

**Ezdan Holding Group Q.P.S.C.**  
**CONDENSED CONSOLIDATED INTERIM FINANCIAL**  
**STATEMENTS**

**30 September 2021**

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# EZDAN HOLDING GROUP Q.P.S.C.

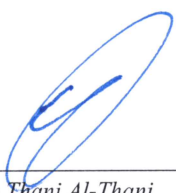
## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

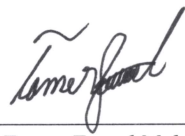
As at 30 September 2021

In thousands of Qatari Riyals

	Note	30 September 2021 (Unreviewed)	31 December 2020 (Audited)
<b>ASSETS</b>			
Cash and bank balances	5	1,049,218	650,311
Trade and other receivables	6	101,737	124,898
Inventories		9,828	9,745
Equity investments	7	2,654,580	2,549,407
Equity-accounted investees and joint venture	8	827,044	816,653
Investment properties	9	44,822,079	44,512,585
Property and equipment		711,959	734,202
<b>TOTAL ASSETS</b>		<b>50,176,445</b>	<b>49,397,801</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Trade and other payables	10	4,630,722	2,605,258
Sukuk and Islamic financing borrowings	12	13,174,847	14,760,938
<b>TOTAL LIABILITIES</b>		<b>17,805,569</b>	<b>17,366,196</b>
<b>EQUITY</b>			
Share capital		26,524,967	26,524,967
Legal reserve		1,681,776	1,681,776
Fair value reserves		985,244	882,152
Foreign currency translation reserve		(1,238)	(1,784)
Retained earnings		3,459,093	3,223,486
<b>Equity attributable to owners of the Company</b>		<b>32,649,842</b>	<b>32,310,597</b>
<b>Non-controlling interests</b>		<b>(278,966)</b>	<b>(278,992)</b>
<b>TOTAL EQUITY</b>		<b>32,370,876</b>	<b>32,031,605</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>50,176,445</b>	<b>49,397,801</b>

These condensed consolidated interim financial statements were authorized for issue by the Company's Board of Directors on 21 October 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 nine months ended 30 September 2021

In thousands of Qatari Riyals

	<i>Note</i>	<i>For the nine months ended 30 September</i>	
		<i>2021</i>	<i>2020</i>
		<i>(Unreviewed)</i>	<i>(Unreviewed)</i>
Rental income	13	920,798	886,813
Other operating revenues	13	64,040	46,852
Operating expenses	14	(211,465)	(175,656)
<b>OPERATING PROFIT FROM MAIN OPERATIONS</b>		<b>773,373</b>	<b>758,009</b>
Dividend income from equity investments	7	70,215	93,205
Share of result of equity-accounted investees and joint venture	8	45,353	43,706
<b>NET OPERATING PROFIT</b>		<b>888,941</b>	<b>894,920</b>
Finance costs		(543,210)	(580,090)
Other income		10,244	7,292
General and administrative expenses	14	(57,115)	(55,915)
Depreciation of property and equipment		(22,834)	(24,615)
Impairment on trade and other receivables – net	6	1,238	(11,085)
Loss from foreign currency exchange		(43,822)	(21,887)
<b>PROFIT FOR THE PERIOD</b>		<b>233,442</b>	<b>208,620</b>
<i>Profit attributable to:</i>			
Owners of the Company		233,416	208,571
Non-controlling interests		26	49
		<b>233,442</b>	<b>208,620</b>
<b>BASIC AND DILUTED EARNINGS PER SHARE</b>	15	<b>0.009</b>	<b>0.008</b>

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 nine months ended 30 September 2021

In thousands of Qatari Riyals

	<i>Note</i>	<b><i>For the nine months ended 30 September</i></b>	
		<b><i>2021</i></b>	<b><i>2020</i></b>
		<b><i>(Unreviewed)</i></b>	<b><i>(Unreviewed)</i></b>
<b>Profit for the period</b>		<b>233,442</b>	<b>208,620</b>
<b>Other comprehensive income</b>			
<b><i>Items that will not be reclassified to profit or loss</i></b>			
Equity investments at FVOCI - net change in fair value	7	<b>105,183</b>	164,098
Equity-accounted investees - share of OCI	8	<b>100</b>	(22)
		<b>105,283</b>	<b>164,076</b>
<b><i>Items that are or may be reclassified subsequently to profit or loss:</i></b>			
Foreign operations - foreign currency translation differences		<b>546</b>	1,653
		<b>546</b>	<b>1,653</b>
<b>Other comprehensive income for the period</b>		<b>105,829</b>	<b>165,729</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>339,271</b>	<b>374,349</b>
<b><i>Attributable to:</i></b>			
Owners of the Company		<b>339,245</b>	374,300
Non-controlling interests		<b>26</b>	49
		<b>339,271</b>	<b>374,349</b>

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 nine months ended 30 September 2021

In thousands of Qatari Riyals

	<i>Attributable to owners of the Company</i>						<i>Non-controlling interest</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>		
<b>Balance at 31 December 2020 (Audited)</b>	<b>26,524,967</b>	<b>1,681,776</b>	<b>882,152</b>	<b>(1,784)</b>	<b>3,223,486</b>	<b>32,310,597</b>	<b>(278,992)</b>	<b>32,031,605</b>
<b>Total comprehensive income for the period</b>								
Profit for the period	-	-	-	-	233,416	233,416	26	233,442
Other comprehensive income for the period	-	-	105,283	546	-	105,829		105,829
Total comprehensive income for the period	-	-	105,283	546	233,416	339,245	26	339,271
<b>Other movement</b>								
Gain on sale of equity investments (Note 7)	-	-	(2,191)	-	2,191	-	-	-
<b>Balance at 30 September 2021 (Unreviewed)</b>	<b>26,524,967</b>	<b>1,681,776</b>	<b>985,244</b>	<b>(1,238)</b>	<b>3,459,093</b>	<b>32,649,842</b>	<b>(278,966)</b>	<b>32,370,876</b>

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 nine months ended 30 September 2021

In thousands of Qatari Riyals

	Attributable to owners of the Company						Non-controlling interest	Total equity
	Share capital	Legal reserve (1)	Fair value reserves	Foreign currency translation reserve	Retained earnings	Total		
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	-	-	-	-	208,571	208,571	49	208,620
Other comprehensive income for the Period	-	-	164,076	1,653	-	165,729	-	165,729
Total comprehensive income for the period			164,076	1,653	208,571	374,300	49	374,349
Other movement:								
Transfer of reserves on disposal of equity investments	-	-	207	-	(207)	-	-	-
Balance at 30 September 2020 (Unreviewed)	26,524,967	1,646,982	756,201	1,406	3,127,609	32,057,165	(278,985)	31,778,180

- (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 nine months ended 30 September 2021 and 30 September 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 nine months ended 30 September 2021

In thousands of Qatari Riyals

	Note	<i>For the nine months ended 30 September</i>	
		<i>2021</i>	<i>2020</i>
		<i>(Unreviewed)</i>	<i>(Unreviewed)</i>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit for the period		233,442	208,620
<i>Adjustments for:</i>			
(Reversal) / provision for impairment of trade and other receivables	6	(1,238)	11,085
Share of result of equity-accounted investees and joint venture	8	(45,353)	(43,706)
Depreciation of property and equipment		22,834	24,615
Loss / (gain) on sale of property and equipment		4	(128)
Provision for employees' end of services benefits	14	3,104	2,411
Dividend income from equity investments	7	(70,215)	(93,205)
Finance income		(9,078)	(4,855)
Finance costs		543,210	580,090
		<b>676,710</b>	<b>684,927</b>
<i>Changes in:</i>			
Trade and other receivables		24,397	136,227
Inventories		(83)	1,574
Trade and other payables		(21,353)	(198,898)
<b>Cash from operating activities</b>		<b>679,671</b>	<b>623,830</b>
Employees' end of service benefits paid		(323)	(426)
<b>Net cash flows from operating activities</b>		<b>679,348</b>	<b>623,404</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property and equipment		-	139
Payments for development of investment property		(51,659)	(47,954)
Payments for purchases of equity investments	7	(47,974)	(864)
Proceeds from sale of equity investments	7	47,984	864
Additions to property and equipment		(594)	(836)
Net movement in restricted bank balances		(3,958)	2,628
Dividends received		105,272	137,272
Net movement in bank deposits		36,415	-
Profit on Islamic bank accounts received		9,078	4,855
<b>Net cash flows from investing activities</b>		<b>94,564</b>	<b>96,104</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
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	(2,106,562)	(2,324,101)
Movement in transaction cost		8,494	(30,671)
Dividends paid		(46,100)	(46,100)
<b>Net cash flows used in financing activities</b>		<b>(344,168)</b>	<b>(115,981)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>429,744</b>	<b>603,527</b>
Net foreign exchange differences		1,620	4,848
Cash and cash equivalents as of 1 January		611,321	54,086
<b>CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER</b>	5	<b>1,042,685</b>	<b>662,461</b>
<b>Non-cash transactions</b>			
Development costs of investment property (Note 11 (a))		229,378	404,532

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 nine months ended 30 September 2021

### 1 REPORTING ENTITY

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 condensed consolidated interim financial statements comprise the Company and its subsidiaries (collectively referred as the “Group” and individually as the “Group entities”) and the Group’s interests in equity accounted investees.

The principal activity of the Group is management and rentals of real estate properties. The Group is engaged in exerting significant influence and or joint control over other Companies. 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 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, Sukuk, financial securities and other investments inside and outside the State of Qatar.

The principal subsidiaries of the Group are as follows:

	<i>Name of the subsidiary</i>	<i>Country of incorporation</i>	<i>Principal Activity</i>	<i>Effective percentage of ownership</i>		
				<i>30 September 2021</i>	<i>31 December 2020</i>	<i>30 September 2020</i>
1	Ezdan Hotels Company W.L.L.	Qatar	Hotel services	100%	100%	100%
2	Ezdan Mall Company W.L.L.	Qatar	Malls management	100%	100%	100%
3	Ezdan Real Estate Company W.L.L.	Qatar	Real estate services	100%	100%	100%
4	Ezdan Palace Hotel Company W.L.L.	Qatar	Hotel services	100%	100%	100%
5	Al Ekleem for Real Estate and Mediation Co. W.L.L.	Qatar	Investments in shares	100%	100%	100%
5	Al Taybin Trading Company W.L.L.	Qatar	Investments in shares	100%	100%	100%
7	Al Namaa for Maintenance Company W.L.L.	Qatar	Investments in shares	100%	100%	100%
8	Shatea Al Nile Company W.L.L.	Qatar	Investments in shares	100%	100%	100%
9	Arkan for Import and Export Company W.L.L.	Qatar	Investments in shares	100%	100%	100%
10	Tareek Al Hak Trading Company W.L.L.	Qatar	Investments in shares	100%	100%	100%
11	Een Jaloot Trading Company W.L.L.	Qatar	Investments in shares	100%	100%	100%
12	Ezdan World W.L.L.	Qatar	Entertainment services	70%	70%	70%
13	Emtidad Real Estate for Projects W.L.L.	Qatar	Real estate development	67.5%	67.5%	67.5%
14	Ezdan International Limited	Jersey	Investment property management	100%	100%	100%
15	Haloul Ezdan For Trading and Construction Company W.L.L.	Qatar	Building and maintenance works	100%	100%	100%
16	Ezdan for Partnership Company W.L.L.	Qatar	Marketing and management	100%	100%	100%
17	Ezdan for Cleaning Company W.L.L.	Qatar	General cleaning of buildings	100%	100%	100%
18	Ezdan for Landscape Company W.L.L.	Qatar	Sewerage and sanitary contracting services	100%	100%	100%
19	Alraed for Sewerage Company W.L.L.	Qatar	Sewerage and sanitary contracting services	100%	100%	100%
20	Ezdan for Transactions Clearance Company W.L.L.	Qatar	Transaction clearance services	100%	100%	100%

## 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 September 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 nine months ended 30 September 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 21 October 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.

**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 September</i> <i>2021</i> <i>(Unreviewed)</i>	<i>31 December</i> <i>2020</i> <i>(Audited)</i>
Cash on hand	1,645	297
<i>Cash at banks and other financial institutions</i>		
Saving and call accounts (1)	968,027	625,365
Current accounts	73,013	22,074
Margin accounts	6,533	2,575
<i>Total cash at banks and other financial institutions</i>	<u>1,047,573</u>	<u>650,014</u>
<b><i>Total cash and bank balances</i></b>	<u><b>1,049,218</b></u>	<u><b>650,311</b></u>
Less: Restricted bank balances (2)	(6,533)	(2,575)
Less: bank deposits (3)	<u>-</u>	<u>(36,415)</u>
<b>Net cash and bank balances</b>	<u><b>1,042,685</b></u>	<u><b>611,321</b></u>

(1) This balance includes short-term deposits with banks of QR 930 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.

**6 TRADE AND OTHER RECEIVABLES**

	<i>30 September 2021 (Unreviewed)</i>	<i>31 December 2020 (Audited)</i>
Tenant receivables – net	<b>66,159</b>	47,361
Receivable from government on expropriation of investment properties	-	46,844
Advances to suppliers and contractors	<b>10,321</b>	7,398
Due from related parties (Note 11 (b.i))	<b>1,266</b>	1,380
Prepaid expenses	<b>6,698</b>	4,175
Refundable deposits – net	<b>11,009</b>	11,084
Accrued income	<b>1,871</b>	1,052
Net other receivables and debit balances	<b>4,413</b>	5,604
	<b>101,737</b>	124,898

The maturity of trade and other receivables are as follows:

	<i>30 September 2021 (Unreviewed)</i>	<i>31 December 2020 (Audited)</i>
Current	<b>90,728</b>	113,814
Non-current	<b>11,009</b>	11,084
	<b>101,737</b>	124,898

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

	<i>30 September 2021 (Unreviewed)</i>	<i>31 December 2020 (Audited)</i>
At 1 January 2021 / 1 January 2020 (Audited)	<b>104,572</b>	101,142
Provision made during the period / year	<b>6,135</b>	23,273
Provision written off	-	(17,944)
Provision reversed	<b>(7,373)</b>	(1,899)
	<b>103,334</b>	104,572

The allowance for impairment consists of:

	<i>30 September 2021 (Unreviewed)</i>	<i>31 December 2020 (Audited)</i>
Tenant receivables	<b>93,947</b>	95,185
Refundable deposits	<b>1,627</b>	1,627
Other receivables	<b>7,760</b>	7,760
	<b>103,334</b>	104,572

**7 EQUITY INVESTMENTS**

	<b>30 September 2021 (Unreviewed)</b>	<b>31 December 2020 (Audited)</b>
At 1 January 2021 / 1 January 2020 (Audited)	<b>2,549,407</b>	2,259,524
Purchases (1)	<b>47,974</b>	864
Disposals (2)	<b>(47,984)</b>	(864)
Net change in fair value	<b>105,183</b>	289,883
	<b><u>2,654,580</u></b>	<b><u>2,549,407</u></b>

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:

	<b>30 September 2021 (Unreviewed)</b>	<b>31 December 2020 (Audited)</b>
<i>Quoted shares listed at Qatar Stock Exchange (QSE)</i>		
Banks and financial institutions	<b>2,579,889</b>	2,483,111
Insurance (1)	<b>52,816</b>	-
Consumer goods and services (2)	<b>20,984</b>	32,267
Transportation (2)	-	17,962
Other industries (1) (2)	<b>891</b>	15,609
Telecommunication (2)	-	10
Real estate (2)	-	448
	<b><u>2,654,580</u></b>	<b><u>2,549,407</u></b>

The Group generated dividend income from the equity investments amounting to QR 70,215 (nine-months period ended 30 September 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 nine months period ended 30 September 2021.

**8 EQUITY-ACCOUNTED INVESTEEES AND JOINT VENTURE**

Country of incorporation	Ownership interest		30 September 2021 (Unreviewed)	31 December 2020 (Audited)	30 September 2021 (Unreviewed)	31 December 2020 (Audited)
<i>Associates:</i>						
Qatar International Islamic Bank Q.P.S.C. (Note 11.c)	Qatar	6.04%	6.04%		586,110	576,349
Medicare Group Q.P.S.C.	Qatar	2.00%	2.00%		40,077	40,608
Qatar Islamic Insurance Company Q.P.S.C.	Qatar	4.92%	4.92%		48,586	47,975
Total of associates					674,773	664,932
<i>Joint venture:</i>						
White Square Real Estate W.L.L.	Qatar	32.50%	32.50%		152,271	151,721
					827,044	816,653

The Group recognized its share on the operating results of its associates / joint venture amounting to QR 45,353 (nine-month period ended 30 September 2020: QR 43,706) during the period.

The total fair market value of the equity-accounted investees amounted to QR 992,403 (31 December 2020: QR 927,716) as at reporting date.

The Group has 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 September 2021 (Unreviewed)</i>	<i>31 December 2020 (Audited)</i>
At 1 January 2021 / 1 January 2020 (Audited)	<b>816,653</b>	834,173
Dividends received	<b>(35,056)</b>	(44,457)
Share of results	<b>45,353</b>	26,801
Share of net movement in other comprehensive income	<b>100</b>	144
Share of net movement in translation reserve	<b>(6)</b>	(8)
	<b>827,044</b>	816,653

**9 INVESTMENT PROPERTIES**

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

	<i><b>30 September 2021 (Unreviewed)</b></i>	<i><b>31 December 2020 (Audited)</b></i>
At 1 January 2021 / 1 January 2020 (Audited)	<b>44,512,585</b>	43,933,362
Development costs during the period/ year	<b>281,037</b>	550,677
Foreign exchange adjustment	<b>(1,071)</b>	3,043
Capitalized finance cost on investment properties under development	<b>29,528</b>	25,503
	<b><u>44,822,079</u></b>	<b><u>44,512,585</u></b>

Investment properties consists of:

	<i><b>30 September 2021 (Unreviewed)</b></i>	<i><b>31 December 2020 (Audited)</b></i>
Completed properties	<b>41,335,508</b>	41,279,478
Vacant land	<b>1,052,337</b>	1,052,337
Projects under development	<b>2,434,234</b>	2,180,770
	<b><u>44,822,079</u></b>	<b><u>44,512,585</u></b>

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 September 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.

# EZDAN HOLDING GROUP Q.P.S.C.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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In thousands of Qatari Riyals

### 10 TRADE AND OTHER PAYABLES

	<i>30 September</i>	<i>31 December</i>
	<i>2021</i>	<i>2020</i>
	<i>(Unreviewed)</i>	<i>(Audited)</i>
Due to related parties (Note 11 (b.ii))	<b>3,662,367</b>	1,634,142
Dividend payables	<b>609,980</b>	656,080
Tenants' deposits	<b>147,018</b>	141,026
Payables to contractors and suppliers (Note 11 (c))	<b>52,337</b>	45,836
Unearned rent income	<b>67,351</b>	41,768
Retention payable	<b>25,935</b>	25,935
Accrued expenses	<b>14,368</b>	10,510
Provision for Social and Sports Activities Fund	-	8,699
Provision for employees' end of service benefits	<b>10,748</b>	7,374
Other payables	<b>40,618</b>	33,888
	<b>4,630,722</b>	2,605,258

The maturity of payables and other liabilities are as follows:

	<i>30 September</i>	<i>31 December</i>
	<i>2021</i>	<i>2020</i>
	<i>(Unreviewed)</i>	<i>(Audited)</i>
Non-current	<b>1,829,155</b>	33,309
Current	<b>2,801,567</b>	2,571,949
	<b>4,630,722</b>	2,605,258



**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 nine months ended 30 September</i>	
	<i>2021</i>	<i>2020</i>
	<i>(Unreviewed)</i>	<i>(Unreviewed)</i>
<b><u>Transactions with entities under common control:</u></b>		
Development costs of investment property (1)	<b>280,156</b>	445,255
Capitalized finance costs	<b>27,648</b>	14,570
<b><u>Transactions with associates:</u></b>		
Expensed-out finance costs (2)	<b>75,921</b>	78,254
<b><u>Transactions with key management personnel:</u></b>		
Compensation of directors and other key management personnel	<b>4,227</b>	2,589
<b><u>Transactions with subsidiaries:</u></b>		
Rental income	<b>1,803</b>	1,502
<b><u>Transactions with other related party:</u></b>		
Financing received (3)	<b>1,803,295</b>	28,255

(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>30 September</i>	<i>31 December</i>
<i>Note</i>	<i>2021</i>	<i>2020</i>
	<i>(Unreviewed)</i>	<i>(Audited)</i>
<i>Parent Company:</i>		
Al-Tadawul Trading Group Q.P.S.C.	<b>651</b>	657
<i>Entities under common control:</i>		
The Curve Hotel Company W.L.L.	<b>613</b>	460
White Square Real Estate Company W.L.L.	<b>2</b>	263
<b>6</b>	<b>1,266</b>	1,380

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

**11 RELATED PARTIES DISCLOSURES (CONTINUED)****(b.ii) Due to related parties**

	<i>30 September</i> <i>2021</i> <i>(Unreviewed)</i>	<i>31 December</i> <i>2020</i> <i>(Audited)</i>
	<i>Note</i>	
<i>Entity under common control:</i>		
Due to SAK Holding Group W.L.L. (1) (2)	524,294	299,365
<i>Other related party:</i>		
Financing from other related party (2)	1,334,041	1,334,777
Borrowing from other related party (3)	1,804,032	-
	10	
	<u>3,662,367</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 period, 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 1,792,472.

**(c) Other related party payables**

	<i>30 September</i> <i>2021</i> <i>(Unreviewed)</i>	<i>31 December</i> <i>2020</i> <i>(Audited)</i>
<i>Equity accounted investee (QIIB):</i>		
Secured Islamic financing borrowings from QIIB (Note 12)	1,897,847	1,883,123
Payables to contractors and suppliers to QISI (Note 10)	3,428	4,022

**(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 nine months ended 30</i> <i>September</i> <i>2021</i> <i>(Unreviewed)</i>	<i>2020</i> <i>(Unreviewed)</i>
Key management and executive benefits	4,227	2,589

**12 SUKUK AND ISLAMIC FINANCING BORROWINGS**

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

	<b>30 September 2021 (Unreviewed)</b>	<b>31 December 2020 (Audited)</b>
At 1 January 2021 / 1 January 2020 (Audited)	<b>14,814,471</b>	14,390,355
Additions	-	2,284,891
Finance costs	<b>511,978</b>	652,436
Repayments (1)	<b>(2,106,562)</b>	(2,513,211)
	<b>13,219,887</b>	14,814,471
Less: transaction costs	<b>(45,040)</b>	(53,533)
	<b>13,174,847</b>	14,760,938

(1) During the period, 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:

	<b>30 September 2021 (Unreviewed)</b>	<b>31 December 2020 (Audited)</b>
Non-current	<b>11,046,190</b>	12,665,722
Current	<b>2,128,657</b>	2,095,216
	<b>13,174,847</b>	14,760,938

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>	<b>30 September 2021 (Unreviewed)</b>	<b>31 December 2020 (Audited)</b>
Ijara	QR	Secured	QMRL rate	2023 – 2035	<b>4,473,161</b>	4,415,517
Murabaha	QR	Secured	QMRL rate	2021 – 2032	<b>6,699,683</b>	6,547,566
Murabaha	USD	Secured	1Y/3 M LIBOR 4.375 %	2024	<b>276,255</b>	335,743
Sukuk financing	USD	Unsecured	and 4.875 %	2021 – 2022	<b>1,770,788</b>	3,515,645
					<b>13,219,887</b>	14,814,471

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 543,210 within the condensed consolidated statement of profit or loss (nine-month period ended 30 September 2020: QR 580,090) 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 19,849,377 (31 December 2020: QR 19,796,260).

**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 nine months period ended 30 September 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:**

<i>For the nine months ended 30 September 2021 (Unreviewed)</i>	<i>Revenue streams</i>				
	<i>Residential and commercial property</i>	<i>Investments</i>	<i>Hotel and suites</i>	<i>Malls</i>	<i>Total</i>
<b>Rental income (under IFRS 16)</b>	<b>794,766</b>	<b>-</b>	<b>86,894</b>	<b>39,138</b>	<b>920,798</b>
<b>Revenue under IFRS 15</b>					
<b>Major service lines</b>					
Food and beverage	-	-	10,527	-	10,527
Health club	-	-	1,707	-	1,707
Internet	-	-	1,125	-	1,125
Laundry	-	-	564	-	564
Entertainment	-	-	-	282	282
Provision of utilities services	16,914	-	-	-	16,914
Common area charges	-	-	-	14,354	14,354
Marketing services	-	-	-	3,370	3,370
Property management services	7,277	-	-	-	7,277
Others	6,105	-	182	1,633	7,920
<b>Revenue under IFRS 15</b>	<b>30,296</b>	<b>-</b>	<b>14,105</b>	<b>19,639</b>	<b>64,040</b>
<b>Income from investments and other income</b>					
Dividend income from equity investments (Note 7)	-	70,215	-	-	70,215
Share of result of equity- accounted investees and joint venture (Note 8)	-	45,353	-	-	45,353
Other income	9,911	28	300	5	10,244
	<b>9,911</b>	<b>115,596</b>	<b>300</b>	<b>5</b>	<b>125,812</b>
<b>External revenue as reported in Note 17</b>	<b>834,973</b>	<b>115,596</b>	<b>101,299</b>	<b>58,782</b>	<b>1,110,650</b>

**13 RENTAL INCOME AND OTHER OPERATING REVENUES (CONTINUED)****Disaggregation of revenue (continued)****A. Disaggregation of revenue based on major revenue streams (continued):**

<i>For the nine months ended 30 September 2020</i>	<i>Revenue streams</i>				
	<i>Residential and commercial property</i>	<i>Investments</i>	<i>Hotel and suites</i>	<i>Malls</i>	<i>Total</i>
<i>(Unreviewed)</i>					
Rental income (under IFRS 16)	775,678	-	91,623	19,512	886,813
Revenue under IFRS 15					
Major service lines					
Food and beverage	-	-	8,006	-	8,006
Health club	-	-	1,221	-	1,221
Internet	-	-	1,092	-	1,092
Laundry	-	-	374	-	374
Entertainment	-	-	-	77	77
Provision of utilities services	17,972	-	-	-	17,972
Common area charges	-	-	-	9,338	9,338
Marketing services	-	-	-	2,127	2,127
Others	4,992	-	273	1,380	6,645
Revenue under IFRS 15	22,964	-	10,966	12,922	46,852
Income from investments and other income					
Dividend income from equity accounted investees	-	93,205	-	-	93,205
Share of result of equity- accounted investees and joint venture	-	43,706	-	-	43,706
Other income	7,193	89	7	4	7,293
	7,193	137,000	7	4	144,204
External revenue as reported in Note 17	805,835	137,000	102,596	32,438	1,077,869

**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	<i>For the nine months ended 30 September</i>	
		<b>2021</b>	<b>2020</b>
		<i>(Unreviewed)</i>	<i>(Unreviewed)</i>
Food and beverage	Point in time	10,527	8,006
Health club	Over the time	1,707	1,221
Internet	Over the time	1,125	1,092
Laundry	Point in time	564	374
Entertainment	Over the time	282	77
Provision of utilities services	Over the time	16,914	17,972
Common area charges	Over the time	14,354	9,338
Marketing services	Over the time	3,370	2,127
Property management services	Over the time	7,277	1,114
Others	Over the time	7,920	5,531
Revenue under IFRS 15		<b>64,040</b>	<b>46,852</b>

**14 EXPENSES***Operating expenses:*

	<i>For the nine months ended 30 September</i>	
	<b>2021</b>	<b>2020</b>
	<i>(Unreviewed)</i>	<i>(Unreviewed)</i>
Staff cost (1)	47,333	36,400
Utilities	73,374	62,278
Repairs and maintenance	37,013	28,864
Sewage	20,886	17,261
Cleaning expenses	7,191	5,644
Security expenses	8,987	7,054
Food and beverages	2,661	2,960
Advertising costs	1,598	894
Laundry and dry cleaning	2,149	2,615
Fuel	187	351
Commissions	852	1,312
Other operating expenses	9,234	10,023
	<b>211,465</b>	<b>175,656</b>

**14 EXPENSES (CONTINUED)***General and administrative expenses:*

	<i>For the nine months ended 30 September</i>	
	<i>2021</i>	<i>2020</i>
	<i>(Unreviewed)</i>	<i>(Unreviewed)</i>
Staff cost(1)	22,912	21,329
Professional fees	10,666	10,339
Registration fees	6,295	6,300
Bank charges	4,445	4,440
Advertising costs	362	291
Insurance cost	3,013	2,903
Communication	1,628	1,471
Utilities	3,564	-
Printing and stationery	446	407
Other general and administrative expenses	3,784	8,435
	<b>57,115</b>	<b>55,915</b>

(1) Staff cost includes a provision for employees' end of service benefits of QR 3,104 (nine-month period ended 30 September 2020: QR 2,411) 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 nine months ended 30 September</i>	
	<i>2021</i>	<i>2020</i>
	<i>(Unreviewed)</i>	<i>(Unreviewed)</i>
Profit for the period attributable to owners of the Company	<b>233,416</b>	208,571
Weighted average number of shares outstanding during the period (thousands of shares)	<b>26,524,967</b>	26,524,967
Basic and diluted earnings per share	<b>0.009</b>	0.008

**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 September</i> <i>2021</i> <i>(Unreviewed)</i>	<i>31 December</i> <i>2020</i> <i>(Audited)</i>
Bank guarantees (1)	<u>6,533</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 September</i> <i>2021</i> <i>(Unreviewed)</i>	<i>31 December</i> <i>2020</i> <i>(Audited)</i>
Contractual commitments to contractors and suppliers for development of investment property projects	<u>918,918</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 nine 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</i> <i>September</i> <i>2021</i> <i>(Unreviewed)</i>	<i>31 December</i> <i>2020</i> <i>(Audited)</i>
No later than one year	761,445	691,909
Later than one year and no later than five years	316,979	386,306
More than five years	<u>211,197</u>	<u>244,038</u>
	<u>1,289,621</u>	<u>1,322,253</u>



**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:

<b>Reportable segment</b>	<b>Operations</b>
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 nine months period:

<i>For the nine months ended 30 September 2021 (Unreviewed)</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	838,057	115,596	106,162	58,782	(7,947)	1,110,650
Segment expenses	(805,057)	(2)	(53,813)	(24,647)	6,311	(877,208)
Segment profit	<u>33,000</u>	<u>115,594</u>	<u>52,349</u>	<u>34,135</u>	<u>(1,636)</u>	<u>233,442</u>
<i>For the nine months ended 30 September 2020 (Unreviewed)</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	809,216	137,000	107,067	32,438	(7,852)	1,077,869
Segment expenses	(805,075)	(2)	(54,115)	(12,452)	2,395	(869,249)
Segment profit	<u>4,141</u>	<u>136,998</u>	<u>52,952</u>	<u>19,986</u>	<u>(5,457)</u>	<u>208,620</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>
<b>Segment assets</b>						
<i>As at 30 September 2021 (Unreviewed)</i>	<u>42,921,016</u>	<u>3,482,330</u>	<u>4,762,849</u>	<u>2,070,853</u>	<u>(3,060,603)</u>	<u>50,176,445</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>
<b>Segment liabilities</b>						
<i>As at 30 September 2021 (Unreviewed)</i>	<u>19,912,149</u>	<u>757,874</u>	<u>148,619</u>	<u>44,533</u>	<u>(3,057,606)</u>	<u>17,805,569</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>

# EZDAN HOLDING GROUP Q.P.S.C.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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In thousands of Qatari Riyals

### 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.

	<i>Carrying amount</i>		<i>Fair Values</i>			
	<i>FVOCI – equity investment</i>	<i>Amortized cost</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
<i>As at 30 September 2021 (Unreviewed)</i>						
<b>Financial assets measured at fair value</b>						
Equity investments	2,654,580	-	2,654,580	-	-	2,654,580
<b>Financial assets not measured at fair value</b>						
Trade and other receivables	-	186,181	-	-	-	-
Cash and cash equivalents	-	1,047,573	-	-	-	-
<b>Financial liabilities not measured at fair value and amortized cost</b>						
Sukuk and Islamic financing borrowings – listed	-	1,770,788	1,757,297	-	-	1,757,297
Sukuk and Islamic financing borrowings – others	-	11,449,099	-	-	-	-
Trade and other payables	-	3,928,275	-	-	-	-

## EZDAN HOLDING GROUP Q.P.S.C.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the nine months ended 30 September 2021

In thousands of Qatari Riyals

**18 FAIR VALUES AND RISK MANAGEMENT (CONTINUED)****FINANCIAL INSTRUMENTS (CONTINUED)***Accounting classification and fair values (continued)*

	<i>Carrying amount</i>		<i>Fair Values</i>			
	<i>FVOCI – equity investment</i>	<i>Amortized cost</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
<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	-	-	-	-
	=====	=====	=====	=====	=====	=====

# EZDAN HOLDING GROUP Q.P.S.C.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the nine months ended 30 September 2021

In thousands of Qatari Riyals

### 18 FAIR VALUES AND RISK MANAGEMENT (CONTINUED)

#### INVESTMENT PROPERTIES

		Fair Values*			
	Carrying amount	Level 1	Level 2	Level 3	Total
As at 30 September 2021 (Unreviewed)					
Completed properties	41,335,508	-	-	41,335,508	41,335,508
Vacant land	1,052,337	-	1,052,337	-	1,052,337
Projects under development	2,434,234	-	-	2,434,234	2,434,234
	44,822,079	-	1,052,337	43,769,742	44,822,079
	Carrying amount	Level 1	Level 2	Level 3	Total
As at 31 December 2020 (Audited)					
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
	44,512,585	-	1,052,337	43,460,248	44,512,585

\*Fair valuation of investment property is not carried out as at 30 September 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.

# EZDAN HOLDING GROUP Q.P.S.C.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the nine months ended 30 September 2021

In thousands of

Qatari Riyals

### 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 September 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	<p><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.</p> <p>Impact of Covid 19 on fair value of investment properties are mentioned in Note 20.</p>	Not Applicable	Not Applicable
Investment property – completed properties and projects under development	<p><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.</p> <p>Impact of Covid 19 on fair value of investment properties are mentioned in Note 20.</p>	<p><u><i>Expected cash flows:</i></u> (30 September 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.</p> <p><u><i>Weighted average cost of capital:</i></u> (30 September 2021: Not Applicable, 31 December 2020: 7% to 9%)</p> <p><u><i>Terminal growth rate:</i></u> (30 September 2021: Not Applicable, 31 December 2020: 2.75%)</p> <p>The Group has not valued its investment property at 30 September 2021.</p>	<p>The estimated fair value would increase (decrease) if:</p> <ul style="list-style-type: none"> <li>- Expected cash flows were higher (lower),</li> <li>- Weighted average cost of capital were lower (higher); or</li> <li>- Terminal growth rate were higher (lower)</li> </ul>

## 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 September 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.