Ezdan Holding Group Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 September 2019

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Condensed consolidated interim financial statements:

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2019 — In thousands of Qatari Riyals

	Note	***30 September 2019 (Unreviewed)***	*31 December 2018* (Audited)*
ASSETS			
Cash and bank balances	5	**115,073**	23,562
Receivables and prepayments	6	**304,242**	196,349
Inventories		**27,231**	28,061
Equity investments	7	**2,202,529**	3,316,717
Equity-accounted investees and joint venture	8	**830,147**	1,425,613
Investment properties	9	**44,015,107**	43,863,571
Property and equipment		**773,153**	797,641
TOTAL ASSETS		**48,267,482**	49,651,514
LIABILITIES AND EQUITY			
LIABILITIES			
Payables and other liabilities	10	**1,228,661**	2,764,318
Sukuk and Islamic financing borrowings	12	**15,535,187**	15,770,522
TOTAL LIABILITIES		**16,763,848**	18,534,840
EQUITY			
Share capital		**26,524,967**	26,524,967
Legal reserve		**1,616,053**	1,616,053
Fair value reserves		**489,533**	719,779
Foreign currency translation reserve		**3,212**	1,827
Retained earnings		**3,157,803**	2,542,036
Equity attributable to owners of the Company		**31,791,568**	31,404,662
Non-controlling interests		**(287,934)**	(287,988)
TOTAL EQUITY		**31,503,634**	31,116,674
TOTAL LIABILITIES AND EQUITY		**48,267,482**	49,651,514

These condensed consolidated interim financial statements were authorized for issue by the Company's Board of Directors on 17 October 2019.

Sheikh Abdulla Al-Thani
Vice Chairman

Tamer Fouad Mahmoud
Chief Financial Officer

* The Group has initially applied IFRS 16 at 1 January 2019, using the modified retrospective approach. Under this approach, comparative information is not restated and the cumulative effect of initially applying IFRS 16 is recognized in retained earnings at the date of initial application. See Note 4.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the nine months ended 30 September 2019 In thousands of Qatari Riyals

	Note	***For the nine months ended 30 September*** *2019* ***(Unreviewed)***	*2018** *(Reviewed)*
Rental income	13	**961,317**	936,483
Other operating revenues	13	**76,462**	90,667
Operating expenses	14	**(179,602)**	(224,946)
OPERATING PROFIT FROM MAIN OPERATIONS		**858,177**	802,204
Dividend income from equity investments	7	**122,416**	122,255
Net gain on sale of equity-accounted investees	15	**58,185**	-
Share of result of equity-accounted investees and joint venture	8	**53,273**	79,969
NET OPERATING PROFIT		**1,092,051**	1,004,428
Gain from change in fair value of investment properties		-	266,313
Finance costs	12	**(545,784)**	(644,657)
Other income		**50,685**	21,832
General and administrative expenses	14	**(61,692)**	(156,600)
Depreciation of property and equipment		**(25,365)**	(21,987)
Impairment reversal on trade and other receivables - net	6	**(651)**	(8,664)
PROFIT FOR THE PERIOD		**509,244**	460,665
Profit attributable to:			
Owners of the Company		**509,190**	463,470
Non-controlling interests		**54**	(2,805)
		509,244	460,665
BASIC AND DILUTED EARNINGS PER SHARE	16	**0.019**	0.017

* The Group has initially applied IFRS 16 at 1 January 2019, using the modified retrospective approach. Under this approach, comparative information is not restated and the cumulative effect of initially applying IFRS 16 is recognized in retained earnings at the date of initial application. See Note 4.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the nine months ended 30 September 2019 — In thousands of Qatari Riyals

	Note	***For the nine months ended 30 September***	
		2019	*2018**
		(Unreviewed)	*(Reviewed)*
Profit for the period		**509,244**	460,665
Other comprehensive income			
Item that will not be reclassified to profit or loss			
Equity investments at FVOCI - net change in fair value	7	**(67,958)**	669,533
Items that are or may be reclassified subsequently to profit or loss:			
Cash flow hedges - effective portion of changes in fair value		**(56,040)**	9,687
Foreign operations - foreign currency translation differences		**1,385**	647
Equity-accounted investees - share of OCI	8	**329**	472
		(54,326)	10,806
Other comprehensive income for the period		**(122,284)**	680,339
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**386,960**	1,141,004
Attributable to:			
Owners of the Company		**386,906**	1,143,809
Non-controlling interests		**54**	(2,805)
		386,960	1,141,004

* The Group has initially applied IFRS 16 at 1 January 2019, using the modified retrospective approach. Under this approach, comparative information is not restated and the cumulative effect of initially applying IFRS 16 is recognized in retained earnings at the date of initial application. See Note 4.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the nine months ended 30 September 2019

In thousands of Qatari Riyals

	Attributable to owners of the Company							
	Share capital	***Legal reserve(1)***	***Fair value reserves***	***Foreign currency translation reserve***	***Retained earnings***	***Total***	***Non-controlling interest***	***Total equity***
Balance at 31 December 2018* (Audited)	**26,524,967**	**1,616,053**	**719,779**	**1,827**	**2,542,036**	**31,404,662**	**(287,988)**	**31,116,674**
Total comprehensive income for the period								
Profit for the period	**-**	**-**	**-**	**-**	**509,190**	**509,190**	**54**	**509,244**
Other comprehensive income for the period	**-**	**-**	**(123,669)**	**1,385**	**-**	**(122,284)**	**-**	**(122,284)**
Total comprehensive income for the period	**-**	**-**	**(123,669)**	**1,385**	**509,190**	**386,906**	**54**	**386,960**
Other movement:								
Transfer of reserves on disposal of subsidiaries (Note 15)	**-**	**-**	**(106,577)**	**-**	**106,577**	**-**	**-**	**-**
Balance at 30 September 2019 (*Unreviewed*)	**26,524,967**	**1,616,053**	**489,533**	**3,212**	**3,157,803**	**31,791,568**	**(287,934)**	**31,503,634**

* The Group has initially applied IFRS 16 at 1 January 2019, using the modified retrospective approach. Under this approach, comparative information is not restated and the cumulative effect of initially applying IFRS 16 is recognized in retained earnings at the date of initial application. See Note 4.

The notes on pages 7 to 28 are an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

For the nine months ended 30 September 2019

In thousands of Qatari Riyals

	Attributable to owners of the Company							
	Share capital	*Legal Reserve (1)*	*Fair value reserves*	*Foreign currency translation reserve*	*Retained earnings*	*Total*	*Non-controlling interests*	*Total Equity*
Balance at 1 January 2018 *(Audited)*	26,524,967	1,572,678	(151,158)	154	2,181,547	30,128,188	4,137	30,132,325
Profit / (loss) for the period	-	-	-	-	463,470	463,470	(2,805)	460,665
Other comprehensive income for the period	-	-	679,845	494	-	680,339	-	680,339
Total comprehensive income for the period	-	-	679,845	494	463,470	1,143,809	(2,805)	1,141,004
Balance at 30 September 2019 *(Reviewed)*	26,524,967	1,572,678	528,687	648	2,645,017	31,271,997	1,332	31,273,329

(1) In accordance with the requirements of the Qatar Commercial Companies Law No. 11 of 2015 and the Company's Article of Association, a minimum of 10% of the annual profit should be transferred to legal reserve until the reserve equals 50% of the share capital. The reserve is not available for distribution except in the circumstances stipulated in the above law and the Company's Article of Association. No transfer has been made for the nine months ended 30 September 2019 as the Group will transfer the total required amount by 31 December 2019.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine months ended 30 September 2019 In thousands of Qatari Riyals

	Note	*For the nine months ended 30 September*	
		2019	*2018**
		(Unreviewed)	*(Reviewed)*
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period		**509,244**	460,665
Adjustments for:			
Provision for impairment of receivables and prepayments	6	**6,849**	13,331
Reversal of allowance for impairment of doubtful receivables and prepayments	6	**(6,198)**	(4,667)
Reversal of general provision		**(10,920)**	
Net gain on sale of equity-accounted investees	15	**(58,185)**	-
Share of result of equity-accounted investees and joint venture	8	**(53,273)**	(79,969)
Gain from change in fair value of investment properties		**-**	(266,313)
Gain on expropriated investment properties		**-**	(19,054)
Depreciation of property and equipment		**25,365**	21,987
Gain on sale of property and equipment		**(113)**	-
Impairment loss of property and equipment		**9**	-
Provision for employees' end of services benefits	14	**2,249**	6,420
Dividend income from equity investments	7	**(122,416)**	(122,255)
Finance income		**(156)**	(901)
Finance costs	12	**545,784**	644,657
Gain on partial settlement of loan	12	**(35,400)**	-
		802,839	653,901
Changes in:			
Receivables and prepayments		**96,212**	28,728
Inventories		**830**	2,258
Payables and other liabilities		**163,132**	(46,896)
Cash from operating activities		**1,063,013**	637,991
Employees' end of service benefits paid		**(19,464)**	(14,449)
Net cash flows from operating activities		**1,043,549**	623,542
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of equity investments		**-**	(1,039)
Proceeds from sale of property and equipment		**117**	-
Proceeds from sale of equity investments		**-**	15
Additions to investment properties		**(379,798)**	(64,140)
Additions to property and equipment		**(893)**	(27,950)
Net movement in restricted bank balances		**(5,911)**	(55)
Dividends income received		**197,855**	200,725
Finance income received		**156**	901
Net cash flows (used in) / from investing activities		**(188,474)**	108,457
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Sukuk and Islamic financing borrowings	12	**833,300**	3,060,000
Repayments for Sukuk and Islamic financing borrowings	12	**(1,603,348)**	(4,087,358)
Movement in transaction cost		**24,329**	(15,399)
Dividends paid		**(30,203)**	-
Net cash flows used in financing activities		**(775,922)**	(1,042,757)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		**79,153**	(310,758)
Net foreign exchange differences		**6,447**	4,640
Cash and cash equivalents as of 1 January		**21,937**	366,550
CASH AND CASH EQUIVALENTS AT 30 September	5	**107,537**	60,432

* The Group has initially applied IFRS 16 at 1 January 2019, using the modified retrospective approach. Under this approach, comparative information is not restated and the cumulative effect of initially applying IFRS 16 is recognized in retained earnings at the date of initial application. See Note 4.

The notes on pages 7 to 28 are an integral part of these condensed consolidated interim financial statements.

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 activity of the Company and its subsidiaries (collectively referred as the "Group") is management and rentals of real estate properties. The Group is also engaged in 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.

The principal subsidiaries of the Group are as follows:

Name of the subsidiary	*Country of incorporation*	*Effective percentage of ownership*		
		30 September 2019	*31 December 2018*	*30 September 2018*
Ezdan Hotels Company W.L.L.	Qatar	**100%**	100%	100%
Ezdan Mall Company W.L.L.	Qatar	**100%**	100%	100%
Ezdan Real Estate Company W.L.L.	Qatar	**100%**	100%	100%
Ezdan Palace Hotel Company W.L.L.	Qatar	**100%**	100%	100%
Al Ruba Al Khali Trading Company W.L.L. (1)	Qatar	-	100%	100%
Al Ekleem for Real Estate and Mediation Co. W.L.L.	Qatar	**100%**	100%	100%
Al Taybin Trading Company W.L.L.	Qatar	**100%**	100%	100%
Al Namaa for Maintenance Company W.L.L.	Qatar	**100%**	100%	100%
Shatea Al Nile Company W.L.L.	Qatar	**100%**	100%	100%
Arkan for Import and Export Company W.L.L.	Qatar	**100%**	100%	100%
Tareek Al Hak Trading Company W.L.L.	Qatar	**100%**	100%	100%
Manazel Trading Company W.L.L.(1)	Qatar	-	100%	100%
Een Jaloot Trading Company W.L.L.	Qatar	**100%**	100%	100%
Tareek Al-Khair Trading Company W.L.L. (1)	Qatar	-	100%	100%
Alkora Alzahbya Company W.L.L. (1)	Qatar	-	100%	100%
Ezdan World W.L.L.	Qatar	**70%**	70%	70%
Emtedad Real Estate for Projects W.L.L.	Qatar	**67.5%**	67.5%	67.5%
Ezdan International Limited	Jersey	**100%**	100%	100%
Haloul Ezdan For Trading and Construction Company W.L.L.	Qatar	**100%**	100%	100%
Ezdan for Partnership Company W.L.L.	Qatar	**100%**	100%	100%
Ezdan for Cleaning Company W.L.L.	Qatar	**100%**	100%	100%
Ezdan for Landscape Company W.L.L.	Qatar	**100%**	100%	100%
Alraed for Sewerage Company W.L.L.	Qatar	**100%**	100%	100%
Ezdan for Transactions Clearance Company W.L.L.	Qatar	**100%**	100%	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 Company as at 30 September 2019 and 31 December 2018.

(1) The Group disposed of four subsidiaries during the period (Note 15).

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 2018 (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.

This is the first set of the Group's financial statements in which IFRS 16 *"Leases"* has been applied. Changes to significant accounting policies are described in Note 4.
These condensed consolidated interim financial statements were authorized for issue by the Company's Board of Directors on 17 October 2019.

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, except for new significant judgements related to the application of IFRS 16, which are described in Note 4.

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 19.

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 2018 and believes that there will be no significant changes in its fair valuation at the interim reporting date.

4 CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

Except as described below, 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 2018.

The changes in accounting policies are also expected to be reflected in the Group's consolidated financial statements as at and for the year ending 31 December 2019.

The Group has initially adopted IFRS *"Leases"* from 1 January 2019. A number of other new standards are effective from 1 January 2019 but they do not have a material effect on the Group's financial statements.

IFRS 16 introduced a single, on-balance sheet accounting model for lessees. However, the IFRS 16 provides recognition exemptions for short term leases and leases for which the underlying asset is of low value. The Group, as a lessee, has applied the recognition exemption and did not recognise right-of-use assets representing its right to use the underlying assets and lease liabilities representing its obligation to make lease payments. Lessor accounting remains similar to previous accounting policies.

4 CHANGES IN SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Group has applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 January 2019. Accordingly, the comparative information presented for 2018 has not been restated - i.e. it is presented, as previously reported, under IAS 17 and related interpretations. The details of the changes in accounting policies are disclosed below.

A. Definition of a lease

Previously, the Group determined at contract inception whether an arrangement was or contained a lease under IFRIC 4 *"Determining Whether an Arrangement contains a Lease"*. The Group now assesses whether a contract is or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange of consideration.

On transition to IFRS 16, the Group elected to apply the practical expedients to grandfather the assessment of which transactions are leases. It applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed. Therefore, the definition of lease under IFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which it is a lessee, the Group has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

B. Group as a Lessee

The Group leases warehouses under non - cancellable operating lease agreements.

As a lessee, the Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. IFRS 16 requires the recognition of right-of-use assets and lease liabilities for most leases – i.e. these leases are on-balance sheet.

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

All the Group's leases are of short term, and the Group has elected to use recognition exemption for these short-term leases. Accordingly, there is no impact on transition to IFRS 16.

C. Group as a Lessor

The Group leases out its investment property and has classified these leases as operating leases. The accounting policies applicable to the Group as a lessor are not different from those under IAS 17. Accordingly, the Group is not required to make any adjustments on transition to IFRS 16 for leases in which it acts as a lessor. However, the Group has applied IFRS 15 *"Revenue from Contracts with Customers"* to allocate consideration in the contract to each lease and non-lease component.

For the nine months ended 30 September 2019 In thousands of Qatari Riyals

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:

	30 September 2019 (Unreviewed)	*31 December 2018 (Audited)*
Cash on hand	**709**	339
Cash at banks and other financial institutions		
Saving and call accounts	**8,338**	10,493
Current accounts	**98,490**	11,105
Margin accounts	**7,536**	1,625
Total cash at banks and other financial institutions	**115,073**	23,562
Cash and bank balances		
Less: Restricted bank balances	**(7,536)**	(1,625)
Cash and bank balances	**107,537**	21,937

6 RECEIVABLES AND PREPAYMENTS

	30 September 2019 (Unreviewed)	*31 December 2018 (Audited)*
Tenant receivables – net	**62,031**	45,657
Receivable from government on expropriation of investment properties (Note 9)	**50,366**	50,366
Advances to suppliers and contractors	**9,490**	39,166
Derivative financial assets	**-**	10,844
Due from related parties (Note 11(b.i))	**158,741**	29,219
Prepaid expenses	**7,578**	5,614
Refundable deposits - net	**10,964**	13,954
Accrued income	**-**	202
Net other receivables and debit balances	**5,072**	1,327
	304,242	196,349

The maturity of receivables and prepayments are as follows:

	30 September 2019 (Unreviewed)	*31 December 2018 (Audited)*
Current	**293,278**	172,296
Non-current	**10,964**	24,053
	304,242	196,349

For the nine months ended 30 September 2019 In thousands of Qatari Riyals

6 RECEIVABLES AND PREPAYMENTS (CONTINUED)

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

	30 September 2019 (Unreviewed)	*31 December 2018 (Audited)*
At 1 January 2019 / 1 January 2018 (Audited)	**125,686**	100,272
Provision made during the period / year	**6,849**	29,457
Provision written off	**(27,541)**	-
Adjustment on disposal of subsidiaries (Notes 11(a) and 15)	**(503)**	-
Provision reversed (Note 11 (a))	**(6,198)**	(4,043)
	98,293	125,686

The allowance for impairment consists of:

	30 September 2019 (Unreviewed)	*31 December 2018 (Audited)*
Tenants receivables	**90,345**	109,025
Due from related parties (Note 11 (b.i))	-	6,701
Refundable deposits	**1,627**	1,627
Other receivables	**6,321**	8,333
	98,293	125,686

7 EQUITY INVESTMENTS

	30 September 2019 (Unreviewed)	*31 December 2018 (Audited)*
At 1 January 2019 / 1 January 2018	**3,316,717**	2,470,953
Purchases	**-**	1,039
Disposals as part of disposal of subsidiaries (Note 15)	**(1,046,230)**	-
Other disposals	**-**	(18,127)
Net change in fair value	**(67,958)**	862,852
At 30 September / 31 December	**2,202,529**	3,316,717

The equity investments consist of:

	30 September 2019 (Unreviewed)	*31 December 2018 (Audited)*
Quoted shares (1)	**2,202,529**	3,262,460
Unquoted shares (2)	-	54,257
	2,202,529	3,316,717

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

For the nine months ended 30 September 2019 In thousands of Qatari Riyals

7 EQUITY INVESTMENTS (CONTINUED)

Quoted shares: concentration of investment portfolio

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

	30 September 2019 (Unreviewed)	*31 December 2018 (Audited)*
Quoted shares listed at Qatar Stock Exchange (QSE)		
Banks and financial institutions	**2,139,192**	3,179,762
Consumer goods and services	**30,658**	38,423
Transportation	**17,643**	21,000
Industries	**13,823**	18,343
Telecommunication	**578**	1,362
Real estate	**635**	1,219
Insurance	**-**	2,351
	2,202,529	3,262,460

(2) Unquoted shares represents the Group's investments in Dar Al Arab W.L.L. and Dar Al-Sharq for Printing, Publishing and Distribution W.L.L. These investments have been disposed of during the period as part of disposal of subsidiaries (Note 15).

The Group generated dividend income from the equity investments amounting to QR 122,416 (nine months period ended 30 September 2018: QR 122,255) during the period.

8 EQUITY-ACCOUNTED INVESTEES AND JOINT VENTURE

	Country of incorporation	***Ownership interest***			
		30 September 2019 (Unreviewed)	*31 December 2018 (Audited)*	***30 September 2019 (Unreviewed)***	*31 December 2018 (Audited)*
Associates:					
Qatar International Islamic Bank Q.P.S.C. (Note 11(c.ii))	Qatar	**6.04%**	10.00 %	**556,793**	919,796
Medicare Group Q.S.C.	Qatar	**2.00%**	12.50 %	**39,719**	251,580
Qatar Islamic Insurance Company Q.P.S.C.	Qatar	**4.92%**	7.33 %	**49,188**	71,556
Total of associates				**645,700**	1,242,932
Joint venture:					
White Square Real Estate W.L.L.	Qatar	**32.50 %**	32.50 %	**184,447**	182,681
				830,147	1,425,613

The Group recognized net gain on sale of equity-accounted investees amounting to QR 58,185 (nine-month period ended 30 September 2019: QR Nil) during the period (Note 15). The Group also recognized its share on the operating results of its associates / joint venture amounting to QR 53,273 (nine -month period ended 30 September 2018: QR 79,969) during the period.

The total fair market value of the equity-accounted investees amounted to QR 903,915 (2018: QR 1,281,918) as at reporting date.

Although the Group's percentage ownership interest in equity accounted investees decreased during the nine months period ended 30 September 2019, the Group still has the 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.

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8 EQUITY-ACCOUNTED INVESTEES 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:

	30 September 2019 (Unreviewed)	*31 December 2018 (Audited)*
At 1 January 2019 / 1 January 2018 (Audited)	**1,425,613**	1,401,961
Dividends received	**(75,439)**	(79,445)
Share of results	**53,273**	102,083
Share of net movement in other comprehensive income	**329**	1,167
Share of net movement in translation reserve	**-**	(153)
Disposals during the period (Note 15)	**(573,629)**	-
	830,147	1,425,613

9 INVESTMENT PROPERTY

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

	30 September 2019 (Unreviewed)	*31 December 2018 (Audited)*
At 1 January 2019 / 1 January 2018 (Audited)	**43,863,571**	43,819,785
Development costs during the year (Note 11(a))	**95,248**	82,242
Land acquired during the period	**50,960**	**-**
Capitalized finance cost (Note 11(a))	**9,582**	**-**
Expropriation of investment properties (1)	**-**	(31,312)
Foreign exchange adjustment	**(4,254)**	(7,144)
	44,015,107	43,863,571

Investment properties consists of:

	30 September 2019 (Unreviewed)	*31 December 2018 (Audited)*
Completed properties	**41,239,688**	41,020,221
Vacant land	**1,028,750**	2,698,180
Projects under development	**1,746,669**	145,170
	44,015,107	43,863,571

Investment properties are stated at fair value, which has been determined based on valuation performed by accredited independent valuers as at 31 December 2018. 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 30 September 2019.

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

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

(1) During 2018, the government agreed to pay an amount of QR 50,366 against the expropriated property, which is still receivable from the government (Note 6).

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10 PAYABLES AND OTHER LIABILITIES

	30 September 2019	*31 December 2018*
	(Unreviewed)	*(Audited)*
Due to a related parties (Note 11(c.i))	**50,563**	1,559,192
Dividend payables	**727,639**	757,839
Tenants' deposits	**146,827**	148,528
Payables to contractors and suppliers	**72,351**	68,113
Unearned rent income	**74,016**	57,168
Retention payable	**25,935**	41,824
Accrued expenses	**29,711**	34,742
Derivative financial liabilities	**45,194**	-
Provision for Social and Sports Activities Fund	**-**	10,844
Provision for employees' end of service benefits	**6,372**	23,587
Advances received from customers	**2,700**	2,700
Other payables	**47,353**	59,781
	1,228,661	2,764,318

The maturity of payables and other liabilities are as follows:

	30 September 2019	*31 December 2018*
	(Unreviewed)	*(Audited)*
Non-current	**77,501**	65,411
Current	**1,151,160**	2,698,907
	1,228,661	2,764,318

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:

	For the nine months ended 30 September	
	2019	*2018*
	(Unreviewed)	*(Reviewed)*
Development costs of investment property (1)	**87,016**	38,129
Land acquired during the period	**50,960**	-
Capitalized finance costs	**9,582**	-
Expensed-out finance costs (2)	**77,595**	88,507
Reversal of provision on receivables (Note 6)	**6,198**	-
Provision against receivables transferred on disposal of subsidiaries (Note 6)	**503**	-
Compensation of directors and other key management personnel (Notes 11(d) and 14)	**-**	43,896
Profit on disposal of subsidiaries and associates to a related party (Note 15)	**58,185**	-
Rental income	**2,906**	3,859
Other income (Note 12)	**35,400**	-

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

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11 RELATED PARTIES DISCLOSURES (CONTINUED)

(b.i)Due from related parties

	Note	***30 September 2019 (Unreviewed)***	*31 December 2018 (Audited)*
Entities under common control:			
SAK Holding Group W.L.L.		**156,276**	
The Curve Hotel Company W.L.L.		**2,202**	21,938
Dar Al Arab W.L.L.		**-**	13,719
White Square Real Estate Company W.L.L.		**263**	263
Due from related parties, gross		**158,741**	35,920
Less: allowance for impairment of due from related parties	6	**-**	(6,701)
Due from related parties, net	6	**158,741**	29,219

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

(b.ii) Other related party receivable

	30 September 2019 (Unreviewed)	*31 December 2018 (Audited)*
Entities under common control:		
Advances to suppliers and contractors including advances made to SAK Contracting and Trading W.L.L. and SAK Security Services W.L.L. (Note 6)	**-**	29,936

(c.i) Due to a related party

	Note	***30 September 2019 (Unreviewed)***	*31 December 2018 (Audited)*
Entity under common control:			
Due to SAK Holding Group W.L.L. (1)		**-**	1,559,192
Other related parties-Main shareholder		**50,563**	-
	10	**50,563**	1,559,192

(1) The amount represents development costs relating to investment property paid for a subsidiary of the Group during the period by SAK Holding Group W.L.L.

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11 RELATED PARTIES DISCLOSURES (CONTINUED)

(c.ii) Other related party payables

	30 September 2019 (Unreviewed)	*31 December 2018 (Audited)*
Equity accounted investee (QIIB):		
Secured Islamic financing (Note 12)	**1,946,263**	1,946,000
Other related parties:		
Borrowing from a key shareholder (Note 12)	**1,108,377**	385,000

(d) Compensation of directors and other key management personnel

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

	For the nine months ended 30 September	
	2019 (Unreviewed)	*2018 (Reviewed)*
Board of directors remuneration	**-**	16,896
Key management and executive benefits	**-**	27,000
	-	43,896

12 SUKUK AND ISLAMIC FINANCING BORROWINGS

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

	30 September 2019 (Unreviewed)	*31 December 2018 (Audited)*
At 1 January 2019 / 1 January 2018 (Audited)	**15,864,319**	16,270,461
Additions	**833,300**	3,385,000
Finance costs	**545,784**	835,545
Repayments	**(1,603,348)**	(4,626,687)
Partial settlement of Islamic borrowing	**(35,400)**	-
	15,604,655	15,864,319
Less: transaction costs	**(69,468)**	(93,797)
	15,535,187	15,770,522

The maturity of these borrowings are as follows:

	30 September 2019 (Unreviewed)	*31 December 2018 (Audited)*
Non-current	**12,815,821**	14,202,663
Current	**2,719,366**	1,567,859
	15,535,187	15,770,522

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12 SUKUK AND ISLAMIC FINANCING BORROWINGS (CONTINUED)

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

Type of facility	*Currency*	*Condition*	*Profit rate*	*Year of maturity*	*30 September 2019 (Unreviewed)*	*31 December 2018 (Audited)*
Ijara	QR	Secured	QMRL rate	2023 – 2027	**4,037,449**	4,232,168
Ijara	USD	Secured	1M /3M LIBOR	2020	**392,983**	537,870
Murabaha	QR	Secured	QMRL rate	2023 – 2028	**4,531,492**	4,536,976
Murabaha	USD	Secured	1Y/3 M LIBOR	2019 – 2024	**1,828,759**	2,511,420
Sukuk financing	USD	Unsecured	4.375 % and 4.875 %	2021 – 2022	**3,705,595**	3,660,885
Borrowings from key shareholder	QR	Unsecured	Non-interest bearing	2019	**1,108,377**	385,000
					15,604,655	15,864,319

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 545,784 within the condensed consolidated statement of profit or loss (nine month period ended 30 September 2018: QR 644,657) during the period.

As at 30 September 2019, the Group had secured borrowings against mortgages on different types of investment properties owned by the Group with a carrying value of QR 15,698,618 (31 December 2018: QR 15,698,618) and mortgage against quoted shares included in the interim condensed consolidated financial statements within equity investments with carrying value of QR 482,572 as at 30 September 2019 (31 December 2018: QR 663,929).

On 29 March 2018, the Group obtained Islamic financing borrowing from a local bank amounted QR 3,000,000. The purpose of the borrowing is to refinance some existing borrowing and the contract carry profits at commercial rates. The borrowing is secured by mortgage on some investment properties.

During the nine months period ended 30 September 2019, the Group obtained unsecured, non-profit bearing borrowings from a key shareholder of the Group amounting to QR 1,108,377 (nine months period ended 30 September 2018: QR Nil). Effect of discounting on this borrowing is not material, accordingly, it is shown at its nominal amount.

Some of the Group's borrowings agreements are subject to covenant clauses, whereby the Group is required to meet certain key financial ratios. As at 30 September 2019, the Group did not fulfil certain financial ratios as required in the contracts for some agreements. However, all contractual obligations from borrowings were paid on a timely basis during the period and management expects that the Group will be able to meet all contractual obligations from borrowings on a timely basis going forward. Management is in the process of renegotiating the financial ratios of certain borrowing agreements with concerned lenders and expects that revised ratios for temporary period will be in place going forward.

On 19 March 2019, partial settlement of borrowings from a key shareholder amounting to QR 35,400 took place.

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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 18).

A. Disaggregation of revenue based on major revenue streams:

	Revenue streams				
For the nine months ended 30 September 2019 (Unreviewed)	***Residential and commercial property***	***Investments***	***Hotel and suites***	***Malls***	***Total***
Rental income (under IFRS 16)	**784,447**	**-**	**126,071**	**50,799**	**961,317**
Revenue under IFRS 15					
Major service lines	-	-	-	-	
Food and beverage	-	-	**19,475**	-	**19,475**
Health club	-	-	**2,970**	-	**2,970**
Internet	-	-	**1,401**	-	**1,401**
Laundry	-	-	**720**	-	**720**
Entertainment	-	-	-	**314**	**314**
Provision of utilities services	**30,768**	-	-	-	**30,768**
Common area charges	-	-	-	**10,600**	**10,600**
Marketing services	-	-	-	**2,218**	**2,218**
Others	**6,358**		**505**	**1,133**	**7,996**
Revenue under IFRS 15	**37,126**	**-**	**25,071**	**14,265**	**76,462**
Income from investments and other income					
Dividend income from equity accounted investees	-	**122,416**	-	-	**122,416**
Share of result of equity-accounted investees and joint venture	-	**53,273**	-	-	**53,273**
Net gain on sale of equity-accounted investees	-	**58,185**	-	-	**58,185**
Other income	**49,726**	**955**	**2**	**2**	**50,685**
	49,726	**234,829**	**2**	**2**	**284,559**
External revenue as reported in Note 18	**871,299**	**234,829**	**151,144**	**65,066**	**1,322,338**

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13 RENTAL INCOME AND OTHER OPERATING REVENUES (Continued)

Disaggregation of revenue (continued)

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

For the nine months ended 30 September 2018 (Reviewed)	*Revenue streams*				
	Residential and commercial property	*Investments*	*Hotel and suites*	*Malls*	*Total*
Rental income (under IAS 17)	764,411	-	112,027	60,045	936,483
Revenue under IFRS 15					
Major service lines					
Food and beverage	-	-	17,748	-	17,748
Health club	-	-	4,558	-	4,558
Internet	-	-	4,480	-	4,480
Laundry	-	-	1,093	-	1,093
Entertainment	-	-	-	676	676
Provision of utilities services	37,584	-	-	-	37,584
Common area charges	-	-	-	12,595	12,595
Marketing services	-	-	-	2,585	2,585
Others	4,203	-	3,457	1,688	9,348
Revenue under IFRS 15	41,787	-	31,336	17,544	90,667
Income from investments and other income					
Gain from change in fair value of investment properties	266,313	-	-	-	266,313
Dividend income from equity accounted investees	-	122,255	-	-	122,255
Share of result of equity-accounted investees and joint venture	-	79,969	-	-	79,969
Other income	21,738	79	15	-	21,832
	288,051	202,303	15		490,369
External revenue as reported in Note 18	1,094,249	202,303	143,378	77,589	1,517,519

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

	For the nine months ended30 September		**Timing of revenue recognition**
	2019	2018	
	(Unreviewed)	*(Reviewed)*	
Food and beverage	**19,475**	17,748	**Point in time**
Health club	**2,970**	4,558	**Over the time**
Internet	**1,401**	4,480	**Over the time**
Laundry	**720**	1,093	**Point in time**
Entertainment	**314**	676	**Over the time**
Provision of utilities services	**30,768**	37,584	**Over the time**
Common area charges	**10,600**	12,595	**Over the time**
Marketing services	**2,218**	2,585	**Over the time**
Others	**7,996**	9,348	**Over the time**
Revenue under IFRS 15	**76,462**	90,667	

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14 EXPENSES

Operating expenses:

	For the nine months ended 30 September	
	2019	*2018*
	(Unreviewed)	*(Reviewed)*
Staff cost (1)	**37,402**	57,392
Utilities	**55,033**	59,242
Repairs and maintenance	**33,193**	43,270
Sewage	**17,285**	16,429
Cleaning expenses	**8,396**	11,209
Security expenses	**7,034**	8,996
Food and beverages	**5,938**	7,941
Advertising costs	**1,149**	3,469
Laundry and dry cleaning	**3,479**	3,999
Fuel	**479**	1,675
Commissions	**1,260**	720
Other operating expenses	**8,954**	10,604
	179,602	224,946

General and administrative expenses:

	For the nine months ended 30 September	
	2019	*2018*
	(Unreviewed)	*(Reviewed)*
Staff cost and board allowances (1) (2)	**24,555**	102,551
Professional fees	**6,148**	8,684
Losses from foreign currency exchange	**10,034**	11,237
Registration fees	**6,292**	6,392
Bank charges	**2,879**	3,638
Advertising costs	**335**	2,735
Insurance cost	**2,835**	2,261
Rent expense	**1,319**	2,824
Communication	**1,637**	2,153
Printing and stationery	**512**	1,218
Other expenses	**5,146**	12,907
	61,692	156,600

(1) Staff cost includes a provision for employees’ end of service benefits of QR 2,249 (Nine-month period ended 30 September 2018: QR 6,420) during the period.

(2) The account charged under general and administrative expense also includes allowance of Board of Directors and other key management personnel amounting to QR 43,896 for the prior period ended 30 September 2018. No expense under this account was incurred during the current period (Note 11 (a) and 11 (d)).

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15 DISPOSALS OF SUBSIDIARIES / EQUITY ACCOUNTED INVESTEES

The Group entered into an agreement with SAK Holding Group W.L.L. on 7 April and 8 April 2019 to dispose of the following subsidiaries. Sale proceeds from the transaction were settled against the balance payable to SAK Holding Group W.L.L. and constitutes a non-cash transaction.

The final addendum to sale agreement mentioning the sale price is under authentication as of the review conclusion date and the sale price shown below is based on draft addendum.

Gain on disposal of subsidiaries / associates is computed as follows:

	Sale Price	***Net Assets***	***Gain / (Loss)***
Alkora Alzahbya Company W.L.L.	**459,258**	**(433,960)**	**25,298**
Al Ruba Al Khali Trading Company W.L.L.	**453,115**	**(457,499)**	**(4,384)**
Manazel Trading Company W.L.L.	**404,660**	**(378,945)**	**25,715**
Tareek Al-Khair Trading Company W.L.L.	**374,382**	**(362,826)**	**11,556**
	1,691,415	**(1,633,230)**	**58,185**

In the consolidated financial statements of the Group, some of the equity investments held by the subsidiaries are classified as associates due to existence of significant influence. The whole of gain on disposal of QR 58,185 pertains to the partial disposal of these equity accounted investees. Carrying amount of these equity accounted investees disposed of amounted to QR 573,630. For the subsidiaries, net assets comprise of FVOCI equity investments, which are carried at fair value, and the sale price determined is also fair value of these assets, accordingly there is no gain on disposal of subsidiaries.

On disposal, the Group transferred fair value reserves relating to FVOCI equity investments QR 106,577 to retained earnings.

The disposal was not treated as discontinued operations as it does not represent a separate line of business or geographical area of operations. The above subsidiaries did not constitute a business, as they were for the purpose of investing activities only.

16 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.

On 18 March 2019, the Extraordinary General Meeting of the Group approved the par value of the ordinary share to be QR1 instead of QR10, as per the instructions of Qatar Financial Markets Authority (QFMA), and amendment of the related Articles of Association. The share split was implemented on 2 July 2019 and the total number of shares were increased from 2,652,496 to 26,524,967 ordinary shares. Consequently, earnings per share for the current period has been adjusted and has been restated for comparative periods to reflect this.

	For the nine months ended 30 September	
	2019 (Unreviewed)	*2018 (Reviewed)*
Profit for the period attributable to owners of the Company	**509,190**	463,470
Weighted average number of shares outstanding during the period (thousands of shares)	**26,524,967**	26,524,967
Basic and diluted earnings per share	**0.019**	0.017

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17 CONTINGENT LIABILITIES AND COMMITMENTS

Contingent liabilities

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

	30 September 2019 (Unreviewed)	*31 December 2018 (Audited)*
Bank guarantees	**17,599**	11,688

Commitments

(i) Capital expenditure commitments:

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

	30 September 2019 (Unreviewed)	*31 December 2018 (Audited)*
Contractual commitments to contractors and suppliers for development of investment property projects	**1,688,448**	56,562

(ii) Operating lease commitments:

Group as a lessor:

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

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

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

	30 September 2019 (Unreviewed)	*31 December 2018 (Audited)*
No later than 1 year	**615,929**	687,779
Later than one year and no later than five years	**279,544**	267,247
More than five year	**181,268**	225,054
	1,076,741	1,180,080

Group as a lessee:

The Group has the following operating lease commitments as a lessee as at the reporting date.

	30 September 2019 (Unreviewed)	*31 December 2018 (Audited)*
No later than 1 year	**506**	3,262
Later than one year and no later than five years	**-**	76
	506	3,338

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18 OPERATING SEGMENTS

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

The following summary describes the operations of each reportable segment:

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

The Group's Chief Executive Officer reviews the internal management reports of each division at least quarterly. The following table presents segment results regarding the Group's operating segments for the six months period:

For the nine months ended 30 September 2019 (Unreviewed)	***Residential and commercial property***	***Investments***	***Hotel and suites***	***Malls***	***Adjustments and eliminations***	***Total***
Segment income	**875,564**	**234,829**	**151,144**	**65,066**	**(4,265)**	**1,322,338**
Segment expenses	**(724,642)**	**(11)**	**(62,533)**	**(23,694)**	**(2,214)**	**(813,094)**
Segment profit	**150,922**	**234,818**	**88,611**	**41,372**	**(6,479)**	**509,244**

For the nine months ended 30 September 2018 (Reviewed)	*Residential and commercial property*	*Investments*	*Hotel and suites*	*Malls*	*Adjustments and eliminations*	*Total*
Segment income	1,114,122	202,303	156,838	77,589	(33,333)	1,517,519
Segment expenses	(953,669)	(122)	(89,680)	(35,125)	21,742	(1,056,854)
Segment profit	160,453	202,181	67,158	42,464	(11,591)	460,665

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

	Residential and commercial property	***Investments***	***Hotel and suites***	***Malls***	***Adjustments and eliminations***	***Total***
Segment assets						
As at 30 September 2019 (Unreviewed)	**39,174,554**	**3,034,597**	**5,770,890**	**3,344,584**	**(3,057,143)**	**48,267,482**
As at 31 December 2018 (Audited)	37,477,589	9,723,630	6,123,050	3,644,132	(7,316,887)	49,651,514
Segment liabilities						
As at 30 September 2019 (Reviewed)	**18,597,605**	**969,275**	**118,727**	**129,276**	**(3,051,035)**	**16,763,848**
As at 31 December 2018 (Audited)	25,563,648	130	136,993	135,163	(7,301,094)	18,534,840

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19 FAIR VALUES AND RISK MANAGEMENT

FINANCIAL INSTRUMENTS

Accounting classification and fair values

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

	Carrying amount			*Fair Values*			
	FVOCI – equity investment	*Fair value – Hedging instruments*	*Amortized cost*	*Level 1*	*Level 2*	*Level 3*	*Total*
As at 30 September 2019 (Unreviewed)							
Financial assets measured at fair value							
Equity securities	**2,202,528**	-	**-**	**2,202,528**	**-**	**-**	**2,202,528**
Financial assets not measured at fair value							
Trade and other receivables	**-**	**-**	**236,808**	**-**	**-**	**-**	**-**
Bank balances	**-**	**-**	**115,073**	**-**	**-**	**-**	**-**
Financial liabilities measured at fair value							
Derivative	**-**	**45,194**	**-**	**-**	**45,194**	**-**	**45,194**
Financial liabilities not measured at fair value							
Sukuk and Islamic financing borrowings – listed	**-**	**-**	**3,693,465**	**3,199,590**	-	-	**3,199,590**
Sukuk and Islamic financing borrowings - others	-	-	**11,841,722**	-	-	-	-
Trade and other payables	**-**	**-**	**1,070,668**	**-**	**-**	**-**	**-**

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19 FAIR VALUES AND RISK MANAGEMENT (CONTINUED)

FINANCIAL INSTRUMENTS (CONTINUED)

Accounting classification and fair values (continued)

	Carrying amount			*Fair Value*			
	FVOCI – equity investment	*Fair value – Hedging instruments*	*Amortized cost*	*Level 1*	*Level 2*	*Level 3*	*Total*
As at 31 December 2018 (Audited)							
Financial assets measured at fair value							
Equity securities	3,316,717	-	-	3,262,460	-	54,257	3,316,717
Derivative	-	10,844	-	-	10,844	-	10,844
Financial assets not measured at fair value							
Trade and other receivables	-	-	90,157	-	-	-	-
Cash and cash equivalents	-	-	23,223	-	-	-	-
Financial liabilities not measured at fair value							
Sukuk and Islamic financing borrowings - listed	-	-	3,671,664	2,998,658	-	-	2,998,658
Sukuk and Islamic financing borrowings - others	-	-	12,098,858	-	-	-	-
Trade and other payables	-	-	2,635,277	-	-	-	-

For the six months ended 30 September 2019 In thousands of Qatari Riyals

19 FAIR VALUES AND RISK MANAGEMENT (CONTINUED)

INVESTMENT PROPERTY

		Fair Values*			
	Carrying amount	***Level 1***	***Level 2***	***Level 3***	***Total***
As at 30 September 2019 (Unreviewed)					
Completed properties	**41,239,688**	**-**	**-**	**41,239,688**	**41,239,688**
Vacant land	**1,028,750**	**-**	**1,028,750**	**-**	**1,028,750**
Projects Under development	**1,746,669**	**-**	**-**	**1,746,669**	**1,746,669**
	44,015,107	**-**	**1,028,750**	**42,986,357**	**44,015,107**
	Carrying amount	*Level 1*	*Level 2*	*Level 3*	*Total*
As at 31 December 2018 (Audited)					
Completed properties	41,020,221	-	-	41,020,221	41,020,221
Vacant land	2,698,180	-	2,698,180	-	2,698,180
Projects Under development	145,170	-	-	145,170	145,170
	43,863,571	-	2,698,180	41,165,391	43,863,571

*Fair valuation of investment property is not carried out as at 30 September 2019; categorization into fair value hierarchy levels is based on methods used during valuation at 31 December 2018.

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

For the six months ended 30 September 2019 In thousands of Qatari Riyals

19 FAIR VALUES AND RISK MANAGEMENT (CONTINUED)

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values at 30 September 2019 and 31 December 2018 for assets and liabilities measured at fair value in the statement of financial position, as well as the significant unobservable inputs used. Related valuation processes are described in Note 3.

Type	***Valuation technique***	***Significant unobservable inputs***	***Inter-relationship between significant unobservable inputs and fair value measurement***
Equity securities – unquoted	*Discounted cash flows*: The valuation model considers the present value of expected cash flows discounted using weighted average cost of the capital of the Companies being valued.	*Expected cash flows:* (30 September 2019: Not Applicable, 31 December 2018: from negative cash flows of QR 10,368 to positive cash flows of QR 11,727 from year 2019 to 2023 and a terminal value of QR 35,947) *Weighted average cost of capital:* (30 September 2019: Not Applicable, 31 December 2018: 13%) *Terminal growth rate:* (30 September 2019: Not Applicable, 31 December 2018: 3%) (The Group has disposed of all unquoted equity investments during the period as part of disposal of subsidiaries (Note 15).	The estimated fair value would increase (decrease) if: - Expected cash flows were higher (lower); or - Weighted average cost of capital were lower (higher)
Derivative	Swap models: The fair value is calculated as the present value of the estimated future cash flows. Estimated cash flows are discounted using a risk-adjusted discount rate. The fair value estimate is subject to credit risk adjustment that reflects the credit risk of the Group and of the counter party.	Expected cash flows (QR 1,258 to QR 6,147) Risk adjusted discount rate (30 September 2019: 10.2%, 31 December 2018: 10.2%)	The estimated fair value would increase (decrease) if: - Expected cash flows were higher (lower); or - Risk adjusted discount rate were lower (higher)
Investment property – Vacant land and residential / commercial properties in UK	*Market comparison technique:* 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	*Discounted cash flows*: 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.	*Expected cash flows:* (30 September 2019: Not Applicable, 31 December 2018: from positive cash flows of QR 1,375,715 to positive cash flows of QR 2,401,337 from year 2019 to 2023 and a terminal value of QR 33,241,813) *Weighted average cost of capital:* (30 September 2019: Not Applicable, 31 December 2018: 8.14%) *Terminal growth rate:* (30 September 2019: Not Applicable, 31 December 2018: 3%) The Group has not valued its investment property at 30 September 2019.	The estimated fair value would increase (decrease) if: - Expected cash flows were higher (lower); or - Weighted average cost of capital were lower (higher)

20 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.