

EZDAN HOLDING GROUP Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS
31 March 2023

CONTENTS

Page(s)

Condensed consolidated interim financial statements:

Condensed consolidated statement of financial position	1
Condensed consolidated statement of profit or loss	2
Condensed consolidated statement of comprehensive income	3
Condensed consolidated statement of changes in equity	4-5
Condensed consolidated statement of cash flows	6
Notes to the condensed consolidated interim financial statements	7-20

Ezdan Holding Group Q.P.S.C.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2023

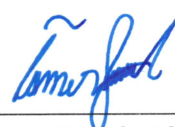
In thousands of Qatari Riyals

		31 March 2023	<i>31 December 2022</i>
	<i>Note</i>	(Unreviewed)	<i>Audited</i>
ASSETS			
Cash and bank balances	5	450,372	463,098
Trade and other receivables	6	138,241	138,853
Inventories		15,882	15,599
Investment properties	9	45,726,595	45,702,277
Property and equipment		683,368	687,920
TOTAL ASSETS		47,014,458	47,007,747
LIABILITIES AND EQUITY			
LIABILITIES			
Trade and other payables	10	2,576,643	2,597,090
Sukuk and Islamic financing	12	11,114,358	11,176,547
TOTAL LIABILITIES		13,691,001	13,773,637
EQUITY			
Share capital		26,524,967	26,524,967
Legal reserve		1,696,560	1,696,560
Foreign currency translation reserve		2,564	4,256
Retained earnings		5,274,741	5,183,699
Equity attributable to owners of the Company		33,498,832	33,409,482
Non-controlling interests		(175,375)	(175,372)
TOTAL EQUITY		33,323,457	33,234,110
TOTAL LIABILITIES AND EQUITY		47,014,458	47,007,747

These condensed consolidated interim financial statements were authorized for issue by the Company's Board of Directors on 19 April 2023.



Sheikh Thani Bin Abdulla Al-Thani
Chairman



Tamer Fouad Mahmoud
Group Chief Financial Officer

The notes on pages 7 to 25 are an integral part of these condensed consolidated interim financial statements.

Ezdan Holding Group Q.P.S.C.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three months ended 31 March 2023

In thousands of Qatari Riyals

	Note	<i>For the three months ended 31 March 2023 (Unreviewed)</i>	<i>For the three months ended 31 March 2022 (Unreviewed)</i>
CONTINUED OPERATIONS			
Rental income	13	466,539	360,971
Other operating revenues	13	22,510	21,298
Operating expenses	14	<u>(88,734)</u>	<u>(73,565)</u>
OPERATING PROFIT FROM MAIN OPERATIONS		400,315	308,704
Dividend income from equity investments	7	-	55,432
Share of results of equity-accounted investees and joint venture	8	-	14,448
NET OPERATING PROFIT		400,315	378,584
Gain / (loss) from foreign currency exchange		4,129	(12,505)
Other income		6,604	3,211
Finance costs	12	(259,136)	(185,122)
General and administrative expenses	14	(44,252)	(20,930)
Impairment loss of trade and other receivables - net		(11,441)	(2,835)
Depreciation of property and equipment		<u>(5,180)</u>	<u>(7,144)</u>
PROFIT FOR THE PERIOD		<u>91,039</u>	<u>153,259</u>
<i>Profit attributable to:</i>			
Owners of the Company		91,042	153,601
Non-controlling interests		<u>(3)</u>	<u>(342)</u>
		<u>91,039</u>	<u>153,259</u>
BASIC AND DILUTED EARNINGS PER SHARE	15	<u>0.0034</u>	<u>0.0058</u>

The notes on pages 7 to 25 are an integral part of these condensed consolidated interim financial statements.

Ezdan Holding Group Q.P.S.C.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 31 March 2023

In thousands of Qatari Riyals

	<i>For the three months ended 31 March 2023 (Unreviewed)</i>	<i>For the three months ended 31 March 2022 (Unreviewed)</i>
Profit for the period	91,039	153,259
Other comprehensive income		
<i>Item that will not be reclassified to profit or loss</i>		
Equity investments at FVOCI - net change in fair value	-	634,388
Equity-accounted investees - share of OCI	-	32
	-	634,420
<i>Items that are or may be reclassified subsequently to profit or loss:</i>		
Foreign operations - foreign currency translation differences	(1,692)	1,584
Other comprehensive (loss) / income for the period	(1,692)	636,004
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	89,347	789,263
<i>Attributable to:</i>		
Owners of the Company	89,350	789,605
Non-controlling interests	(3)	(342)
	89,347	789,263

The notes on pages 7 to 25 are an integral part of these condensed consolidated interim financial statements.

Ezdan Holding Group Q.P.S.C.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2023

In thousands of Qatari Riyals

	<i>Attributable to owners of the Company</i>				<i>Non- controlling interest</i>	<i>Total equity</i>	
	<i>Share capital</i>	<i>Legal reserve (1)</i>	<i>Foreign currency translation reserve</i>	<i>Retained earnings</i>			<i>Total</i>
Balance at 1 January 2022 (Audited)	26,524,967	1,696,560	4,256	5,183,699	33,409,482	(175,372)	33,234,110
Net profit for the period	-	-	-	91,042	91,042	(3)	91,039
Other comprehensive (loss) income for the period	-	-	(1,692)	-	(1,692)	-	(1,692)
Total comprehensive (loss) income for the period	-	-	(1,692)	91,042	89,350	(3)	89,347
Balance at 31 March 2023 (Unreviewed)	26,524,967	1,696,560	2,564	5,274,741	33,498,832	(175,375)	33,323,457

The notes on pages 7 to 25 are an integral part of these condensed consolidated interim financial statements.

Ezdan Holding Group Q.P.S.C.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

For the three months ended 31 March 2023

In thousands of Qatari Riyals

	<i>Attributable to owners of the Company</i>					<i>Total</i>	<i>Non-controlling interest</i>	<i>Total equity</i>
	<i>Share capital</i>	<i>Legal reserve (1)</i>	<i>Fair value reserves</i>	<i>Foreign currency translation reserve</i>	<i>Retained earnings</i>			
Balance at 1 January 2022 (Audited)	26,524,967	1,687,887	1,002,558	(1,546)	3,279,146	32,493,012	(279,034)	32,213,978
Net profit for the period	-	-	-	-	153,601	153,601	(342)	153,259
Other comprehensive (loss) income for the period	-	-	634,420	1,584	-	636,004	-	636,004
Total comprehensive (loss) income for the period	-	-	634,420	1,584	153,601	789,605	(342)	789,263
Balance at 31 March 2022 (Unreviewed)	<u>26,524,967</u>	<u>1,687,887</u>	<u>1,636,978</u>	<u>38</u>	<u>3,432,747</u>	<u>33,282,617</u>	<u>(279,376)</u>	<u>33,003,241</u>

(1) In accordance with the requirements of the Qatar Commercial Companies Law No. 11 of 2015 and the Company's Article of Association, a minimum of 10% of the annual profit should be transferred to legal reserve until the reserve equals 50% of the share capital. The reserve is not available for distribution except in the circumstances stipulated in the above law and the Company's Article of Association. No transfer has been made for the three months ended 31 March 2023 as the Group will transfer the total required amount by 31 December 2023.

The notes on pages 7 to 25 are an integral part of these condensed consolidated interim financial statements.

Ezdan Holding Group Q.P.S.C.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended 31 March 2023

In thousands of Qatari Riyals

	<i>For the three months ended 31 March 2023 (Unreviewed) QR'000</i>	<i>For the three months ended 31 March 2022 (Unreviewed) QR'000</i>
OPERATING ACTIVITIES		
Profit for the period	91,039	153,259
<i>Adjustments for:</i>		
Share of results of equity-accounted investees and joint venture	8 -	(14,448)
Depreciation of property and equipment	5,180	7,144
Provision for employees' end of services benefits	14 1,337	2,446
Dividend income from equity investments	7 -	(55,432)
Impairment loss of trade and other receivables-net	11,441	2,835
Profit on Islamic bank accounts	(3,407)	(3,113)
Finance costs	12 259,136	185,122
Operating profit before working capital changes	364,726	277,813
<i>Changes in:</i>		
Trade and other receivables	(10,826)	(1,727)
Inventories	(283)	(65)
Trade and other payables	(3,189)	23,573
Cash from operating activities	350,428	299,594
Employees' end of service benefits paid	(357)	(139)
Net cash flows from operating activities	350,071	299,455
INVESTING ACTIVITIES		
Payments for development of Investment properties	(21,624)	(24,214)
Additions to property and equipment	(628)	(588)
Net movement in restricted bank balances	(40)	2,895
Dividends income received	7,8 -	91,467
Finance income received	3,407	3,113
Net cash flows (used in) / from investing activities	(18,885)	72,673
FINANCING ACTIVITIES		
Proceeds from borrowings through other related party	11 -	824,240
Repayments of borrowings from other related party	(49,943)	(18,400)
Repayments for Sukuk and Islamic financing borrowings	12 (261,808)	(231,237)
Transaction cost	(13,111)	531
Dividends paid	(14,700)	(14,700)
Net cash flows (used in) / from financing activities	(339,562)	560,434
NET (DECREASE) / INCREASE IN CASH AND BANK BALANCES	(8,376)	932,562
Net foreign exchange differences	(4,390)	4,530
Cash and cash equivalents as of 1 January	460,111	1,083,573
CASH AND CASH EQUIVALENT AT 31 MARCH	447,345	2,020,665

The notes on pages 7 to 25 are an integral part of these condensed consolidated interim financial statements.

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended 31 March 2023

1 REPORTING ENTITY

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

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

The principal subsidiaries of the Group are as follows:

<i>Name of the subsidiary</i>	<i>Principal Activity</i>	<i>Effective percentage of ownership</i>		
		<i>31 March 2023</i>	<i>31 December 2022</i>	<i>31 March 2022</i>
Ezdan Hotels Company W.L.L.	Hotel services	100%	100%	100%
Ezdan Mall Company W.L.L.	Malls management	100%	100%	100%
Ezdan Real Estate Company W.L.L.	Real estate services	100%	100%	100%
Ezdan Palace Hotel Company W.L.L.	Hotel services	100%	100%	100%
Ezdan International Limited	Property management	100%	100%	100%
Haloul Ezdan For Trading and Construction Co W.L.L. (1)	Maintenance works	100%	100%	100%
Ezdan World W.L.L.	Entertainment services	70%	70%	70%
Emtedad Real Estate for Projects W.L.L.	Real estate development	67.5%	67.5%	67.5%
Al Ekleem for Real Estate and Mediation Co. W.L.L. (1)	Investments in shares	-	-	100%
Al Taybin Trading Company W.L.L.(1)	Investments in shares	-	-	100%
Al Namaa for Maintenance Company W.L.L. (1)	Investments in shares	-	-	100%
Shatea Al Nile Company W.L.L. (1)	Investments in shares	-	-	100%
Arkan for Import and Export Company W.L.L. (1)	Investments in shares	-	-	100%
Tareek Al Hak Trading Company W.L.L. (1)	Investments in shares	-	-	100%
Een Jaloot Trading Company W.L.L. (1)	Investments in shares	-	-	100%

(1) During year 2022, the Group’s management decided to dispose these subsidiaries 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 19).

The Parent of the Group is Al-Tadawul Trading Group Q.P.S.C. (“Tadawul”) which aggregately owns directly and indirectly through its subsidiaries, approximately 54% of the share capital of the Group as at 31 March 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 ACCOUNTING

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting”, and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 31 December 2022 (the “last annual financial statements”). They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual financial statements.

These condensed consolidated interim financial statements were authorized for issue by the Company’s Board of Directors on 19 April 2023.

3 USE OF JUDGEMENTS AND ESTIMATES

In preparing these condensed consolidated interim financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Measurement of fair values

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

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

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

- *Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities
- *Level 2:* inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- *Level 3:* inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

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

Management has carried its equity investments and derivative financial assets / liabilities at fair value. For other financial assets and liabilities management believes that as at the reporting date their fair values approximated their carrying amounts. For investment property, the management has valued it at 31 December 2022 and believes that there will be no significant changes in its fair valuation at the interim reporting date.

4 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the Group's last annual consolidated financial statements as at and for the year ended 31 December 2022.

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended 31 March 2023

in thousands of Qatari Riyal

5 CASH AND BANK BALANCES

For the purpose of the condensed consolidated interim statement of cash flows, cash and bank balances comprised of the following:

	31 March 2023 (Unreviewed)	31 December 2022 (Audited)
Cash on hand	1,690	316
<i>Cash at banks and other financial institutions</i>		
Current accounts	34,819	113,703
Savings, short - term deposits and call accounts (1)	410,836	346,092
Margin accounts	3,027	2,987
<i>Total cash at banks and other financial institutions</i>	<u>448,682</u>	<u>462,782</u>
<i>Cash and bank balances in the consolidated statement of financial position</i>	450,372	463,098
<i>Less: restricted bank balances (2)</i>	<u>(3,027)</u>	<u>(2,987)</u>
<i>Cash and bank balances in the consolidated statement of cash flows</i>	<u>447,345</u>	<u>460,111</u>

(1) This includes short term deposits of QR 299,302 At 31 March 2023 (QR 242,887 as at 31 December 2022).

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

6 RECEIVABLES AND PREPAYMENTS

	31 March 2023 (Unreviewed)	31 December 2022 (Audited)
Tenant receivables – net	63,074	81,101
Notes receivable	25,138	25,000
Advances to suppliers and contractors	21,214	15,737
Due from related parties - net (Note 11(b))	619	626
Refundable deposits – net	9,301	9,219
Prepaid expenses	12,222	5,266
Net other receivables and debit balances, net	4,441	1,904
	<u>136,009</u>	<u>138,853</u>
The maturity of receivables and prepayments are as follows:		
Current	128,940	129,634
Non-current	9,301	9,219
	<u>138,241</u>	<u>138,853</u>

7 EQUITY INVESTMENTS

	31 March 2023 (Unreviewed)	31 December 2022 (Audited)
At 1 January	-	2,671,864
Disposals of subsidiaries	-	(3,501,953)
Net change in fair value	-	830,089
At 31 March/ 31 December	<u>-</u>	<u>-</u>

Before the disposal of equity investments, the Group generated dividend income from the equity investments amounting to QR Nil (as at 31 March 2022 QR 55,432) during the period.

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended 31 March 2023

in thousands of Qatari Riyal

8 EQUITY-ACCOUNTED INVESTEEES 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:

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

During the period, the Group recognized its share in the operating results of its associates / joint venture amounting to QR Nil (QR 14,448 during the three months ended 31 March 2022).

9 INVESTMENT PROPERTIES

	<i>31 March</i> 2023 <i>(Unreviewed)</i>	<i>31 December</i> 2022 <i>(Audited)</i>
At 1 January	45,702,277	44,827,392
Additions of investment properties	-	1,471,337
Development costs during the period	21,622	448,987
Net loss from change in fair value of investment properties	-	(1,059,247)
Capitalized finance costs on investment properties under development	-	25,381
Foreign exchange adjustment	2,696	(11,573)
At 31 March/ 31 December	45,726,595	45,702,277

Investment properties consists of:

	<i>31 March</i> 2023 <i>(Unreviewed)</i>	<i>31 December</i> 2022 <i>(Audited)</i>
Completed properties	44,703,555	44,679,237
Vacant land	1,023,040	1,023,040
	45,726,595	45,702,277

Investment properties are stated at fair value, which has been determined based on valuation performed by three accredited independent valuers as at 31 December 2022. The valuer is an accredited independent valuer with a recognised and relevant professional qualification and with recent experience in the location and category of those investment properties being valued. In arriving at estimated market values, the valuers have used their market knowledge and professional judgment and not only relied on historical transactions comparable. The valuation has been prepared in accordance with the appropriate sections of the Practice Statements ("PS"), contained with the RICS Valuation- Professional Standards 2017 (the "Red Book").

Group did not perform a fair valuation of investment properties at 31 March 2023.

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

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

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended 31 March 2023

in thousands of Qatari Riyal

10 PAYABLES AND OTHER LIABILITIES

	<i>31 March 2023 (Unreviewed)</i>	<i>31 December 2022 (Audited)</i>
Due to related parties (Note 11*(c.i))	1,634,392	1,638,199
Dividend payables	521,456	536,156
Tenants' deposits	178,545	181,277
Payables to contractors and suppliers	81,820	67,138
Unearned rent income	74,469	71,965
Accrued expenses	17,533	34,534
Provision for Social and Sports Activities Fund	2,168	2,168
Provision for employees' end of service benefits	16,584	15,604
Other payables	49,676	50,049
	<u>2,576,643</u>	<u>2,597,090</u>

The maturity of payables and other liabilities are as follows:

	<i>31 March 2023 (Unreviewed)</i>	<i>31 December 2022 (Audited)</i>
Current	927,189	938,358
Non-current	1,649,454	1,658,732
	<u>2,576,643</u>	<u>2,597,090</u>

11 RELATED PARTIES DISCLOSURES

(a) Related party transactions

Transactions with related parties included in the condensed consolidated statement of profit or loss are as follows:

	<i>For the three months ended 31 March 2023 (Unreviewed)</i>	<i>For the three months ended 31 March 2022 (Unreviewed)</i>
<u>Transactions with entities under common control:</u>		
Development costs of investment property (1)	-	114,979
Capitalized finance costs	-	9,774
Rental income	304	84
<u>Transactions with associates:</u>		
Expensed-out finance costs (2)	-	25,426
Capitalized finance costs (2)	-	-
<u>Transactions with key management personnel:</u>		
Allowances of key management personnel	1,391	1,322
<u>Transaction with other related party:</u>		
Financings - net (Note 11(c.))	(3,536)	825,346

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

(2) The Group had secured Islamic finance borrowing from its equity-accounted investee (Note 11(c.3)).

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

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended 31 March 2023

in thousands of Qatari Riyal

11 RELATED PARTIES DISCLOSURES (Continued)

(b) Due from related parties

	<i>Note</i>	31 March 2023 (Unreviewed)	<i>31 December 2022 (Audited)</i>
Al-Tadawul Trading Group Q.P.S.C.		<u>619</u>	<u>626</u>
		<u>619</u>	<u>626</u>

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

(c.) Due to a related parties

	<i>Note</i>	31 March 2023 (Unreviewed)	<i>31 December 2022 (Audited)</i>
<i>Entity under common control:</i>			
Due to SAK Holding Group W.L.L. (1) (2)		6,297	6,567
<i>Other related party:</i>			
Borrowing directly or indirectly through other related party (3)		<u>1,628,095</u>	<u>1,631,632</u>
	10	<u>1,634,392</u>	<u>1,638,199</u>

- (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.
- (2) These balances are of financing in nature, bears no interest or securities and payable on demand.
- (3) During the year 2022 The Group obtained unsecured profit – bearing borrowings amounting to QR 831 million, which were directly or indirectly received through other related party to repay its existing Sukuk. The unsecured borrowings carry profits at commercial rates. The maturity of unsecured borrowings is 10 years. This includes non-current balance amounting to QR 1,608,057 (2022: QR 1,617,404).

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

	31 March 2023 (Unreviewed)	<i>31 December 2022 (Audited)</i>
At 1 January	1,631,632	1,804,121
Additions	-	831,239
Finance costs	46,406	132,027
Repayments	(49,943)	(122,164)
Offset of liability against a common related party receivable	-	(1,013,591)
At 31 March/ 31 December	<u>1,628,095</u>	<u>1,631,632</u>

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended 31 March 2023

in thousands of Qatari Riyal

12 SUKUK AND ISLAMIC FINANCING BORROWINGS

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

	31 March	31 December
	2023	2022
	(Unreviewed)	(Audited)
At 1 January	11,211,343	13,231,170
Finance costs	212,730	669,575
Repayments	(261,808)	(2,689,402)
	11,162,265	11,211,343
Less: transaction costs	(47,907)	(34,796)
At 31 March/ 31 December	11,114,358	11,176,547

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

	31 March	31 December
	2023	2022
	(Unreviewed)	(Audited)
Current	672,683	706,711
Non-current	10,441,675	10,469,836
	11,114,358	11,176,547

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

Type of facility	Currency	Condition	Profit rate	31 March	31 December
				2023	2022
				(Unreviewed)	(Audited)
Ijara	QR	Secured	QMRL rate	4,256,623	4,252,987
Murabaha	QR	Secured	QMRL rate	6,745,470	6,777,789
Murabaha	USD	Secured	1Y/3 M LIBOR	160,172	180,567
				11,162,265	11,211,343

The Islamic financing borrowings have been obtained for the purpose of financing the obligations of the Group. All the contracts carry profits at commercial rates. The Group recognized finance costs amounting to QR 212,730 (three months period ended 31 March 2022: QR 185,122) during the period.

As at 31 March 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 17,972,000 (31 December 2022: QR 17,972,000).

13 RENTAL INCOME AND OTHER OPERATING REVENUES

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

Disaggregation of revenue

In the following table, revenue is disaggregated by major service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (Note 17).

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended 31 March 2023

in thousands of Qatari Riyal

13 RENTAL INCOME AND OTHER OPERATING REVENUES (Continued)

A. Disaggregation of revenue based on major revenue streams:

<i>For the three months ended 31 March 2023 (Unreviewed)</i>	<i>Revenue streams</i>			<i>Total</i>
	<i>Residential and commercial property</i>	<i>Hotel and suites</i>	<i>Malls</i>	
Rental income (under IFRS 16)	411,395	36,830	18,314	466,539
Revenue under IFRS 15				
<i>Major service lines</i>				
Food and beverage	-	4,960	-	4,960
Health club	-	614	-	614
Internet	-	931	-	931
Laundry	-	197	-	197
Entertainment	-	-	406	406
Provision of utilities services	4,295	-	-	4,295
Property management services	2,293	-	-	2,293
Common area charges	-	-	3,811	3,811
Marketing services	-	-	970	970
Others	2,931	292	810	4,033
Revenue under IFRS 15	9,519	6,994	5,997	22,510
Other income				
Other income	6,280	320	4	6,604
External revenue as reported	427,194	44,144	24,315	495,653

<i>For the three months ended 31 March 2022 (Unreviewed)</i>	<i>Revenue streams</i>				<i>Total</i>
	<i>Residential and commercial property</i>	<i>Investments</i>	<i>Hotel and suites</i>	<i>Malls</i>	
Rental income (under IFRS 16)	319,916	-	28,670	12,385	360,971
Revenue under IFRS 15					
<i>Major service lines</i>					
Food and beverage	-	-	3,568	-	3,568
Health club	-	-	417	-	417
Internet	-	-	377	-	377
Laundry	-	-	149	-	149
Entertainment	-	-	-	6	6
Provision of utilities services	6,161	-	-	-	6,161
Property management services	2,070	-	-	-	2,070
Common area charges	-	-	-	4,821	4,821
Marketing services	-	-	-	1,196	1,196
Others	1,906	-	52	575	2,533
Revenue under IFRS 15	10,137	-	4,563	6,598	21,298
Income from investments and other income					
Dividend income from equity accounted investees	-	55,432	-	-	55,432
Share of result of equity-accounted investees and joint venture	-	14,448	-	-	14,448
Other income	3,161	46	3	1	3,211
	3,161	69,926	3	1	73,091
External revenue as reported	333,214	69,926	33,236	18,984	455,360

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended 31 March 2023

in thousands of Qatari Riyal

13 RENTAL INCOME AND OTHER OPERATING REVENUES (Continued)

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

	<i>For the three months ended 31</i>		<i>Timing of revenue recognition</i>
	<i>March</i>		
	<i>2023</i>	<i>2022</i>	
	<i>(Unreviewed)</i>	<i>(Unreviewed)</i>	
Food and beverage	4,960	3,568	Point in time
Health club	614	417	Over the time
Internet	931	377	Over the time
Laundry	197	149	Point in time
Entertainment	406	6	Over the time
Provision of utilities services	4,295	6,161	Over the time
Common area charges	3,811	4,821	Over the time
Property management services	2,293	2,070	Over the time
Marketing services	970	1,196	Over the time
Others	4,033	2,533	Over the time
Revenue under IFRS 15	22,510	21,298	

14 EXPENSES

Operating expenses:

	<i>For the three</i>	
	<i>months ended</i>	
	<i>31 March</i>	<i>31 March</i>
	<i>2023</i>	<i>2022</i>
	<i>(Unreviewed)</i>	<i>(Unreviewed)</i>
Utilities	16,414	18,765
Staff cost	22,536	19,092
Repairs and maintenance	12,126	9,214
Sewage	17,965	8,748
Air conditioning	4,782	4,256
Security	3,646	3,469
Cleaning	3,712	2,932
Food and beverages	1,372	932
Laundry and dry cleaning	1,304	757
Registration fees	2,098	2,432
Advertising costs	774	801
Commissions	421	402
Other operating expenses	1,584	1,765
	88,734	73,565

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended 31 March 2023

in thousands of Qatari Riyal

14 EXPENSES (Continued)

General and administrative expenses:

	<i>For the three months ended 31 March 2023</i>	<i>For the three months ended 31 March 2022</i>
	<i>(Unreviewed)</i>	<i>(Unreviewed)</i>
Staff cost	9,532	9,069
Professional fees	27,130	4,287
Registration fees	2,104	2,099
Bank charges	1,612	1,481
Information system	1,075	475
Utilities	-	902
Insurance costs	960	882
Advertising costs	75	318
Communication	468	496
Printing and stationery	183	162
Other general and administrative expenses	1,113	759
	<u>44,252</u>	<u>20,930</u>

(1) Staff cost includes a provision for employees' end of service benefits of QR 1,337 (three-month period ended 31 March 2022 : QR 2,446).

15 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the period attributable to shareholders of the Company by the weighted average number of shares outstanding during the period. There were no potentially dilutive shares outstanding at any time during the period and, therefore, the dilutive earnings per share are equal to the basic earnings per share.

	<i>For the three months ended 31 March 2023</i>	<i>For the three months ended 31 March 2022</i>
	<i>(Unreviewed)</i>	<i>(Unreviewed)</i>
Profit for the period attributable to owners of the Company (in QR'000)	<u>91,041</u>	<u>153,601</u>
Weighted average number of shares outstanding during the period (thousands of share)	<u>26,524,967</u>	<u>26,524,967</u>
Basic and diluted earnings per share (in QR)	<u>0.0034</u>	<u>0.0058</u>

16 CONTINGENT LIABILITIES AND COMMITMENTS

Contingent liabilities

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

	<i>31 March 2023</i>	<i>31 December 2022</i>
	<i>(Unreviewed)</i>	<i>(Audited)</i>
Bank guarantees	<u>3,027</u>	<u>2,987</u>

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended 31 March 2023

in thousands of Qatari Riyal

16 CONTINGENT LIABILITIES AND COMMITMENTS (Continued)

Commitments

(i) Capital expenditure commitments

The Group has contractual commitments to contractors and suppliers amounting to QR 284,273 (31 December 2022: QR 296,372) for development of investment property projects.

17 OPERATING SEGMENTS

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

The following summary describes the operations of each reportable segment:

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

The Group's Management reviews the internal management reports of each division at least quarterly.

The following table presents segment results regarding the Group's operating segments for the six months period:

For the three months ended 31 March 2023 (Unreviewed)

	<i>Residential and commercial property</i>	<i>Hotel and suites</i>	<i>Malls</i>	<i>Adjustments and eliminations</i>	<i>Total</i>
Segment income	428,307	45,384	24,315	(2,353)	495,653
Segment expenses	(379,084)	(19,807)	(12,333)	6,609	(404,615)
Segment profit	49,223	25,577	11,982	4,256	91,038

For the three months ended 31 March 2022 (Unreviewed)

	<i>Residential and commercial property</i>	<i>Investments</i>	<i>Hotel and suites</i>	<i>Malls</i>	<i>Adjustments and eliminations</i>	<i>Total</i>
Segment income	334,238	69,926	34,449	18,984	(2,237)	455,360
Segment expenses	(271,939)	644	(17,747)	(11,058)	(2,001)	(302,101)
Segment profit	62,299	70,570	16,702	7,926	(4,238)	153,259

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended 31 March 2023

in thousands of Qatari Riyal

17 OPERATING SEGMENTS (CONTINUED)

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

	<i>Residential and commercial property</i>	<i>Hotel and suites</i>	<i>Malls</i>	<i>Adjustments and eliminations</i>	<i>Total</i>
Segment assets					
<i>As at 31 March 2023 (Unreviewed)</i>	42,980,640	3,324,832	1,724,307	(1,015,321)	47,014,458
<i>As at 31 December 2022 (Audited)</i>	42,651,448	3,304,675	1,712,828	(661,204)	47,007,747
<i>As at 31 March 2023 (Unreviewed)</i>	<u>14,511,629</u>	<u>159,888</u>	<u>35,725</u>	<u>(1,016,241)</u>	<u>13,691,001</u>
<i>As at 31 December 2022 (Audited)</i>	<u>14,871,128</u>	<u>158,481</u>	<u>36,494</u>	<u>(1,292,466)</u>	<u>13,773,637</u>

18 FAIR VALUES AND RISK MANAGEMENT

FINANCIAL INSTRUMENTS

Accounting classification and fair values

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

	<i>Carrying amount</i>		<i>Fair Values</i>			<i>Total</i>
	<i>FVOCI – Equity investment</i>	<i>Amortized cost</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	
<i>As at 31 March 2023(Unreviewed)</i>						
Financial assets not measured at fair value						
Trade and other receivables	-	114,350	-	-	-	-
Cash and bank balances	-	450,372	-	-	-	-
Financial liabilities measured at fair value and amortized cost						
Islamic financing – others	-	11,114,358	-	-	-	-
Trade and other payables	-	1,944,433	-	-	-	-

EZDAN HOLDING GROUP Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended 31 March 2023

in thousands of Qatari Riyal

18 FAIR VALUES AND RISK MANAGEMENT (CONTINUED)

FINANCIAL INSTRUMENTS (Continued)

Accounting classification and fair values (Continued)

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

INVESTMENT PROPERTY

	Carrying amount	Fair Values			Total
		Level 1	Level 2	Level 3	
<i>As at 31 March 2023 (Unreviewed)</i>					
Completed properties	44,703,555	-	-	44,703,555	44,703,555
Vacant land	1,023,040	-	1,023,040	-	1,023,040
	45,726,595	-	1,023,040	44,703,555	45,726,595
<i>As at 31 December 2022 (Audited)</i>					
Completed properties	44,679,237	-	-	44,679,237	44,679,237
Vacant land	1,023,040	-	1,023,040	-	1,023,040
	45,702,277	-	1,023,040	44,679,237	45,702,277

*Fair valuation of investment property is not carried out as at 31 March 2023; categorization into fair value hierarchy levels is based on methods used during valuation at 31 December 2022.

19 COMPARATIVE FIGURES

Certain comparative figures have been reclassified where necessary in order to conform to the current period presentation in the condensed consolidated interim financial statements. Such reclassification do not affect previously reported net profit or net assets of the Group