

EZDAN HOLDING GROUP Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS
31 March 2022

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Ezdan Holding Group Q.P.S.C.

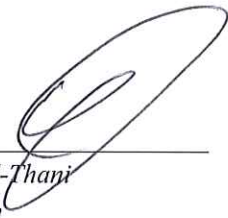
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

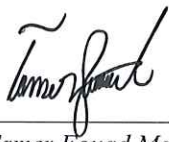
As at 31 March 2022

In thousands of Qatari Riyals

		<i>31 March 2022</i>	<i>31 December 2021</i>
	<i>Note</i>	<i>(Unreviewed)</i>	<i>Audited</i>
ASSETS			
Cash and bank balances	5	2,023,289	1,089,092
Trade and other receivables	6	91,763	92,874
Inventories		10,195	10,129
Equity investments	7	3,306,252	2,671,864
Equity-accounted investees and joint venture	8	766,719	788,278
Investment properties	9	44,956,838	44,827,392
Property and equipment		698,336	704,891
TOTAL ASSETS		51,853,392	50,184,520
LIABILITIES AND EQUITY			
LIABILITIES			
Trade and other payables	10	5,727,673	4,782,792
Sukuk and Islamic financing	12	13,122,478	13,187,750
TOTAL LIABILITIES		18,850,151	17,970,542
EQUITY			
Share capital		26,524,967	26,524,967
Legal reserve		1,687,887	1,687,887
Fair value reserves		1,636,978	1,002,558
Foreign currency translation reserve		38	(1,546)
Retained earnings		3,432,747	3,279,146
Equity attributable to owners of the Company		33,282,617	32,493,012
Non-controlling interests		(279,376)	(279,034)
TOTAL EQUITY		33,003,241	32,213,978
TOTAL LIABILITIES AND EQUITY		51,853,392	50,184,520

These condensed consolidated interim financial statements were authorized for issue by the Company's Board of Directors on 25 April 2022.


Abdalla Bin Thani Al-Thani
Vice Chairman


Tamer Fouad Mahmoud
Group Chief Financial Officer

The notes on pages 7 to 25 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 three months ended 31 March 2022

In thousands of Qatari Riyals

	<i>Note</i>	<i>For the three months ended 31 March 2022 (Unreviewed)</i>	<i>For the three months ended 31 March 2021 (Unreviewed)</i>
CONTINUED OPERATIONS			
Rental income	13	360,971	297,557
Other operating revenues	13	21,298	23,083
Operating expenses	14	<u>(73,565)</u>	<u>(52,032)</u>
OPERATING PROFIT FROM MAIN OPERATIONS		308,704	268,608
Dividend income from equity investments	7	55,432	69,702
Share of results of equity-accounted investees and joint venture	8	<u>14,448</u>	<u>14,140</u>
NET OPERATING PROFIT		378,584	352,450
Loss from foreign currency exchange		(12,505)	(10,145)
Other income		3,211	2,186
Finance costs	12	(185,122)	(169,170)
General and administrative expenses	14	(20,930)	(17,304)
Impairment loss of trade and other receivables - net		(2,835)	(2,881)
Depreciation of property and equipment		<u>(7,144)</u>	<u>(7,801)</u>
PROFIT FOR THE PERIOD		<u>153,259</u>	<u>147,335</u>
<i>Profit attributable to:</i>			
Owners of the Company		153,601	147,309
Non-controlling interests		<u>(342)</u>	<u>26</u>
		<u>153,259</u>	<u>147,335</u>
BASIC AND DILUTED EARNINGS PER SHARE	15	<u>0.0058</u>	<u>0.0056</u>

The notes on pages 7 to 25 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 three months ended 31 March 2022

In thousands of Qatari Riyals

	<i>For the three months ended 31 March 2022 (Unreviewed)</i>	<i>For the three months ended 31 March 2021 (Unreviewed)</i>
Profit for the period	153,259	147,335
Other comprehensive income		
<i>Item that will not be reclassified to profit or loss</i>		
Equity investments at FVOCI - net change in fair value	634,388	(101,707)
Equity-accounted investees - share of OCI	32	24
	634,420	(101,683)
<i>Items that are or may be reclassified subsequently to profit or loss:</i>		
Foreign operations - foreign currency translation differences	1,584	(774)
Other comprehensive income (loss) for the period	636,004	(102,457)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	789,263	44,878
<i>Attributable to:</i>		
Owners of the Company	789,605	44,852
Non-controlling interests	(342)	26
	789,263	44,878

The notes on pages 7 to 25 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 three months ended 31 March 2022

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>		
Balance at 1 January 2022 (Audited)	26,524,967	1,687,887	1,002,558	(1,546)	3,279,146	32,493,012	(279,034)	32,213,978
Net profit for the period	-	-	-	-	153,601	153,601	(342)	153,259
Other comprehensive (loss) income for the period	-	-	634,420	1,584	-	636,004		636,004
Total comprehensive (loss) income for the period	-	-	634,420	1,584	153,601	789,605	(342)	789,263
Balance at 31 March 2022 (Unreviewed)	26,524,967	1,687,887	1,636,978	38	3,432,747	33,282,617	(279,376)	33,003,241

The notes on pages 7 to 25 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 three months ended 31 March 2022

In thousands of Qatari Riyals

	<i>Attributable to owners of the Company</i>					<i>Total</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>			
Balance at 1 January 2021 (Audited)	26,524,967	1,681,776	882,152	(1,784)	3,223,486	32,310,597	(278,992)	32,031,605
Net profit for the period	-	-	-	-	147,309	147,309	26	147,335
Other comprehensive (loss) income for the period	-	-	(101,683)	(774)	-	(102,457)	-	(102,457)
Total comprehensive (loss) income for the period	-	-	(101,683)	(774)	147,309	44,852	26	44,878
Balance at 31 March 2021 (Unreviewed)	<u>26,524,967</u>	<u>1,681,776</u>	<u>780,469</u>	<u>(2,558)</u>	<u>3,370,795</u>	<u>32,355,449</u>	<u>(278,966)</u>	<u>32,076,483</u>

(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 three months ended 31 March 2022 as the Group will transfer the total required amount by 31 December 2022.

The notes on pages 7 to 25 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 three months ended 31 March 2022

In thousands of Qatari Riyals

		<i>For the three months ended 31 March 2022 (Unreviewed) QR'000</i>	<i>For the three months ended 31 March 2021 (Unreviewed) QR'000</i>
OPERATING ACTIVITIES			
Profit for the period		153,259	147,335
<i>Adjustments for:</i>			
Loss on disposal of property and equipment		-	4
Share of results of equity-accounted investees and joint venture	8	(14,448)	(14,140)
Depreciation of property and equipment		7,144	7,801
Provision for employees' end of services benefits	14	2,446	987
Dividend income from equity investments	7	(55,432)	(69,702)
Impairment loss of trade and other receivables		4,095	2,986
Reversal of allowance for impairment loss of trade and other receivables		(1,260)	(105)
Profit on Islamic bank accounts		(3,113)	(2,050)
Finance costs	12	185,122	169,170
Operating profit before working capital changes		277,813	242,286
<i>Changes in:</i>			
Trade and other receivables		(1,727)	33,946
Inventories		(65)	(644)
Trade and other payables		5,173	23,764
Cash from operating activities		281,194	299,352
Employees' end of service benefits paid		(139)	(122)
Net cash flows from operating activities		281,055	299,230
INVESTING ACTIVITIES			
Payments for development of Investment properties		(24,214)	(30,560)
Additions to property and equipment		(588)	(90)
Net movement in restricted bank balances		2,895	(4,117)
Dividends income received	7,8	91,467	102,362
Investment in short term security deposits		-	36,415
Finance income received		3,113	2,050
Net cash flows from investing activities		72,673	106,060
FINANCING ACTIVITIES			
Proceeds from borrowings through other related party	11	824,240	-
Repayments for Sukuk and Islamic financing borrowings	12	(231,237)	(113,614)
Transaction cost		531	4,221
Dividends paid		(14,700)	(16,700)
Net cash flows from (used in) financing activities		578,834	(126,093)
NET INCREASE IN CASH AND BANK BALANCES			
Net foreign exchange differences		4,530	(2,287)
Cash and cash equivalents as of 1 January		1,083,573	611,321
CASH AND CASH EQUIVALENT AT 31 MARCH	5	2,020,665	888,231

The notes on pages 7 to 25 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

For the three months ended 31 March 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.

The principal activities of the Company and its subsidiaries include financial and administrative control over a company or more by owing at least 51% of its shares, investment in shares, Sukuk, financial securities, and other investments inside and outside the State of Qatar, owning patents, commercial works and privilege, and other rights using them and renting them to others, providing real estate consulting services, managing property and collect rentals and providing property maintenance works.

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>31 March 2021</i>	<i>31 December 2021</i>	<i>31 March 2021</i>
Ezdan Hotels Company W.L.L.	Qatar	Hotel services	100%	100%	100%
Ezdan Mall Company W.L.L.	Qatar	Malls management	100%	100%	100%
Ezdan Real Estate Company W.L.L.	Qatar	Real estate services	100%	100%	100%
Ezdan Palace Hotel Company W.L.L.	Qatar	Hotel services	100%	100%	100%
Al Ekleem for Real Estate and Mediation Co. W.L.L.	Qatar	Investments in shares	100%	100%	100%
Al Taybin Trading Company W.L.L.	Qatar	Investments in shares	100%	100%	100%
Al Namaa for Maintenance Company W.L.L.	Qatar	Investments in shares	100%	100%	100%
Shatea Al Nile Company W.L.L.	Qatar	Investments in shares	100%	100%	100%
Arkan for Import and Export Company W.L.L.	Qatar	Investments in shares	100%	100%	100%
Tareek Al Hak Trading Company W.L.L.	Qatar	Investments in shares	100%	100%	100%
Een Jaloot Trading Company W.L.L.	Qatar	Investments in shares	100%	100%	100%
Ezdan World W.L.L.	Qatar	Entertainment services	70%	70%	70%
Emtedad Real Estate for Projects W.L.L.	Qatar	Real estate development	67.5%	67.5%	67.5%
Ezdan International Limited	Jersey	Investment property management	100%	100%	100%
Haloul Ezdan For Trading and Construction Company W.L.L.	Qatar	Building and maintenance works	100%	100%	100%
Ezdan for Partnership Company W.L.L.	Qatar	Marketing and management	-	-	100%
Ezdan for Cleaning Company W.L.L.	Qatar	General cleaning of buildings	-	-	100%
Ezdan for Landscape Company W.L.L.	Qatar	Sewerage and sanitary contracting services	-	-	100%
Alraed for Sewerage Company W.L.L.	Qatar	Sewerage and sanitary contracting services	-	-	100%
Ezdan for Transactions Clearance Company W.L.L.	Qatar	Transaction clearance services	-	-	100%

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 31 March 2022(31 December 2021: 54%).

2 BASIS OF ACCOUNTING

These condensed consolidated interim financial statements 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 2021 (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 25 April 2022.

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.

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.

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

Management has carried its equity investments and derivative financial assets / liabilities 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 2021 and believes that there will be no significant changes in its fair valuation at the interim reporting date.

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended 31 March 2022

In thousands of Qatari Riyals

4 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the Group's last annual consolidated financial statements as at and for the year ended 31 December 2021.

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>31 March 2022 (Unreviewed)</i>	<i>31 December 2021 (Audited)</i>
Cash on hand	2,000	286
<i>Cash at banks and other financial institutions</i>		
Current accounts	1,972,289	34,942
Saving and call accounts (1)	46,376	1,048,345
Margin accounts	2,624	5,519
<i>Total cash at banks and other financial institutions</i>	<u>2,023,289</u>	<u>1,089,092</u>
<i>Cash and cash equivalents</i>		
<i>Less: restricted bank balances (2)</i>	<u>(2,624)</u>	<u>(5,519)</u>
<i>Cash and cash equivalents</i>	<u>2,020,665</u>	<u>1,083,573</u>

(1) This includes short term deposit is nil as at 31 March 2022 (QR 618 Million as at 31 December 2021).

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

6 RECEIVABLES AND PREPAYMENTS

	<i>31 March 2021 (Unreviewed)</i>	<i>31 December 2021 (Audited)</i>
Tenant receivables – net	57,411	56,025
Advances to suppliers and contractors	9,826	16,708
Due from related parties - net (Note 11(b))	639	643
Refundable deposits – net	8,325	8,242
Prepaid expenses	10,059	4,463
Accrued income	-	1,107
Net other receivables and debit balances	5,503	5,686
	<u>91,763</u>	<u>92,874</u>
The maturity of receivables and prepayments are as follows:		
Current	83,438	84,632
Non-current	8,325	8,242
	<u>91,763</u>	<u>92,874</u>

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended 31 March 2022

In thousands of Qatari Riyals

7 EQUITY INVESTMENTS

	31 March 2021 (Unreviewed)	31 December 2021 (Audited)
At 1 January		
Purchases	2,671,864	2,549,407
Disposals		47,973
Other disposals		(47,984)
Net change in fair value	<u>634,388</u>	<u>122,468</u>
At 31 March/ 31 December	<u>3,306,252</u>	<u>2,671,864</u>

The equity investments consist of:

	31 March 2022 (Unreviewed)	31 December 2021 (Audited)
Quoted shares (1)	<u>3,306,252</u>	<u>2,671,864</u>

(1) The quoted shares are the Group's equity investments that are carried at FVOCI. The mortgages on these equity investments are disclosed in note 12.

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:

	31 March 2022 (Unreviewed)	31 December 2021 (Audited)
Quoted shares listed at Qatar Stock Exchange (QSE)		
Banks and financial institutions	3,242,025	2,610,652
Consumer goods and services	16,525	18,314
Insurance	46,802	42,121
Industries	<u>900</u>	<u>777</u>
	<u>3,306,252</u>	<u>2,671,864</u>

The Group generated dividend income from the equity investments amounting to QR 55,432 during the three months ended 31 March 2022 (QR 69,702 during the three months ended 31 March 2021).

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended 31 March 2022

In thousands of Qatari Riyals

8 EQUITY-ACCOUNTED INVESTEEES AND JOINT VENTURE

	Country of incorporation	Ownership interest		31 March	31
		31 March 2022	31 December 2021	31 March 2022	December 2021
		(Unreviewed) %	(Audited) %	(Unreviewed) QR'000	(Audited) QR'000
Qatar International Islamic Bank Q.P.S.C.	Qatar	6.04%	6.04%	577,187	598,782
Medicare Group Q.P.S.C.	Qatar	2.00%	2.00%	39,724	40,712
Qatar Islamic Insurance Group Q.P.S.C.	Qatar	4.92%	4.92%	50,699	49,675
Total of associate				<u>667,610</u>	<u>689,169</u>
Joint venture:					
White Square Real Estate Company W.L.L.	Qatar	32.50%	32.50%	99,109	99,109
				<u>766,719</u>	<u>788,278</u>

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

	31 March 2022 (Unreviewed)	31 December 2021 (Audited)
At 1 January	788,278	816,653
Dividends received	(36,035)	(36,031)
Share of results	14,448	7,545
Share of net movement in other comprehensive income	32	129
Share of the net movement of translation reserve	(4)	(18)
At 31 March/ 31 December	<u>766,719</u>	<u>788,278</u>

During the period, the Group recognized its share in the operating results of its associates / joint venture amounting to QR 14,448 (QR 14,140 during the three months ended 31 March 2021).

The mortgages on the equity-accounted investees are disclosed in Note 12.

9 INVESTMENT PROPERTIES

	31 March 2022 (Unreviewed)	31 December 2021 (Audited)
At 1 January	44,827,392	44,512,585
Net loss from change in fair value of investment properties	-	(200,508)
Development costs during the period/ year	121,996	480,787
Transferred from property and equipment	-	102
Disposal of investment property	-	(5,363)
Foreign exchange adjustment	(2,943)	(487)
Capitalized finance costs on investment property under development	10,393	40,276
At 31 March/ 31 December	<u>44,956,838</u>	<u>44,827,392</u>

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended 31 March 2022

In thousands of Qatari Riyals

9 INVESTMENT PROPERTIES (CONTINUED)

Investment properties consists of:

	<i>31 March 2022 (Unreviewed)</i>	<i>31 December 2021 (Audited)</i>
Completed properties	41,373,849	41,339,034
Vacant land	1,052,337	1,052,337
Projects under development	2,530,652	2,436,021
	<u>44,956,838</u>	<u>44,827,392</u>

Investment properties are stated at fair value, which has been determined based on valuation performed by accredited independent valuers as at 31 December 2021. The valuer is an accredited independent valuer with a recognised and relevant professional qualifications 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 performed a fair valuation of investment properties at 31 March 2022. As the Group's management believes, there has been no significant change in the investment properties during the period.

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

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

10 PAYABLES AND OTHER LIABILITIES

	<i>31 March 2022 (Unreviewed)</i>	<i>31 December 2021 (Audited)</i>
Due to related parties (Note 11(c.i))	4,775,150	3,843,683
Dividend payables	580,418	595,118
Tenants' deposits	154,504	154,405
Payables to contractors and suppliers	50,910	47,288
Unearned rent income	90,773	44,797
Retention payable	1,281	25,935
Accrued expenses	17,852	23,839
Provision for Social and Sports Activities Fund	1,528	1,528
Provision for employees' end of service benefits	13,703	11,396
Other payables	41,554	34,803
	<u>5,727,673</u>	<u>4,782,792</u>

The maturity of payables and other liabilities are as follows:

	<i>31 March 2022 (Unreviewed)</i>	<i>31 December 2021 (Audited)</i>
Current	3,088,658	2,953,985
Non-current	2,639,015	1,828,807
	<u>5,727,673</u>	<u>4,782,792</u>

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended 31 March 2022

In thousands of Qatari Riyals

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 three months ended 31 March 2022 (Unreviewed)</i>	<i>For the three months ended 31 March 2021 (Unreviewed)</i>
<u>Transactions with entities under common control:</u>		
Development costs of investment property (1)	<u>114,979</u>	<u>541,880</u>
Capitalized finance costs	<u>9,774</u>	<u>22,680</u>
Rental income	<u>84</u>	<u>601</u>
<u>Transactions with associates:</u>		
Expensed-out finance costs (2)	<u>25,426</u>	<u>(14,926)</u>
Capitalized finance costs (2)	<u>-</u>	<u>-</u>
<u>Transactions with key management personnel:</u>		
Allowances of key management personnel	<u>1,229</u>	<u>2,212</u>
<u>Transaction with other related party:</u>		
Financing received	<u>825,346</u>	<u>28,242</u>

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

(2) The Group had secured Islamic finance borrowing from its equity-accounted investee (Note 11(c.i)).

All related party transactions were effected at commercial terms and conditions.

(b) Due from related parties

	<i>Note</i>	<i>31 March 2022 (Unreviewed)</i>	<i>31 December 2021 (Audited)</i>
Al-Tadawul Trading Group Q.P.S.C.		635	641
The Curve Hotel Company W.L.L.		-	-
White Square Real Estate Company W.L.L.		2	-
Due from others		<u>2</u>	<u>2</u>
		<u>639</u>	<u>643</u>

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

(c.) Due to a related parties

	<i>Note</i>	<i>31 March 2022 (Unreviewed)</i>	<i>31 December 2021 (Audited)</i>
<i>Entity under common control:</i>			
Due to SAK Holding Group W.L.L. (1) (2)		811,986	705,865
<i>Other related party:</i>			
Financing from other related party (2)		1,333,514	1,333,697
Borrowing directly or indirectly through other related party (3) (4)		<u>2,629,650</u>	<u>1,804,121</u>
	10	<u>4,775,150</u>	<u>3,843,683</u>

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11 RELATED PARTIES DISCLOSURES (Continued)

(c.) Due to a related parties (Continued)

- (1) This amount represents the remaining balance due from 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 2021, the Group obtained unsecured borrowing amounting to QR 1.8 billion directly or indirectly through other related party to repay its Sukuk due in May 2021. The unsecured borrowing carry profits at commercial rates. The maturity of unsecured borrowings is 10 years. This includes non-current balance amounting to QR 1,799,972.
- (4) During the period, the Group obtained unsecured borrowing amounting to QR 824.2 million directly or indirectly through other related party to partial repay its existing Sukuk due in April 2022. The unsecured borrowing carry profits at commercial rates. The maturity of unsecured borrowings is 12 years. This includes non-current balance amounting to QR 824,240.

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

	<i>31 March 2022 (Unreviewed)</i>	<i>31 December 2021 (Audited)</i>
At 1 January	1,804,121	-
Additions	824,240	1,800,000
Finance costs (Note 12)	19,689	49,721
Repayments	<u>(18,400)</u>	<u>(45,600)</u>
At 31 March/ 31 December	<u>2,629,650</u>	<u>1,804,121</u>

(c.i) Other related party payables

	<i>31 March 2022 (Unreviewed)</i>	<i>31 December 2021 (Audited)</i>
<i>Equity accounted investee:</i>		
Islamic financing borrowings	<u>1,908,549</u>	<u>1,903,224</u>
Trade payables to QIIG	<u>2,436</u>	<u>3,426</u>

12 SUKUK AND ISLAMIC FINANCING BORROWINGS

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

	<i>31 March 2022 (Unreviewed)</i>	<i>31 December 2021 (Audited)</i>
At 1 January	13,231,170	14,814,471
Additions	-	-
Finance costs	165,433	678,068
Repayments	<u>(231,237)</u>	<u>(2,261,369)</u>
	13,165,366	13,231,170
Less: transaction costs	<u>(42,888)</u>	<u>(43,420)</u>
At 31 March/ 31 December	<u>13,122,478</u>	<u>13,187,750</u>

12 SUKUK AND ISLAMIC FINANCING BORROWINGS (CONTINUED)

The borrowings are presented in the condensed consolidated statement of financial position as follows:

	<i>31 March 2022 (Unreviewed)</i>	<i>31 December 2021 (Audited)</i>
Current	2,225,886	2,070,475
Non-current	<u>10,896,592</u>	<u>11,117,275</u>
	<u>13,122,478</u>	<u>13,187,750</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>31 March 2022 (Unreviewed)</i>	<i>31 December 2021 (Audited)</i>
Murabaha	QR	Secured	QMRL rate	6,753,061	6,751,881
Ijara	QR	Secured	QMRL rate	4,404,041	4,472,977
Murabaha	USD	Secured	1Y/3 M LIBOR	237,609	256,457
Sukuk financings	USD	Unsecured	4.375% / 4.875%	<u>1,770,655</u>	<u>1,749,855</u>
				<u>13,165,366</u>	<u>13,231,170</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 185,122 (three months period ended 31 March 2021: QR 169,170) during the period.

As at 31 March 2022, the Group had secured borrowings against mortgages on different types of investment property (Note 9) owned by the Group with a fair market value of QR 19,796,260 (31 December 2021: QR 19,796,260).

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).

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13 RENTAL INCOME AND OTHER OPERATING REVENUES (Continued)

A. Disaggregation of revenue based on major revenue streams:

For the three months ended 31 March 2022 (Unreviewed)	Revenue streams				Total
	Residential and commercial property	Investments	Hotel and suites	Malls	
Rental income (under IFRS 16)	319,916	-	28,670	12,385	360,971
Revenue under IFRS 15					
Major service lines					
Food and beverage	-	-	3,568	-	3,568
Health club	-	-	417	-	417
Internet	-	-	377	-	377
Laundry	-	-	149	-	149
Entertainment	-	-	-	6	6
Provision of utilities services	6,161	-	-	-	6,161
Common area charges	-	-	-	4,821	4,821
Marketing services	-	-	-	1,196	1,196
Others	3,976	-	52	575	4,603
Revenue under IFRS 15	10,137	-	4,563	6,598	21,298
Income from investments and other income					
Dividend income from equity accounted investees	-	55,432	-	-	55,432
Share of result of equity-accounted investees and joint venture	-	14,448	-	-	14,448
Other income	3,161	46	3	1	3,211
	3,161	69,926	3	1	73,091
External revenue as reported	333,214	69,926	33,236	18,984	455,360

For the three months ended 31 March 2021 (Unreviewed)	Revenue streams				Total
	Residential and commercial property	Investments	Hotel and suites	Malls	
Rental income (under IFRS 16)	259,438	-	26,198	11,921	297,557
Revenue under IFRS 15					
Major service lines					
Food and beverage	-	-	4,159	-	4,159
Health club	-	-	590	-	590
Internet	-	-	344	-	344
Laundry	-	-	186	-	186
Entertainment	-	-	-	143	143
Provision of utilities services	5,573	-	-	-	5,573
Common area charges	-	-	-	4,467	4,467
Marketing services	-	-	-	1,196	1,196
Others	5,724	-	77	624	6,425
Revenue under IFRS 15	11,297	-	5,356	6,430	23,083
Income from investments and other income					
Dividend income from equity accounted investees	-	69,702	-	-	69,702
Share of result of equity-accounted investees and joint venture	-	14,140	-	-	14,140
Other income	2,161	22	2	1	2,186
	2,161	83,864	2	1	86,028

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External revenue as reported	272,896	83,864	31,556	18,352	406,668
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13 RENTAL INCOME AND OTHER OPERATING REVENUES (Continued)

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

	<i>For the three months ended 31</i>		Timing of revenue recognition
	<i>March</i>		
	2022	2021	
	<i>(Unreviewed)</i>	<i>(Unreviewed)</i>	
Food and beverage	3,568	4,159	Point in time
Health club	417	590	Over the time
Internet	377	344	Over the time
Laundry	149	186	Point in time
Entertainment	6	143	Over the time
Provision of utilities services	6,161	5,573	Over the time
Common area charges	4,821	4,467	Over the time
Marketing services	1,196	1,196	Over the time
Others	4,603	6,425	Over the time
Revenue under IFRS 15	21,298	23,083	

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14 EXPENSES

Operating expenses:

	<i>For the three months ended 31 March 2022 (Unreviewed)</i>	<i>For the three months ended 31 March 2021 (Unreviewed)</i>
Utilities	18,765	10,584
Staff cost	19,092	14,598
Repairs and maintenance	9,214	6,904
Sewage	8,748	6,092
Air conditioning	4,256	3,806
Security	3,469	2,731
Cleaning	2,932	2,171
Food and beverages	932	972
Laundry and dry cleaning	757	680
Registration fees	2,432	1,589
Advertising costs	801	360
Commissions	402	162
Other operating expenses	1,765	1,383
	<u>73,565</u>	<u>52,032</u>

General and administrative expenses:

	<i>For the three months ended 31 March 2022 (Unreviewed)</i>	<i>For the three months ended 31 March 2021 (Unreviewed)</i>
Staff cost	9,069	8,616
Professional fees	4,287	1,473
Registration fees	2,099	2,099
Bank charges	1,481	1,353
Information system	475	392
Utilities	902	854
Insurance costs	882	1,023
Advertising costs	318	114
Communication	496	542
Printing and stationery	162	142
Other general and administrative expenses	759	696
	<u>20,930</u>	<u>17,304</u>

(1) Staff cost includes a provision for employees' end of service benefits of QR 2,446 (three-month period ended 31 March 2021 : QR 987.

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15 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 three months ended 31 March 2022 (Unreviewed)</i>	<i>For the three months ended 31 March 2021 (Unreviewed)</i>
Profit for the period attributable to owners of the Company (in QR'000)	<u>153,601</u>	<u>147,309</u>
Weighted average number of shares outstanding during the period (thousands of share)	<u>26,524,967</u>	<u>26,524,967</u>
Basic and diluted earnings per share (in QR)	<u>0.0058</u>	<u>0.0056</u>

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>31 March 2022 (Unreviewed)</i>	<i>31 December 2021 (Audited)</i>
Bank guarantees	<u>2,624</u>	<u>5,519</u>

Commitments

(i) Capital expenditure commitments

The Group has contractual commitments to contractors and suppliers amounting to QR 1,062,090 (31 December 2021: QR 1,084,197) for development of investment property projects.

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17 OPERATING SEGMENTS

The Group has five 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 Management 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:

For the three months ended 31 March 2022(Unreviewed)

	<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	334,238	69,926	34,449	18,984	(2,237)	455,360
Segment expenses	(271,939)	644	(17,747)	(11,058)	(2,001)	(302,101)
Segment profit	62,299	70,570	16,702	7,926	(4,238)	153,259

For the three months ended 31 March 2021 (Unreviewed)

	<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	273,935	83,864	33,166	18,352	(2,649)	406,668
Segment expenses	(239,960)	(1)	(17,121)	(7,207)	4,956	(259,333)
Segment profit	33,975	83,863	16,045	11,145	2,307	147,335

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17 OPERATING SEGMENTS (CONTINUED)

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 31 March 2022(Unreviewed)</i>	<u>44,683,141</u>	<u>4,076,305</u>	<u>4,188,804</u>	<u>1,410,753</u>	<u>(2,505,611)</u>	<u>51,853,392</u>
<i>As at 31 December 2021 (Audited)</i>	<u>43,368,511</u>	<u>3,460,870</u>	<u>4,162,149</u>	<u>1,408,668</u>	<u>(2,215,678)</u>	<u>50,184,520</u>
<i>As at 31 March 2022(Unreviewed)</i>	<u>20,493,174</u>	<u>668,574</u>	<u>153,907</u>	<u>32,430</u>	<u>(2,497,934)</u>	<u>18,850,151</u>
<i>As at 31 December 2021 (Audited)</i>	<u>19,236,289</u>	<u>758,127</u>	<u>152,136</u>	<u>38,633</u>	<u>(2,214,643)</u>	<u>17,970,542</u>

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 31 March 2022(Unreviewed)</i>						
Financial assets measured at fair value						
Equity investments	3,306,252	-	3,306,252	-	-	3,306,254
Financial assets not measured at fair value						
Trade and other receivables	-	174,841	-	-	-	-
Cash and bank balances	-	2,021,289	-	-	-	-
Financial liabilities measured at fair value and amortized cost						
Sukuk – listed	-	1,770,655	1,808,425	-	-	1,808,425
Islamic financing – others	-	11,394,711	-	-	-	-
Trade and other payables	-	5,023,399	-	-	-	-

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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 2021(Audited)</i>						
Financial assets measured at fair value						
Equity investments	2,671,864	-	2,671,864	-	-	2,671,864
Financial assets not measured at fair value						
Trade and other receivables	-	170,725	-	-	-	-
Cash and bank balances	-	1,088,806	-	-	-	-
Financial liabilities measured at fair value and amortized cost						
Sukuk – listed	-	1,749,855	1,737,912	-	-	1,737,912
Islamic financing – others	-	11,481,315	-	-	-	-
Trade and other payables	-	4,106,114	-	-	-	-

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18 FAIR VALUES AND RISK MANAGEMENT (CONTINUED)

INVESTMENT PROPERTY

	<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 31 March 2022 (Unreviewed)</i>					
Completed properties	41,373,849	-	-	41,373,849	41,373,849
Vacant land	1,052,337	-	1,052,337	-	1,052,337
Projects Under development	2,530,652	-	-	2,530,652	2,530,652
	<u>44,956,838</u>	-	<u>1,052,337</u>	<u>43,904,501</u>	<u>44,956,838</u>
<i>As at 31 December 2021 (Audited)</i>					
Completed properties	41,339,034	-	-	41,339,034	41,339,034
Vacant land	1,052,337	-	1,052,337	-	1,052,337
Projects Under development	2,436,021	-	-	2,436,021	2,436,021
	<u>44,827,392</u>	-	<u>1,052,337</u>	<u>43,775,055</u>	<u>44,827,392</u>

*Fair valuation of investment property is not carried out as at 31 March 2022; categorization into fair value hierarchy levels is based on methods used during valuation at 31 December 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.