

Ezdan Holding Group Q.P.S.C.

**CONDENSED CONSOLIDATED INTERIM FINANCIAL
STATEMENTS**

30 June 2021

Ezdan Holding Group Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the six months ended 30 June 2021

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Independent auditor's report on review of condensed consolidated interim financial statements

To the Board of Directors of Ezdan Holding Group Q.P.S.C.
Doha, State of Qatar

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Ezdan Holding Group Q.P.S.C. (the "Company") and its subsidiaries (together with the Company, the "Group"), as at 30 June 2021, the condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes to the interim financial statements (the "condensed consolidated interim financial statements"). The Board of Directors of the Company is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

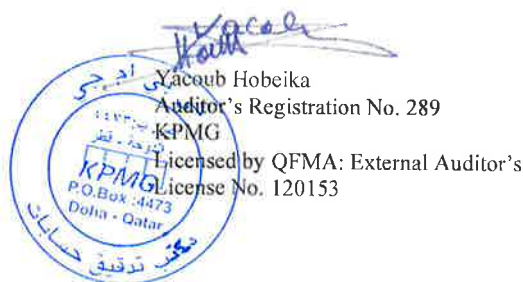
Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements as at and for the six months ended 30 June 2021 are not prepared, in all material respects, in accordance with IAS 34, *Interim Financial Reporting*.

12 August 2021
Doha
State of Qatar



EZDAN HOLDING GROUP Q.P.S.C.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

In thousands of Qatari Riyals

	Note	30 June 2021 (Reviewed)	31 December 2020 (Audited)
ASSETS			
Cash and bank balances	5	939,779	650,311
Trade and other receivables	6	94,670	124,898
Inventories		10,330	9,745
Equity investments	7	2,563,220	2,549,407
Equity-accounted investees and joint venture	8	812,725	816,653
Investment properties	9	44,771,198	44,512,585
Property and equipment		719,243	734,202
TOTAL ASSETS		49,911,165	49,397,801
LIABILITIES AND EQUITY			
LIABILITIES			
Trade and other payables	10	4,600,938	2,605,258
Sukuk and Islamic financing borrowings	12	13,093,753	14,760,938
TOTAL LIABILITIES		17,694,691	17,366,196
EQUITY			
Share capital		26,524,967	26,524,967
Legal reserve		1,681,776	1,681,776
Fair value reserves		893,828	882,152
Foreign currency translation reserve		(3,052)	(1,784)
Retained earnings		3,397,921	3,223,486
Equity attributable to owners of the Company		32,495,440	32,310,597
Non-controlling interests		(278,966)	(278,992)
TOTAL EQUITY		32,216,474	32,031,605
TOTAL LIABILITIES AND EQUITY		49,911,165	49,397,801

These condensed consolidated interim financial statements were authorized for issue by the Company's Board of Directors on 12 August 2021.



Abdulla Bin Thani Al-Thani
Vice Chairman



Tamer Fouad Mahmoud
Group Chief Financial Officer



The notes on pages 8 to 29 are an integral part of these condensed consolidated interim financial statements.

EZDAN HOLDING GROUP Q.P.S.C.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2021

In thousands of Qatari Riyals

	Note	<i>For the six months ended 30</i>	
		<i>June</i>	
		<i>2021</i>	<i>2020</i>
		<i>(Reviewed)</i>	<i>(Reviewed)</i>
Rental income	13	600,067	595,041
Other operating revenues	13	43,770	30,421
Operating expenses	14	(126,915)	(104,550)
OPERATING PROFIT FROM MAIN OPERATIONS		516,922	520,912
Dividend income from equity investments	7	70,215	93,205
Share of result of equity-accounted investees and joint venture	8	31,076	29,352
NET OPERATING PROFIT		618,213	643,469
Finance costs		(356,678)	(378,851)
Other income		5,939	5,346
General and administrative expenses	14	(39,633)	(36,360)
Depreciation of property and equipment		(15,427)	(16,383)
Impairment on trade and other receivables – net	6	(3,920)	(18,755)
Loss from foreign currency exchange		(36,224)	(26,054)
PROFIT FOR THE PERIOD		172,270	172,412
<i>Profit attributable to:</i>			
Owners of the Company		172,244	172,381
Non-controlling interests		26	31
		172,270	172,412
BASIC AND DILUTED EARNINGS PER SHARE	15	0.006	0.006



The notes on pages 8 to 29 are an integral part of these condensed consolidated interim financial statements.

EZDAN HOLDING GROUP Q.P.S.C.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2021

In thousands of Qatari Riyals

	Note	<i>For the six months ended 30 June</i>	
		<i>2021</i>	<i>2020</i>
		<i>(Reviewed)</i>	<i>(Reviewed)</i>
Profit for the period		172,270	172,412
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Equity investments at FVOCI - net change in fair value	7	13,823	22,906
Equity-accounted investees - share of OCI	8	44	(15)
		13,867	22,891
<i>Items that are or may be reclassified subsequently to profit or loss:</i>			
Foreign operations - foreign currency translation differences		(1,268)	3,433
		(1,268)	3,433
Other comprehensive income for the period		12,599	26,324
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		184,869	198,736
<i>Attributable to:</i>			
Owners of the Company		184,843	198,705
Non-controlling interests		26	31
		184,869	198,736



The notes on pages 8 to 29 are an integral part of these condensed consolidated interim financial statements.

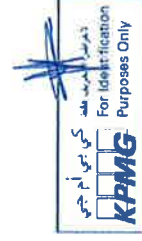
EZDAN HOLDING GROUP Q.P.S.C.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2021

In thousands of Qatari Riyals

	Attributable to owners of the Company					Total	Non-controlling interest	Total equity
	Share capital	Legal reserve (1)	Fair value reserves	Foreign currency translation reserve	Retained earnings			
Balance at 31 December 2020 (Audited)	26,524,967	1,681,776	882,152	(1,784)	3,223,486	32,310,597	(278,992)	32,031,605
Total comprehensive income for the period								
Profit for the period	-	-	-	-	172,244	172,244	26	172,270
Other comprehensive income for the period	-	-	13,867	(1,268)	-	12,599	-	12,599
Total comprehensive income for the period	-	-	13,867	(1,268)	172,244	184,843	26	184,869
Other movement								
Gain on sale of equity investments (Note 7)	-	-	(2,191)	-	2,191	-	-	-
Balance at 30 June 2021 (Reviewed)	26,524,967	1,681,776	893,828	(3,052)	3,397,921	32,495,440	(278,966)	32,216,474



The notes on pages 8 to 29 are an integral part of these condensed consolidated interim financial statements.

EZDAN HOLDING GROUP Q.P.S.C.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the six months ended 30 June 2021

In thousands of Qatari Riyals

	<i>Attributable to owners of the Company</i>						<i>Non-controlling interests</i>	<i>Total Equity</i>
	<i>Share capital</i>	<i>Legal Reserve (1)</i>	<i>Fair value reserves</i>	<i>Foreign currency translation reserve</i>	<i>Retained earnings</i>	<i>Total</i>		
Balance at 31 December 2019 (Audited)	26,524,967	1,646,982	591,918	(247)	2,919,245	31,682,865	(279,034)	31,403,831
Total comprehensive income for the period								
Profit for the period	-	-	-	-	172,381	172,381	31	172,412
Other comprehensive income for the period	-	-	22,891	3,433	-	26,324	-	26,324
Total comprehensive income for the period	-	-	22,891	3,433	172,381	198,705	31	198,736
Balance at 30 June 2020 (Reviewed)	26,524,967	1,646,982	614,809	3,186	3,091,626	31,881,570	(279,003)	31,602,567

(1) In accordance with the requirements of the Qatar Commercial Companies Law No. 11 of 2015 and the Company's Article 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 Article of Association. No transfer has been made for the six months ended 30 June 2021 and 30 June 2020 as the Group will transfer the total required amount by 31 December 2021 and 31 December 2020.



The notes on pages 8 to 29 are an integral part of these condensed consolidated interim financial statements.

EZDAN HOLDING GROUP Q.P.S.C.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2021

In thousands of Qatari Riyals

	Note	For the six months ended 30 June	
		2021 (Reviewed)	2020 (Reviewed)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period		172,270	172,412
<i>Adjustments for:</i>			
Provision for impairment of trade and other receivables	6	3,920	18,755
Share of result of equity-accounted investees and joint venture	8	(31,076)	(29,352)
Depreciation of property and equipment		15,427	16,383
Loss / (gain) on sale of property and equipment		4	(127)
Provision for employees' end of services benefits	14	2,219	1,638
Dividend income from equity investments	7	(70,215)	(93,205)
Finance income		(4,900)	(3,122)
Finance costs		356,678	378,851
		444,327	462,233
<i>Changes in:</i>			
Trade and other receivables		26,308	155,287
Inventories		(585)	1,410
Trade and other payables		8,227	(204,421)
Cash from operating activities		478,277	414,509
Employees' end of service benefits paid		(229)	(297)
Net cash flows from operating activities		478,048	414,212
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property and equipment		-	139
Payments for development of investment property		(51,659)	(42,439)
Payments for purchases of equity investments	7	(47,974)	-
Proceeds from sale of equity investments	7	47,984	-
Additions to property and equipment		(472)	(749)
Net movement in restricted bank balances		(1,971)	2,378
Dividends received		105,272	137,272
Net movement in bank deposits		36,415	-
Profit on Islamic bank accounts received		4,900	3,122
Net cash flows from investing activities		92,495	99,723
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowing from other related party	11	1,800,000	-
Proceeds from Sukuk and Islamic financing		-	2,284,891
Payments for Sukuk and Islamic financing	12	(2,017,817)	(2,276,787)
Movement in transaction cost		6,355	(30,652)
Dividends paid		(31,400)	(31,400)
Net cash flows used in financing activities		(242,862)	(53,948)
NET INCREASE IN CASH AND CASH EQUIVALENTS		327,681	459,987
Net foreign exchange differences		(3,769)	10,256
Cash and cash equivalents as of 1 January		611,321	54,086
CASH AND CASH EQUIVALENTS AT 30 JUNE	5	935,233	524,329
Non-cash transactions			
Development costs of investment property (Note 11 (a))		206,955	393,053

The notes on pages 8 to 29 are an integral part of these condensed consolidated interim financial statements.

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the six months ended 30 June 2021

1 REPORTING ENTITY (CONTINUED)

The Parent of the Group is Al-Tadawul Trading Group Q.P.S.C. ("Tadawul") which aggregately owns directly and indirectly through its subsidiaries, approximately 54% of the share capital of the Group as at 30 June 2021 and 31 December 2020.

The structure of the Group has not changed since the last annual consolidated financial statements as at and for the year ended 31 December 2020 (the "latest annual financial statements").

2 BASIS OF ACCOUNTING

These condensed consolidated interim financial statements for the six months ended 30 June 2021 have been prepared in accordance with IAS 34 "Interim Financial Reporting" and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2020 (the "last annual financial statements"). They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

These condensed consolidated interim financial statements were authorized for issue by the Company's Board of Directors on 12 August 2021.

3 USE OF JUDGEMENTS AND ESTIMATES

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

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the last annual consolidated financial statements.

Measurement of fair values

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team who has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports significant valuation issues directly to the Group's Chief Financial Officer and audit committee.

The Group's Chief Financial Officer and audit committee together with the valuation team regularly reviews valuation adjustments. If third party information is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which the valuations should be classified.

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

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

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of fair value hierarchy as the lowest level input that is insignificant to the entire measurement.

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

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the six months ended 30 June 2021

In thousands of Qatari Riyals

3 USE OF JUDGEMENTS AND ESTIMATES (CONTINUED)

The Group has considered potential impacts of the current economic volatility in determination of the reported amounts of the financial and non-financial assets and these are considered to represent management's best assessment based on observable information. Markets however remain volatile and the recorded amounts remain sensitive to market fluctuations.

Further information about the assumptions made in measuring the fair values is included in Note 18.

Management has carried its equity investments at fair value. For other financial assets and liabilities management believes that as at the reporting date their fair values approximated their carrying amounts. For investment property, the management has valued it at 31 December 2020 and believes that there will be no significant changes in its fair valuation at the interim reporting date except for impact due to Covid 19 as disclosed in Note 20.

4 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in these condensed consolidated interim financial statements are the same as those that were applied in the consolidated financial statements of the Group as at and for the year ended 31 December 2020.

A number of new amendments to standards are effective from 1 January 2021, however those amendments did not have a significant impact on these condensed consolidated interim financial statements.

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted. The Group has not early adopted any of the forthcoming new or amended standards in preparing these condensed consolidated interim financial statements.

5 CASH AND BANK BALANCES

For the purpose of the condensed consolidated interim statement of cash flows, cash and bank balances comprised of the following:

	<i>30 June</i> <i>2021</i> <i>(Reviewed)</i>	<i>31 December</i> <i>2020</i> <i>(Audited)</i>
Cash on hand	1,533	297
<i>Cash at banks and other financial institutions</i>		
Saving and call accounts (1)	888,190	625,365
Current accounts	45,510	22,074
Margin accounts	4,546	2,575
<i>Total cash at banks and other financial institutions</i>	<u>938,246</u>	<u>650,014</u>
<i>Total cash and bank balances</i>	<u>939,779</u>	<u>650,311</u>
Less: Restricted bank balances (2)	(4,546)	(2,575)
Less: bank deposits (3)	-	(36,415)
Net cash and bank balances	<u>935,233</u>	<u>611,321</u>

- (1) This balance includes short-term deposits with banks of QR 871 million (31 December 2020 : 616 million).
- (2) Restricted bank balances represent cash margin (letter of guarantees) and are not available for use by the Group.
- (3) Bank deposits represents deposits which matured in the month of April 2021.

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the six months ended 30 June 2021

In thousands of Qatari Riyals

6 TRADE AND OTHER RECEIVABLES

	<i>30 June</i> <i>2021</i> <i>(Reviewed)</i>	<i>31 December</i> <i>2020</i> <i>(Audited)</i>
Tenant receivables – net	58,872	47,361
Receivable from government on expropriation of investment properties	-	46,844
Advances to suppliers and contractors	7,557	7,398
Due from related parties (Note 11 (b.i))	1,331	1,380
Prepaid expenses	10,070	4,175
Refundable deposits – net	11,009	11,084
Accrued income	1,900	1,052
Net other receivables and debit balances	3,931	5,604
	<u>94,670</u>	<u>124,898</u>

The maturity of trade and other receivables are as follows:

	<i>30 June</i> <i>2021</i> <i>(Reviewed)</i>	<i>31 December</i> <i>2020</i> <i>(Audited)</i>
Current	83,661	113,814
Non-current	11,009	11,084
	<u>94,670</u>	<u>124,898</u>

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

	<i>30 June</i> <i>2021</i> <i>(Reviewed)</i>	<i>31 December</i> <i>2020</i> <i>(Audited)</i>
At 1 January 2021 / 1 January 2020 (Audited)	104,572	101,142
Provision made during the period / year	4,025	23,273
Provision written off	-	(17,944)
Provision reversed	(105)	(1,899)
	<u>108,492</u>	<u>104,572</u>

The allowance for impairment consists of:

	<i>30 June</i> <i>2021</i> <i>(Reviewed)</i>	<i>31 December</i> <i>2020</i> <i>(Audited)</i>
Tenants receivables	99,105	95,185
Refundable deposits	1,627	1,627
Other receivables	7,760	7,760
	<u>108,492</u>	<u>104,572</u>

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the six months ended 30 June 2021

In thousands of Qatari Riyals

7 EQUITY INVESTMENTS

	30 June 2021 (Reviewed)	31 December 2020 (Audited)
At 1 January 2021 / 1 January 2020 (Audited)	2,549,407	2,259,524
Purchases (1)	47,974	864
Disposals (2)	(47,984)	(864)
Net change in fair value	<u>13,823</u>	<u>289,883</u>
	<u>2,563,220</u>	<u>2,549,407</u>

The above quoted shares are the Group's equity investments that are carried at FVOCI.

Quoted shares: concentration of investment portfolio

Concentration of investment portfolio arises when a number of investments are made in entities engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would be affected by changes in economic, political or other conditions. The Group manages this risk through diversification of investments in terms of industry concentration.

The industry concentration of the investment portfolio is as follows:

	30 June 2021 (Reviewed)	31 December 2020 (Audited)
<i>Quoted shares listed at Qatar Stock Exchange (QSE)</i>		
Banks and financial institutions	2,486,140	2,483,111
Insurance (1)	53,694	-
Consumer goods and services (2)	22,513	32,267
Transportation (2)	-	17,962
Other industries (1) (2)	873	15,609
Telecommunication (2)	-	10
Real estate (2)	-	448
	<u>2,563,220</u>	<u>2,549,407</u>

The Group generated dividend income from the equity investments amounting to QR 70,215 (six-months period ended 30 June 2020: QR 93,205) during the period.

- (1) During the period, the Group acquired investment in quoted shares in insurance and other industries amounted to QR 47,974.
- (2) On 12 April 2021, the Group disposed investment in quoted shares in transportation, telecommunication, real estate, consumer goods and services and other industries for QR 47,984. The original cost of these investment in quoted shares was QR 45,793 resulting to gain on sale of equity investment amounted to QR 2,191 on which the Group transferred fair value reserves to retained earnings for the six months period ended 30 June 2021.

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the six months ended 30 June 2021

In thousands of Qatari Riyals

8 EQUITY-ACCOUNTED INVESTEEES AND JOINT VENTURE

	<i>Country of incorporation</i>	<i>Ownership interest</i>			
		<i>30 June</i>	<i>31 December</i>	<i>30 June</i>	<i>31 December</i>
		<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
		<i>(Reviewed)</i>	<i>(Audited)</i>	<i>(Reviewed)</i>	<i>(Audited)</i>
<i>Associates:</i>					
Qatar International Islamic Bank Q.P.S.C.	Qatar	6.04%	6.04%	572,965	576,349
Medicare Group Q.P.S.C.	Qatar	2.00%	2.00%	39,649	40,608
Qatar Islamic Insurance Company Q.P.S.C.	Qatar	4.92%	4.92%	47,963	47,975
Total of associates				660,577	664,932
<i>Joint venture:</i>					
White Square Real Estate W.L.L.	Qatar	32.50%	32.50%	152,148	151,721
				812,725	816,653

The Group recognized its share on the operating results of its associates / joint venture amounting to QR 31,076 (six-month period ended 30 June 2020: QR 29,352) during the period.

The total fair market value of the equity-accounted investees amounted to QR 955,936 (31 December 2020: QR 826,118) as at reporting date.

The Group has the its ability to exercise significant influence through its nominated members in Board of Directors of the equity-accounted investees; hence, these are still classified as equity accounted investees and equity method has been applied.

Reconciliation of the summarized financial information presented to the carrying amount of its interests in equity-accounted investees and joint venture is as follows:

	<i>30 June 2021 (Reviewed)</i>	<i>31 December 2020 (Audited)</i>
At 1 January 2021 / 1 January 2020 (Audited)	816,653	834,173
Dividends received	(35,057)	(44,457)
Share of results	31,076	26,801
Share of net movement in other comprehensive income	44	144
Share of net movement in translation reserve	9	(8)
	812,725	816,653

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the six months ended 30 June 2021

In thousands of Qatari Riyals

9 INVESTMENT PROPERTIES

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

	30 June	31 December
	2021	2020
	(Reviewed)	(Audited)
At 1 January 2021 / 1 January 2020 (Audited)	44,512,585	43,933,362
Development costs during the period/ year	237,442	550,677
Foreign exchange adjustment	2,491	3,043
Capitalized finance cost on investment properties under development	18,680	25,503
	44,771,198	44,512,585

Investment properties consists of:

	30 June	31 December
	2021	2020
	(Reviewed)	(Audited)
Completed properties	41,295,475	41,279,478
Vacant land	1,052,337	1,052,337
Projects under development	2,423,386	2,180,770
	44,771,198	44,512,585

Investment properties are stated at fair value, which has been determined based on valuation performed by accredited independent valuers as at 31 December 2020. The valuer is an accredited independent valuer with a recognised and relevant professional qualification and with recent experience in the location and category of those investment properties being valued. In arriving at estimated market values, the valuers have used their market knowledge and professional judgment and not only relied on historical transactions comparable. The valuation has been prepared in accordance with the appropriate sections of the Practice Statements ("PS"), contained with the RICS Valuation- Professional Standards 2017 (the "Red Book").

Group did not perform a fair valuation of investment properties at 30 June 2021. In addition to that refer to Note 20 (ii) to the condensed consolidated interim financial statements, which describes the uncertainty involved in the valuation of investment properties as of the reporting date due to the impact of Covid-19.

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

The mortgages on the investment properties are disclosed in Note 12.

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10 TRADE AND OTHER PAYABLES

	<i>30 June</i>	<i>31 December</i>
	<i>2021</i>	<i>2020</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
Due to related parties (Note 11 (b.ii))	3,639,272	1,634,142
Dividend payables	624,680	656,080
Tenants' deposits	142,233	141,026
Payables to contractors and suppliers (Note 11 (c))	61,615	45,836
Unearned rent income	44,549	41,768
Retention payable	25,935	25,935
Accrued expenses	13,072	10,510
Provision for Social and Sports Activities Fund	-	8,699
Provision for employees' end of service benefits	9,957	7,374
Other payables	39,625	33,888
	<u>4,600,938</u>	<u>2,605,258</u>

The maturity of payables and other liabilities are as follows:

	<i>30 June</i>	<i>31 December</i>
	<i>2021</i>	<i>2020</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
Non-current	1,835,954	33,309
Current	2,764,984	2,571,949
	<u>4,600,938</u>	<u>2,605,258</u>

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11 RELATED PARTIES DISCLOSURES

(a) Related party transactions

Transactions with related parties included in the condensed consolidated statement of profit or loss are as follows:

	<i>For the six months ended 30 June</i>	
	<i>2021</i>	<i>2020</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
<u>Transactions with entities under common control:</u>		
Development costs of investment property (1)	<u>237,321</u>	<u>428,363</u>
Capitalized finance costs	<u>17,434</u>	<u>8,291</u>
<u>Transactions with associates:</u>		
Expensed-out finance costs (2)	<u>50,563</u>	<u>43,283</u>
<u>Transactions with key management personnel:</u>		
Compensation of directors and other key management personnel	<u>3,152</u>	<u>1,680</u>
<u>Transactions with subsidiaries:</u>		
Rental income	<u>1,202</u>	<u>1,252</u>
<u>Transactions with other related party:</u>		
Financing received (3)	<u>1,803,899</u>	<u>25,120</u>

(1) The Group entered into a construction agreement with SAK Trading and Contracting Company W.L.L. an entity under common control to construct specific investment properties (Note 9).

(2) These relate to Islamic finance borrowings from equity-accounted investee.

(3) These includes borrowing from other related party amounting to QR 1,800,000.

(b.i) Due from related parties

	<i>Note</i>	<i>30 June</i>	<i>31 December</i>
		<i>2021</i>	<i>2020</i>
		<i>(Reviewed)</i>	<i>(Audited)</i>
<i>Parent Company:</i>			
Al-Tadawul Trading Group Q.P.S.C.		<u>654</u>	<u>657</u>
<i>Entities under common control:</i>			
The Curve Hotel Company W.L.L.		<u>675</u>	<u>460</u>
White Square Real Estate Company W.L.L.		<u>2</u>	<u>263</u>
	6	<u>1,331</u>	<u>1,380</u>

The above balances are of financing in nature, bear no interest or securities and are receivable on demand.

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11 RELATED PARTIES DISCLOSURES (CONTINUED)

(b.ii) Due to related parties

	<i>Note</i>	30 June 2021 (Reviewed)	<i>31 December 2020 (Audited)</i>
<i>Entity under common control:</i>			
Due to SAK Holding Group W.L.L. (1) (2)		500,596	299,365
<i>Other related party:</i>			
Financing from other related party (2)		1,335,123	1,334,777
Borrowing from other related party (3)		1,803,553	-
	10	<u>3,639,272</u>	<u>1,634,142</u>

(1) This amount represents the 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) These balances are of financing in nature, bears no interest or securities and payable on demand.

(3) During the year, the Group obtained unsecured borrowings amounting to QR 1.8 billion from other related party to repay its existing sukuk. The unsecured borrowing carry profits at commercial rates. The maturity of unsecured borrowings is 10 years. This includes non-current balance amounting to QR 1,800,062.

(c) Other related party payables

	30 June 2021 (Reviewed)	<i>31 December 2020 (Audited)</i>
<i>Equity accounted investee (QIIB):</i>		
Secured Islamic financing borrowings from QIIB (Note 12)	<u>1,893,037</u>	<u>1,883,123</u>
Payables to contractors and suppliers to QISI (Note 10)	<u>6,934</u>	<u>4,022</u>

(d) Compensation of directors and other key management personnel

The remuneration of directors and other key management personnel during the period is as follows (Note 11 (a)):

	<i>For the six months ended 30 June</i>	
	2021 (Reviewed)	<i>2020 (Reviewed)</i>
Key management and executive benefits	<u>3,152</u>	<u>1,680</u>

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12 SUKUK AND ISLAMIC FINANCING BORROWINGS

The movements on the Islamic financing borrowings during the period / year were as follows:

	<i>30 June 2021 (Reviewed)</i>	<i>31 December 2020 (Audited)</i>
At 1 January 2021 / 1 January 2020 (Audited)	14,814,471	14,390,355
Additions	-	2,284,891
Finance costs	344,278	652,436
Repayments (1)	<u>(2,017,817)</u>	<u>(2,513,211)</u>
	13,140,932	14,814,471
Less: transaction costs	<u>(47,179)</u>	<u>(53,533)</u>
	<u>13,093,753</u>	<u>14,760,938</u>

(1) During the year, the Group repaid its existing sukuk by obtaining unsecured borrowings amounting to QR 1.8 billion from other related party (refer note 11 (b.ii)).

The maturity of these borrowings are as follows:

	<i>30 June 2021 (Reviewed)</i>	<i>31 December 2020 (Audited)</i>
Non-current	10,908,989	12,665,722
Current	<u>2,184,764</u>	<u>2,095,216</u>
	<u>13,093,753</u>	<u>14,760,938</u>

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

<i>Type of facility</i>	<i>Currency</i>	<i>Condition</i>	<i>Profit rate</i>	<i>Year of maturity</i>	<i>30 June 2021 (Reviewed)</i>	<i>31 December 2020 (Audited)</i>
Ijara	QR	Secured	QMRL rate	2023 – 2035	4,448,495	4,415,517
Murabaha	QR	Secured	QMRL rate	2021 – 2032	6,648,362	6,547,566
Murabaha	USD	Secured	1Y/3 M LIBOR	2024	296,100	335,743
Sukuk financing	USD	Unsecured	4.375 % and 4.875 %	2021 – 2022	<u>1,747,975</u>	3,515,645
					<u>13,140,932</u>	<u>14,814,471</u>

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. The Group recognized finance costs amounting to QR 344,278 within the condensed consolidated statement of profit or loss (six-month period ended 30 June 2020: QR 378,851) during the period.

The Group borrowings are secured against mortgages on different types of investment properties owned by the Group with a carrying value of QR 19,807,348 (31 December 2020: QR 19,796,260).

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12 SUKUK AND ISLAMIC FINANCING BORROWINGS (CONTINUED)

As part of a Sharia's approved programme to issue QAR 7,283,000 (USD 2,000,000) Sukuks through a special purpose entity ("Ezdan Sukuk Company Ltd."), two tranches of Sukuks of QR 1,820,750 (USD 500,000) each were issued on behalf of the Group with total issuance cost of QR 10,086 and QR 9,959, respectively. The Sukuks were issued at an annual fixed profit rate of 4.375% and 4.875% paid semi-annually with a tenor of five years maturing in May 2021 and April 2022. The Sukuks are listed on the Irish Stock Exchange. During the six months period ended 30 June 2021, the Group has settled the first tranche of Sukuk by obtaining borrowing from other related party amounting to QR 1,800,000.

13 RENTAL INCOME AND OTHER OPERATING REVENUES

The Group's operations and main revenue streams are those described in the last annual financial statements. Apart from income from investments and leasing, Group has revenue from contracts with customers.

Disaggregation of revenue

In the following table, revenue 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 (Note 17).

A. Disaggregation of revenue based on major revenue streams:

For the six months ended 30 June 2021 (Reviewed)	Revenue streams				Total
	Residential and commercial property	Investments	Hotel and suites	Malls	
Rental income (under IFRS 16)	521,957	-	54,755	23,355	600,067
Revenue under IFRS 15					
Major service lines					
Food and beverage	-	-	7,061	-	7,061
Health club	-	-	877	-	877
Internet	-	-	714	-	714
Laundry	-	-	389	-	389
Entertainment	-	-	-	237	237
Provision of utilities services	11,167	-	-	-	11,167
Common area charges	-	-	-	9,973	9,973
Marketing services	-	-	-	2,506	2,506
Property management services	4,311	-	-	-	4,311
Others	5,048	-	125	1,362	6,535
Revenue under IFRS 15	20,526	-	9,166	14,078	43,770
Income from investments and other income					
Dividend income from equity investments (Note 7)	-	70,215	-	-	70,215
Share of result of equity- accounted investees and joint venture (Note 8)	-	31,076	-	-	31,076
Other income	5,614	25	297	3	5,939
	5,614	101,316	297	3	107,230
External revenue as reported in Note 17	548,097	101,316	64,218	37,436	751,067

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13 RENTAL INCOME AND OTHER OPERATING REVENUES (CONTINUED)

Disaggregation of revenue (continued)

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

For the six months ended 30 June 2020 (Reviewed)	Revenue streams				Total
	Residential and commercial property	Investments	Hotel and suites	Malls	
Rental income (under IFRS 16)	518,267	-	67,710	9,064	595,041
Revenue under IFRS 15					
Major service lines					
Food and beverage	-	-	5,523	-	5,523
Health club	-	-	688	-	688
Internet	-	-	801	-	801
Laundry	-	-	270	-	270
Entertainment	-	-	-	77	77
Provision of utilities services	11,774	-	-	-	11,774
Common area charges	-	-	-	5,851	5,851
Marketing services	-	-	-	1,352	1,352
Property management services	470	-	-	-	470
Others	2,317	-	203	1,095	3,615
Revenue under IFRS 15	14,561	-	7,485	8,375	30,421
Income from investments and other income					
Dividend income from equity investments (Note 7)	-	93,205	-	-	93,205
Share of result of equity- accounted investees and joint venture (Note 8)	-	29,352	-	-	29,352
Other income	5,271	68	5	2	5,346
	5,271	122,625	5	2	127,903
External revenue as reported in Note 17	538,099	122,625	75,200	17,441	753,365

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13 RENTAL INCOME AND OTHER OPERATING REVENUES (CONTINUED)

Disaggregation of revenue (continued)

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

	Timing of revenue recognition	For the six months ended 30	
		June	
		2021	2020
		(Reviewed)	(Reviewed)
Food and beverage	Point in time	7,061	5,523
Health club	Over the time	877	688
Internet	Over the time	714	801
Laundry	Point in time	389	270
Entertainment	Over the time	237	77
Provision of utilities services	Over the time	11,167	11,774
Common area charges	Over the time	9,973	5,851
Marketing services	Over the time	2,506	1,352
Property management services	Over the time	4,311	470
Others	Over the time	6,535	3,615
Revenue under IFRS 15		<u>43,770</u>	<u>30,421</u>

14 EXPENSES

Operating expenses:

	For the six months ended 30	
	June	
	2021	2020
	(Reviewed)	(Reviewed)
Staff cost (1)	30,933	24,069
Utilities	40,447	30,029
Repairs and maintenance	22,062	17,919
Sewage	12,967	11,361
Cleaning expenses	4,506	4,003
Security expenses	5,758	4,835
Food and beverages	1,760	2,026
Advertising costs	856	396
Laundry and dry cleaning	1,315	1,871
Fuel	127	197
Commissions	360	917
Other operating expenses	5,824	6,927
	<u>126,915</u>	<u>104,550</u>

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14 EXPENSES (CONTINUED)

General and administrative expenses:

	<i>For the six months ended 30 June</i>	
	<i>2021</i>	<i>2020</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Staff cost(1)	15,749	14,920
Professional fees	9,043	7,812
Registration fees	4,193	4,204
Bank charges	2,631	2,787
Advertising costs	276	174
Insurance cost	2,002	1,937
Communication	1,080	981
Utilities	2,070	-
Printing and stationery	298	246
Other general and administrative expenses	2,291	3,299
	39,633	36,360

(1) Staff cost includes a provision for employees' end of service benefits of QR 2,219 (six-month period ended 30 June 2020: QR 1,638) during the period.

15 BASIC AND DILUTED 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 period. There were no potentially dilutive shares outstanding at any time during the period and, therefore, the dilutive earnings per share are equal to the basic earnings per share.

	<i>For the six months ended</i>	
	<i>30 June</i>	
	<i>2021</i>	<i>2020</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Profit for the period attributable to owners of the Company	172,244	172,381
Weighted average number of shares outstanding during the period (thousands of shares)	26,524,967	26,524,967
Basic and diluted earnings per share	0.006	0.006

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16 CONTINGENT LIABILITIES AND COMMITMENTS

Contingent liabilities

The Group had the following contingent liabilities from which it is anticipated that no material liabilities will arise.

	<i>30 June</i> <i>2021</i> <i>(Reviewed)</i>	<i>31 December</i> <i>2020</i> <i>(Audited)</i>
Bank guarantees (1)	<u>4,546</u>	<u>5,555</u>

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

Commitments

(i) Capital expenditure commitments:

The Group has the following contractual obligations to develop investment properties at the reporting date.

	<i>30 June</i> <i>2021</i> <i>(Reviewed)</i>	<i>31 December</i> <i>2020</i> <i>(Audited)</i>
Contractual commitments to contractors and suppliers for development of investment property projects	<u>907,251</u>	<u>1,133,048</u>

(ii) Operating lease commitments:

Group as a lessor:

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

The rent income recognized to profit or loss during the six months period is disclosed in Note 13 as "Rental income".

The future aggregate minimum lease receivables under non-cancellable operating leases are as follows:

	<i>30 June</i> <i>2021</i> <i>(Reviewed)</i>	<i>31 December</i> <i>2020</i> <i>(Audited)</i>
No later than one year	654,009	691,909
Later than one year and no later than five years	331,971	386,306
More than five years	<u>222,201</u>	<u>244,038</u>
	<u>1,208,181</u>	<u>1,322,253</u>

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17 OPERATING SEGMENTS

The Group has four strategic divisions, which are reportable segments. These divisions offer different services and are managed by the Group separately for the purpose of making decisions about resource allocation and performance assessment.

The following summary describes the operations of each reportable segment:

Reportable segment	Operations
Residential and commercial property	Development, trade and rental of real estates.
Investments	Investment activities including shares and bonds.
Hotel and suites	Management of hotels, suites, and restaurants.
Malls	Management of malls.

The Group's Chief Executive Officer reviews the internal management reports of each division at least quarterly.

The following table presents segment results regarding the Group's operating segments for the six months period:

<i>For the six months ended 30 June 2021 (Reviewed)</i>	<i>Residential and commercial property</i>	<i>Investments</i>	<i>Hotel and suites</i>	<i>Malls</i>	<i>Adjustments and eliminations</i>	<i>Total</i>
Segment income	550,159	101,316	67,454	37,436	(5,298)	751,067
Segment expenses	(538,512)	(2)	(35,193)	(14,145)	9,055	(578,797)
Segment profit	<u>11,647</u>	<u>101,314</u>	<u>32,261</u>	<u>23,291</u>	<u>3,757</u>	<u>172,270</u>
<i>For the six months ended 30 June 2020 (Reviewed)</i>	<i>Residential and commercial property</i>	<i>Investments</i>	<i>Hotel and suites</i>	<i>Malls</i>	<i>Adjustments and eliminations</i>	<i>Total</i>
Segment income	540,564	122,627	78,181	17,441	(5,448)	753,365
Segment expenses	(525,553)	(2)	(40,341)	(10,049)	(5,008)	(580,953)
Segment profit	<u>15,011</u>	<u>122,625</u>	<u>37,840</u>	<u>7,392</u>	<u>(10,456)</u>	<u>172,412</u>

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

	<i>Residential and commercial property</i>	<i>Investments</i>	<i>Hotel and suites</i>	<i>Malls</i>	<i>Adjustments and eliminations</i>	<i>Total</i>
Segment assets						
<i>As at 30 June 2021 (Reviewed)</i>	<u>42,557,202</u>	<u>3,376,650</u>	<u>4,709,600</u>	<u>2,059,546</u>	<u>(2,791,833)</u>	<u>49,911,165</u>
<i>As at 31 December 2020 (Audited)</i>	<u>41,642,895</u>	<u>3,366,271</u>	<u>4,679,254</u>	<u>2,035,747</u>	<u>(2,326,366)</u>	<u>49,397,801</u>
Segment liabilities						
<i>As at 30 June 2021 (Reviewed)</i>	<u>19,537,209</u>	<u>757,874</u>	<u>148,742</u>	<u>44,071</u>	<u>(2,793,205)</u>	<u>17,694,691</u>
<i>As at 31 December 2020 (Audited)</i>	<u>18,670,244</u>	<u>833,399</u>	<u>144,987</u>	<u>43,563</u>	<u>(2,325,997)</u>	<u>17,366,196</u>

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18 FAIR VALUES AND RISK MANAGEMENT

FINANCIAL INSTRUMENTS

Accounting classification and fair values

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

	Carrying amount		Fair Values			
	FVOCI – equity investment	Amortized cost	Level 1	Level 2	Level 3	Total
<i>As at 30 June 2021 (Reviewed)</i>						
Financial assets measured at fair value						
Equity investments	2,563,220	-	2,563,220	-	-	2,563,220
Financial assets not measured at fair value						
Trade and other receivables	-	183,635	-	-	-	-
Cash and cash equivalents	-	938,246	-	-	-	-
Financial liabilities not measured at fair value and amortized cost						
Sukuk and Islamic financing borrowings – listed	-	1,747,975	1,784,109	-	-	1,784,109
Sukuk and Islamic financing borrowings – others	-	11,392,956	-	-	-	-
Trade and other payables	-	3,847,065	-	-	-	-

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18 FAIR VALUES AND RISK MANAGEMENT (CONTINUED)

FINANCIAL INSTRUMENTS (CONTINUED)

Accounting classification and fair values (continued)

	Carrying amount		Fair Values			
	FVOCI – equity investment	Amortized cost	Level 1	Level 2	Level 3	Total
<i>As at 31 December 2020 (Audited)</i>						
Financial assets measured at fair value						
Equity investments	2,549,407	-	2,549,407	-	-	2,549,407
Financial assets not measured at fair value						
Trade and other receivables	-	170,001	-	-	-	-
Cash and cash equivalents	-	650,014	-	-	-	-
Financial liabilities not measured at fair value and amortized cost						
Sukuk and Islamic financing borrowings – listed	-	3,515,645	3,502,213	-	-	3,502,213
Sukuk and Islamic financing borrowings – others	-	11,298,826	-	-	-	-
Trade and other payables	-	1,880,827	-	-	-	-

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18 FAIR VALUES AND RISK MANAGEMENT (CONTINUED)

INVESTMENT PROPERTIES

	<i>Fair Values*</i>				<i>Total</i>
	<i>Carrying amount</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	
<i>As at 30 June 2021 (Reviewed)</i>					
Completed properties	41,295,475	-	-	41,295,475	41,295,475
Vacant land	1,052,337	-	1,052,337	-	1,052,337
Projects under development	2,423,386	-	-	2,423,386	2,423,386
	<u>44,771,198</u>	<u>-</u>	<u>1,052,337</u>	<u>43,718,861</u>	<u>44,771,198</u>
<i>As at 31 December 2020 (Audited)</i>					
Completed properties	41,279,478	-	-	41,279,478	41,279,478
Vacant land	1,052,337	-	1,052,337	-	1,052,337
Projects under development	2,180,770	-	-	2,180,770	2,180,770
	<u>44,512,585</u>	<u>-</u>	<u>1,052,337</u>	<u>43,460,248</u>	<u>44,512,585</u>

*Fair valuation of investment property is not carried out as at 30 June 2021; categorization into fair value hierarchy levels is based on methods used during valuation at 31 December 2020.

There are no transfers between level 2 and level 3 during the period.

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18 FAIR VALUES AND RISK MANAGEMENT (CONTINUED)

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values at 30 June 2021 and 31 December 2020 for assets and liabilities measured at fair value in the statement of financial position, as well as the significant unobservable inputs used. Related valuation processes are described in Note 3.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investment property – Vacant land and residential / commercial properties in UK	<i>Market comparison technique:</i> 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 etc.	Not Applicable	Not Applicable
	Impact of Covid 19 on fair value of investment properties are mentioned in Note 20.		
Investment property – completed properties and projects under development	<i>Discounted cash flows:</i> The valuation model considers the present value of expected cash flows generated from investment property discounted using weighted average cost of the capital of the Group.	<i>Expected cash flows:</i> (30 June 2021: Not Applicable, 31 December 2020: from positive net cash flows of QR 409,816 to positive net cash flows of QR 2,081,459 from year 2021 to 2025 and a terminal value of QR 34,024,283) Refer to note 21 for key assumptions and judgments used. <i>Weighted average cost of capital:</i> (30 June 2021: Not Applicable, 31 December 2020: 7% to 9%) <i>Terminal growth rate:</i> (30 June 2021: Not Applicable, 31 December 2020: 2.75%)	The estimated fair value would increase (decrease) if: - Expected cash flows were higher (lower), - Weighted average cost of capital were lower (higher); or - Terminal growth rate were higher (lower)
	Impact of Covid 19 on fair value of investment properties are mentioned in Note 20.		
	The Group has not valued its investment property at 30 June 2021.		

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the six months ended 30 June 2021

19 COMPARATIVE FIGURES

Certain comparative figures have been reclassified where necessary in order to conform to the current period presentation in the condensed consolidated interim financial statements. Such reclassification do not affect previously reported net profit or net assets of the Group.

20 COVID 19 Impact:

The coronavirus ("COVID-19") pandemic has spread across various regions globally, causing disruptions to business and economic activities. COVID-19 has brought about uncertainties in the global economic environment. The fiscal and monetary authorities, both domestic and international, have announced various fiscal and stimulus measures across the globe to counter possible adverse implications.

The Group's business operations and performance remain largely unaffected by the current situation. However, there may be uncertainty over how the future development of the outbreak will impact the Group's business and customer demand for its product and services. Further, the Group will continue to closely monitor as the situation progresses and has activated its business continuity planning and other risk management practices to manage the potential business operations disruption and financial performance in the future.

Below are the key assumptions about the future and other sources of estimation uncertainties:

(i) Going concern

The Group has performed an assessment of whether it is a going concern in the light of current economic conditions and all available information about future risks and uncertainties. The projections have been prepared covering the Group's future performance, capital and liquidity. The impact of Covid 19 may continue to evolve, but at the present time the projections show that the Group has sufficient resources to continue in operational existence and its going concern position remains largely unaffected and unchanged from 31 December 2020. As a result, these interim condensed consolidated financial statements have been appropriately prepared on a going concern basis.

(ii) Fair value of investment properties

The general risk environment in which the Group operates has heightened during the period largely due to the continued level of overall uncertainty of the future impact Covid-19 worldwide, which may have a significant impact on property values. The Group's investment properties as at the reporting date were valued by professionally qualified individuals employed by the Group (Internal valuer). The outbreak of Covid-19 has resulted in the real estate market experiencing significantly lower levels of transactional activities and liquidity. The current response to Covid-19 means that the valuer is faced with an unprecedented set of circumstances on which to base a judgment. The valuation across all investment properties are therefore reported on best case basis given current circumstances. Moreover, valuation methodology used for investment properties at the reporting date remains the same as used at 31 December 2020.

(iii) Expected credit losses

The uncertainties caused by Covid 19 has required the Group to update the inputs and assumptions used for the determination of expected credit losses ("ECLs") as at 30 June 2021. ECLs were estimated based on a range of forecast economic conditions as at that date and considering that the situation is fast evolving, the Group has considered the impact of higher volatility in the forward-looking macro-economic factors, when determining the severity and likelihood of economic scenarios for ECL determination.

21 KEY ASSUMPTIONS AND JUDGMENTS USED

The preparation of the Groups consolidated interim financial statements requires management to consider the judgements, estimates and assumptions used in the valuation of investment properties, a part of which includes assumptions in related to future revenues as part of its cash flow projections for the years from 2021 to 2026. The projections assume that the World Cup occasion proceeds as planned with full crowds in attendance.

Independent auditor's report on review of condensed consolidated interim financial statements on page 1.