

**EZDAN HOLDING GROUP Q.P.S.C.**  
**CONDENSED CONSOLIDATED INTERIM**  
**FINANCIAL STATEMENTS**

**30 JUNE 2022**

**EZDAN HOLDING GROUP Q.P.S.C.**  
**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

---

<b>Contents</b>	<b>Page (s)</b>
<b>Report on review of condensed consolidated interim financial statements</b>	<b>1 - 2</b>
<b>Condensed consolidated interim financial statements:</b>	
Condensed consolidated interim statement of financial position	3
Condensed consolidated interim statement of profit or loss	4
Condensed consolidated interim statement of comprehensive income	5
Condensed consolidated interim statement of changes in equity	6 - 7
Condensed consolidated interim statement of cash flows	8
Notes to the condensed consolidated interim financial statements	9 - 30

**REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF EZDAN HOLDING GROUP Q.P.S.C.****Introduction**

We have reviewed the accompanying condensed consolidated interim statement of financial position of Ezdan Holding Group Q.P.S.C. (the "Company") and its subsidiaries (collectively referred as the "Group") as at 30 June 2022, together with the condensed consolidated interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes to the interim financial statements (the "condensed consolidated interim financial statements"). The Board of Directors of the Group is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

**Scope of review**

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

**Basis for qualified conclusion**

As described in the "Other matter" paragraph, the opinion expressed on the Company's consolidated financial statements as at and for the year ended 31 December 2021 was qualified due to the factors outlined below which are still unresolved as at and for the six-month period then ended 30 June 2022 and its effects on the current period's condensed consolidated interim financial statements is impractical to be quantified:

The Group measures its investment properties at fair value through profit or loss which amounted to QR 45,029,616 thousand and QR 44,827,392 thousand as at 30 June 2022 and 31 December 2021, respectively, after recognition of fair value loss of QR nil and QR 200,508 thousand for the six-month period ended 30 June 2022 and for the year ended 31 December 2021, respectively (Notes 9 and 18). The valuation of investment properties has been determined under the income approach using the discounted cash flow method. The Group's management believes that the fair values of investment properties as at 30 June 2022 and 31 December 2021 are approximately the same after considering the impact of development costs, capitalized finance costs and foreign exchange adjustments totalling to QR 202,224 thousand. However, in our view, the key assumptions and inputs used in the valuation models such as terminal yield and terminal growth rate for certain property types are not in line with the requirements of IFRS 13, Fair Value Measurement, and inconsistent with our understanding of the current status of the assets, external market information relevant to the industry in which the Group operates and the expectations of a market participants as at 31 December 2021. As such, it is impracticable for us to quantify the financial effects of any possible adjustments to the Group's investment properties, fair value gain / (loss) on investment properties recognized in the consolidated condensed interim statement of profit or loss and retained earnings as at and for the six-month period ended 30 June 2022.

**Qualified conclusion**

Based on our review, except for the effects of the matters described in the "Basis for qualified conclusion" section of our report, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements as at and for the six - month period then ended 30 June 2022 is not prepared, in all material respects, in accordance with IAS 34, Interim Financial Reporting.

**REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF EZDAN HOLDING GROUP Q.P.S.C. (CONTINUED)****Other matter**

The condensed consolidated interim financial statements as at and for the six-month period ended 30 June 2021 were reviewed, and the consolidated financial statements as at and for the year ended 31 December 2021 were audited, by another auditor, whose review and audit reports dated 12 August 2021 and 30 March 2022, respectively, expressed an unmodified review conclusion and a modified audit opinion thereon.

  
Ahmed Tawfik Nassim  
Auditor's Registration No. 66  
QFMA Registration No. 1201911  
11 August 2022  
Doha, State of Qatar





**EZDAN HOLDING GROUP Q.P.S.C.****CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**

AS AT 30 JUNE 2022

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

	Note	30 June 2022 (Reviewed)	31 December 2021 (Audited)
<b>ASSETS</b>			
Cash and bank balances	5	303,724	1,089,092
Trade and other receivables	6	99,935	92,874
Inventories		10,469	10,129
Equity investments	7	2,953,346	2,671,864
Equity-accounted investees and joint venture	8	726,569	788,278
Investment properties	9	45,029,616	44,827,392
Property and equipment		694,094	704,891
<b>TOTAL ASSETS</b>		<b>49,817,753</b>	<b>50,184,520</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Trade and other payables	10	5,762,262	4,782,792
Sukuk and Islamic financing	12	11,292,545	13,187,750
<b>TOTAL LIABILITIES</b>		<b>17,054,807</b>	<b>17,970,542</b>
<b>EQUITY</b>			
Share capital		26,524,967	26,524,967
Legal reserve		1,687,887	1,687,887
Fair value reserve		1,284,277	1,002,558
Foreign currency translation reserve		4,306	(1,546)
Retained earnings		3,541,538	3,279,146
<b>Equity attributable to owners of the Company</b>		<b>33,042,975</b>	<b>32,493,012</b>
<b>Non-controlling interests</b>		<b>(280,029)</b>	<b>(279,034)</b>
<b>TOTAL EQUITY</b>		<b>32,762,946</b>	<b>32,213,978</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>49,817,753</b>	<b>50,184,520</b>

These condensed consolidated interim financial statements were authorized for issue by the Group's Board of Directors on 11 August 2022.



Sheikh Thani Bin Abdulla Al-Thani  
Chairman



Tamer Fouad Mahmoud  
Group Chief Financial Officer



The accompanying notes from 1 to 20 are an integral part of these condensed consolidated interim financial statements.

**EZDAN HOLDING GROUP Q.P.S.C.****CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS**

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

	Note	<i>For the six-month period ended</i>	
		<i>30 June</i>	
		<i>2022</i>	<i>2021</i>
		<i>(Reviewed)</i>	<i>(Reviewed)</i>
Rental income	13	751,524	600,067
Other operating revenues	13	51,560	43,770
Operating expenses	14	(158,831)	(126,915)
<b>OPERATING PROFIT FROM MAIN OPERATIONS</b>		<b>644,253</b>	<b>516,922</b>
Dividend income from equity investments	7,13	86,830	70,215
Share of result of equity-accounted investees and joint venture	8,13	(23,299)	31,076
<b>NET OPERATING PROFIT</b>		<b>707,784</b>	<b>618,213</b>
Finance costs		(363,060)	(356,678)
Other income	13	4,780	5,939
General and administrative expenses	14	(44,540)	(39,633)
Depreciation of property and equipment		(13,166)	(15,427)
Impairment on trade and other receivables - net	6	(5,560)	(3,920)
Loss from foreign currency exchange		(24,841)	(36,224)
<b>PROFIT FOR THE PERIOD</b>		<b>261,397</b>	<b>172,270</b>
<i>Profit attributable to:</i>			
Owners of the Company	15	262,392	172,244
Non-controlling interests		(995)	26
		<b>261,397</b>	<b>172,270</b>
<b>BASIC AND DILUTED EARNINGS PER SHARE</b>	15	<b>0.010</b>	<b>0.006</b>



The accompanying notes from 1 to 20 are an integral part of these condensed consolidated interim financial statements.

**EZDAN HOLDING GROUP Q.P.S.C.****CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

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

	<b>Note</b>	<i>For the six-month period ended</i>	
		<b>30 June</b>	
		<b>2022</b>	<b>2021</b>
		<b>(Reviewed)</b>	<b>(Reviewed)</b>
<b>Profit for the period</b>		<b>261,397</b>	<b>172,270</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Equity investments at FVOCI - net change in fair value	7	<b>281,482</b>	13,823
Equity-accounted investees - share of OCI	8	<b>237</b>	44
		<b>281,719</b>	<b>13,867</b>
<i>Item that is or may be reclassified subsequently to profit or loss:</i>			
Foreign operations - foreign currency translation differences		<b>5,852</b>	(1,268)
		<b>5,852</b>	(1,268)
<b>Other comprehensive income for the period</b>		<b>287,571</b>	<b>12,599</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>548,968</b>	<b>184,869</b>
<i>Attributable to:</i>			
Owners of the Company		<b>549,963</b>	184,843
Non-controlling interests		<b>(995)</b>	26
		<b>548,968</b>	<b>184,869</b>



The accompanying notes from 1 to 20 are an integral part of these condensed consolidated interim financial statements.



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

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

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

		<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 reserve</i>	<i>Foreign currency translation reserve</i>	<i>Retained earnings</i>		
<b>Balance at 31 December 2021 (Audited)</b>		<b>26,524,967</b>	<b>1,687,887</b>	<b>1,002,558</b>	<b>(1,546)</b>	<b>3,279,146</b>	<b>(279,034)</b>	<b>32,213,978</b>
<b><i>Total comprehensive income for the period</i></b>								
Profit for the period		-	-	-	-	262,392	(995)	261,397
Other comprehensive income for the period		-	-	281,719	5,852	-	-	287,571
		-	-	281,719	5,852	262,392	(995)	548,968
<b>Balance at 30 June 2022 (Reviewed)</b>		<b>26,524,967</b>	<b>1,687,887</b>	<b>1,284,277</b>	<b>4,306</b>	<b>3,541,538</b>	<b>(280,029)</b>	<b>32,762,946</b>

(1) In accordance with the requirements of the Qatar Commercial Companies Law No. 11 of 2015 and the Company's Article of Association, a minimum of 10% of the annual profit should be transferred to legal reserve until the reserve equals 50% of the share capital. The reserve is not available for distribution except in the circumstances stipulated in the above law and the Company's Article of Association. No transfer has been made for the six-month period ended 30 June 2022 and 30 June 2021 as the Group will transfer the total required amount by 31 December 2022 and 31 December 2021.





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

## **CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

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

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



The accompanying notes from 1 to 20 are an integral part of these condensed consolidated interim financial statements.

**EZDAN HOLDING GROUP Q.P.S.C.****CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS**

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

	Note	For the six-month period ended 30 June	
		2022 (Reviewed)	2021 (Reviewed)
<b>OPERATING ACTIVITIES</b>			
Profit for the period		261,397	172,270
<i>Adjustments for:</i>			
Provision for impairment of trade and other receivables	6	5,560	3,920
Dividend income from equity investments	7	(86,830)	(70,215)
Share of result of equity-accounted investees and joint venture	8	23,299	(31,076)
Provision for employees' end of services' benefits	14	3,479	2,219
Depreciation of property and equipment		13,166	15,427
Loss on sale of property and equipment		-	4
Finance income		(3,775)	(4,900)
Finance costs		363,060	356,678
<b>Operating profit before changes in working capital</b>		<b>579,356</b>	<b>444,327</b>
<i>Working capital changes:</i>			
Trade and other receivables		(12,619)	26,308
Inventories		(340)	(585)
Trade and other payables		(18,133)	8,227
<b>Cash generated from operating activities</b>		<b>548,264</b>	<b>478,277</b>
Employees' end of service benefits paid		(1,064)	(229)
<b>Net cash generated from operating activities</b>		<b>547,200</b>	<b>478,048</b>
<b>INVESTING ACTIVITIES</b>			
Payments for development of investment property		(61,669)	(51,659)
Payments for purchases of equity investments	7	-	(47,974)
Proceeds from sale of equity investments	7	-	47,984
Additions to property and equipment		(2,369)	(472)
Net movement in restricted bank balances		2,791	(1,971)
Dividends received		125,451	105,272
Net movement in bank deposits		-	36,415
Profit on Islamic bank accounts received		3,775	4,900
<b>Net cash generated from investing activities</b>		<b>67,979</b>	<b>92,495</b>
<b>FINANCING ACTIVITIES</b>			
Proceeds from borrowing from other related party	11	824,239	1,800,000
Repayments for Sukuk and Islamic financing	12	(2,210,257)	(2,017,817)
Movement in transaction costs		855	6,355
Dividends paid		(29,400)	(31,400)
<b>Net cash used in financing activities</b>		<b>(1,414,563)</b>	<b>(242,862)</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>			
		(799,384)	327,681
Net foreign exchange differences		16,807	(3,769)
Cash and cash equivalents as of 1 January	5	1,083,573	611,321
<b>CASH AND CASH EQUIVALENTS AT 30 JUNE</b>	<b>5</b>	<b>300,996</b>	<b>935,233</b>

**Non-cash transactions**

Development costs of investment property (Note 11)	131,051	206,955
--	---------	---------



The accompanying notes from 1 to 20 are an integral part of these condensed consolidated interim financial statements.

**EZDAN HOLDING GROUP Q.P.S.C.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

**1. REPORTING ENTITY AND PRINCIPAL ACTIVITIES**

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

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, owing 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>30 June 2022</i>	<i>31 Dec 2021</i>	<i>30 June 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 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 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 for Partnership Company W.L.L. (1)	Qatar	Marketing and management	-	-	100%
Ezdan for Cleaning Company W.L.L. (1)	Qatar	General cleaning of buildings	-	-	100%
Ezdan for Landscape Company W.L.L. (1)	Qatar	Sewerage and sanitary contracting services	-	-	100%
Alraed for Sewerage Company W.L.L. (1)	Qatar	Sewerage and sanitary contracting services	-	-	100%
Ezdan for Transactions Clearance Company W.L.L. (1)	Qatar	Transaction clearance services	-	-	100%

(1) In the year 2021, the Group’s management decided to cancel the Commercial Registration of the above dormant entities with the Ministry of Commerce and Industry. These entities does not have any assets and liabilities to be disclosed in condensed consolidated financial statements.

The Parent of the Group is Al-Tadawul Trading Group Q.P.S.C. (“Tadawul”) which owns directly approximately 54% of the share capital of the Group as at 30 June 2022 and 31 December 2021.

The structure of the Group has not changed since the last annual consolidated financial statements as at and for the year ended 31 December 2021 (the “latest annual financial statements”).

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

### **NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

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

---

## **2. BASIS OF ACCOUNTING**

These condensed consolidated interim financial statements for the six-month period ended 30 June 2022 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 consolidated 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 interim financial position and interim performance since the last annual financial statements.

These condensed consolidated interim financial statements were authorized for issue by the Group’s Board of Directors on 11 August 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.

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

### **Measurement of fair values**

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

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

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

*Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities

*Level 2:* inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

*Level 3:* inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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



**EZDAN HOLDING GROUP Q.P.S.C.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

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

**3. USE OF JUDGEMENTS AND ESTIMATES (CONTINUED)****Measurement of fair values (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.

The Group engaged independent external valuers to determine the fair value of its investment properties. The Group's management believes that the fair values of investment properties as at 30 June 2022 and 31 December 2021 are approximately the same after considering the impact of development costs, capitalized finance costs and foreign exchange adjustments totalling to QR 202,224.

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.

**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 2021.

A number of new amendments to standards are effective from 1 January 2022, 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 2022 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:

	<b>30 June 2022 (Reviewed)</b>	<b>31 December 2021 (Audited)</b>
Cash on hand	<b>2,430</b>	286
<i>Cash at banks and other financial institutions</i>		
Saving and call accounts (1)	<b>235,351</b>	1,048,345
Current accounts	<b>63,215</b>	34,942
Margin accounts	<b>2,728</b>	5,519
<i>Total cash at banks and other financial institutions</i>	<b>301,294</b>	1,088,806
<b><i>Cash and bank balances in the statement of financial position</i></b>	<b>303,724</b>	1,089,092
Less: restricted bank balances (2)	<b>(2,728)</b>	(5,519)
<b><i>Cash and bank balances in the statement of cash flows</i></b>	<b>300,996</b>	1,083,573

(1) This balance includes short-term deposits with banks of QR 91,037 (31 December 2021: QR 618,917).

(2) Restricted bank balances represent cash margin (letter of bank guarantees) and are not available for use by the Group (Note 16).

**EZDAN HOLDING GROUP Q.P.S.C.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

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

**6. TRADE AND OTHER RECEIVABLES**

	<b>30 June 2022</b>	<b>31 December 2021</b>
	<b>(Reviewed)</b>	<b>(Audited)</b>
Tenant receivables – net	<b>55,296</b>	56,025
Advances to suppliers and contractors	<b>18,866</b>	16,708
Prepaid expenses	<b>11,110</b>	4,463
Refundable deposits – net	<b>8,353</b>	8,242
Due from related parties - net (Note 11(b.i))	<b>639</b>	643
Accrued interest income	<b>210</b>	1,107
Net other receivables and debit balances	<b>5,461</b>	5,686
	<b>99,935</b>	92,874

The maturity of trade and other receivables are as follows:

	<b>Current</b>	<b>Non- current</b>	<b>Total</b>
<b>30 June 2022</b>			
Tenant receivables – net	<b>55,296</b>	-	<b>55,296</b>
Advances to suppliers and contractors	<b>18,866</b>	-	<b>18,866</b>
Prepaid expenses	<b>11,110</b>	-	<b>11,110</b>
Refundable deposits – net	-	<b>8,353</b>	<b>8,353</b>
Due from related parties - net	<b>639</b>	-	<b>639</b>
Accrued interest income	<b>210</b>	-	<b>210</b>
Net other receivables and debit balances	<b>5,461</b>	-	<b>5,461</b>
	<b>91,582</b>	<b>8,353</b>	<b>99,935</b>
<b>31 December 2021</b>			
Tenant receivables – net	56,025	-	56,025
Advances to suppliers and contractors	16,708	-	16,708
Refundable deposits – net	-	8,242	8,242
Prepaid expenses	4,463	-	4,463
Due from related parties - net	643	-	643
Accrued interest income	1,107	-	1,107
Net other receivables and debit balances	5,686	-	5,686
	84,632	8,242	92,874

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

	<b>30 June 2022</b>	<b>31 December 2021</b>
	<b>(Reviewed)</b>	<b>(Audited)</b>
At the beginning of the period / year	<b>100,129</b>	104,572
Provision made during the period / year	<b>6,515</b>	7,174
Provision reversed during the period / year	<b>(955)</b>	(9,000)
Provision written-off	-	(2,617)
At the end of the period / year	<b>105,689</b>	100,129

**EZDAN HOLDING GROUP Q.P.S.C.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

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

**6. TRADE AND OTHER RECEIVABLES (CONTINUED)**

The allowance for impairment of trade and other receivables consists of:

	<b>30 June 2022</b>	<b>31 December 2021</b>
	<b>(Reviewed)</b>	<b>(Audited)</b>
Tenants receivables	<b>97,929</b>	92,369
Other receivables	<b>7,760</b>	7,760
	<b>105,689</b>	100,129

**7. EQUITY INVESTMENTS**

	<b>30 June 2022</b>	<b>31 December 2021</b>
	<b>(Reviewed)</b>	<b>(Audited)</b>
At the beginning of the period / year	<b>2,671,864</b>	2,549,407
Purchases	-	47,973
Disposals	-	(47,984)
Net change in fair values	<b>281,482</b>	122,468
At the end of the period / year	<b>2,953,346</b>	2,671,864

The equity investments consist of:

	<b>30 June 2022</b>	<b>31 December 2021</b>
	<b>(Reviewed)</b>	<b>(Audited)</b>
Quoted shares (1)	<b>2,953,346</b>	2,671,864

The quoted shares are the Group's equity investments that are designated by the Group as Fair Value Through Other Comprehensive Income (FVTOCI).

*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 June 2022</b>	<b>31 December 2021</b>
	<b>(Reviewed)</b>	<b>(Audited)</b>
<i>Quoted shares listed at Qatar Stock Exchange (QSE)</i>		
Banks and financial institutions	<b>2,899,438</b>	2,610,652
Insurance	<b>38,167</b>	42,121
Consumer goods and services	<b>15,027</b>	18,314
Industries	<b>714</b>	777
	<b>2,953,346</b>	2,671,864

**EZDAN HOLDING GROUP Q.P.S.C.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

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

**7. EQUITY INVESTMENTS (CONTINUED)**

The Group generated dividend income from the equity investments amounting to QR 86,830 (2021: QR 70,215) during the period.

On 12 April 2021, the Group disposed investment in quoted shares in transportation, telecommunication, real estate, consumer goods and services and other industries amounts to QR 47,984. The original cost of these investment in quoted shares was QR 45,793 resulting to gain on sale of equity investment amounting to QR 2,191 in which the Group transferred fair value reserves to retained earnings account for the six-month period ended 30 June 2021. There were no disposals during the six-month period ended 30 June 2022.

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

The Group has following equity-accounted investees and joint venture:

	<i><u>Country of incorporation</u></i>	<i><u>Ownership interest</u></i>		<i><u>30 June 2022</u></i>	<i><u>31 December 2021</u></i>
		<i><u>30 June 2022</u></i>	<i><u>31 December 2021</u></i>		
<i><b>Associates:</b></i>		<i><b>(Reviewed)</b></i>	<i><b>(Audited)</b></i>	<i><b>(Reviewed)</b></i>	<i><b>(Audited)</b></i>
Qatar International Islamic Bank Q.P.S.C. (QIIB)	Qatar	<b>6.04%</b>	6.04%	<b>590,827</b>	598,782
Medicare Group Q.P.S.C.	Qatar	<b>2.00%</b>	2.00%	<b>40,222</b>	40,712
Qatar Islamic Insurance Group Q.P.S.C. (QIIG)	Qatar	<b>4.92%</b>	4.92%	<b>51,685</b>	49,675
<b>Total of associates</b>				<b>682,734</b>	689,169
<i><b>Joint venture:</b></i>					
White Square Real Estate W.L.L.	Qatar	<b>32.50%</b>	32.50%	<b>43,835</b>	99,109
				<b>726,569</b>	788,278

The Group recognized its share in the operating results of its associates / joint venture amounting to loss of QR 23,299 (six-month period ended 30 June 2021: gain of QR 31,076) during the period.

The total fair market value of the equity-accounted investees amounting to QR 1,077,916 (31 December 2021: QR 948,340) 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.



**EZDAN HOLDING GROUP Q.P.S.C.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

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

**8. EQUITY-ACCOUNTED INVESTEEES AND JOINT VENTURE (CONTINUED)**

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

	<b>30 June 2022</b>	<b>31 December 2021</b>
	<b>(Reviewed)</b>	<b>(Audited)</b>
At the beginning of the period / year	<b>788,278</b>	816,653
Dividends received	<b>(38,620)</b>	(36,031)
Share of results	<b>(23,299)</b>	7,545
Share of net movement in other comprehensive income	<b>237</b>	129
Share of the net movement of translation reserve	<b>(27)</b>	(18)
At the end of the period / year	<b>726,569</b>	788,278

**9. INVESTMENT PROPERTIES**

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

	<b>30 June 2022</b>	<b>31 December 2021</b>
	<b>(Reviewed)</b>	<b>(Audited)</b>
At the beginning of the period / year	<b>44,827,392</b>	44,512,585
Net loss from change in fair value of investment properties	-	(200,508)
Development costs	<b>192,720</b>	480,787
Transfers from property and equipment	-	102
Disposals of investment property	-	(5,363)
Foreign exchange adjustments	<b>(10,931)</b>	(487)
Capitalized finance costs on investment properties under development	<b>20,435</b>	40,276
At the end of the period / year	<b>45,029,616</b>	44,827,392

Investment properties consist of:

Completed properties	<b>41,399,939</b>	41,339,034
Vacant land	<b>1,052,337</b>	1,052,337
Projects under development	<b>2,577,340</b>	2,436,021
	<b>45,029,616</b>	44,827,392

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 valuers are accredited independent valuers with a recognized and relevant professional qualification and with recent experience in the location and category of those investment property being valued. In arriving at estimated market values, the valuers have used their market knowledge and professional judgment and not only relied on historical 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").

The Group did not perform a fair valuation of investment properties at 30 June 2022. The Group's management believes that the fair values of investment properties as at 30 June 2022 and 31 December 2021 are approximately the same after considering the impact of development costs, capitalized finance costs and foreign exchange adjustments totalling to QR 202,224.

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****AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

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

**10. TRADE AND OTHER PAYABLES**

	<i>30 June 2022</i>	<i>31 December 2021</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
Due to related parties (Note 11(b.ii))	4,823,799	3,843,683
Dividend payables	565,718	595,118
Tenants' deposits	161,506	154,405
Unearned rent income	88,194	44,797
Payables to contractors and suppliers (Note 11(c))	56,170	47,288
Accrued expenses	14,591	23,839
Provision for employees' end of service benefits	13,811	11,396
Retention payable	1,346	25,935
Provision for Social and Sports Activities Fund	-	1,528
Other payables	37,127	34,803
	<b>5,762,262</b>	<b>4,782,792</b>

The maturity of trade and other payables are as follows:

	<i>30 June 2022</i>	<i>31 December 2021</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
Non-current	2,632,281	1,828,807
Current	3,129,981	2,953,985
	<b>5,762,262</b>	<b>4,782,792</b>

**11. RELATED PARTY DISCLOSURES**

Transactions with related parties are as follows:

**(a) Related party transactions**

	<i>For the six-month period ended 30 June</i>	
	<i>2022</i>	<i>2021</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
<b><i>Transactions with entities under common control:</i></b>		
Development costs of investment property (1)	170,795	237,321
Capitalized finance costs	19,189	17,434
<b><i>Transactions with associates:</i></b>		
Expensed-out finance costs (2)	50,077	50,563
<b><i>Transactions with related parties:</i></b>		
Rental income	607	1,202
<b><i>Transactions with key management personnel:</i></b>		
Allowances of key management personnel	2,502	3,152
<b><i>Transaction with other related party:</i></b>		
Financing received – net (3)	826,672	1,803,899

(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.

**EZDAN HOLDING GROUP Q.P.S.C.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

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

**11. RELATED PARTY DISCLOSURES (CONTINUED)**

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

(3) These include borrowings directly or indirectly received from other related party amounting to QR 824,239 (31 December 2021: QR 1,800,000).

**(b.i) Due from related parties**

	<u>30 June 2022</u>	<u>31 December 2021</u>
	<i>(Reviewed)</i>	<i>(Audited)</i>
<i>Parent Company:</i>		
Al-Tadawul Trading Group Q.P.S.C.	637	641
<i>Joint venture:</i>		
White Square Real Estate Company W.L.L.	<u>2</u>	<u>2</u>
	<u>639</u>	<u>643</u>

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

**(b.ii) Due to related parties**

	<u>30 June 2022</u>	<u>31 December 2021</u>
	<i>(Reviewed)</i>	<i>(Audited)</i>
<i>Entity under common control:</i>		
Due to SAK Holding Group W.L.L. (1) (2)	859,309	705,865
<i>Other related parties:</i>		
Financing received from other related parties (2)	1,333,516	1,333,697
Borrowing directly or indirectly through other related party (3)	<u>2,630,974</u>	<u>1,804,121</u>
	<u>4,823,799</u>	<u>3,843,683</u>

(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, payable on demand and to be settled in cash.

(3) During the period / year, the Group obtained unsecured borrowing amounting to QR 824,239 (31 December 2021: QR 1,800,000) directly or indirectly through other related party to repay its existing Sukuk. The unsecured borrowings carry profits at commercial rates. The maturity of unsecured borrowings is 12 years (31 December 2021: 10 years) and includes non-current balance amounting to QR 2,617,124 (31 December 2021: QR 1,799,972).

**(c) Other related party payables**

	<u>30 June 2022</u>	<u>31 December 2021</u>
	<i>(Reviewed)</i>	<i>(Audited)</i>
<i>Equity accounted investees :</i>		
Secured Islamic financing borrowings from QIIB (Note 12)	1,913,708	1,903,224
Trade payables to QIIG (Note 10)	<u>5,225</u>	<u>3,426</u>

**EZDAN HOLDING GROUP Q.P.S.C.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

**11. RELATED PARTY DISCLOSURES (CONTINUED)****(d) Compensation of directors and other key management personnel**

The remuneration of directors and other key management personnel during the period is as follows :

	<i>For the six-month period ended 30 June</i>	
	<i>2022</i>	<i>2021</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Allowances of key management personnel (Note 11(a))	<b>2,502</b>	3,152

**12. SUKUK AND ISLAMIC FINANCING**

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

	<i>30 June 2022</i>	<i>31 December 2021</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
At the beginning of the period / year	<b>13,231,170</b>	14,814,471
Finance costs	<b>314,197</b>	678,068
Repayments (1)	<b>(2,210,257)</b>	(2,261,369)
Total	<b>11,335,110</b>	13,231,170
Less: transaction costs	<b>(42,565)</b>	(43,420)
At the end of the period / year	<b>11,292,545</b>	13,187,750

The maturity of these borrowings are as follows:

	<i>30 June 2022</i>	<i>31 December 2021</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
Non-current portion	<b>10,754,129</b>	11,117,275
Current portion	<b>538,416</b>	2,070,475
	<b>11,292,545</b>	13,187,750

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

<i>Type of facility</i>	<i>Currency</i>	<i>Condition</i>	<i>Profit rates / terms</i>	<i>30 June 2022</i>	<i>31 December 2021</i>
				<i>(Reviewed)</i>	<i>(Audited)</i>
Ijara	QR	Secured	QMRL rate	<b>4,360,846</b>	4,472,977
Murabaha	QR	Secured	QMRL rate	<b>6,755,296</b>	6,751,881
Murabaha	USD	Secured	1Y/3 M LIBOR	<b>218,968</b>	256,457
Sukuk financings	USD	Unsecured	4.375% / 4.875%	-	1,749,855
				<b>11,335,110</b>	13,231,170

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.



**EZDAN HOLDING GROUP Q.P.S.C.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

**12. SUKUK AND ISLAMIC FINANCING (CONTINUED)**

The Group recognized finance costs amounting to QR 314,197 (six-month period ended 30 June 2021: QR 344,278) during the period. The Group's borrowings are secured against mortgages on different types of investment properties (Note 9) owned by the Group with a carrying value of QR 18,927,714 (31 December 2021: QR 19,898,856).

(1) As part of a Sharia's approved programme to issue QR 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 costs of QR 10,086 and QR 9,959, respectively. The Sukuks were issued at an annual fixed profit rate of 4.375% and 4.875% paid semi-annually with a tenor of five years maturing in May 2021 and April 2022. The Sukuks are listed on the Irish Stock Exchange. During the six-month period ended 30 June 2021, the Group has settled the first tranches of Sukuk by obtaining borrowings directly or indirectly through other related party amounting to QR 1,800,000 and the second tranche of Sukuk by obtaining borrowings directly or indirectly through other related party amounting to QR 824,239 by 30 June 2022 (Note 11).

**13. RENTAL INCOME AND OTHER OPERATING REVENUES**

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

**Disaggregation of revenues**

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 revenues with the Group's reportable segments (Note 17).

**A. Disaggregation of revenues based on major revenue streams:**

<i>For the six-month period ended 30 June 2022 (Reviewed)</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) (Note 16)</b>	<b>665,089</b>	<b>-</b>	<b>55,763</b>	<b>30,672</b>	<b>751,524</b>
<b>Revenue under IFRS 15</b>					
<i>Major service lines</i>					
Food and beverage	-	-	8,704	-	8,704
Health club	-	-	1,006	-	1,006
Internet	-	-	731	-	731
Laundry	-	-	282	-	282
Entertainment	-	-	-	21	21
Provision of utilities services	12,640	-	-	-	12,640
Common area charges	-	-	-	9,283	9,283
Marketing services	-	-	-	2,330	2,330
Property management services	4,273	-	-	-	4,273
Others	10,930	-	98	1,262	12,290
<b>Revenue under IFRS 15 (Note 13.B)</b>	<b>27,843</b>	<b>-</b>	<b>10,821</b>	<b>12,896</b>	<b>51,560</b>

**EZDAN HOLDING GROUP Q.P.S.C.**
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**
**AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

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

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

<i>For the six-month period 30 June 2022 (Reviewed)</i>	<i>Revenue streams</i>				<i>Total</i>
	<i>Residential and commercial property</i>	<i>Investments</i>	<i>Hotel and suites</i>	<i>Malls</i>	
<b>Income from investments and other income</b>					
Dividend income from equity investments (Note 7)	-	86,830	-	-	86,830
Share of result of equity- accounted investees and joint venture (Note 8)	-	(23,299)	-	-	(23,299)
Other income	4,702	55	19	4	4,780
	<u>4,702</u>	<u>63,586</u>	<u>19</u>	<u>4</u>	<u>68,311</u>
External revenue as reported in Note 17	<u>697,634</u>	<u>63,586</u>	<u>66,603</u>	<u>43,572</u>	<u>871,395</u>
<i>Revenue streams</i>					
<i>For the six-month period ended 30 June 2021 (Reviewed)</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) (Note 16)</b>	521,957	-	54,755	23,355	600,067
<b>Revenue under IFRS 15</b>					
<i>Major service lines</i>					
Food and beverage	-	-	7,061	-	7,061
Health club	-	-	877	-	877
Internet	-	-	714	-	714
Laundry	-	-	389	-	389
Entertainment	-	-	-	237	237
Provision of utilities services	11,167	-	-	-	11,167
Common area charges	-	-	-	9,973	9,973
Marketing services	-	-	-	2,506	2,506
Property management services	4,311	-	-	-	4,311
Others	5,048	-	125	1,362	6,535
Revenue under IFRS 15 (Note 13.B)	<u>20,526</u>	<u>-</u>	<u>9,166</u>	<u>14,078</u>	<u>43,770</u>

**EZDAN HOLDING GROUP Q.P.S.C.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

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

<i>For the six-month period ended 30 June 2021 (Reviewed)</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>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)	-	31,076	-	-	31,076
Other income	5,614	25	297	3	5,939
	<u>5,614</u>	<u>101,316</u>	<u>297</u>	<u>3</u>	<u>107,230</u>
External revenue as reported in Note 17	<u>548,097</u>	<u>101,316</u>	<u>64,218</u>	<u>37,436</u>	<u>751,067</u>

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

	<b>Timing of revenue recognition</b>	<i>For the six-month period ended 30 June</i>	
		<i>2022 (Reviewed)</i>	<i>2021 (Reviewed)</i>
Provision of utilities services	<b>Over the time</b>	<b>12,640</b>	11,167
Common area charges	<b>Over the time</b>	<b>9,283</b>	9,973
Food and beverage	<b>Point in time</b>	<b>8,704</b>	7,061
Property management services	<b>Over the time</b>	<b>4,273</b>	4,311
Marketing services	<b>Point in time</b>	<b>2,330</b>	2,506
Health club	<b>Over the time</b>	<b>1,006</b>	877
Internet	<b>Over the time</b>	<b>731</b>	714
Laundry	<b>Over the time</b>	<b>282</b>	389
Entertainment	<b>Over the time</b>	<b>21</b>	237
Others	<b>Over the time</b>	<b>12,290</b>	6,535
Revenue under IFRS 15 (Note 13.A)		<u><b>51,560</b></u>	<u>43,770</u>

**EZDAN HOLDING GROUP Q.P.S.C.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

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

**14. EXPENSES***Operating expenses:*

	<i>For the six-month period ended 30 June</i>	
	<i>2022 (Reviewed)</i>	<i>2021 (Reviewed)</i>
Utilities	46,008	40,447
Staff cost (1)	40,074	30,933
Repairs and maintenance	26,852	22,062
Sewage	18,651	12,967
Security	6,828	5,758
Cleaning	6,003	4,506
Food and beverages	2,361	1,760
Advertising costs	1,682	856
Laundry and dry cleaning	1,616	1,315
Commissions	1,071	360
Fuel	350	127
Other operating expenses	7,335	5,824
	<b>158,831</b>	<b>126,915</b>

*General and administrative expenses:*

	<i>For the six-month period ended 30 June</i>	
	<i>2022 (Reviewed)</i>	<i>2021 (Reviewed)</i>
Staff cost (1)	17,688	15,749
Professional fees	11,239	9,043
Registration fees	4,202	4,193
Bank charges	3,398	2,631
Utilities	1,814	2,070
Insurance costs	1,691	2,002
Communication	990	1,080
Advertising costs	636	276
Printing and stationery	303	298
Other general and administrative expenses (2)	2,579	2,291
	<b>44,540</b>	<b>39,633</b>

(1) Staff cost includes a provision for employees' end of service benefits of QR 3,479 (six-month period ended 30 June 2021: QR 2,219) during the period.

(2) This mainly include information system expenses and hospitality expenses incurred by the Group 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.



**EZDAN HOLDING GROUP Q.P.S.C.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

**15. BASIC AND DILUTED EARNINGS PER SHARE (CONTINUED)**

	<i>For the six-month period ended 30 June</i>	
	<i>2022</i>	<i>2021</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Profit for the period attributable to owners of the Company	<u>262,392</u>	<u>172,244</u>
Weighted average number of shares outstanding during the period (thousands of shares)	<u>26,524,967</u>	<u>26,524,967</u>
Basic and diluted earnings per share	<u>0.010</u>	<u>0.006</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>30 June 2022</i>	<i>31 December 2021</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
Bank guarantees	<u>2,728</u>	<u>5,519</u>

The Group anticipates that no material liabilities will arise from the above guarantees which are issued in the ordinary course of the business (Note 5).

**Commitments****(i) Capital expenditure commitments:**

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

	<i>30 June 2022</i>	<i>31 December 2021</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
Contractual commitments to contractors and suppliers for development of investment property projects	<u>935,619</u>	<u>1,084,197</u>

**(ii) Operating lease commitments:***Group as a lessor:*

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

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

**EZDAN HOLDING GROUP Q.P.S.C.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

**16. CONTINGENT LIABILITIES AND COMMITMENTS****(ii) Operating lease commitments (continued):**

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

	<b>30 June 2022</b>	<b>31 December 2021</b>
	<b>(Reviewed)</b>	<b>(Audited)</b>
No later than one year	<b>940,573</b>	896,294
Later than one year and no later than five years	<b>285,588</b>	300,122
More than five years	<b>204,596</b>	207,933
	<b>1,430,757</b>	1,404,349

**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 six-month period:

<b>For the six-month period ended 30 June 2022 (Reviewed)</b>	<b>Residential and commercial property</b>	<b>Investments</b>	<b>Hotel and suites</b>	<b>Malls</b>	<b>Adjustments and eliminations</b>	<b>Total</b>
Segment income (Note 13)	<b>699,735</b>	<b>64,236</b>	<b>69,043</b>	<b>43,572</b>	<b>(4,541)</b>	<b>872,045</b>
Segment expenses	<b>(542,851)</b>	<b>(9)</b>	<b>(37,856)</b>	<b>(18,131)</b>	<b>(11,801)</b>	<b>(610,648)</b>
Segment profit	<b>156,884</b>	<b>64,227</b>	<b>31,187</b>	<b>25,441</b>	<b>(16,342)</b>	<b>261,397</b>

*For the six-month  
period ended  
30 June 2021  
(Reviewed)*

Segment income (Note 13)	550,159	101,316	67,454	37,436	(5,298)	751,067
Segment expenses	(538,512)	(2)	(35,193)	(14,145)	9,055	(578,797)
Segment profit	11,647	101,314	32,261	23,291	3,757	172,270

**EZDAN HOLDING GROUP Q.P.S.C.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

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

**17. OPERATING SEGMENTS (CONTINUED)**

<i>Segment assets</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>
<b>As at 30 June 2022 (Reviewed)</b>	<b>43,267,270</b>	<b>3,679,927</b>	<b>4,226,052</b>	<b>1,427,367</b>	<b>(2,782,863)</b>	<b>49,817,753</b>
As at 31 December 2021 (Audited)	43,368,511	3,460,870	4,162,149	1,408,668	(2,215,678)	50,184,520
<b>Segment liabilities</b>						
<b>As at 30 June 2022 (Reviewed)</b>	<b>18,999,851</b>	<b>631,263</b>	<b>157,084</b>	<b>30,595</b>	<b>(2,763,986)</b>	<b>17,054,807</b>
As at 31 December 2021 (Audited)	19,236,289	758,127	152,136	38,633	(2,214,643)	17,970,542

**EZDAN HOLDING GROUP Q.P.S.C.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

**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>
<b>As at 30 June 2022 (Reviewed)</b>						
<b>Financial assets measured at fair value</b>						
Equity investments	2,953,346	-	2,953,346	-	-	2,953,346
<b>Financial assets not measured at fair value</b>						
Trade and other receivables	-	175,438	-	-	-	-
Cash and cash equivalents	-	300,844	-	-	-	-
<b>Financial liabilities not measured at fair value and amortized cost</b>						
Islamic financing – others	-	11,335,110	-	-	-	-
Trade and other payables	-	5,079,948	-	-	-	-

**EZDAN HOLDING GROUP Q.P.S.C.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

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

**EZDAN HOLDING GROUP Q.P.S.C.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

**18. FAIR VALUES AND RISK MANAGEMENT (CONTINUED)****INVESTMENT PROPERTIES**

		Fair Values*			
	Carrying amounts	Level 1	Level 2	Level 3	Total
As at 30 June 2022 (Reviewed)					
Completed properties	41,399,939	-	-	41,399,939	41,399,939
Vacant land	1,052,337	-	1,052,337	-	1,052,337
Projects under development	2,577,340	-	-	2,577,340	2,577,340
	45,029,616	-	1,052,337	43,977,279	45,029,616

	Carrying amounts	Fair Values*			
		Level 1	Level 2	Level 3	Total
As at 31 December 2021 (Audited)					
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
	44,827,392	-	1,052,337	43,775,055	44,827,392

\*Valuation of investment properties is not carried out as at 30 June 2022; categorization into fair value hierarchy levels is based on methods used during valuation at 31 December 2021. There are no transfers between level 2 and level 3 during the period / year.



**EZDAN HOLDING GROUP Q.P.S.C.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

**18. FAIR VALUES AND RISK MANAGEMENT (CONTINUED)****Valuation techniques and significant unobservable inputs**

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values at 30 June 2022 and 31 December 2021 for assets and liabilities measured at fair value in the condensed consolidated interim statement of financial position, as well as the significant unobservable inputs used. Related valuation processes are described in Note 3.

<i>Type</i>	<i>Valuation technique</i>	<i>Significant unobservable inputs</i>	<i>Inter-relationship between significant unobservable inputs and fair value measurement</i>
Investment property – Vacant land and residential / commercial properties in UK	<i>Market comparison technique:</i> The fair values are calculated as derived from the current market prices available for the properties or nearby / adjacent properties adjusted for any differences with the comparable properties etc.	Not Applicable	Not Applicable
Investment property – completed properties and projects under development	<i>Discounted cash flows:</i> The valuation model considers the present value of expected cash flows generated from investment property discounted using weighted average cost of the capital of the Group.	<u><i>Expected cash flows:</i></u> (30 June 2022 Not Applicable : 31 December 2021: from positive net cash flows of QR 1,443,127 to positive net cash flows of QR 2,326,814 from year 2022 to 2026 and a terminal value of QR 35,966,768). Refer to Note 20 for key assumptions and judgements used. <u><i>Weighted average cost of capital:</i></u> (30 June 2022 Not Applicable: 31 December 2021: 7% to 8.2%) <u><i>Terminal growth rate:</i></u> (30 June 2022 Not Applicable: 31 December 2021: 3%) <u><i>Terminal yield rate:</i></u> (30 June 2022 Not Applicable : 31 December 2021: 4% to 5.2%)	The estimated fair value would increase (decrease) if: - Expected cash flows were higher (lower), - Weighted average cost of capital were lower (higher); or - Terminal growth rate were higher (lower) - Terminal yield rate were lower (higher).
The Group has not valued its investment properties at 30 June 2022.			

**EZDAN HOLDING GROUP Q.P.S.C.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

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

---

**19. EFFECT OF COVID-19**

The coronavirus outbreak (“Covid 19”) has brought about a deceleration of the economic activity in the State of Qatar and globally. Fiscal and monetary authorities, both domestic and international, have announced various support 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. As a result, these condensed consolidated interim 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 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 were valued by professionally qualified third-party valuation companies with material valuation uncertainty. 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.

**(iii) Borrowings**

The Group availed moratorium facility on some of its existing borrowings resulting into extension of payment period by three to six months.

**(iv) Expected credit losses**

The uncertainties caused by Covid-19 has required the Group to update the inputs and assumptions used for the determination of expected credit losses (“ECLs”) as at 30 June 2022. 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.

**20. KEY ASSUMPTIONS AND JUDGMENTS USED**

The preparation of the condensed consolidated interim financial statements requires management to consider the judgements, estimates and assumptions used in the valuation of investment properties, a part of which includes assumptions in related to future revenues as part of its cash flow projections for the years from 2022 to 2026 (Note 18). The projections assume that the World Cup occasion proceeds as planned with full crowd in attendance.