EZDAN HOLDING GROUP Q.P.S.C.

CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2023

Contents	**Page (s)**

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF EZDAN HOLDING GROUP Q.P.S.C.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Ezdan Holding Group Q.P.S.C. (the "Company") and its subsidiaries (together with the Company, the "Group"), which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information as set out on pages 11 to 72.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

We conducted our audit in accordance with International Standard on Auditing (ISA). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the Group's consolidated financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th colspan="2">Valuation of Investment Properties</th></tr>
<tr><td colspan="2">See Notes 3(f), 9, 27 and 30 to the consolidated financial statements</td></tr>
<tr><th>Key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>The Group has recognised investment properties in the amount of QR 45,643,861 thousand (2022: QR 45,702,277 thousand) which represents 98% (2022: 97%) of the Group's total assets and is measured at fair value.

Estimating the fair value is a complex process involving number of judgements and estimates including key assumptions. Consequently, the valuation of investment properties is considered to be a key audit matter.</td><td>Our audit procedures in this area included, among others:
• Evaluating the competence and capabilities of the two external valuation experts appointed by the Group;
• Agreeing the property information in the valuation by tracing a sample of inputs to the underlying property records held by the Group;
• Involving our own valuation specialist to assist us in the following matters:
- assessing the consistency of the valuation basis and appropriateness of the methodology used, based on generally accepted valuation practices; and</td></tr>
</table>

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF EZDAN HOLDING GROUP Q.P.S.C. (Continued)

Report on the audit of the consolidated financial statements (continued)

Key audit matters (continued)

Valuation of Investment Properties (continued)	
See Notes 3(f), 9, 27 and 30 to the consolidated financial statements (continued)	
Key audit matter	**How the matter was addressed in our audit**
	- Evaluating the appropriateness of the assumptions applied to key inputs such as annual cash flows, market prices, operating costs, terminal value growth rates, terminal yield and the weighted-average cost of capital (discount rate), which included comparing these inputs with externally derived data as well as our own assessments based on our knowledge of the Group and the industry. • Evaluating the adequacy of the disclosures in the consolidated financial statements including the disclosures of key assumptions and judgments.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Group's annual report (the "Annual Report") but does not include the consolidated financial statements and our auditor's report thereon. Prior to the date of this auditor's report, we obtained the report of the Board of Directors which forms part of the Annual Report, and the remaining sections of the Annual Report are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work that we have performed, we conclude that there is a material misstatement of this other information, then we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF EZDAN HOLDING GROUP Q.P.S.C. (Continued)

Report on the audit of the consolidated financial statements (continued)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

As part of an audit in accordance with the ISA, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our audit's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and the timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and is therefore the key audit matter. We describe this matter in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF EZDAN HOLDING GROUP Q.P.S.C. (Continued)

Report on legal and other regulatory requirements

Further, as required by the Qatar Commercial Companies Law (QCCL) No. 11 of 2015, whose certain provisions were subsequently amended by Law No. 8 of 2021 ("the amended QCCL"), we report the following:

- The Group has maintained proper books of account and the consolidated financial statements are in agreement therewith;
- An inventory count has been conducted in accordance with established principles;
- We have obtained all the information and explanations we considered necessary for the purpose of our audit;
- We are not aware of any violations of the amended QCCL or the Articles of Association having occurred during the year which might have had a material effect on the Group's consolidated financial position or on its financial performance as at and for the year ended 31 December 2023; and
- We have read the report of the Board of Directors to be included in the Annual Report, and the financial information contained therein is in agreement with the books and records of the Group.

Ahmed Tawfik Nassim
Auditor's Registration No. 66
QFMA Registration No. 120191
21 March 2024
Doha, State of Qatar

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EZDAN HOLDING GROUP Q.P.S.C.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023
(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

	Note	2023	2022
ASSETS			
Cash and bank balances	4	**371,574**	463,098
Trade and other receivables	5	**100,433**	138,853
Inventories	6	**14,592**	15,599
Investment properties	9	**45,643,861**	45,702,277
Property and equipment	10	**670,977**	687,920
TOTAL ASSETS		**46,801,437**	47,007,747
LIABILITIES AND EQUITY			
LIABILITIES			
Trade and other payables	11	**2,478,432**	2,597,090
Islamic financings	13	**10,995,266**	11,176,547
TOTAL LIABILITIES		**13,473,698**	13,773,637
EQUITY			
Share capital	14	**26,524,967**	26,524,967
Legal reserve	15	**1,706,526**	1,696,560
Foreign currency translation reserve		**729**	4,256
Retained earnings		**5,270,900**	5,183,699
Equity attributable to owners of the Company		**33,503,122**	33,409,482
Non-controlling interests	29	**(175,383)**	(175,372)
TOTAL EQUITY		**33,327,739**	33,234,110
TOTAL LIABILITIES AND EQUITY		**46,801,437**	47,007,747

These consolidated financial statements were authorized for issue by the Group's Board of Directors and were signed on their behalf by the following on 21 March 2024.

Sheikh Thani Bin Abdulla Al-Thani
Chairman

Tamer Fouad Mahmoud
Group Chief Financial Officer

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The accompanying notes from 1 to 33 are an integral part of these consolidated financial statements.

EZDAN HOLDING GROUP Q.P.S.C.
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2023
(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

	Note	2023	2022
Rental income	9, 18	**1,763,987**	1,744,476
Other operating revenues	9, 18	**87,546**	113,396
Operating expenses	19(i)	**(364,649)**	(379,433)
OPERATING PROFIT FROM MAIN OPERATIONS		**1,486,884**	1,478,439
Dividend income from equity investments	7	**-**	86,830
Share of results of equity-accounted investees and joint venture	8	**-**	(18,411)
Gain on disposal of equity - accounted investees	31	**-**	575,314
Gain on sale of equity-accounted joint venture	8.B(iv)	**-**	1,165
NET OPERATING PROFIT		**1,486,884**	2,123,337
Loss from change in fair value of investment properties	9(i)	**(192,857)**	(1,059,247)
Other income	20	**61,877**	10,378
Finance costs	21	**(1,109,741)**	(801,602)
General and administrative expenses	19(ii)	**(123,440)**	(119,724)
Depreciation of property and equipment	10	**(21,313)**	(23,452)
Provision of impairment loss of trade and other receivables – net	5	**(10,650)**	(17,409)
Gain / (loss) from foreign currency exchange		**8,886**	(26,927)
PROFIT FOR THE YEAR		**99,646**	85,354
Profit attributable to:			
Owners of the Company		**99,657**	86,732
Non-controlling interests	29	**(11)**	(1,378)
	28	**99,646**	85,354
BASIC AND DILUTED EARNINGS PER SHARE (QR)	22	**0.004**	0.003

The accompanying notes from 1 to 33 are an integral part of these consolidated financial statements.

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

	Note	2023	2022
Profit for the year		**99,646**	85,354
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Equity investments at FVOCI - net change in fair value	7, 17	-	830,089
Equity-accounted investees - share of OCI	17	-	286
		-	830,375
Item that is or may be reclassified subsequently to profit or loss:			
Foreign operations - foreign currency translation differences	17	**(3,527)**	6,746
Other comprehensive (loss) / income for the year	17	**(3,527)**	837,121
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**96,119**	922,475
Attributable to:			
Owners of the Company		**96,130**	923,853
Non-controlling interests	29	**(11)**	(1,378)
		96,119	922,475

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EZDAN HOLDING GROUP Q.P.S.C.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023
(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

	Share capital	*Legal reserve (1)*	*Foreign currency translation reserve*	*Retained earnings*	*Total*	*Non-controlling interest*	*Total equity*
Balance at 1 January 2023	**26,524,967**	**1,696,560**	**4,256**	**5,183,699**	**33,409,482**	**(175,372)**	**33,234,110**
Total comprehensive income for the year							
Profit for the year	-	-	-	**99,657**	**99,657**	**(11)**	**99,646**
Other comprehensive loss for the year	-	-	**(3,527)**	-	**(3,527)**	-	**(3,527)**
	-	-	**(3,527)**	**99,657**	**96,130**	**(11)**	**96,119**
Transferred to legal reserve	-	**9,966**	-	**(9,966)**	-	-	-
Transferred to Social and Sports Activities Fund (Note 16)	-	-	-	**(2,490)**	**(2,490)**	-	**(2,490)**
Balance at 31 December 2023	**26,524,967**	**1,706,526**	**729**	**5,270,900**	**33,503,122**	**(175,383)**	**33,327,739**

The accompanying notes from 1 to 33 are an integral part of these consolidated financial statements.

EZDAN HOLDING GROUP Q.P.S.C.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023
(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

	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 1 January 2022	26,524,967	1,687,887	1,002,558	(1,546)	3,279,146	32,493,012	(279,034)	32,213,978
Total comprehensive income for the year								
Profit for the year	-	-	-	-	86,732	86,732	(1,378)	85,354
Other comprehensive income for the year	-	-	830,375	6,746	-	837,121	-	837,121
	-	-	830,375	6,746	86,732	923,853	(1,378)	922,475
Transfers of reserves on disposals of FVOCI (Notes 7 and 17)	-	-	(1,828,662)	-	1,828,662	-	-	-
Movement in non - controlling interests (Note 12.a)	-	-	-	-	-	-	105,040	105,040
Transferred to legal reserve	-	8,673	-	-	(8,673)	-	-	-
Transferred to Social and Sports Activities Fund (Note 16)	-	-	-	-	(2,168)	(2,168)	-	(2,168)
Other reserve adjustments on disposal of equity-accounted investees (Note 17)	-	-	(4,271)	(944)	-	(5,215)	-	(5,215)
Balance at 31 December 2022	26,524,967	1,696,560	-	4,256	5,183,699	33,409,482	(175,372)	33,234,110

(1) In accordance with the requirements of the Qatar Commercial Companies Law No. 11 of 2015 and the Company's Articles 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 Articles of Association.

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EZDAN HOLDING GROUP Q.P.S.C.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023
(All amounts expressed in thousands of Qatari Riyal unless otherwise stated)

	Note	2023	2022
OPERATING ACTIVITIES			
Profit for the year		**99,646**	85,354
Adjustments for:			
Loss from change in fair value of investment properties	9	**192,857**	1,059,247
Gain on disposal of equity-accounted investees	31	-	(575,314)
Gain on sale of equity-accounted joint venture	8.B(iv)	-	(1,165)
Dividend income from equity investments	7	-	(86,830)
Share of results of equity-accounted investees and joint venture	8	-	18,411
Depreciation of property and equipment	10	**21,313**	23,452
Provision of impairment loss of trade and other receivables – net	5	**10,650**	17,409
Provision for employees' end - of - service benefits	19(ii)	**4,853**	5,656
Operating expenses recognised from the consumption of small operating equipment	19(i)	**856**	3,261
Profit on Islamic bank accounts	20	**(16,618)**	(6,681)
Finance costs	21	**1,109,741**	801,602
Operating profit before changes in working capital		**1,423,298**	1,344,402
Working capital changes:			
Trade and other receivables		**27,775**	(38,395)
Inventories		**151**	(8,731)
Trade and other payables		**(20,903)**	71,952
Cash generated from operating activities		**1,430,321**	1,369,228
Employees' end of service benefits paid	11	**(980)**	(1,448)
Net cash generated from operating activities		**1,429,341**	1,367,780
INVESTING ACTIVITIES			
Acquisition of property and equipment	10	**(4,371)**	(6,481)
Payments for development of investment properties		**(129,245)**	(127,098)
Dividends received from equity investments	7	-	86,830
Dividends received from equity-accounted investees	8	-	38,620
Proceeds from sale of joint venture	8.B(iv)	-	20,000
Profit on Islamic bank accounts received		**16,618**	6,681
Net movement in restricted bank balances		**(227)**	2,533
Net cash (used in) / generated from investing activities		**(117,225)**	21,085
FINANCING ACTIVITIES			
Proceeds from borrowings from other related party	12	-	831,239
Repayments of borrowings from other related party	12	**(245,223)**	(122,164)
Repayments for Islamic financings	13	**(1,090,624)**	(2,689,402)
Movement in transaction costs - net	13	**(335)**	8,624
Dividends paid related to dividend payable	23	**(58,962)**	(58,962)
Net cash used in financing activities		**(1,395,144)**	(2,030,665)
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(83,028)**	(641,800)
Net foreign exchange difference		**(8,723)**	18,338
Cash and cash equivalents as of 1 January		**460,111**	1,083,573
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	4	**368,360**	460,111

Non-cash transactions

Capitalized finance costs on investment property under development (Note 21).

Related party transactions relating to acquisition of investment properties, offsetting of liabilities, etc. (Note 12.a).

The accompanying notes from 1 to 33 are an integral part of these consolidated financial statements.

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

1. CORPORATE INFORMATION 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.

These consolidated financial statements comprise the Company and its subsidiaries (together referred to as "Group").

The principal activity of the Group is management and rentals of real estate properties. The Group is also engaged in controlling the subsidiaries by exposing the Company, or having rights, to variable returns from the Company's involvement with the company and has the ability to affect those returns through its power over the company or more by owning at least 51% of its shares, investment in shares, financial securities and other investments inside and outside the State of Qatar.

The principal subsidiaries of the Group are as follows:

			Effective percentage of ownership	
			31 December	
	Name of subsidiaries	***Principal activity***	***2023***	*2022*
1	Ezdan Hotels Company W.L.L.	Hotel services	100%	100%
2	Ezdan Mall Company W.L.L.	Malls management	100%	100%
3	Ezdan Real Estate Company W.L.L.	Real estate services	100%	100%
4	Ezdan Palace Hotel Company W.L.L.	Hotel services	100%	100%
5	Haloul Ezdan For Trading and Construction Co W.L.L.	Maintenance works	100%	100%
6	Ezdan International Limited	Property management	100%	100%
7	Ezdan World W.L.L.	Entertainment services	70.0%	70.0%
8	Emtedad Real Estate for Projects W.L.L. (Note 31)	Real estate development	67.5%	67.5%

During year 2022, the Group's management decided to dispose the following subsidiaries with principal activity of investment in shares, as in - kind payment consideration for acquiring the share of SAK Holding Group W.L.L., an entity under common control, in the completed investment property (Notes 9 and 31).

Name of subsidiaries

1. Al Ekleem for Real Estate and Mediation Co. W.L.L.
2. Al Taybin Trading Company W.L.L
3. Al Namaa for Maintenance Company W.L.L.
4. Shatea Al Nile Company W.L.L.
5. Arkan for Import and Export Company W.L.L.
6. Tareek Al Hak Trading Company W.L.L.
7. Een Jaloot Trading Company W.L.L.

The Parent of the Group is Al-Tadawul Trading Group Q.P.S.C. ("Tadawul") which owns directly 54% (approximately) of the share capital of the Group as at 31 December 2023 (31 December 2022: 54%).

All of the subsidiaries enumerated above were incorporated in the State of Qatar except for Ezdan International Limited which is incorporated in United Kingdom.

2. BASIS OF PREPARATION

a) Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and applicable requirements of Qatar Commercial Companies' Law No. 11 of 2015, as amended by Law No. 8 of 2021.

b) Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention as modified by the equity investments at fair value through other comprehensive income (FVOCI) and investment property which have been measured at fair value.

c) Functional and presentation currency

These consolidated financial statements are presented in Qatari Riyals ("QR"), which is the Company's functional currency. All Group entities except Ezdan International Limited have the Qatari Riyal ("QR") as their functional currency. Ezdan International Limited has Sterling Pound ("GBP") as its functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

d) Use of judgments and estimates

The information about significant areas of estimation uncertainty and critical judgments applied in the preparation of the consolidated financial statements are disclosed in Note 30.

e) Newly effective standard and amendments to standards

During the current year, the below new and amended to International Financial Reporting Standards ("IFRSs" or "standards") became effective for the first time for financial years beginning on 1 January 2023:

Effective for year beginning 1 January 2023	• *IFRS 17 Insurance Contracts* • *Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)* • *Definition of Accounting Estimates (Amendments to IAS 8)* • *Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)*

The adoption of the above new and amendments to standards had no significant impact on the Group's consolidated financial statements.

f) Amendments to standards not yet effective, but available for early adoption

The below amended International Financial Reporting Standards ("IFRSs" or "standards") that are available for early adoption for financial years beginning after 1 January 2023 are not effective until a later period, and they have not been applied in preparing these consolidated financial statements.

2. BASIS OF PREPARATION (Continued)

f) Amendments to standards not yet effective, but available for early adoption (continued)

Effective for year beginning 1 January 2024	• *Classification of Liabilities as Current or Non-current (Amendments to IAS 1)* • *Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)*
Effective date deferred indefinitely / available for optional adoption	• *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)*

Management does not expect that the adoption in future years of the above amended standards will have a significant impact on the Group's consolidated financial statements.

g) Changes in material accounting policies – material accounting policy information

The Group adopted "Disclosure of Accounting Polices (Amendments to IAS 1 and IFRS Practice statement 2)" from 1 January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the consolidated financial statements.

The amendments require the disclosure of 'material' rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the consolidated financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Note 3: Material accounting policies (2022: Significant accounting policies) in certain instances in line with the amendments.

3. MATERIAL ACCOUNTING POLICIES

The material accounting policies of the Group applied in the preparation of these consolidated financial statements are set out below. These policies have been applied consistently to both years presented in these consolidated financial statements.

a) Basis of consolidation

Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group (see section on "Subsidiaries" below).

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

3. MATERIAL ACCOUNTING POLICIES (Continued)

a) Basis of consolidation (continued)

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Equity-accounted investees and joint venture

Equity-accounted investees are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group’s investments in its equity-accounted investees and a joint venture are accounted for using the equity method.

Under the equity method, the investment in an equity-accounted investee or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group’s share of net assets of the equity-accounted investees or a joint venture since the acquisition date. Goodwill relating to the equity-accounted investees, or a joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The consolidated statement of profit or loss reflects the Group’s share of the results of operations of the equity-accounted investees and joint venture. Any change in OCI of those investees is presented as part of the Group’s OCI. In addition, when there has been a change recognised directly in the equity of the equity-accounted investees or a joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the equity-accounted investees, or a joint venture are eliminated to the extent of the interest in the equity-accounted investees or a joint venture.

The aggregate of the Group’s share of results of equity-accounted investees and joint ventures is shown on the face of the consolidated statement of profit or loss.

The financial statements of the equity-accounted investees and a joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group’s accounting policies.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its equity-accounted investees and a joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the equity-accounted investees and joint venture are impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the equity-accounted investees or a joint venture and its carrying value, then recognises the loss in the consolidated statement of profit or loss.

3. MATERIAL ACCOUNTING POLICIES (Continued)

a) Basis of consolidation (continued)

Equity-accounted investees and joint venture (continued)

Upon loss of significant influence over the equity-accounted investees or a joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the equity-accounted investees or a joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in the consolidated statement of profit or loss.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

b) Financial instruments

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial assets: Classification and subsequent measurement

A financial asset is classified at:

- Amortised cost – if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

- FVOCI - if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

- FVTPL – All financial assets not classified as measured at amortised cost or FVOCI as described above.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

3. MATERIAL ACCOUNTING POLICIES (Continued)

b) Financial instruments (continued)

Financial assets: Classification and subsequent measurement (continued)

On initial recognition, the Group may irrecoverably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Group has classified on initial recognition its cash and cash equivalents and trade and other receivables at amortised cost.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual cash flows or realising cash flows through the sale of assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets: Assessment whether contractual cash flows are Solely Payments of Principal and Interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

3. MATERIAL ACCOUNTING POLICIES (Continued)

b) Financial instruments (continued)

Financial assets: Assessment whether contractual cash flows are SPPI (continued)

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

- Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

- Financial assets FVTPL -These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. The Group does not hold such assets.

- Debt instruments at FVTOCI - These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss. The Group does not hold such assets.

- Equity investments at FVOCI - These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never derecognised to profit or loss. The Group does not hold such assets.

Financial liabilities: Classification and subsequent measurement

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

3. MATERIAL ACCOUNTING POLICIES (Continued)

b) Financial instruments (continued)

Financial assets: Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its consolidated statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities: Derecognition

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

c) Impairment

Non-derivative financial assets

The Group recognises loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortised cost (cash at bank and receivables). The Group does not hold debt investments measured at amortised cost or contract assets.

The Group measures loss allowance either at an amount equal to:

- lifetime ECLs, which are those ECLs that result from all possible default events over the expected life of a financial instruments; or

- 12-month ECLs, which includes the portion of ECLs that results from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Loss allowances for receivables are always measured at an amount equal to lifetime ECLs.

Loss allowances on bank balances are always measured at an amount equal to 12-month ECLs.

3. MATERIAL ACCOUNTING POLICIES (Continued)

c) Impairment (continued)

Non-derivative financial assets (continued)

The Group considers a financial asset to be in default when the customer is unlikely to pay its credit obligation to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer; or
- a breach of contract such as a default or being more than 120 days past due (more than 365 days for mall operations); or
- it is probable that the borrower will enter bankruptcy or other financial reorganization.

Presentation of impairment

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

3. MATERIAL ACCOUNTING POLICIES (Continued)

c) Impairment (continued)

Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (property and equipment, but not inventories and investment property) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGUs).

The recoverable amount of an asset or a CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or a CGU.

An impairment loss is recognized if the carrying amount of an asset or a CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognise

d) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash and bank balances and bank deposits with original maturities of three months or less and unrestricted balances held with banks which are subject to insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments, net of any outstanding bank overdrafts and restricted bank balances.

e) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average method, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. A provision is made for any write-down of inventories to net realisable value and such a provision is reflected as an expense in profit or loss in the period of write-down. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised in profit or loss in the period in which the reversal occurs.

f) Investment property

Investment property are properties which are held either to earn rental income, including those under development, or for capital appreciation or for both and are initially measured at cost, including transaction costs.

3. MATERIAL ACCOUNTING POLICIES (Continued)

f) Investment property (continued)

Subsequent to initial recognition, investment property are stated at fair value which reflects market condition at the reporting date. Gains and losses arising from changes in the fair values of investment property are included in the consolidated statement of profit or loss in the period in which they arise. Fair values are determined based on revaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when disposed all or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal and the carrying amount of the asset is recognised in the consolidated statement of profit or loss in the period of derecognition.

Property that is being constructed for future use as investment property is accounted for as investment property under the fair value model. Property under construction is designated as investment property only if there are unambiguous plans by management to subsequently utilize the property for rental activities upon completion of development, or if there is undetermined future use of the property and hence the property is held for long term capital appreciation.

Transfers between property categories

Transfers to, or from, investment property shall be made when, and only when, there is a change in use, evidenced by:

(a) commencement of owner-occupation, for a transfer from investment properties to owner- occupied property;
(b) commencement of development with a view to sale, for a transfer from investment properties to inventories;
(c) end of owner-occupation, for a transfer from owner-occupied property to investment property;
(d) commencement of an operating lease to another party, for a transfer from inventories to investment property.

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified as investment property. Any difference between carrying value and fair value arising on remeasurement is recognized directly in equity as a revaluation surplus.

For a transfer from investment property carried at fair value to owner-occupied property or inventories, the property's deemed cost for subsequent accounting in accordance with IAS 16 'Property, Plant and Equipment' or IAS 2 'Inventories' shall be its fair value at the date of change in use.

For a transfer from inventories to investment property that will be carried at fair value, any difference between the fair value of the property at that date and its previous carrying amount shall be recognized in consolidated statement of profit or loss.

g) Property and equipment

Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

3. MATERIAL ACCOUNTING POLICIES (Continued)

g) Property and equipment (continued)

Recognition and measurement (continued)

Cost includes expenditure that is directly attributable to the acquisition of the asset. The capital work in progress includes the cost of materials and direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that computers and office equipment.

Any gain or loss on disposal of an item of property and equipment is recognised in profit or loss.

Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that future economic benefits associated with the expenditure will flow to the Group.

Depreciation is recognized in the consolidated statement of profit or loss on a straight-line basis over the estimated useful lives of each item of property and equipment.

Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in profit or loss.

The estimated useful lives of property and equipment for current and comparative periods are as follows:

	Years
Buildings	20
Motor vehicles	5
Furniture, fixtures and office equipment	2-5

Land and capital work in progress are not depreciated. Once assets within capital work in progress are completed, they are reclassified to the relevant category of other property and equipment stated above and depreciated accordingly once they are put into use.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Impairment

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

Derecognition

An item of property and equipment is derecoginsed upon disposal or when no future economic benefits are expected from its use. Profit and loss on disposals of items of property and equipment are determined by comparing the proceeds from their disposals with their respective carrying amounts and are recognised net in profit or loss.

3. MATERIAL ACCOUNTING POLICIES (Continued)

g) Property and equipment (continued)

Allocation of depreciation expense

Depreciation is allocated to operating and general and administrative expenses on the basis of relative usage of assets for these purposes.

h) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity.

i) Revenue recognition

Rental income

Rental income receivable from operating leases, less the Group's initial direct costs of entering into the leases, is recognized on a straight-line basis over the term of the lease, except for contingent rental income which is recognized when it arises.

Incentives for lessees to enter into lease agreements are spread evenly over the lease term, even if the payments are not made on such a basis. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the lessors are reasonably certain that the tenant will exercise that option. Amounts received from tenants to terminate leases or to compensate for dilapidations are recognized in the consolidated statement of profit or loss when they arise.

Dividend income from equity investments

Dividend income is recognised when the Group's right to receive the payment is established which is generally when shareholders approve the dividend.

Service charges and expenses recoverable from tenants

Income arising from expenses recharged to tenants is recognized in the period in which the expense can be contractually recovered. Service charges and other such receipts are included gross of the related costs in revenue, as the Group acts as principal in this respect.

Sale of goods

Revenue is recognized when the control of the goods is transferred to the buyer.

Other income

Revenue is recognized when earned.

j) Expense recognition

Expenses are recognized in profit or loss when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen and can be measured reliably.

An expense is recognized immediately in profit or loss when an expenditure produces no future economic benefits, or when, and to the extent that, future economic benefits do not qualify or cease to qualify for recognition in the consolidated statement of financial position as an asset, such as in the case of asset impairments.

3. MATERIAL ACCOUNTING POLICIES (Continued)

k) Foreign currency transactions and balances

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the consolidated statement of financial position date. All differences are taken to the consolidated statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

l) Borrowing costs

Borrowing costs are finance cost and other costs that the Group incurs in connection with the borrowing of funds. A qualifying asset for finance cost capitalization is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The Group capitalizes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The Group recognizes other borrowing costs as an expense in the period in which it incurs them.

The Group begins capitalizing borrowing costs as part of the cost of a qualifying asset on the commencement date. The commencement date for capitalization is the date when the Group first meets all of the following conditions:

a) incurs expenditures for the asset;
b) incurs borrowing costs; and
c) undertakes activities that are necessary to prepare the asset for its intended use or sale.

To the extent that the Group borrows funds specifically for the purpose of obtaining a qualifying asset, the Group determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings, if any.

The borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than those specific borrowings mentioned above as made specifically for the purpose of obtaining a qualified asset, are capitalized by applying a capitalization rate to the expenditures on that asset.

The amount of borrowing costs that the Group capitalizes during the period is not to exceed the amount of borrowing costs it incurred during that period. The Group suspends capitalization of borrowing costs during extended periods in which it suspends active development of a qualifying asset, and ceases capitalizing borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset, being an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are expensed in profit or loss using the effective interest method.

3. MATERIAL ACCOUNTING POLICIES (Continued)

m) Tenants' deposits

Tenant's deposits liabilities are initially recognized at fair value and subsequently measured at amortized cost where material. Any difference between the initial fair value and the nominal amount is included as a component of operating lease income and recognized on a straight-line basis over the lease term.

n) Employees' end of service benefits

The Group provides end of service benefits to its expatriate employees in accordance with Qatari Labor Law. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of minimum service period. The expected costs of these benefits are accrued over the period of employment.

o) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. The expense relating a provision is presented in the consolidated statement of profit or loss net of any reimbursement.

With respect to its Qatari employees, the Group provides contributions to the General Pension and Social Insurance Authority calculated as a percentage of the employees' salaries. The Group's obligations are limited to these contributions, which are expensed when due.

p) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees, if any.

q) Dividends

The Group recognizes a liability to make cash distributions to equity shareholders of the Parent when distribution is authorized and the distribution in no longer at the discretion of the company. As per the Qatar Commercial Law No 11 of 2015 as amended by Law No.8 of 2021, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

r) Income tax

Taxes are calculated based on tax laws and regulations in jurisdictions in which the Group operates. A tax provision is made based on an evaluation of the expected tax liability.

s) Operating segments

The Group's operating segments are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Financial information on operating segments is presented in Note 28 to the consolidated financial statements. The Chairman of the Board of Directors (the chief operating decision maker) reviews management reports on a regular basis.

3. MATERIAL ACCOUNTING POLICIES (Continued)

s) Operating segments (continued)

The measurement policies the Group used for segment reporting under IFRS 8 are the same as those used in the consolidated financial statements. There have been no changes in the measurement methods used to determine reported segment profit or loss from prior periods. All inter-segment transfers are carried out at arm's length prices.

Segment revenues, expenses and performance include sales and purchases between business segments. Such sales and purchases are eliminated in consolidation.

t) Current versus non-current classification

The Group presents assets and liabilities based on current / non-current classification. An asset as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or,
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or,
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

u) Contingent assets and liabilities

Contingent assets are not recognised in the consolidated financial statements, but are disclosed when an inflow of economic benefits is probable.

Contingent liabilities are not recognised in the consolidated financial statements, but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

v) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

3. MATERIAL ACCOUNTING POLICIES (Continued)

v) Leases (continued)

Group as a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group’s estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

3. MATERIAL ACCOUNTING POLICIES (Continued)

v) Leases (continued)

Group as a lessee (continued)

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. Right-of-use assets that meet the definition of investment property are presented within investment property.

Short-term leases and leases of low-value assets

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

Group as a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of ‘rental revenues’.

Generally, the accounting policies applicable to the Group as a lessor in the comparative period were not different from IFRS 16 except for the classification of the sub-lease entered into during current reporting period that resulted in a finance lease classification.

w) Fair value measurement

The Group measures financial instruments such as derivatives, equity investment financial assets and non-financial assets such as investment property at fair value at each reporting date. Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value are disclosed in these consolidated financial statements in Note 27.

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

3. MATERIAL ACCOUNTING POLICIES (Continued)

w) Fair value measurement (continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

If an asset or liability measured at fair value has a bid price and an ask price, then the Group measures assets at a bid price and liabilities at an ask price.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

  For assets that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4. CASH AND BANK BALANCES

	2023	2022
Cash on hand	**291**	316
Cash at banks and other financial institutions		
Current accounts	**49,197**	113,703
Savings, short - term deposits and call accounts (1)	**318,872**	346,092
Margin accounts	**3,214**	2,987
Total cash at banks and other financial institutions	**371,283**	462,782
Total cash and bank balances in the consolidated statement of financial position	**371,574**	463,098
Less: restricted bank balances (2)	**(3,214)**	(2,987)
Cash and bank balances in the consolidated statement of cash flows	**368,360**	460,111

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

4. CASH AND BANK BALANCES (Continued)

(1) This includes short term deposits of QR 246,000 (2022: QR 242,887) as at 31 December 2023.

(2) Restricted bank balances represent cash margin (letter of guarantees) and are not available for use by the Group (Note 24).

5. TRADE AND OTHER RECEIVABLES

	2023	2022
Tenant receivables, net (1)	**53,722**	81,101
Notes receivable (Note 8.iv)	**24,481**	25,000
Advances to suppliers and contractors	**3,590**	15,737
Due from related parties (Note 12(b))	**473**	626
Refundable deposits	**8,738**	9,219
Prepaid expenses	**5,891**	5,266
Net other receivables and debit balances, net	**3,538**	1,904
	100,433	138,853

Trade and other receivables are segregated between current and non-current portions as follows:

2023	**Current**	**Non-current**	**Total**
Tenant receivables – net	**53,722**	**-**	**53,722**
Notes receivable	**24,481**	**-**	**24,481**
Advances to suppliers and contractors	**3,590**	**-**	**3,590**
Due from related parties	**473**	**-**	**473**
Refundable deposits	**-**	**8,738**	**8,738**
Prepaid expenses	**5,891**	**-**	**5,891**
Net other receivables and debit balances – net	**3,538**	**-**	**3,538**
	91,695	**8,738**	**100,433**

2022	**Current**	**Non-current**	**Total**
Tenant receivables – net	81,101	-	81,101
Notes receivable	25,000	-	25,000
Advances to suppliers and contractors	15,737	-	15,737
Due from related parties	626	-	626
Refundable deposits	-	9,219	9,219
Prepaid expenses	5,266	-	5,266
Net other receivables and debit balances – net	1,904	-	1,904
	129,634	9,219	138,853

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

5. TRADE AND OTHER RECEIVABLES (Continued)

(1) The allowance for impairment of trade and other receivables consists of:

	2023	2022
Tenants' receivables	**86,905**	90,095
Other receivables	**13,665**	12,814
	100,570	102,909

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

	2023	2022
At 1 January	**102,909**	100,129
Provision of impairment loss of trade and other receivables – net	**10,650**	17,409
Provision written – off	**(12,989)**	(13,377)
Other movement (Note 31)	**-**	(1,252)
At 31 December	**100,570**	102,909

6. INVENTORIES

	2023	2022
Inventories carried at cost		
Consumables (1)	**4,921**	5,875
Buildings and maintenance materials	**9,671**	9,724
	14,592	15,599

(1) This includes small operating equipment such as linen, cutlery and other hotel consumables. During the year, small operating equipment of QR 856 (2022: QR 3,261) were recognized as an expense during the year and included in "Operating expenses" account (Note 19).

7. EQUITY INVESTMENTS

As disclosed in Note 31, the Group disposed its entire investment portfolio in August 2022.

The movements of the equity investments account are as follows:

	2023	2022
At 1 January	-	2,671,864
Disposals of subsidiaries (1) (Note 31)	-	(3,501,953)
Net change in fair value (Note 17)	-	830,089
At 31 December	-	-

(1) On 14 August 2022, the Group's investments in quoted shares amounting to QR 3,501,953 were derecognized as the subsidiaries that hold the shares were disposed by the Group (Note 31). The impacts of these disposals are shown below:

	2023	**2022**
Carrying amounts	-	1,673,291
Gain on sale of equity investments (i)(Note 17)	-	1,828,662
Due from related party on disposal of equity investments (Note 31)	-	3,501,953

(i) The resulting gain was transferred from "Fair value reserves" to "Retained earnings" account as shown in the consolidated statement of changes in equity (Note 31).

Before the disposal of equity investments in year 2022, (Note 31), the Group generated dividend income from the equity investments amounting to nil (2022: QR 86,830) during the year.

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

8. EQUITY-ACCOUNTED INVESTEES AND JOINT VENTURE

A. Associates

The entire equity - accounted investments in associates of the Group as enumerated below were derecognized as the subsidiaries that hold those investments were disposed in August 2022 (Note 31).

(i) Qatar International Islamic Bank Q.P.S.C. (QIIB)

QIIB was incorporated under Amiri Decree No.52 of 1990. QIIB operates through its head office located on Grand Hamad Street in Doha and 19 local branches. The QIIB is listed and its shares are traded on the Qatar Stock Exchange. QIIB is engaged in banking, financing and investing activities in accordance with its Articles of Incorporation, Islamic Shari'a rules and principles as determined by the Shari'a Supervisory Board of QIIB and regulations of Qatar Central Bank.

(ii) Medicare Group Q.P.S.C. (MCGS)

MCGS formerly known as Al Ahli Specialised Hospital Company Q.S.C. is a Qatari Public Shareholding Company incorporated on 30 December 1996 under Commercial Registration Number 18895. Its registered office is located at P.O. Box 6401, Doha, State of Qatar. Its main activity is to operate a specialised hospital and promote medical services in State of Qatar.

(iii) Qatar Islamic Insurance Group Q.P.S.C. (QIIG)

QIIG was incorporated in the State of Qatar as a Closed Shareholding Company on 30 October 1993. On 12 December 1999, QIIG changed its status to a public listed company. The QIIG is engaged in business of underwriting general, Takaful (life) and health non- interest insurance in accordance with the Islamic Shari'a principles.

Before the disposal of equity - accounted investments in associates in year 2022, although the Group held less than 20% of the ownership interest and voting rights of QIIB, MCGS and QIIG, the Group had the ability to exercise significant influence through its nominated members in Board of Directors of the aforesaid equity-accounted investees, hence, the equity method had been applied.

B. Joint venture

(iv) White Square Real Estate W.L.L. (White Square)

White Square is a limited liability company registered and incorporated in the State of Qatar under the Commercial Registration No. 51302. White Square is structured as a joint venture company between the Company and Mr. Ibrahim Rashid Al-Mohannadi for the purpose of constructing and management of an investment property. White Square is principally engaged in real estate trading, development and rental activities.

On 12 June 2022, the Board of Directors unanimously approved the sale of the Group's proportionate share in its investment in White Square. On 3 July 2022, an agreement was executed and the Group sold to Mr. Ibrahim Rashid Al-Mohannadi, joint venture partner, its investment share amounting to QR 45,000 which is collectible in instalments. The Group received post - dated cheques in which QR 20,000 was already collected during year 2022 and the remaining balance of QR 24,481 (2022: QR 25,000) is recognized as part of "Trade and other receivables – notes receivables" account (Note 5).

The above disposal transaction is further summarized below:

	2023	2022
Carrying amount as at 30 June 2023 (effective date of disposal) (Note 8.E)	-	43,835
Gain on sale of equity-accounted joint venture	-	1,165
Notes receivable	-	25,000
Proceeds from sale of equity-accounted joint venture	-	20,000

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

8. EQUITY-ACCOUNTED INVESTEES AND JOINT VENTURE (Continued)

C. Reconciliation of summarized financial information for equity accounted investees and joint venture

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

	2023	2022
At 1 January	-	788,278
Dividends received (Note 8.D and 8.E)	-	(38,620)
Share in results of equity-accounted investees until period of disposal / during the year (Note 8.D)	-	36,864
Share in results of joint venture until period of disposal / during the year (Note 8.E)	-	(55,275)
Share of net movement in other comprehensive income (Note 17)	-	286
Share of the net movement of translation reserve	-	(17)
Disposals of subsidiaries	-	(731,516)
At 31 December	-	-

D. Summarized financial information for associates

The summarized statement of financial position of associates as at 14 August 2022 (date of disposal) are as follows:

	QIIB	***MCGS***	***QIIG***	***Total***
Non-current assets	27,111,214	1,158,949	218,219	28,488,382
Current assets	36,069,636	164,494	240,948	36,475,078
Non-current liabilities	(11,285,282)	(184,919)	(1,569)	(11,471,770)
Current liabilities	(43,297,339)	(133,051)	(42,337)	(43,472,727)
Net assets (100%)	8,598,229	1,005,473	415,261	10,018,963
Percentage ownership interest	6.04%	2.00%	4.92%	
Group's share of net assets as at 30 June 2022	519,333	20,109	20,431	559,873
Group's share of net assets as at disposal date 14 August 2022 (Note 31)	408,228	17,651	21,580	447,459
Add: Goodwill	183,971	22,800	28,245	235,016
Carrying value of investment before disposal	592,199	40,451	49,825	682,475
Disposals (Note 31)	(592,199)	(40,451)	(49,825)	(682,475)
	-	-	-	-

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

8. EQUITY-ACCOUNTED INVESTEES AND JOINT VENTURE (Continued)

D. Summarized financial information for associates (continued)

The summarized statement of profit or loss and other comprehensive income of associates for the period ended 14 August 2022 (date of disposal) are as follows:

	QIIB	***MCGS***	***QIIG***	***Total***
Revenues	1,044,106	245,556	81,962	1,371,624
Profit from continuing operations	435,647	35,455	50,545	521,647
Other comprehensive income	200	10,425	(101)	10,524
Total comprehensive income for the period ended 30 June 2022	435,847	45,880	50,444	532,171
Total comprehensive income for the period ended 14 August 2022	544,809	57,350	63,055	665,214
Group's share of comprehensive income until 14 August 2022 (Note 8.C) (1)	32,870	886	3,108	36,864
Group's share of total comprehensive income until 14 August 2022 (1)	32,886	1,147	3,100	37,133
Dividends (Note 8.C)	34,263	1,407	2,950	38,620

(1) The following table analyses, in aggregate, the share of profit and OCI of associates.

	2023	2022
Share of:		
– Profit from continuing operations	-	36,864
– OCI	-	269
	-	37,133

E. Summarized financial information for joint venture

The summarized statement of financial position of the Joint Venture are as follows:

	2023	2022
Non-current assets (1)	-	581,585
Current assets – cash and cash equivalents	-	320
Other current assets	-	22,104
Non-current financial liabilities (excluding trade and other payables and provisions)	-	(468,894)
Other non-current liabilities	-	-
Current financial liabilities (excluding trade and other payables and provisions)	-	-
Other current liabilities	-	(238)
Net assets (100%) as at 31 December 2023 / 30 June 2022	-	134,877
Group's share of net assets as at 31 December 2023 at nil% / 30 June 2022 at 32.5%	-	43,835
Disposals (Note 8.iv)	-	(43,835)
Carrying amount of interest in joint venture	-	-
Percentage ownership interest	-	-

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

8. EQUITY-ACCOUNTED INVESTEES AND JOINT VENTURE (Continued)

E. Summarized financial information for joint venture (continued)

The summarized statement of profit or loss and other comprehensive income are as follows:

	2023	2022
Revenues	-	16,379
Depreciation and amortization	-	(709)
Finance costs	-	(11,017)
Loss and total comprehensive loss for the year / period ended 31 December 2023 / 30 June 2022 (1)	-	(170,076)
Group's share of total comprehensive loss for the year / period ended 31 December 2023 at nil% / 30 June 2022 at 32.5% (Note 8.C)	-	(55,275)
Dividends received by the Group (Note 8.C)	-	-

(1) This mainly pertains to the Joint Venture's investment property carried under fair value model which constitutes 96% of its total assets as at 30 June 2022. The joint venturers appointed independent valuation expert to determine its fair value as at date of disposal, 30 June 2022. The investment property's fair value amounted to QR 560,000 as at 30 June 2022 which resulted to a total loss from change in fair value of investment property amounting to QR 166,259. The Group's share in the valuation loss amounted to QR 54,034 (32.5% share) which represents 98% of its total share in total comprehensive loss for the period ended 30 June 2022 which amounted to QR 55,275.

The Group also recognized its share on the operating results of its equity-accounted investees / joint venture amounting to nil loss / gain (2022: loss of QR 18,411) during the year due to disposal of investments.

No impairment loss was recognized on equity-accounted investees in prior year.

All the associates and joint venture are accounted for using the equity method of accounting.

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

9. INVESTMENT PROPERTIES

I. Reconciliation of carrying amounts

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

	2023	2022
At 1 January	**45,702,277**	44,827,392
Additions of investment properties (Notes 12 and 31)	**-**	1,471,337
Development costs during the year (Note 12(a))	**129,245**	448,987
Net loss from change in fair value of investment properties	**(192,857)**	(1,059,247)
Capitalized finance costs on investment properties under development (1)	**-**	25,381
Foreign exchange adjustment	**5,196**	(11,573)
At 31 December	**45,643,861**	45,702,277

(1) Capitalized finance cost is computed based on the average qualifying expenditures related to the projects under developments. Finance cost is capitalized using the Group's weighted average capitalization rate of nil% during the year (2022: 4.68%) (Note 21).

Investment properties consist of:

	2023	2022
Completed properties (Note 9.v)	**44,311,171**	44,679,237
Vacant land	**1,332,690**	1,023,040
	45,643,861	45,702,277

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

The mortgages on the investment properties are disclosed in Note 13.

II. Reconciliation of fair value of investment properties

	2023	2022
Fair value of investment property as received from valuer (1)	**45,638,665**	45,713,850
Other adjustments	**5,196**	(11,573)
Fair value of investment property as disclosed in the consolidated financial statements	**45,643,861**	45,702,277

Investment properties are stated at fair value, which has been determined based on valuation performed by accredited independent valuers as at reporting date. During the year 2023, the Group engaged two independent valuation experts (2022: three independent valuation experts) to assess the fair market values of the Group's investment properties. These 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 comparable transactions. The valuation has been prepared in accordance with the appropriate sections of the Practice Statements ("PS"), contained with the RICS Valuation- Professional Standards 2022 (the "Red Book").

9. INVESTMENT PROPERTIES (Continued)

II. Reconciliation of fair value of investment properties (continued)

The Group's management believes that the assumptions used in valuation of investment properties performed by accredited independent valuers were within the acceptable range within real estate market at State of Qatar. The valuation of investment properties as performed by accredited independent valuers as stated previously and as stated in the Group's financial position represents a fair value and reflects the real estate market situation in the State of Qatar.

(1) Based on the two independent valuation reports received by the Group, the management selected the valuation report with the lowest fair market value which amounted to QR 45,638,665 (2022: QR 45,713,850) as at reporting date.

III. Valuation Process

The Group's management determines the valuation policies and procedures for property valuations. Each year, the management, after approval of the Audit Committee, appoints the external valuers responsible for the valuations of the Group's investment property. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

The management decides after discussion with the external valuers:

- the valuation method to be applied for each property (the methods that are applied for fair value measurements categorised within Level 3 of the fair value hierarchy are the discounted cash flow method and the income capitalisation method; for fair value measurements in Level 2 of the fair value hierarchy, the market comparison approach is used) and;
- the assumptions made for unobservable inputs that are used in valuation methods (the major unobservable inputs are estimated rental value, rent growth per annum, long term vacancy rate, discount rate and exit yield)

Description of valuation techniques used by the Group and key inputs to valuation of the investment property are disclosed in Note 27.

Income approach

Income approach is a valuation method appraisers and real estate investors use to estimate the value of income producing real estate. It is based upon the premise of anticipation i.e., the expectation of future benefits. This method of valuation relates value to two things: the "market rent" that a property can be expected to earn and, the "reversion" (resale) when a property is sold.

The most commonly used technique for assessing market value within the income approach is discounted cash flow. This is a financial modelling technique based on explicit assumptions regarding the prospective cash-flow to a property or business and the costs associated with being able to generate the income. To this assessed cash-flow a market-derived discount rate is applied to establish a present value of the income stream. The income approach of valuation has been adopted for all the properties in Qatar and UK except for land.

Market approach

Market approach or direct comparison method is based on comparing the subject asset with identical or similar assets (or liabilities) for which price information is available, such as a comparison with market transactions in the same, or closely similar (i.e. similar properties that have actually been sold in arms'-length transactions or are offered for sale), type of asset (or liability) within an appropriate time horizon. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar assets (or liabilities) in an open and competitive market. Generally, the opinion on value is based on evidence of open market transactions in similar property with adjustments of the comparable to differentiate the differences between the subject property and the comparable. The market approach of valuation has primarily been adopted for plots of land in Qatar and vacant properties in UK.

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

9. INVESTMENT PROPERTIES (Continued)

IV. Amounts recognised in profit or loss

The following amounts are recognized in consolidated statement of profit or loss:

	2023	2022
Rental income and other operating revenues	**1,851,533**	1,857,872
Direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income and other operating revenues during the year	**(332,897)**	(341,479)
Profit arising from investment property carried at fair value	**1,518,636**	1,516,393

V. Reconciliation of fair values categorized within level 3

	2023	2022
At 1 January	**44,679,237**	43,775,055
Loss on valuation recognized in the consolidated statement of profit or loss	**(502,507)**	(1,029,950)
Net movements (1)	**129,245**	1,945,705
Others (foreign exchange adjustment)	**5,196**	(11,573)
At 31 December (Note 9.i and 27)	**44,311,171**	44,679,237

(1) This pertains to the other non - related valuation movements in the fair market values of the investment properties such as acquisitions, development costs, etc.

No reclassification between level 2 and level 3 during the year.

The capital expenditure and operating lease commitments of the Group are disclosed in Note 25.

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

10. PROPERTY AND EQUIPMENT

I. Reconciliation of carrying amounts

	Land	Buildings	Motor vehicles	Furniture, fixtures and office equipment	Capital work in progress	Total
Cost						
At 1 January 2022	407,660	363,072	8,700	120,492	502	900,426
Additions	-	-	911	5,547	23	6,481
Disposals	-	-	-	(2)	-	(2)
Reclassifications	-	-	-	525	(525)	-
At 31 December 2022	**407,660**	**363,072**	**9,611**	**126,562**	**-**	**906,905**
Additions	-	-	-	**3,420**	**951**	**4,371**
Disposals	-	-	-	**(466)**	-	**(466)**
Reclassifications	-	-	-	**683**	**(683)**	-
At 31 December 2023	**407,660**	**363,072**	**9,611**	**130,199**	**268**	**910,810**
Accumulated depreciation						
At 1 January 2022	-	71,432	8,429	115,674	-	195,535
Charge for the year	-	18,154	395	4,903	-	23,452
Disposals	-	-	-	(2)	-	(2)
At 31 December 2022	**-**	**89,586**	**8,824**	**120,575**	**-**	**218,985**
Charge for the year	-	**18,154**	**216**	**2,943**	-	**21,313**
Disposals	-	-	-	**(465)**	-	**(465)**
At 31 December 2023	**-**	**107,740**	**9,040**	**123,053**	**-**	**239,833**
Carrying amounts						
31 December 2023	**407,660**	**255,332**	**571**	**7,146**	**268**	**670,977**
31 December 2022	407,660	273,486	787	5,987	-	687,920

The Group disposed property and equipment items in current and prior years which resulted to nil gain or loss.

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

11. TRADE AND OTHER PAYABLES

	2023	2022
Due to related parties (Note 12.c)	**1,589,257**	1,638,199
Dividend payables (1) (Note 23)	**477,194**	536,156
Tenants' deposits	**172,057**	181,277
Unearned rent income	**87,799**	71,965
Payables to contractors and suppliers	**77,924**	67,138
Accrued expenses	**28,227**	34,534
Provision for employees' end of service benefits (2)	**19,477**	15,604
Provision for Social and Sports Activities Fund (Note 16)	**2,490**	2,168
Other payables	**24,007**	50,049
	2,478,432	2,597,090

2023	Current	Non-current	Total
Due to related parties	**26,556**	**1,562,701**	**1,589,257**
Dividend payables	**477,194**	**-**	**477,194**
Tenants' deposits	**152,218**	**19,839**	**172,057**
Unearned rent income	**87,799**	**-**	**87,799**
Payables to contractors and suppliers	**77,924**	**-**	**77,924**
Accrued expenses	**28,227**	**-**	**28,227**
Provision for employees' end of service benefits	**-**	**19,477**	**19,477**
Provision for Social and Sports Activities Fund	**2,490**	**-**	**2,490**
Other payables	**24,007**	**-**	**24,007**
	876,415	**1,602,017**	**2,478,432**

2022	Current	Non-Current	Total
Due to related parties	20,795	1,617,404	1,638,199
Dividend payables	536,156	-	536,156
Tenants' deposits	156,441	24,836	181,277
Unearned rent income	71,965	-	71,965
Payables to contractors and suppliers	67,138	-	67,138
Accrued expenses	34,534	-	34,534
Provision for employees' end of service benefits	-	15,604	15,604
Provision for Social and Sports Activities Fund	2,168	-	2,168
Other payables	49,161	888	50,049
	938,358	1,658,732	2,597,090

(1) This pertains to the declared dividends in prior years which are still outstanding as of the reporting date. This obligation is payable upon demand.

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

11. TRADE AND OTHER PAYABLES (Continued)

(2) The movements in the employees' end of service benefits were as follows:

	2023	2022
At 1 January	**15,604**	11,396
Provision made during the year (Note 19(ii))	**4,853**	5,656
Provision paid during the year	**(980)**	(1,448)
At 31 December	**19,477**	15,604

12. RELATED PARTY DISCLOSURES

(a) Related party transactions

	2023	2022
Transactions with entities under common control:		
Development costs of investment property (1)	**-**	369,490
Capitalized finance costs	**-**	23,825
Non - cash acquisition of investment properties (Notes 9 and 31)	**-**	1,471,337
Non - cash settlement of net liabilities to SAK Holding (Note 31)	**-**	2,275,045
Non - cash NCI's share on debt waiver	**-**	105,040
Transactions with associates:		
Expensed-out finance costs	**-**	68,226
Transactions with related parties:		
Rental income	**1,162**	1,214
Transactions with key management personnel:		
Allowances of key management personnel (2)	**13,448**	14,611
Transactions with other related parties:		
Financings - net (3) (Note 12(c))	**(45,160)**	(1,506,187)

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

(2) No allowances were approved for the Group's Board of Directors for the year ended 31 December 2023 and 2022 as per Annual General Meeting ("AGM") (Notes 12(d) and 19(ii)).

(3) These includes borrowings directly or indirectly received or provided through other related party.

(b) Due from a related party

	2023	2022
Parent Company:		
Al-Tadawul Trading Group Q.P.S.C.	**473**	**626**

The above balance is of financing in nature, bears no profit or securities, receivable on demand and collectible in cash.

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

12. RELATED PARTY DISCLOSURES (Continued)

(c) Due to related parties

	2023	2022
Entity under common control:		
SAK Holding Group W.L.L. (1)	**2,785**	6,567
Other related parties:		
Borrowings directly or indirectly received through other related party (2)	**1,586,472**	1,631,632
Total (Note 11)	**1,589,257**	1,638,199

(1) This amount represents the other remaining balance due to SAK Holding Group W.L.L. and its subsidiaries in relation to the settlement agreement with the Group and its subsidiaries. The above balance is not related to the disposal transaction as disclosed in Note 31.

The above balance bears no profit or securities, payable on demand and to be settled in cash.

(2) The Group obtained unsecured profit – bearing borrowings amounting to nil and QR 831 million in the years 2023 and 2022, respectively, which were directly or indirectly received through other related party to repay its Sukuk borrowings (Note 13). The unsecured borrowings carry profits at commercial rates. The maturity of unsecured borrowings is 10 years. This includes a non-current balance amounting to QR 1,562,701 (2021: QR 1,617,404).

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

	2023	2022
At 1 January	**1,631,632**	1,804,121
Additions	**-**	831,239
Finance costs (Note 21)	**200,063**	132,027
Repayments	**(245,223)**	(122,164)
Offset of liability against a common related party receivable (Note 31)	**-**	(1,013,591)
At 31 December	**1,586,472**	1,631,632

(d) Compensation of directors and other key management personnel

	2023	2022
Allowances of key management personnel - short term benefits (Notes 12(a) and 19(ii))	**13,448**	14,611

No compensation of Board of Directors were incurred during the years 2023 and 2022.

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

13. ISLAMIC FINANCINGS

The movements on the Islamic financings during the year were as follows:

	2023	2022
At 1 January	**11,211,343**	13,231,170
Finance costs (Note 21)	**909,678**	669,575
Repayments	**(1,090,624)**	(2,689,402)
Total	**11,030,397**	11,211,343
Less: transaction costs (1)	**(35,131)**	(34,796)
At 31 December	**10,995,266**	11,176,547

(1) The movements of transaction costs are as follows:

	2023	2022
At 1 January	**34,796**	43,420
Net movement including amortization	**335**	(8,624)
At 31 December	**35,131**	34,796

The maturity of these borrowings are as follows:

	2023	2022
Current portion	**352,854**	706,711
Non - current portion	**10,642,412**	10,469,836
	10,995,266	11,176,547

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

Type of facility	*Currency*	*Condition*	*Profit rates / terms*	**2023**	2022
Murabaha	QR	Secured	QMRL rate	**6,707,490**	6,777,789
Ijara	QR	Secured	QMRL rate	**4,226,007**	4,252,987
Murabaha	USD	Secured	1Y/3 M LIBOR	**96,900**	180,567
				11,030,397	11,211,343

In May 2021 and April 2022, the Group had fully settled the first tranch and second tranch of Sukuks (listed on Irish stock exchange), respectively. The Sukuk debts were indirectly settled by the Group through a financing obtained by a related party from a local bank in Qatar (Note 12(c)).

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.

As at 31 December 2023, the Group had secured borrowings against mortgages on different types of investment property (Note 9) owned by the Group with a fair market value of QR 18,214,860 (2022: QR 17,972,000).

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 31 December 2023, the Group did not fulfil certain financial ratios as required in the contracts for some agreements. However, the Group obtained waivers in which the respective banks involved are not demanding immediate payment as a consequence of the aforesaid breaches, thus, the obligations are still classified as non – current liability in the consolidated statement of financial position.

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

13. ISLAMIC FINANCINGS (Continued)

The maturity profiles of the facilities are as follows:

2023	**1 year**	**2-5 years**	**Over 5 years**	**Total**
Type of facility				
Murabaha (QR)	**152,106**	**3,460,425**	**3,094,959**	**6,707,490**
Ijara (QR)	**136,685**	**421,086**	**3,668,236**	**4,226,007**
Murabaha (USD)	**96,900**	**-**	**-**	**96,900**
	385,691	**3,881,511**	**6,763,195**	**11,030,397**

2022	1 year	2-5 years	Over 5 years	Total
Type of facility				
Ijara (QR)	469,244	378,816	3,404,927	4,252,987
Murabaha (USD)	83,047	97,520	-	180,567
Murabaha (QR)	189,216	1,094,511	5,494,062	6,777,789
	741,507	1,570,847	8,898,989	11,211,343

14. SHARE CAPITAL

	2023	2022
Authorised, issued and fully paid up:		
26,524,967 thousand of shares of QR 1 each (2022: 26,524,967 thousand of shares of QR 1 each) (Note 22)	**26,524,967**	26,524,967

All ordinary shares rank equally with regard to the Company's residual assets.

15. NATURE AND PURPOSE OF RESERVES

I. Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

II. Fair value reserve

The fair value reserve comprises:

– the cumulative net change in the fair value of equity securities designated at FVOCI; and

– the cumulative net change in fair value of debt securities at FVOCI until the assets are derecognised or reclassified. This amount is adjusted by the amount of loss allowance.

III. Legal reserve

In accordance with the requirements of the Qatar Commercial Companies Law No. 11 of 2015, as amended by Law no. 8 of 2021 ("Amended Law") and the Company's Articles of Association, a minimum of 10% of the net profit should be transferred to a legal reserve each year until this reserve is equal to 50% of the paid-up share capital. The reserve is not available for distribution except in the circumstances stipulated in the above Amended Law and the Company's Articles of Association.

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

16. CONTRIBUTION TO SOCIAL AND SPORTS ACTIVITIES FUND

In accordance with Law No. 8 of 2011 (Amendment to Law No. 13 of 2008), the Group made an appropriation of profit in amount of QR 2,490 (2022: QR 2,168) equivalent to 2.5% of the consolidated net profit for the year for the support of sports, cultural, social and charitable activities (Note 11).

17. COMPONENTS OF OTHER COMPREHENSIVE INCOME

	2023	2022
Fair value reserve:		
At 1 January	**-**	1,002,558
Movements (see below analysis)	**-**	830,375
Reclassification of fair value reserve on disposals of equity investments (Note 7)	**-**	(1,828,662)
Other fair value reserve movement on disposal of equity-accounted investees	**-**	(4,271)
At 31 December	**-**	-

	2023	2022
Fair value reserve movement on equity investments:		
Net gain on equity investments (Note 7)	**-**	830,089
Share of net movement in fair value reserves of equity-accounted investees (Note 8)	**-**	286
Movements of fair value reserve	**-**	830,375
Foreign currency translation reserve		
Foreign operations - foreign currency translation differences	**(3,527)**	6,746
Other comprehensive (loss) / income for the year	**(3,527)**	837,121

18. RENTAL INCOME AND OTHER OPERATING REVENUES

Revenue streams

The Group's operations and main revenue streams are those described below. Apart from income from investments and leasing, Group has revenue from contracts with customers.

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers 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.

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

18. RENTAL INCOME AND OTHER OPERATING REVENUES (Continued)

A. Disaggregation of revenue based on major revenue streams:

	Revenue streams				
For the year ended 31 December 2023	***Residential and commercial property***	***Investments***	***Hotel and suites***	***Malls***	***Total***
Rental income (under IFRS 16)	**1,530,377**	-	**162,452**	**71,158**	**1,763,987**
Revenue under IFRS 15					
Major service lines					
Food and beverage	**-**	**-**	**19,022**	**-**	**19,022**
Common area charges	**-**	**-**	**-**	**17,799**	**17,799**
Provision of utilities services	**12,260**	**-**	**-**	**-**	**12,260**
Property management services	**10,419**	**-**	**-**	**-**	**10,419**
Marketing services	**-**	**-**	**-**	**4,811**	**4,811**
Internet	**-**	**-**	**4,302**	**-**	**4,302**
Health club	**-**	**-**	**3,253**	**-**	**3,253**
Laundry	**-**	**-**	**818**	**-**	**818**
Entertainment	**-**	**-**	**-**	**693**	**693**
Others	**9,963**	**-**	**1,450**	**2,756**	**14,169**
Revenue under IFRS 15	**32,642**	**-**	**28,845**	**26,059**	**87,546**
Other income					
Other income	**55,640**	**-**	**6,228**	**9**	**61,877**
External revenue as reported in Note 28	**1,618,659**	**-**	**197,525**	**97,226**	**1,913,410**

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

18. RENTAL INCOME AND OTHER OPERATING REVENUES (Continued)

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

	Revenue streams				
For the year ended 31 December 2022	*Residential and commercial property*	*Investments*	*Hotel and suites*	*Malls*	*Total*
Rental income (under IFRS 16)	1,476,767	-	197,595	70,114	1,744,476
Revenue under IFRS 15					
Major service lines					
Food and beverage	-	-	30,126	-	30,126
Health club	-	-	2,530	-	2,530
Internet	-	-	1,894	-	1,894
Laundry	-	-	1,065	-	1,065
Entertainment	-	-	-	148	148
Provision of utilities services	24,456	-	-	-	24,456
Common area charges	-	-	-	16,363	16,363
Property management services	9,743	-	-	-	9,743
Marketing services	-	-	-	4,047	4,047
Others	17,806	-	1,812	3,406	23,024
Revenue under IFRS 15	52,005	-	37,427	23,964	113,396
Income from investments and other income					
Dividend income from equity accounted investees	-	86,830	-	-	86,830
Share of results of equity-accounted investees and joint venture	-	(18,411)	-	-	(18,411)
Gain on sale of equity-accounted investees and joint venture	-	576,479	-	-	576,479
Other income	10,286	55	26	11	10,378
	10,286	644,953	26	11	655,276
External revenue as reported in Note 28	1,539,058	644,953	235,048	94,089	2,513,148

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

	For the year ended 31 December		**Timing of revenue recognition**
	2023	2022	
Food and beverage	**19,022**	30,126	Point in time
Common area charges	**17,799**	16,363	Over the time
Provision of utilities services	**12,260**	24,456	Over the time
Property management services	**10,419**	9,743	Over the time
Internet	**4,302**	1,894	Over the time
Health club	**3,253**	2,530	Over the time
Marketing services	**4,811**	4,047	Over the time
Laundry	**818**	1,065	Point in time
Entertainment	**693**	148	Over the time
Others	**14,169**	23,024	Over the time
Revenue under IFRS 15	**87,546**	113,396	

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

19. EXPENSES

(i) Operating expenses:

	2023	2022
Staff cost (1)	**96,538**	97,029
Utilities	**72,944**	105,835
Sewage	**64,741**	47,618
Repairs and maintenance	**48,266**	43,581
Air conditioning	**22,159**	19,287
Security	**14,460**	14,006
Cleaning	**13,789**	14,123
Registration fees	**7,588**	7,613
Laundry and dry cleaning	**5,834**	4,638
Food and beverage	**5,068**	6,242
Advertising costs	**4,397**	5,498
Commission	**1,901**	2,984
Other operating expenses (2)	**6,964**	10,979
	364,649	379,433

(ii) General and administrative expenses:

	2023	2022
Staff cost (1) (3)	**47,207**	47,565
Professional expenses	**45,486**	37,174
Registration fees	**8,406**	8,400
Bank charges	**6,645**	6,179
Information system	**4,779**	3,896
Insurance	**3,944**	4,909
Communication	**1,935**	2,018
Advertising costs	**797**	939
Printing and stationery	**722**	780
Other general and administrative expenses	**3,519**	7,864
	123,440	119,724

(1) The account includes a provision for employees' end of service benefits of QR 4,853 (2022: QR 5,656) during the year (Note 11).

(2) This account includes operating expenses recognised from the consumption of small operating equipment amounted to QR 856 (2022: QR 3,261) based on its issuance to operation during the year (Note 6).

(3) This also includes allowances of key management personnel amounting to QR 13,448 (2022: QR 14,611) (Note 12(a and d)).

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

20. OTHER INCOME

	2023	2022
Profit on Islamic bank accounts	**16,618**	6,681
Miscellaneous income (1)	**45,259**	3,697
	61,877	10,378

(1) This mainly pertains to reversal of a contractor liabilities based on the receipt of final certified amounts against outstanding claims amounting to QR 30,000 and scrap sales earned during the year.

21. FINANCE COSTS

	2023	2022
Finance costs		
Profits charged on Islamic financings	**1,109,741**	801,602
Finance costs – impact in profit and loss (Notes 12 and 13)	**1,109,741**	801,602
Capitalized finance costs on investment property under development (Note 9)	**-**	25,381
	1,109,741	826,983

22. 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 year. There were no potentially dilutive shares outstanding at any time during the year and, therefore, the dilutive earnings per share are equal to the basic earnings per share.

	2023	2022
Profit attributable to ordinary shareholders		
Profit attributable to equity holders of the parent from continuing operations	**99,657**	86,732
Weighted-average number of ordinary shares (basic)		
Weighted average number of shares outstanding during the year (thousands of shares) (Note 14)	**26,524,967**	26,524,967
Basic and diluted earnings per share (QR)	**0.004**	0.003
Basic and diluted earnings per share from continuing operations (QR)	**0.004**	0.003

23. DIVIDENDS

No dividends were declared during year 2023 and 2022. The Company paid dividends amounting to QR 58,962 (2022: QR 58,962) during the year. The outstanding dividend amounted to QR 477,194 (2022: QR 536,156) as at reporting date (Note 11).

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

24. CONTINGENT LIABILITIES

	2023	2022
Bank guarantees (Note 4)	**3,214**	2,987

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

25. COMMITMENTS

(i) Capital expenditure commitments

The Group has contractual commitments to contractors and suppliers amounting to QR 101,303 (2022: QR 296,372) for development of investment property projects (Note 9).

(ii) Operating lease commitments – Group as a lessor

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

Rent income recognized to profit or loss during the year is disclosed in Note 18 as "Rental income".

The future aggregate minimum lease receivables under non-cancelable operating leases are as follows (Note 9):

	2023	2022
No later than one year	**957,040**	1,052,408
Later than one year and no later than five years	**274,503**	290,953
More than five years	**149,897**	172,015
	1,381,440	1,515,376

26. FINANCIAL INSTRUMENTS

(a) Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these consolidated financial statements.

The management has the overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group and to monitor risks.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

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

26. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management (continued)

Credit risk (continued)

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty. The Group's maximum exposure to credit risk as at the reporting date is the carrying amount of its financial assets, which are the following (Note 5):

	2023	2022
Tenant's receivables	**140,627**	171,196
Notes receivable	**24,481**	25,000
Due from a related party	**473**	626
Refundable deposits	**8,738**	9,219
Other receivables	**17,203**	14,718
Cash at bank	**371,283**	462,782
	562,805	683,541

Tenants' receivables

The Group renders services to around 29 thousand customers with its largest ten customers accounting for 32% (2022: 27%) of its tenants receivables. This significant concentration risk has been managed through enhanced monitoring and periodic tracking. In accordance with the provisions of the lease contracts, the lessees are required to deposit with the Group security deposits and advance rentals which help reduce the Group's credit risk exposure in case of defaults by the tenants. The Group has a rigorous policy of credit screening prior to providing services on credit. Management evaluates the creditworthiness of each client prior to entering into contracts. Management also periodically reviews the collectability of its tenants' receivables and has a policy to provide any amounts whose collection is no longer probable and to write-off as bad debts any amounts whose recovery is unlikely. As a result, management believes that there is no significant credit risk on its tenants' receivables as presented on the consolidated statement of financial position.

More than 30 % (2022: 28%) of the Group's customers have been transacting with the Group for over three years, and losses have occurred infrequently. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a government or non-government entity, their geographic location, industry, trading history with the Group and existence of previous financial difficulties.

The Group's most significant customers are corporates and individuals.

The Group uses an allowance matrix to measure the ECLs of tenants' receivables.

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

26. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management (continued)

Credit risk (continued)

Tenants' receivables (continued)

The following table provides information about the exposure to credit risk and ECLs for tenants' receivables:

At 31 December 2023:

	Weighted average loss rate (1)	**Gross carrying amounts**	**Loss allowance**
Not past due	**7%**	**38,873**	**2,738**
1-30 days past due	**17%**	**10,389**	**1,751**
31-60 days past due	**26%**	**3,174**	**818**
61-90 days past due	**7%**	**5,499**	**407**
90 -120 days past due	**25%**	**1,342**	**340**
Above 120 days (2)	**99%**	**52,305**	**51,806**
Above 365 days (3)	**100%**	**19,395**	**19,395**
Specific provision (4)	**100%**	**9,650**	**9,650**
Total (Note 5)	**62%**	**140,627**	**86,905**

At 31 December 2022:

	Weighted average loss rate (1)	Gross carrying amounts	Loss allowance
Not past due	1%	36,428	284
1-30 days past due	3%	25,324	863
31-60 days past due	13%	5,853	779
61-90 days past due	22%	14,507	3,196
90 -120 days past due	27%	3,706	1,017
Above 120 days (2)	98%	64,664	63,242
Above 365 days (3)	100%	11,041	11,041
Specific provision (4)	100%	9,673	9,673
Total (Note 5)	53%	171,196	90,095

(1) Loss rates are calculated using a 'net flow rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Net flow rates are calculated based on common credit risk characteristics.

(2) This represents default period for residential, commercial and hotel segments.

(3) This represents default period for mall segment.

(4) This represents provision made by management for customers where the recoverability is doubtful or balances are considered credit-impaired.

The movements in the provision for impairment of tenants' receivables are disclosed in Note 5.

26. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management (continued)

Credit risk (continued)

Due from related parties

Management believes that there is no significant credit risk in its receivables from the related parties because these counterparties are under the control of the Group's shareholders, who are financially healthy.

Notes receivable

Management believes that there is no significant credit risk from its notes receivable from White Square since this entity owned by a financially - healthy individual.

Refundable deposits

Credit risks are considered to be minimal as the refundable deposits are collectible from a government agency.

Other receivables

Credit risks on these receivables are considered to be minimal as these are substantially recovered on monthly basis and based on historical payment behaviour and analysis of customer credit base.

Cash at banks and bank deposits

The Group's cash at banks and bank deposits are held with banks that are independently rated by credit rating agencies such as Moody's. Substantial portion of the Group's cash at banks and bank deposits are with "A1" and "A2" ratings.

The Group has balances with credit worthy and reputable banks in Qatar with high credit ratings. Therefore, management believes that credit risk in respect of these balances is minimal.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

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

26. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management (continued)

Liquidity risk (continued)

The table below summarizes the contractual undiscounted maturities of the Group's financial liabilities at the reporting date. The Group's financial liabilities include any contractual profit payments.

	Carrying amounts	**Contractual cash flows**	**Less than 1 year**	**1 - 2 years**	**2 - 5 years**	**More than 5 years**
2023						
Non-derivative financial liabilities						
Due to related parties (1)	**1,589,257**	**(2,886,360)**	**(167,203)**	**(216,352)**	**(1,072,231)**	**(1,430,574)**
Tenants' deposits (2)	**172,057**	**(172,057)**	**(152,218)**	**(19,839)**	**-**	**-**
Payables to contractors and suppliers (3)	**77,924**	**(77,924)**	**(77,924)**	**-**	**-**	**-**
Other payables (4)	**24,007**	**(24,007)**	**(24,007)**	**-**	**-**	**-**
Islamic financings (5)	**10,995,266**	**(16,268,898)**	**(1,105,399)**	**(994,970)**	**(5,720,115)**	**(8,448,414)**
	12,858,511	**(19,429,246)**	**(1,526,751)**	**(1,231,161)**	**(6,792,346)**	**(9,878,988)**

	Carrying amounts	Contractual cash flows	Less than 1 year	1 - 2 years	2 - 5 years	More than 5 years
2022						
Non-derivative financial liabilities						
Due to related parties (1)	1,638,199	(3,095,677)	(190,439)	(205,819)	(859,474)	(1,839,945)
Tenants' deposits (2)	181,277	(181,277)	(156,441)	(24,836)	-	-
Payables to contractors and suppliers (3)	67,138	(67,138)	(67,138)	-	-	-
Other payables (4)	50,049	(50,049)	(49,161)	(888)	-	-
Islamic financings (5)	11,176,547	(16,985,146)	(1,471,777)	(1,186,823)	(4,330,600)	(9,995,946)
	13,113,210	(20,379,287)	(1,934,956)	(1,418,366)	(5,190,074)	(11,835,891)

(1) Management believes that there is no significant liquidity risk in its due to related parties.

(2) Liquidity risk on tenant deposits is minimal as these represents small amounts from large number of tenants.

(3) The Group received services and goods from various suppliers and contractors with its top ten suppliers accounting to 61% (2022: 55%) of its payables to contractors and suppliers during the year.

(4) Liquidity risk in other payable is minimal as the 42% (2022: 84%) of other payables pertain to only one contractor (2022: three contractors).

(5) Islamic financing are obtained from several banks during the year. Management believes that there is minimal liquidity risk as there is no impact on cash flows in case of non-compliance of loan covenants as per the loan agreement. Further, all Sukuk borrowings are fully – paid as at the reporting date.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, profit rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

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

26. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management (continued)

Market risk (continued)

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. As the QR is pegged to the US Dollar, balances denominated in US Dollars are not considered to represent significant currency risks.

Management is of the opinion that the Group's exposure to currency risk is minimal as the Group's significant transactions are denominated in Qatari Riyal (QR) and the US Dollar, which is pegged against QR.

Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market profit rates relates primarily to the Group's Islamic financing borrowings and term deposits with floating profit rates.

The Group adopts a policy of ensuring that profit rates on short-term deposits and borrowing costs rate on Islamic financing borrowings exposures are reviewed monthly and that finance cost rates are not subject to present fluctuations in profit rates. Also the Group's policy ensures that most of the exposure on profit rates on borrowings are on a fixed basis or are based on Qatar Central Bank MRL rates, unless, the variable basis are in favorable terms to the Group.

At the reporting date the profit rate profile of the Group's interest-bearing financial instruments was:

	2023	2022
Islamic financing borrowings - Murabaha (Note 13)	**6,804,390**	6,958,356
Due to related parties – Interest bearing (Note 12)	**1,586,472**	1,631,632
Term deposits (Note 4)	**(246,000)**	(242,887)
Net exposure	**8,144,862**	8,347,101

The following table demonstrates the sensitivity of equity and profit or loss to reasonably possible changes in profit rates by 25 basis points, with all other variables held constant. The sensitivity of equity and profit or loss is the effect of the assumed changes in profit rates for one year, based on the floating rate financial instruments held 31 December after impact of hedge accounting. The effect of decreases in profit rates is expected to be equal and opposite to the effect of the increases shown.

	Net effect on profit or loss **+25b.p**
At 31 December 2023	**(20,362)**
At 31 December 2022	(20,868)

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

26. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management (continued)

Market risk (continued)

Equity price risk

The Group is not exposed to any material equity price risk as it has no equity investments as at the reporting date.

(b) Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of share capital, reserves and retained earnings of the Group. The management monitors the return on capital, which the Group defines as net operating income divided by total shareholders' equity.

The Group's main objectives when managing capital are:

- to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders;
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk; and
- to remain within the Group's quantitative banking covenants and attain a strong credit rating.

Further, the Board of Directors seeks to maintain a balance between higher targeted returns and the advantages and security afforded by the strong capital position of the Group.

The Group's net debt to equity ratio at the reporting date was as follows:

	2023	2022
Islamic financings (Note 13)	**11,030,397**	11,211,343
Other related party payables (Note 12(c))	**1,586,472**	1,631,632
Less: cash and bank balances (Note 4)	**(371,574)**	(463,098)
Net debt	**12,245,295**	12,379,877
Equity attributable to owners of the Company	**33,503,122**	33,409,482
Net debt to equity ratio at 31 December	**37%**	37%

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

26. FINANCIAL INSTRUMENTS (Continued)

(b) Capital management (continued)

On the other hand, the Group reviews regularly the borrowing to value ratio, which is calculated as the amount of outstanding debt divided by the fair value of investment property and equity investments. The Group's policy is to keep average borrowing to value at a low-risk ratio.

The Group's borrowing to value ratio at the reporting date was as follows:

	2023	2022
Islamic financings (Note 13)	**11,030,397**	11,211,343
Other related party payables (Note 12(c))	**1,586,472**	1,631,632
	12,616,869	12,842,975
Fair values of:		
Investment property (Note 9)	**45,643,861**	45,702,277
Borrowing to fair value ratio at 31 December	**28%**	28%

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders, and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group's capital management policy remained unchanged since the previous year.

The Group is subject to externally imposed capital requirements, other than the requirement of the Qatar Article 298 of Qatar Commercial Companies Law No. 11 of 2015, as amended by Law No.8 of 2021 which obliges the managers of a company to call a general assembly of the shareholders within 30 days from the date when the accumulated losses of the company exceed 50% its registered share capital with the purpose of finding ways to cover the shortage in capital.

27. 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 amounts		*Fair Values*			
	FVOCI Investments	*Amortized cost*	*Level 1*	*Level 2*	*Level 3*	*Total*
As at 31 December 2023						
Financial assets not measured at fair value						
Trade and other receivables	**-**	**192,522**	**-**	**-**	**-**	**-**
Cash and bank balances	**-**	**371,574**	**-**	**-**	**-**	**-**
Financial liabilities measured at amortized cost						
Islamic financings – others	**-**	**10,995,266**	**-**	**-**	**-**	**-**
Trade and other payables	**-**	**1,863,245**	**-**	**-**	**-**	**-**

27. FAIR VALUES AND RISK MANAGEMENT (Continued)

FINANCIAL INSTRUMENTS (continued)

Accounting classification and fair values (continued)

	Carrying amounts		*Fair Values*			
	FVOCI Investments	***Amortized cost***	***Level 1***	***Level 2***	***Level 3***	***Total***
As at 31 December 2022						
Financial assets not measured at fair value						
Trade and other receivables	-	220,759	-	-	-	-
Cash and bank balances	-	463,098	-	-	-	-
Financial liabilities measured at amortized cost						
Islamic financings – others	-	11,176,547	-	-	-	-
Trade and other payables	-	1,936,663	-	-	-	-

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

27. FAIR VALUES AND RISK MANAGEMENT (Continued)

INVESTMENT PROPERTIES

		Fair Values			
	Carrying amounts	***Level 1***	***Level 2***	***Level 3*** *(Note 9.V)*	***Total***
As at 31 December 2023					
Completed properties	**44,311,171**	**-**	**-**	**44,311,171**	**44,311,171**
Vacant land	**1,332,690**	**-**	**1,332,690**	**-**	**1,332,690**
Total (Note 9)	**45,643,861**	**-**	**1,332,690**	**44,311,171**	**45,643,861**
	Carrying amounts	*Level 1*	*Level 2*	*Level 3* *(Note 9.V)*	*Total*
As at 31 December 2022					
Completed properties	44,679,237	-	-	44,679,237	44,679,237
Vacant land	1,023,040	-	1,023,040	-	1,023,040
Total (Note 9)	45,702,277	-	1,023,040	44,679,237	45,702,277

For all the Group’s investment properties, the current use of the properties is considered the highest and best use.

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

27. FAIR VALUES AND RISK MANAGEMENT (Continued)

INVESTMENT PROPERTIES (continued)

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values as at 31 December 2023 and 2022 for assets and liabilities measured at fair value in the consolidated statement of financial position, as well as the significant unobservable inputs used. Related valuation processes are described in (Note 3.w).

Type	***Valuation technique***	***Significant unobservable inputs***	***Inter-relationship between significant unobservable inputs and fair value measurement***
Investment property – Land in State of Qatar and UK	*Market approach:* 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.	Not applicable	Not applicable
Investment property – completed properties and projects under development– State of Qatar and UK	*Income approach:* *Discounted cash flows*: the valuation model considers the present value of expected net cash flows generated from investment property discounted using weighted average cost of the capital of the Group. *Income capitalization approach*: a type of real estate appraisal method that is used to estimate the value of a property based on the income the property generates.	<u>Expected net cash flows:</u> 31 December 2023: from positive net cash flows of QR 1,706,921 to positive net cash flows of QR 2,247,228 from year 2024 to 2028 and a terminal value of QR 50,274,492. 31 December 2022: from positive net cash flows of QR 1,675,940 to positive net cash flows of QR 2,250,058 from year 2023 to 2027 and a terminal value of QR 50,056,001. <u>Weighted average cost of capital:</u> 31 December 2023: 6.8% to 7.5% (31 December 2022: 6.5% to 7.5 %) <u>Terminal growth rate:</u> 31 December 2023: 2.3% (31 December 2022: 2%) <u>Terminal yield rate:</u> 31 December 2023: 4.5% to 5.2%, (31 December 2022: 4.5% to 5.5%)	The estimated fair value would increase (decrease) if: - Expected net cash flows were higher (lower); - Weighted average cost of capital were lower (higher); - Terminal growth rate were higher (lower); or - Terminal yield rate were lower (higher).

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

27. FAIR VALUES AND RISK MANAGEMENT (Continued)

INVESTMENT PROPERTIES (continued)

Sensitivity Information for investment property

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy of the Group's investment property are:

- Projected rental revenue per annum
- Projected rent growth per annum
- Projected occupancy per annum
- Projected operating expenses per annum
- Discount rate / weighted average cost of capital
- Terminal growth rate
- Exit / terminal yield rate

Significant increases (decreases) in project rental value per annum, projected rent growth per annum, projected occupancy rate per annum and terminal growth rate in isolation would result in a significantly higher (lower) fair value measurement. Significant increases (decreases) in projected operating expenses per annum, discount rate and exit or terminal yield in isolation would result in a significantly (lower) higher fair value measurement.

A quantitative sensitivity analysis is as shown below:

At 31 December 2023	**Sensitivity Level**	
	+0.50%	**-0.50%**
	Completed Properties	**Completed Properties**
Projected rental revenue per annum	**220,960**	**(220,940)**
Projected rent growth per annum	**954,740**	**(937,640)**
Projected occupancy per annum	**207,320**	**(207,320)**
Projected operating expenses per annum	**(247,550)**	**244,440**
Discount rate / weighted average cost of capital	**(4,423,270)**	**5,514,850**
Terminal growth rate	**4,636,620**	**(3,719,500)**
Exit / terminal yield rate	**(3,719,500)**	**4,636,620**

At 31 December 2022	Sensitivity Level	
	+0.50%	-0.50%
	Completed Properties	Completed Properties
Projected rental revenue per annum	222,700	(223,200)
Projected rent growth per annum	778,500	(768,300)
Projected occupancy per annum	272,300	(275,100)
Projected operating expenses per annum	(244,600)	244,400
Discount rate / weighted average cost of capital	(4,462,400)	5,562,500
Terminal growth rate	4,673,700	(3,749,700)
Exit / terminal yield rate	(3,749,700)	4,673,700

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

28. OPERATING SEGMENTS

Basis for segmentation

For management purposes, the Group is organised into business units based on its business activities and has four reportable segments. These divisions offer different products and services and are managed separately because they require different technology and marketing strategies.

Reportable segments	**Operations**
a. Residential and commercial properties	Developing, owning, and renting of real estate properties.
b. Investments	Investing activities including shares.
c. Hotel and suites	Managing hotels, suites and restaurants.
d. Malls	Management of shopping malls.

No operating segments have been aggregated to form the above reportable operating segments. The management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

The following table presents revenues and expenses regarding the Group's operating segments.

2023	**Residential and commercial properties**	**Investments**	**Hotel and suites**	**Malls**	**Adjustments and eliminations**	**Total**
Rental income	**1,535,269**	**-**	**167,448**	**71,158**	**(9,888)**	**1,763,987**
Other operating revenues	**32,642**	**-**	**28,845**	**26,059**	**-**	**87,546**
Other income	**55,640**	**-**	**6,228**	**9**	**-**	**61,877**
Operating expenses	**(264,233)**	**-**	**(75,324)**	**(29,984)**	**4,892**	**(364,649)**
General and administrative expenses	**(114,990)**	**-**	**(13,446)**	**-**	**4,996**	**(123,440)**
Gain from foreign currency exchange	**8,886**	**-**	**-**	**-**	**-**	**8,886**
Depreciation of property and equipment	**(1,550)**	**-**	**(19,752)**	**(11)**	**-**	**(21,313)**
Provision of impairment loss of trade and other receivables - net	**(7,440)**	**-**	**1,150**	**(4,360)**		**(10,650)**
Loss on valuation of investment property	**(1,213,417)**	**-**	**825,767**	**194,793**	**-**	**(192,857)**
Segment profit	**30,807**	**-**	**920,916**	**257,664**	**-**	**1,209,387**
Finance costs	**(1,109,741)**	**-**	**-**	**-**	**-**	**(1,109,741)**
Net (loss) / profit	**(1,078,934)**	**-**	**920,916**	**257,664**	**-**	**99,646**

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

28. OPERATING SEGMENTS (Continued)

2022	Residential and commercial properties	Investments	Hotel and suites	Malls	Adjustments and eliminations	Total
Rental income	1,481,473	-	202,545	70,849	(10,391)	1,744,476
Dividends income from equity investments	-	86,830	-	-	-	86,830
Share from the results of equity-accounted investees and joint venture	-	(18,411)	-	-	-	(18,411)
Gain on sale of equity-accounted investees and joint venture	-	576,479	-	-	-	576,479
Other operating revenues	52,005	-	37,427	23,964	-	113,396
Other income	10,286	55	26	11	-	10,378
Operating expenses	(275,217)	-	(77,197)	(32,460)	5,441	(379,433)
General and administrative expenses	(106,224)	(14)	(18,436)	-	4,950	(119,724)
Loss from foreign currency exchange	(26,927)	-	-	-	-	(26,927)
Depreciation of property and equipment	(1,417)	-	(22,032)	(3)	-	(23,452)
Impairment loss of trade and other receivables	(13,741)	650	(101)	(4,217)	-	(17,409)
(Loss) / gain on valuation of investment property	(423,711)	-	(938,743)	303,207	-	(1,059,247)
Segment profit	696,527	645,589	(816,511)	361,351	-	886,956
Finance costs	(801,602)	-	-	-	-	(801,602)
Net profit	(105,075)	645,589	(816,511)	361,351	-	85,354

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

28. OPERATING SEGMENTS (Continued)

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

	Residential and commercial properties	Hotel and suites	Malls	Adjustments and eliminations	Total
31 December 2023					
Segment assets					
Cash and bank balances	**361,425**	**9,153**	**996**	**-**	**371,574**
Trade and other receivables	**676,578**	**43,905**	**72,238**	**(692,288)**	**100,433**
Inventories	**9,520**	**4,921**	**151**	**-**	**14,592**
Investment properties	**40,435,631**	**3,366,540**	**1,841,690**	**-**	**45,643,861**
Property and equipment	**8,126**	**662,824**	**27**	**-**	**670,977**
Total assets	**41,491,280**	**4,087,343**	**1,915,102**	**(692,288)**	**46,801,437**
Segment liabilities					
Trade and other payables	**2,978,355**	**156,926**	**35,439**	**(692,288)**	**2,478,432**
Islamic financings	**10,995,266**	**-**	**-**	**-**	**10,995,266**
Total liabilities	**13,973,621**	**156,926**	**35,439**	**(692,288)**	**13,473,698**

Geographically, the Group operates in the State of Qatar and the United Kingdom. Qatar operations contributed approximately 100% of the Group's profit for the year ended 31 December 2023 (31 December 2022: 100%) and approximately 99.79 % (31 December 2022: 99.79 %) of its assets.

Major customer

Revenues from one customer of the Group's residential and commercial properties segment represented approximately 2.15% (2022: 4.49%) of the Group's total rental revenue.

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

28. OPERATING SEGMENTS (Continued)

	Residential and commercial properties	Hotel and suites	Malls	Adjustments and eliminations	Total
31 December 2022					
Segment assets					
Cash and bank balances	451,831	5,482	5,785	-	463,098
Trade and other receivables	681,585	52,828	65,644	(661,204)	138,853
Inventories	9,553	5,875	171	-	15,599
Investment properties	41,499,077	2,562,000	1,641,200	-	45,702,277
Property and equipment	9,402	678,490	28	-	687,920
Total assets	42,651,448	3,304,675	1,712,828	(661,204)	47,007,747
Segment liabilities					
Trade and other payables	3,694,581	158,481	36,494	(1,292,466)	2,597,090
Islamic financings	11,176,547	-	-		11,176,547
Total liabilities	14,871,128	158,481	36,494	(1,292,466)	13,773,637

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

29. NON-CONTROLLING INTERESTS

The financial information of Group's subsidiaries are provided below. The summarized financial information below represents amounts before intragroup eliminations.

31 December 2023	**Emtedad Real Estate for Projects W.L.L.**	**Ezdan World W.L.L.**	**Intragroup eliminations**	**Total**
NCI percentage	**32.50%**	**30.00%**		
Non-current assets	**-**	**-**		
Current assets	**364**	**128**		
Current liabilities	**(295)**	**(67,151)**		
Net assets / (liabilities)	**69**	**(67,023)**		
Net liabilities attributable to NCI	**22**	**20,107**	**(195,512)**	**(175,383)**
Revenue	**-**	**-**		
(Loss) / profit	**(44)**	**4**		
OCI	**-**	**-**		
Total comprehensive (loss) / profit	**(44)**	**4**		
(Loss) / profit allocated to NCI	**(14)**	**1**	**2**	**(11)**
OCI allocated to NCI	**-**	**-**	**-**	**-**
Cash flows from operating activities	**131**	**6**		
Cash flows from financing activities	**-**	**24**		
Net increase in cash and cash equivalents	**131**	**30**		

31 December 2022	Emtedad Real Estate for Projects W.L.L.	Ezdan World W.L.L.	Intragroup eliminations	Total
NCI percentage	32.50%	30.00%		
Non-current assets	23,700	-		
Current assets	234	105		
Current liabilities	(120)	(67,131)		
Net assets	23,814	(67,026)		
Net assets attributable to NCI	7,740	(20,108)	(163,004)	(175,372)
Revenue	-	-		
Loss	(4,208)	(33)		
OCI	-	-		
Total comprehensive loss	(4,208)	(33)		
Loss allocated to NCI	(1,368)	(10)	-	(1,378)
OCI allocated to NCI	-	-	-	-
Cash flows from operating activities	43,976	(28)		
Cash flows (used in) from investment activities	(736,598)	-		
Cash flows from financing activities	692,713	55		
Net increase in cash and cash equivalents	91	27		

The NCI of the Group is negative due to share of its accumulated losses from subsidiaries of the Group.

30. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

In preparing these consolidated financial statements, management has made judgments and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about areas that involve a higher degree of judgement or complexity, or areas where assumptions or estimates have a significant risk of resulting in a material adjustment to the consolidated financial statements are as follows:

i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements:

Revenue recognition

Rental revenue is recognised on a monthly basis based on the period of contract and the space occupied.

Revenue from ancillary services provided to occupants of the property is recognised at a single time when the service is delivered to the customer.

Revenue from sale of goods is recognised when the control of the goods (food and beverages) are transferred to the buyer. The customers take control of the items at the time of delivery of goods. Invoices are generated and revenue is recognised at that point in time. The customers' balances are usually collectible at transaction date.

The Group makes judgments in determining the performance obligations that exist in contract with the customers. Judgments are also applied in determining timing of transfer of control at a point in time or over time. Where the standalone selling price is applicable, management uses estimates to determine it based on the cost-plus mark-up depending on the nature of goods and services to be provided to different customers.

Going concern

The management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. The Group has been profitable, and it had positive net assets (equity), and cash flow positions as at the year end.

At the present time the assessment show that the Group has sufficient resources to continue in operational existence and its going concern position remains largely unaffected. Therefore, these consolidated financial statements have been prepared on a going concern basis and do not include any adjustments to the carrying amounts and classification of assets, liabilities and reported expenses that may otherwise be required if the going concern basis was not appropriate. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the consolidated financial statements continue to be prepared on a going concern basis.

Business model assessment

Classification and measurement of financial assets depends on the results of "solely payments of principal and interest" (SPPI) and the business model test (refer to the accounting policy "Financial instruments" in Note 3).

30. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (Continued)

i) Judgements (continued)

Business model assessment (continued)

The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the year.

Interests in other entities (equity-accounted investees and joint venture)

Judgment is required in assessing the level of control obtained in a transaction to acquire an interest in another entity; depending upon the facts and circumstances in each case, the Group may obtain control, joint control or significant influence over the entity or arrangement. The Group considers that it has significant influence over investees when it has board representation which allows them to participate in the financial and operating policy decisions but is not control or joint control of those policies. Judgment is also required to assess whether the arrangement is a joint operation or a joint venture. The Group assesses the arrangement as a joint venture since the rights of the Group reside in the net assets of the joint arrangement (i.e. it is the joint arrangement, not the parties to the joint arrangement, that has a direct right to the assets, and obligations for the liabilities of the joint arrangement).

Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets (equity-accounted investees and joint venture and property and equipment, but not inventories and investment property) are reviewed at each reporting date to determine whether there is any indication of impairment. Such indications may include decline in value of asset significantly, significant changes with an adverse effect on the Group have taken place, obsolescence or physical damage of asset, deterioration in the economic performance of the asset etc. If any such indication exists, then the asset's recoverable amount is estimated.

Distinction between property and equipment and investment property

The Group determines whether a property qualifies as an investment property. In making its judgment, the Group considers whether the property generates cash flows largely independent of the other assets held by an entity. Property and equipment or owner-occupied properties generate cash flows that are attributable not only to the property but also to the other assets used in the production or supply process.

Group holds some properties that comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use for administrative purposes. These portions could not be sold separately (or leased out separately under a finance lease), so the Group has classified the whole of property as investment property because only an insignificant portion is held for use for administrative purposes. The Group provides ancillary services to the occupants of properties it holds and treats such properties as investment property as the services are insignificant to the arrangement as a whole.

30. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (Continued)

i) Judgements (continued)

Other provisions and liabilities

Other provisions and liabilities are recognized in the period only to the extent management considers it probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the actual cash outflows can take place in subsequent years, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances. A change in estimate of a recognized provision or liability would result in a charge or credit to profit or loss in the period in which the change occurs.

ii) Assumptions and estimation uncertainties

Impairment of financial assets measured at amortised cost

The “expected credit loss” (ECL) impairment model requires forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. It also requires management to assign probability and magnitude of default to various categories of financial assets measured at amortised cost (cash at bank and trade and other receivables). Probability of default constitutes a key input in measuring an ECL and entails considerable judgement; it is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. The magnitude of the loss in case there is a default is also an estimate of the loss arising on default; it is based on the difference between the contractual cash flows due and those that the Group would expect to receive.

Provision of slow-moving and obsolete inventories

Inventories are held at the lower of cost and net realizable value. When inventories become old or obsolete, an estimate is made of their net realizable value. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence, based on historical realizable value.

Fair value measurement of investment property

The Group carries its investment property at fair value, with changes in fair value being recognized in profit or loss. The Group engages independent external valuers to determine the fair value. The valuers used recognized valuation techniques such as income (discounted cash flow [DCF] and income capitalization) and market approach. These valuation techniques used significant unobservable inputs such as weighted average cost of capital, terminal yield, terminal growth rate, etc. for the fair value measurement categorised within Level 3.

Depreciation of property and equipment

Items of property and equipment are depreciated over their estimated individual useful lives. The determination of useful lives is based on the expected usage of the asset, physical wear and tear, and technological or commercial obsolescence, and impacts the annual depreciation charge recognized in profit or loss. Management reviews annually the useful lives of these assets. Future depreciation charge could be materially adjusted where management believes the useful lives differ from previous estimates.

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

30. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (Continued)

ii) Assumptions and estimation uncertainties (continued)

Legal proceedings

From time to time, the Group is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. The management applies significant assumptions in measuring the risks of exposure to contingent liabilities and provisions related to existing legal proceedings and other unsettled claims. The management's judgment is required in estimating the probability of a successful claim against the Group or crystallising of a material obligation, and in determining the probable amount of the final settlement or obligation. The Group makes provisions against legal cases for all present obligations based on their prior experience on similar cases and advice sought from the legal advisers.

31. DISPOSAL OF SUBSIDIARIES AND SETTLEMENT WITH SAK HOLDING GROUP W.L.L.

In accordance with the General Assembly meeting held on 28 April 2022, the shareholders of the Group approved to settle the proportionate share of SAK Holdings Group W.L.L. ("SAK Holding") in the jointly-developed investment properties in accordance with shareholders' resolution issued on Extra - Ordinary General Assembly meeting held last 20 November 2013, at a value of QR 1,471,337 as determined by independent valuation experts (Notes 9 and 12). In addition, the Group agreed to settle the amount due to SAK Holding amounting to QR 2,275,045 (Note 12). These amounts are to be paid in cash or in kind.

On 5 September 2022, the Group entered into a settlement agreement with SAK Holding and it was resolved to dispose the Group's subsidiaries (Note 1) as in - kind payment consideration for settlement of SAK Holding's proportionate share on the investment properties. The fair market value of the disposed subsidiaries amounted to QR 4,759,742 as evaluated by the independent valuation experts appointed by the Group's management.

The net assets, fair market values and gain on disposal of these subsidiaries as at and for the period ended 14 August 2022 (date of disposal) were as follows:

	Fair market values	***Net assets***	***Gain***
			(Note 8.D)
Al Taybin Trading Company W.L.L.	1,277,839	1,153,335	124,504
Al Namaa for Maintenance Company W.L.L.	582,234	458,353	123,881
Een Jaloot Trading Company W.L.L.	482,797	412,116	70,681
Arkan for Import and Export Company W.L.L.	717,105	650,880	66,225
Shatea Al Nile Company W.L.L.	518,793	454,390	64,403
Al Ekleem for Real Estate and Mediation W.L.L.	564,986	501,499	63,487
Tareek Al Hak Trading Company W.L.L.	615,988	553,855	62,133
	4,759,742	4,184,428	575,314

As a result of the above disposals, the following net assets were derecognised in year 2022.

	2022
Equity investments (Note 7)	3,501,953
Equity-accounted investees – associates (Note 8)	682,475
Other receivables (Note 5)	1,252
Provision against other receivables (Note 5)	(1,252)
	4,184,428

31. DISPOSAL OF SUBSIDIARIES AND SETTLEMENT WITH SAK HOLDING GROUP W.L.L. (Continued)

At the disposal of the subsidiaries in the year 2022, the Group transferred fair value reserves relating to FVOCI equity investments amounting to QR 1,828,662 to retained earnings (Note 7).

The disposal was not treated as discontinued operations as it doesn't 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.

32. COMPARATIVE FIGURES

The comparative figures for the previous year have been reclassified, where necessary, in order to conform to the current year's presentation. Such reclassifications did not affect the previously reported profit, gross assets or equity.

33. SUBSEQUENT EVENTS

There were no significant subsequent events which have a bearing on the understanding of the consolidated financial statements.

Independent auditor's report on pages 1 - 4.