235)**	**(70,235)**	**-**	**-**	**-**
Other payables (4)	**9,461**	**(9,461)**	**(9,461)**	**-**	**-**	**-**
Islamic financings (5)	**11,185,540**	**(15,460,483)**	**(938,118)**	**(1,724,646)**	**(4,756,425)**	**(8,041,294)**
	12,798,298	**(18,020,655)**	**(1,357,006)**	**(1,978,458)**	**(5,783,797)**	**(8,901,394)**

	Carrying amounts	Contractual cash flows	Less than 1 year	1 - 2 years	2 - 5 years	More than 5 years
2023						
Non-derivative financial liabilities						
Due to related parties (1)	1,589,257	(2,886,360)	(167,203)	(216,352)	(1,072,231)	(1,430,574)
Tenants' deposits (2)	172,057	(172,057)	(152,218)	(19,839)	-	-
Payables to contractors and suppliers (3)	77,924	(77,924)	(77,924)	-	-	-
Other payables (4)	24,007	(24,007)	(24,007)	-	-	-
Islamic financings (5)	10,995,266	(16,268,898)	(1,105,399)	(994,970)	(5,720,115)	(8,448,414)
	12,858,511	(19,429,246)	(1,526,751)	(1,231,161)	(6,792,346)	(9,878,988)

(1) Management believes that there is no significant liquidity risk in its due to related parties.

(2) Liquidity risk on tenant deposits is minimal as these represents small amounts from large number of tenants.

(3) The Group received services and goods from various suppliers and contractors with its top ten suppliers accounting to 57% (2023: 61%) of its payables to contractors and suppliers during the year.

(4) Liquidity risk in other payable is minimal as the 22% (2023: 42%) of other payables pertain to only one contractor (2023: one contractor).

(5) Islamic financings are obtained from several banks during the year. Management believes that there is minimal liquidity risk as there is impact on cash flows as the Group is complied with the loan covenants as per the loan agreement.

The modification of the loan agreements has resulted in a change to the timing of the Group's cash flows. While the new repayment terms provide cash flow relief over extended years which might have impact on the Group's liquidity position

To manage liquidity risk, the Group has taken the following actions:

- The Group has revised its liquidity forecasting models to reflect the extended repayment schedules. This enables the Group to better plan for future liquidity needs.
- The Group has ensured that it maintains a sufficient liquidity buffer to cover its obligations under the modified loans, while also managing its operational cash flow needs.

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

24. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management (continued)

Market risk

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

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. As the QR is pegged to the US Dollar, balances denominated in US Dollars are not considered to represent significant currency risks.

Management is of the opinion that the Group's exposure to currency risk is minimal as the Group's significant transactions are denominated in Qatari Riyal (QR) and the US Dollar, which is pegged against QR.

Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market profit rates relates primarily to the Group's Islamic financing borrowings and term deposits with floating profit rates.

The Group adopts a policy of ensuring that profit rates on short-term deposits and borrowing costs rate on Islamic financing borrowings exposures are reviewed monthly and that finance cost rates are not subject to present fluctuations in profit rates. Also the Group's policy ensures that most of the exposure on profit rates on borrowings are on a fixed basis or are based on Qatar Central Bank MRL rates, unless, the variable basis are in favorable terms to the Group.

At the reporting date the profit rate profile of the Group's interest-bearing financial instruments was:

	2024	2023
Islamic financing borrowings - Murabaha (Note 11) (1)	**6,445,608**	6,804,390
Due to related parties – interest bearing (Note 10)	**1,369,872**	1,586,472
Term deposits (Note 4)	**(36,500)**	(246,000)
Net exposure	**7,778,980**	8,144,862

(1) The modification of the loans involved adjustments to the finance cost terms and extension to the timing of the Group's cash flows. This exposes the Group to increased interest rate risk, as fluctuations in market interest rates could increase the cost of borrowing.

To mitigate interest rate risk, the Group monitors interest rate trends and the wider economic environment to assess the potential impact on its borrowing costs.

The following table demonstrates the sensitivity of equity and profit or loss to reasonably possible changes in profit rates by 25 basis points, with all other variables held constant. The sensitivity of equity and profit or loss is the effect of the assumed changes in profit rates for one year, based on the floating rate financial instruments held 31 December after impact of hedge accounting. The effect of decreases in profit rates is expected to be equal and opposite to the effect of the increases shown.

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

24. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management (continued)

Market risk (continued)

Profit rate risk (continued)

	Net effect on profit or loss **+25b.p**
At 31 December 2024	**(19,447)**
At 31 December 2023	(20,362)

Equity price risk

The Group is not exposed to any material equity price risk as it has no equity investments as at the reporting date.

(b) Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of share capital, reserves and retained earnings of the Group. The management monitors the return on capital, which the Group defines as net operating income divided by total shareholders' equity.

The Group's main objectives when managing capital are:

- to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders;
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk; and
- to remain within the Group's quantitative banking covenants and attain a strong credit rating.

Further, the Board of Directors seeks to maintain a balance between higher targeted returns and the advantages and security afforded by the strong capital position of the Group.

The Group's net debt to equity ratio at the reporting date was as follows:

	2024	2023
Islamic financings (Note 11)	**11,216,606**	11,030,397
Other related party payables (Note 10(c))	**1,369,872**	1,586,472
Less: cash and bank balances (Note 4)	**(113,210)**	(371,574)
Net debt	**12,473,268**	12,245,295
Equity attributable to owners of the Company	**33,608,716**	33,503,122
Net debt to equity ratio at 31 December	**37%**	37%

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

24. FINANCIAL INSTRUMENTS (Continued)

(b) Capital management (continued)

On the other hand, the Group reviews regularly the borrowing to value ratio, which is calculated as the amount of outstanding debt divided by the fair value of investment property. The Group's policy is to keep average borrowing to value at a low-risk ratio.

The Group's borrowing to value ratio at the reporting date was as follows:

	2024	2023
Islamic financings (Note 11)	**11,216,606**	11,030,397
Other related party payables (Note 10(c))	**1,369,872**	1,586,472
	12,586,478	12,616,869
Fair values of:		
Investment property (Note 7)	**45,488,397**	45,643,861
Borrowing to fair value ratio at 31 December	**28%**	28%

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders, and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group's capital management policy remained unchanged since the previous year.

The Group is subject to externally imposed capital requirements, other than the requirement of the Qatar Article 254 of Qatar Commercial Companies Law No. 11 of 2015, as amended by Law No.8 of 2021 which obliges the managers of a company to call a general assembly of the shareholders within 30 days from the date when the accumulated losses of the company exceed 50% its registered share capital with the purpose of finding ways to cover the shortage in capital.

25. FAIR VALUES AND RISK MANAGEMENT

FINANCIAL INSTRUMENTS

Accounting classification and fair values

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

	Carrying amounts		*Fair Values*			
	FVOCI Investments	*Amortized cost*	*Level 1*	*Level 2*	*Level 3*	*Total*
As at 31 December 2024						
Financial assets not measured at fair value						
Trade and other receivables	-	**172,295**	-	-	-	-
Cash and bank balances	-	**113,210**	-	-	-	-
Financial liabilities measured at amortized cost						
Islamic financings	-	**11,185,540**	-	-	-	-
Trade and other payables	-	**1,612,758**	-	-	-	-

25. FAIR VALUES AND RISK MANAGEMENT (Continued)

FINANCIAL INSTRUMENTS (continued)

Accounting classification and fair values (continued)

	Carrying amounts		*Fair Values*			
	FVOCI Investments	*Amortized cost*	*Level 1*	*Level 2*	*Level 3*	*Total*
As at 31 December 2023						
Financial assets not measured at fair value						
Trade and other receivables	-	192,522	-	-	-	-
Cash and bank balances	-	371,574	-	-	-	-
Financial liabilities measured at amortized cost						
Islamic financings – others	-	10,995,266	-	-	-	-
Trade and other payables	-	1,863,245	-	-	-	-

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

25. FAIR VALUES AND RISK MANAGEMENT (Continued)

INVESTMENT PROPERTIES

		Fair Values			
	Carrying amounts	***Level 1***	***Level 2***	***Level 3*** *(Note 7.V)*	***Total***
As at 31 December 2024					
Completed properties	**44,164,397**	**-**	**-**	**44,164,397**	**44,164,397**
Vacant land	**1,324,000**	**-**	**1,324,000**	**-**	**1,324,000**
Total (Note 7)	**45,488,397**	**-**	**1,324,000**	**44,164,397**	**45,488,397**
	Carrying amounts	*Level 1*	*Level 2*	*Level 3* *(Note 7.V)*	*Total*
As at 31 December 2023					
Completed properties	44,311,171	-	-	44,311,171	44,311,171
Vacant land	1,332,690	-	1,332,690	-	1,332,690
Total (Note 7)	45,643,861	-	1,332,690	44,311,171	45,643,861

For all the Group's investment properties, the current use of the properties is considered the highest and best use.

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

25. FAIR VALUES AND RISK MANAGEMENT (Continued)

INVESTMENT PROPERTIES (continued)

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values as at 31 December 2024 and 2023 for assets and liabilities measured at fair value in the consolidated statement of financial position, as well as the significant unobservable inputs used. Related valuation processes are described in (Note 3.w).

Type	***Valuation technique***	***Significant unobservable inputs***	***Inter-relationship between significant unobservable inputs and fair value measurement***
Investment property – Land in State of Qatar and UK	*Market approach:* The fair values are calculated as derived from the current market prices available for the properties or nearby / adjacent properties adjusted for any differences with the comparable properties.	Not applicable	Not applicable
Investment property – completed properties and projects under development– State of Qatar and UK	*Income approach:* *Discounted cash flows*: the valuation model considers the present value of expected net cash flows generated from investment property discounted using weighted average cost of the capital of the Group. *Income capitalization approach*: a type of real estate appraisal method that is used to estimate the value of a property based on the income the property generates.	<u>Expected net cash flows:</u> 31 December 2024: from positive net cash flows of QR 1,834,721 to positive net cash flows of QR 2,414,008 from year 2025 to 2029 and a terminal value of QR 49,976,866. 31 December 2023: from positive net cash flows of QR 1,706,921 to positive net cash flows of QR 2,247,228 from year 2024 to 2028 and a terminal value of QR 50,274,492. <u>Weighted average cost of capital:</u> 31 December 2024: 7.1% to 7.5% (31 December 2023: 6.8% to 7.5 %) <u>Terminal growth rate:</u> 31 December 2024: 2.2% (31 December 2023:2.3%) <u>Terminal yield rate:</u> 31 December 2024: 4.9% to 5.3%, (31 December 2023: 4.5% to 5.2%)	The estimated fair value would increase (decrease) if: - Expected net cash flows were higher (lower); - Weighted average cost of capital were lower (higher); - Terminal growth rate were higher (lower); or - Terminal yield rate were lower (higher).

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

25. FAIR VALUES AND RISK MANAGEMENT (Continued)

INVESTMENT PROPERTIES (continued)

Sensitivity information for investment property

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy of the Group's investment property are:

- Projected rental revenue per annum
- Projected rent growth per annum
- Projected occupancy per annum
- Projected operating expenses per annum
- Discount rate / weighted average cost of capital
- Terminal growth rate
- Exit / terminal yield rate

Significant increases (decreases) in project rental value per annum, projected rent growth per annum, projected occupancy rate per annum and terminal growth rate in isolation would result in a significantly higher (lower) fair value measurement. Significant increases (decreases) in projected operating expenses per annum, discount rate and exit or terminal yield in isolation would result in a significantly (lower) higher fair value measurement.

A quantitative sensitivity analysis is as shown below:

At 31 December 2024	**Sensitivity Level**	
	+0.50%	**-0.50%**
	Completed Properties	**Completed Properties**
Projected rental revenue per annum	225,610	(222,710)
Projected rent growth per annum	942,910	(913,070)
Projected occupancy per annum	238,540	(233,640)
Projected operating expenses per annum	(245,460)	252,460
Discount rate / weighted average cost of capital	(4,115,100)	5,053,080
Terminal growth rate	4,191,500	(3,411,770)
Exit / terminal yield rate	(3,411,770)	4,191,500

At 31 December 2023	Sensitivity Level	
	+0.50%	-0.50%
	Completed Properties	Completed Properties
Projected rental revenue per annum	220,960	(220,940)
Projected rent growth per annum	954,740	(937,640)
Projected occupancy per annum	207,320	(207,320)
Projected operating expenses per annum	(247,550)	244,440
Discount rate / weighted average cost of capital	(4,423,270)	5,514,850
Terminal growth rate	4,636,620	(3,719,500)
Exit / terminal yield rate	(3,719,500)	4,636,620

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

26. OPERATING SEGMENTS

Basis for segmentation

For management purposes, the Group is organised into business units based on its business activities and has three reportable segments. These divisions offer different products and services and are managed separately because they require different technology and marketing strategies.

Reportable segments	**Operations**
a. Residential and commercial properties	Developing, owning, and renting of real estate properties.
b. Hotel and suites	Managing hotels, suites and restaurants.
c. Malls	Management of shopping malls.

No operating segments have been aggregated to form the above reportable operating segments. The management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

The following table presents revenues and expenses regarding the Group's operating segments.

2024	**Residential and commercial properties**	**Hotel and suites**	**Malls**	**Adjustments and eliminations**	**Total**
Rental income (Note 16)	1,495,442	187,055	73,939	(9,809)	1,746,627
Other operating revenues (Note 16)	34,272	30,048	21,579	-	85,899
Other income (Note 16)	23,920	328	185	-	24,433
Operating expenses	(248,502)	(77,817)	(31,403)	4,651	(353,071)
General and administrative expenses	(98,419)	(14,116)	-	5,159	(107,376)
Loss from foreign currency exchange	(7,392)	-	-	5	(7,387)
Depreciation of property and equipment	(20,535)	(1,651)	(13)	-	(22,199)
Provision of impairment loss of trade and other receivables - net	(8,586)	(152)	(769)	-	(9,507)
Loss on valuation of investment property	(130,909)	(53,962)	(13,086)	-	(197,957)
Segment profit	1,039,291	69,733	50,432	6	1,159,462
Finance costs	(1,054,489)	-	-	-	(1,054,489)
Net (loss) / profit	(15,198)	69,733	50,432	6	104,973

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

26. OPERATING SEGMENTS (Continued)

2023	Residential and commercial properties	Hotel and suites	Malls	Adjustments and eliminations	Total
Rental income (Note 16)	1,535,269	167,448	71,158	(9,888)	1,763,987
Other operating revenues (Note 16)	32,642	28,845	26,059	-	87,546
Other income (Note 16)	55,640	6,228	9	-	61,877
Operating expenses	(264,233)	(75,324)	(29,984)	4,892	(364,649)
General and administrative expenses	(114,990)	(13,446)	-	4,996	(123,440)
Gain from foreign currency exchange	8,886	-	-	-	8,886
Depreciation of property and equipment	(1,550)	(19,752)	(11)	-	(21,313)
Provision of impairment loss of trade and other receivables - net	(7,440)	1,150	(4,360)		(10,650)
Loss on valuation of investment property - net	(1,213,417)	825,767	194,793	-	(192,857)
Segment profit	30,807	920,916	257,664	-	1,209,387
Finance costs	(1,109,741)	-	-	-	(1,109,741)
Net (loss) / profit	(1,078,934)	920,916	257,664	-	99,646

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

26. OPERATING SEGMENTS (Continued)

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

	Residential and commercial properties	Hotel and suites	Malls	Adjustments and eliminations	Total
31 December 2024					
Segment assets					
Cash and bank balances	107,114	5,651	445	-	113,210
Trade and other receivables	588,875	28,436	36,957	(579,127)	75,141
Inventories	10,102	4,044	174	-	14,320
Investment properties	40,342,397	3,314,000	1,832,000	-	45,488,397
Property and equipment	30,438	646,373	14	-	676,825
Total assets	41,078,926	3,998,504	1,869,590	(579,127)	46,367,893
Segment liabilities					
Trade and other payables	2,156,037	167,055	29,970	(604,024)	1,749,038
Islamic financings	11,185,540	-	-	-	11,185,540
Total liabilities	13,341,577	167,055	29,970	(604,024)	12,934,578

Geographically, the Group operates in the State of Qatar and the United Kingdom. Qatar operations contributed approximately 100% of the Group's profit for the year ended 31 December 2024 (31 December 2023: 100%) and approximately 99.80 % (31 December 2023: 99.79 %) of its assets.

Major customer

Revenues from one customer of the Group's residential and commercial properties segment represented approximately 1.5% (2023: 2.15%) of the Group's total rental revenue.

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

26. OPERATING SEGMENTS (Continued)

	Residential and commercial properties	Hotel and suites	Malls	Adjustments and eliminations	Total
31 December 2023					
Segment assets					
Cash and bank balances	361,425	9,153	996	-	371,574
Trade and other receivables	676,578	43,905	72,238	(692,288)	100,433
Inventories	9,520	4,921	151	-	14,592
Investment properties	40,435,631	3,366,540	1,841,690	-	45,643,861
Property and equipment	8,126	662,824	27	-	670,977
Total assets	41,491,280	4,087,343	1,915,102	(692,288)	46,801,437
Segment liabilities					
Trade and other payables	2,978,355	156,926	35,439	(692,288)	2,478,432
Islamic financings	10,995,266	-	-	-	10,995,266
Total liabilities	13,973,621	156,926	35,439	(692,288)	13,473,698

(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

27. NON-CONTROLLING INTERESTS

The financial information of Group's subsidiaries are provided below. The summarized financial information below represents amounts before intragroup eliminations.

31 December 2024	**Emtedad Real Estate for Projects W.L.L.**	**Ezdan World W.L.L.**	**Intragroup eliminations**	**Total**
NCI percentage	**32.50%**	**30.00%**		
Current assets	**105**	**138**		
Current liabilities	**(75)**	**(67,171)**		
Net assets / (liabilities)	**30**	**(67,033)**		
Net liabilities attributable to NCI	**10**	**20,110**	**(195,521)**	**(175,401)**
Revenue	**-**	**-**		
Loss	**(40)**	**(16)**		
OCI	**-**	**-**		
Total comprehensive loss	**(40)**	**(16)**		
Loss allocated to NCI	**(13)**	**(5)**	**-**	**(18)**
OCI allocated to NCI	**-**	**-**	**-**	**-**
Cash flows (used in) / from operating activities	**(260)**	**4**		
Net increase in cash and cash equivalents	**(260)**	**4**		

31 December 2023	Emtedad Real Estate for Projects W.L.L.	Ezdan World W.L.L.	Intragroup eliminations	Total
NCI percentage	32.50%	30.00%		
Non-current assets	-	-		
Current assets	364	128		
Current liabilities	(295)	(67,151)		
Net assets / (liabilities)	69	(67,023)		
Net liabilities attributable to NCI	22	20,107	(195,512)	(175,383)
Revenue	-	-		
(Loss) / profit	(44)	4		
OCI	-	-		
Total comprehensive (loss) / profit	(44)	4		
(Loss) / profit allocated to NCI	(14)	1	2	(11)
OCI allocated to NCI	-	-	-	-
Cash flows from operating activities	131	6		
Cash flows from financing activities	-	24		
Net increase in cash and cash equivalents	131	30		

The NCI of the Group is negative due to share of its accumulated losses from subsidiaries of the Group.

28. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

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

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

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

i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements:

Revenue recognition

Rental revenue is recognised on a monthly basis based on the period of contract and the space occupied.

Revenue from ancillary services provided to occupants of the property is recognised at a single time when the service is delivered to the customer.

Revenue from sale of goods is recognised when the control of the goods (food and beverages) are transferred to the buyer. The customers take control of the items at the time of delivery of goods. Invoices are generated and revenue is recognised at that point in time. The customers' balances are usually collectible at transaction date.

The Group makes judgments in determining the performance obligations that exist in contract with the customers. Judgments are also applied in determining timing of transfer of control at a point in time or over time. Where the standalone selling price is applicable, management uses estimates to determine it based on the cost-plus mark-up depending on the nature of goods and services to be provided to different customers.

Going concern

The management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. The Group has been profitable, and it had positive net assets (equity), and cash flow positions as at the year end.

At the present time the assessment show that the Group has sufficient resources to continue in operational existence and its going concern position remains largely unaffected. Therefore, these consolidated financial statements have been prepared on a going concern basis and do not include any adjustments to the carrying amounts and classification of assets, liabilities and reported expenses that may otherwise be required if the going concern basis was not appropriate. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the consolidated financial statements continue to be prepared on a going concern basis.

Business model assessment

Classification and measurement of financial assets depends on the results of "solely payments of principal and interest" (SPPI) and the business model test (refer to the accounting policy "Financial instruments" in Note 3).

28. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (Continued)

i) Judgements (continued)

Business model assessment (continued)

The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the year.

Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets (property and equipment, but not inventories and investment property) are reviewed at each reporting date to determine whether there is any indication of impairment. Such indications may include decline in value of asset significantly, significant changes with an adverse effect on the Group have taken place, obsolescence or physical damage of asset, deterioration in the economic performance of the asset etc. If any such indication exists, then the asset's recoverable amount is estimated.

Distinction between property and equipment and investment property

The Group determines whether a property qualifies as an investment property. In making its judgment, the Group considers whether the property generates cash flows largely independent of the other assets held by an entity. Property and equipment or owner-occupied properties generate cash flows that are attributable not only to the property but also to the other assets used in the production or supply process.

Group holds some properties that comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use for administrative purposes. These portions could not be sold separately (or leased out separately under a finance lease), so the Group has classified the whole of property as investment property because only an insignificant portion is held for use for administrative purposes. The Group provides ancillary services to the occupants of properties it holds and treats such properties as investment property as the services are insignificant to the arrangement as a whole.

Other provisions and liabilities

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

28. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (Continued)

ii) Assumptions and estimation uncertainties

Impairment of financial assets measured at amortised cost

The "expected credit loss" (ECL) impairment model requires forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. It also requires management to assign probability and magnitude of default to various categories of financial assets measured at amortised cost (cash at bank and trade and other receivables). Probability of default constitutes a key input in measuring an ECL and entails considerable judgement; it is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. The magnitude of the loss in case there is a default is also an estimate of the loss arising on default; it is based on the difference between the contractual cash flows due and those that the Group would expect to receive.

Provision of slow-moving and obsolete inventories

Inventories are held at the lower of cost and net realizable value. When inventories become old or obsolete, an estimate is made of their net realizable value. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence, based on historical realizable value.

Fair value measurement of investment property

The Group carries its investment property at fair value, with changes in fair value being recognized in profit or loss. The Group engages independent external valuers to determine the fair value. The valuers used recognized valuation techniques such as income (discounted cash flow [DCF] and income capitalization) and market approach. These valuation techniques used significant unobservable inputs such as weighted average cost of capital, terminal yield, terminal growth rate, etc. for the fair value measurement categorised within Level 3.

Depreciation of property and equipment

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

Legal proceedings

From time to time, the Group is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. The management applies significant assumptions in measuring the risks of exposure to contingent liabilities and provisions related to existing legal proceedings and other unsettled claims. The management's judgment is required in estimating the probability of a successful claim against the Group or crystallising of a material obligation, and in determining the probable amount of the final settlement or obligation. The Group makes provisions against legal cases for all present obligations based on their prior experience on similar cases and advice sought from the legal advisers.

29. COMPARATIVE FIGURES

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

30. SUBSEQUENT EVENTS

There were no significant subsequent events which have a bearing on the understanding of the consolidated financial statements.

Independent auditor's report on pages 1 - 4.