QATAR OMAN INVESTMENT COMPANY – Q.P.S.C.
DOHA –STATE OF QATAR

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2022
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT

QATAR OMAN INVESTMENT COMPANY – Q.P.S.C.
DOHA –STATE OF QATAR

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2022

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS,
QATAR OMAN INVESTMENT COMPANY - Q.P.S.C
DOHA, STATE OF QATAR

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Qatar Oman Investment Company Q.P.S.C. (the "Company") which comprise the statement of financial position as at 31 December 2022, and the related statement of profit or loss, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explantory information.

In our opinion, except for the matters dicussed in the *"Basis for Qualified Opinion"* section below, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2022 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

- Referring to note no. (6.4) to these financial statements, the management of the Company did not record its share of results from its investment in associate companies which is registered and incorporated in sultanate oman for the year ended December 31, 2022 as required by International Accounting Standard no. (28) – "Investment in Associates and Joint Ventures" due to unavaiability of the auditied financial statements of those associate companies, thus, we were unable to verify the valuation and completness of investment in associates balance and the related impact on the Company's net profit and statement of financial position as at and for the year ended December 31, 2022.
- Referring to note no. (6.3), during year 2022, the management of the Company has recorded its share of net losses from the associate companies related to the year ended December 31, 2021 amounted to QR. 4,777,704 in the Company's accumlated losses account in the statement of changes in equity, not in the statement of profit or loss, since the management is of the opinion that it is impractical to represent the comparative figures. Furthermore, the external auditior of the associate company "Muzn Oman Commercial – SAOC" has issued an adverse audit opinion on its financial statements for the year ended December 31, 2021.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' 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 financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for qualified opinion.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibility described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report, including in relation to other matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for audit opinion on the accompanying financial statements.

We identified the following key area of focus:

Key Audit Matters	How our audit addressed this key audit matter:
Valuation of investment property Investment property represents significant portion of the Company's total assets, so was considered it as a key audit matter. The Company records its investment property at fair value, with changes in fair value being recognized in the statement of profit or loss. The fair value is determined by two independent real estate valuation experts appointed by the management. These valuations are based on estimates such as estimated rental revenues, occupancy rates, discount rates and market indicators. Refer to the follow notes to the financial statements: • Note 3 (b) - significant accounting policies. • Note 5 - investment property. • Note 20 - Fair value disclosure.	*Our audit procedures over valuation of investment property included the following:* • Evaluated the objectivity, independence and expertise of the independent valuation experts appointed by management. • Tested the underlying data used as inputs for the valuation. • Evaluated the assumptions and estimates made by the management and the independent valuation expert, appropriateness of the valuation technique and reasonableness of data used in the valuation. • Verified the adequacy of disclosures on the valuation of investment property, presented in notes to the financial statements.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Other Information
The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

The Company's 2022 annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the 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 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Based on our work performed on the other information that we have obtained prior to the date of this auditor's report, if we conclude that there is a material misstatement on other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
The Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 companies or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with the Board of directors regarding, among other matters, the planned scope and 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, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were most of significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosures 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.

RPME Limited – Qatar Branch 2nd Floor, Building 49, Zone 45, Street 250, D Ring Road
PO Box 39453 Doha, Qatar **T** +974 4431 1881 **F** +974 4431 1886 info-qatar@rodlme.com www.rodlme.com
Ministry of Commerce and Industry License 5 QFMA Approved Auditor License 120151, Listing Advisor & Valuator License 220151 Qatar Central Bank Approved Auditor

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Report on Other Legal and Regulatory Requirements

Furthermore, as required by Qatar Commercial Companies' Law, we are of the opinion that; proper books of account have been maintained by the Company and its financial statements are in agreement therewith. Except for the matters discussed in the "*Basis for Qualified Opinion*" section of our report, we have obtained all the information and explanations we considered necessary for the purposes of our audit. To the best of our knowledge and belief and according to the information given to us, we are not aware of any violations of the applicable provisions of the Qatar Commercial Companies Law no. 11 of 2015 (as amended by Law no. 8 of 2021) or the terms of the Company's Articles of Association and any amendments thereto, if any, having occurred during the year which might have had a material effect on the Company's financial position and its financial performance as at and for the year ended 31 December 2022.

RPME Limited - Qatar Branch
Certified Public Accountants

Hikmat Mukhaimer, FCCA (UK)
License No. 297
QFMA Registration Auditor's No. 120151

Doha - Qatar
16 February, 2023

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022

		December 31,	
		2022	2021
ASSETS	Note	**QR.**	QR.
Non-current assets			
Property and equipment		**15,000**	22,902
Investment property	5	**48,801,000**	48,804,044
Investments in associates	6	**78,998,853**	83,776,557
Financial assets at fair value through - other comprehensive income	7 (a)	**115,503,519**	120,128,611
Total non-current assets		**243,318,372**	252,732,114
Currents assets			
Financial assets at fair value through profit or loss	7 (b)	**5,518,058**	29,354,954
Other debit balances	8	**1,075,147**	497,297
Cash and bank balances	9	**21,701,505**	25,590,614
Total currents assets		**28,294,710**	55,442,865
TOTAL ASSETS		**271,613,082**	308,174,979
LIABILITIES AND EQUITY			
Liabilities			
Non-current liabilities			
Provision for employees' end of service benefits	10	**1,890,488**	1,755,485
Total non-current liabilities		**1,890,488**	1,755,485
Current liabilities			
Trade and other payables	11	**10,718,129**	13,471,717
Total current liabilities		**10,718,129**	13,471,717
Total liabilities		**12,608,617**	15,227,202
Equity			
Share capital	12	**315,000,000**	315,000,000
Legal reserve	13	**22,920,184**	22,742,593
Fair value reserve	7 (C)	**(78,590,860)**	(50,557,561)
(Accumulated losses)/ Retained earnings		**(324,859)**	5,762,745
Net equity		**259,004,465**	292,947,777
TOTAL LIABILITIES AND EQUITY		**271,613,082**	308,174,979

These financial statements were approved by the Board of Directors and were signed on their behalf by:

Sheikh Abdulrahaman Bin Mohamed Bin Jabr Al Thani
Chairman

Nasser Mohd. A. A. Al-Khaldi
Chief Executive Officer

RPME Limited - Qatar Branch
For Identification Purposes Only

The attached notes 1 to 22 form part of these financial statements.

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2022

		Year ended December 31,	
		2022	2021
	Note	**QR.**	QR.
Net income from financial assets	15	**4,183,736**	8,892,068
Rental income from investment property	5	**2,223,000**	1,824,000
Fair value loss on revaluation of investment property	5	**(3,044)**	(256,350)
Total income		**6,403,692**	10,459,718
General and administrative expenses	16	**(5,201,631)**	(5,320,642)
Depreciation on property and equipment		**(23,650)**	(14,009)
Total Expenses		**(5,225,281)**	(5,334,651)
Other income		**597,496**	270,457
Board of Directors' remunerations	11	**--**	(400,000)
NET PROFIT FOR THE YEAR		**1,775,907**	4,995,524
Basic and diluted earnings per share	17	**0.006**	0.016

The attached notes 1 to 22 form part of these financial statements.

RPME Limited - Qatar Branch
For Identification Purposes Only

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

		Year ended December 31,	
		2022	2021
		QR.	QR.
NET PROFIT FOR THE YEAR		**1,775,907**	4,995,524
Other comprehensive income:			
Other comprehensive income that will not be reclassified to - profit or loss in subsequent periods:			
Net fair value (Loss)/ gains of financial asset at fair value - through other comprehensive income		**(28,033,299)**	5,959,851
Realized gain on sale of financial assets at fair value through other comprehensive income	7 (c)	**286,182**	489,155
Total other comprehensive (loss)/ income for the year	7 (a)	**(27,747,117)**	6,449,006
TOTAL COMPREHENSIVE (LOSS)/ INCOME FOR THE YEAR		**(25,971,210)**	11,444,530

The attached notes 1 to 22 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Legal reserve	Fair value reserve	Retained earnings /(Accumulated losses)	Net equity
	QR.	QR.	QR.	QR.	QR.
Balance at 31 December 2020	315,000,000	22,243,041	(56,507,656)	28,256,462	308,991,847
Adjustment related to investment in associate - Note (6.2)	--	--	(9,756)	(27,353,956)	(27,363,712)
Balance at 1 January 2021 (adjusted)	315,000,000	22,243,041	(56,517,412)	902,506	281,628,135
Net profit for the year	--	--	--	4,995,524	4,995,524
Other comprehensive Income	--	--	6,449,006	--	6,449,006
Total comprehensive income for the year	--	--	6,449,006	4,995,524	11,444,530
Transfer to legal reserve	--	499,552	--	(499,552)	--
Net realized gains on financial assets at FVTOCI transferred to retained earnings - Note 7. (c)	--	--	(489,155)	489,155	--
Social and sports activities support fund contribution - Note (11)	--	--	--	(124,888)	(124,888)
Balance at 31 December 2021	315,000,000	22,742,593	(50,557,561)	5,762,745	292,947,777
Adjustment related to investment in associate - Note (6.2)	**--**	**--**	**--**	**(4,777,704)**	**(4,777,704)**
Balance at 1 January 2022 (adjusted)	**315,000,000**	**22,742,593**	**(50,557,561)**	**985,041**	**288,170,073**
Net profit for the year	**--**	**--**	**--**	**1,775,907**	**1,775,907**
Other comprehensive loss	**--**	**--**	**(27,747,117)**	**--**	**(27,747,117)**
Total comprehensive loss for the year	**--**	**--**	**(27,747,117)**	**1,775,907**	**(25,971,210)**
Transfer to legal reserve	**--**	**177,591**	**--**	**(177,591)**	**--**
Net realized gains on financial assets at FVTOCI transferred to retained earnings - Note 7. (c)	**--**	**--**	**(286,182)**	**286,182**	**--**
Dividend paid - Note (14)	**--**	**--**	**--**	**(3,150,000)**	**(3,150,000)**
Social and sports activities support fund contribution - Note (11)	**--**	**--**	**--**	**(44,398)**	**(44,398)**
Balance at 31 December 2022	**315,000,000**	**22,920,184**	**(78,590,860)**	**(324,859)**	**259,004,465**

The attached notes 1 to 22 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Year ended December 31, 2022 QR.	2021 QR.
OPERATING ACTIVITIES			
Profit for the year		**1,775,907**	4,995,524
Adjustments for:			
Depreciation on property and equipment		**23,650**	14,009
Interest income	15	**(185,372)**	(129,200)
Fair value loss from investment property	5	**3,044**	256,350
Provision for employees' end of service benefits	10	**135,003**	138,385
Unrealized loss of financial assets at fair value - through profit and loss	15	**2,036,207**	19,685
Gain on sale of financial assets carried at fair value - through profit or loss	15	**(1,872,956)**	(4,704,640)
		1,915,483	590,113
Changes in working capital:			
Other debit balances		**(577,850)**	54,480
Trade and other payables		**(2,797,986)**	(185,940)
Purchase of financial assets at fair value through OCI	7	**(34,125,447)**	(21,334,309)
Proceeds from sale of financial assets at fair value through OCI		**11,003,422**	5,904,323
Purchase of financial assets at fair value through profit or loss	7	**(53,361,890)**	(119,509,930)
Proceeds from sale of financial assets at fair value through profit or loss		**77,035,535**	110,696,092
Net cash used in operating activities		**(908,733)**	(23,785,171)
INVESTING ACTIVITIES			
Purchase of property and equipment		**(15,748)**	(34,674)
Interest income received		**185,372**	129,200
Net cash flows generated from investing activities		**169,624**	94,526
FINANCING ACTIVITY			
Dividend paid	14	**(3,150,000)**	--
Cash flows used in a financing activity		**(3,150,000)**	--
Net decrease in cash and cash equivalents		**(3,889,109)**	(23,690,645)
Cash and cash equivalents at 1 January,		**25,590,614**	49,281,259
CASH AND CASH EQUIVALENTS AT 31 DECEMBER,	9	**21,701,505**	25,590,614

The attached notes 1 to 22 form part of these financial statements

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 INCOPORATION AND ACTIVITIES

Qatar Oman Investment Company (the "Company") is a Qatari Public Shareholding Company registered and incorporated in Qatar. The Company is registered under the Commercial Registration under No. 33411 and engaged in investment activities in the State of Qatar and Sultanate Oman. Its registered address is P.O. Box 37048, Doha, State of Qatar.

The principal activities of the Company are as follow:

- Provide the necessary support to its affiliates.
- Ownership of the movables and real estate needed for necessary for its activity in accordance with the applicable laws.
- Management of commercial projects.
- Participate in the management of subsidiaries and provide support is necessary.
- Investment in shares, bonds and funds.
- Ownership and trade of patents, business and franchises.
- Providing industrial services.
- Real estate investment including the construction, sale, purchase and operation of real estate.
- General Marketing Services.

The financial statements were approved by the Board of Directors and authorized for issue on 16 February 2023.

2 BASIS OF PREPARATION

a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB). The financial statements also comply with the Company Articles of Association applicable requirements of Qatar Commercial Companies Law No. 11 of 2015, as amended by law No.8 of year 2021.

b) Basis of measurement

These financial statements have been prepared under the historical cost convention basis except for financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and investment property that have been measured at fair value.

c) Functional and presentation currency

These financial statements are presented in Qatari Riyal, which is the Company's functional currency, unless otherwise indicated.

d) Use of estimates and judgments

In preparing these financial statements, management has made estimates and judgment that affect the application of 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.

In particular, information about significant areas of estimation uncertainty that have the most significant effect on the amounts recognized in the financial statements are as follows:

Impact of Coronavirus (COVID-19) pandemic

The ongoing COVID-19 pandemic has increased the estimation uncertainty in the preparation of the financial statements.

In March 2020, COVID-19 was declared a pandemic by WHO (World Health Organization) and is causing disruptions to business and economic activities across the globe. The local government system in Qatar has announced various measures to support businesses to mitigate possible adverse impact due to the pandemic.

2 BASIS OF PREPARATION (CONTINUED)

d) Use of estimates and judgments (Continued)

Impact of Coronavirus (COVID-19) pandemic (Continued)

Due to the prevailing uncertain situation, the Company management have revised its judgements, estimates and risk management objectives and have considered the potential impacts of the current volatility in determining the reported amounts of the Company's financial and non-financial assets as at December 31, 2021.

Going concern
Management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. The Company has been profitable, and it had positive net asset (equity), working capital as at the year end. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going concern basis.

The Company continues to monitor the situation closely and the Company's management have taken measures to manage potential business disruptions from COVID -19 that may have on the Company's operations and financial performance in the future.

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 residual values and useful lives of these assets. Future depreciation charge could be materially adjusted where management believes the useful lives and / or the residual values differ from previous estimates. No such adjustments were considered necessary at the end of the current year or the comparative year.

Impairment of property and equipment
The carrying amounts of the Company's property and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. The determination of what can be considered impaired requires judgment. As at the reporting date, management did not identify any evidence from internal reporting indicating impairment of an asset or class of assets.

Property lease classification – Company as lessor
The Company has entered into commercial property leases on its investment property. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Revaluation of investment properties
The Company carries its investment properties at fair value, with changes in fair value being recognised in the statement of profit or loss. For investment properties, a valuation methodology based on a discounted cash flow (DCF) model was used, as there is a lack of comparable market data because of the nature of the properties. The Company engaged an independent valuation specialist to assess fair values as at January 1, and December 31, 2022.

Determining whether a contract is, or contains, a lease – Company as lessee
The Company determines 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. The right to control the use of an identified asset, is assessed by considering whether the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use and has the right to direct the use the identified asset throughout the period of use.

2 BASIS OF PREPARATION (CONTINUED)

d) Use of estimates and judgments (Continued)

Determining the lease term – Company as lessee

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

The following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Valuation of unquoted investments

Valuation of unquoted equity investments is normally based on one of the following:

- Recent arm’s length market transactions;
- Current fair value of another instrument that is substantially the same; ‘
- The expected cash flows discounted at current rates applicable for items with similar terms and risk characteristics;
- and Other valuation models.

The determination of the cash flows and discount factors for unquoted equity investments requires significant estimation.

Estimating the amount payable under residual value guarantees – Company as lessee

The Company initially estimates and recognizes amounts expected to be payable under residual value guarantees (if any) as part of the lease liability. Typically, the expected residual value at lease commencement is equal to or higher than the guaranteed amount, and so the Company does not expect to pay anything under the guarantees. At the end of each reporting period, the expected residual values are reviewed to reflect actual residual values achieved on comparable assets and expectations about future prices.

Provision for expected credit losses of other debit balances

The Company uses a provision matrix to calculate ECLs for other debit balances. The provision rates are based on days past due for groupings of various debit balances segments that have similar loss patterns (i.e., by geography, product type, and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Company’s historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

2 BASIS OF PREPARATION (CONTINUED)

d) Use of estimates and judgments (Continued)

Provision for expected credit losses of other debit balances (Continued)

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company’s historical credit loss experience and forecast of economic conditions may also not be representative of customer’s actual default in the future.

Provision for employees’ end of service benefits

Management has measured the Company’s obligation for the post-employment benefits of its employees based on the provisions of the Qatar Labor Law No. 14 of 2004. Management does not perform an actuarial valuation as required by International Accounting Standard 19 “Employee Benefits” as it estimates that such valuation does not result to a significantly different level of provision. The provision is reviewed by management at the end of each year, and any change to the projected benefit obligation at the year-end is adjusted in the provision for employees’ end of service benefits in the profit or loss.

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.

2 BASIS OF PREPARATION (CONTINUED)

e) Newly effective standard and amendments and improvements to standards

e- 1) Amendments and improvements to standards that are effective for the current year:

The Company has consistently applied the accounting policies as applied in the annual financial statements of the Company as at and for the year ended December 31, 2021.

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements as at and for the year ended December 31, 2021.

The following amendments to exisiting standards have been applied by the Company in preparation of these financial statements. The adoption of the below did not result in changes to previously reported net profit (loss) or equity of the Company.

Effective date	Description
January 1, 2022	• COVID 19 – related rent concessions beyond June 30, 2021 (Amendments to IFRS 16) • Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) • Annual Improvements to IFRS Standards 2018–2020 (IFRS 1, IFRS 9, IFRS 16 and IAS 41) • Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) • Reference to the Conceptual Framework (Amendments to IFRS 3)

e - 2) Standards, amendments and improvements issued but not yet effective:

The standards, amendments and interpretations issued but not yet effective, up to the date of issuance of the Company's financial statements are dislcosed below.

The Company is currently evaluating the impact of these new standards, amendments and interpretations.

The Company intend to adopt these standards, amendments and interpretations on these effective dates.

Effective date	Description
January 1, 2023	• IFRS 17 'Insurance Contracts' including amendments to IFRS 17. • Classification of Liabilities as Current or Non-current (Amendments to IAS 1) • Extension of the temporary exemption from applying IFRS 9 (Amendments to IFRS 4) • Disclosure of accounting policies (Amendments to IAS 1 and IFRS practice statement 2) • Definition of accounting estimates (Amendments to IAS 8) • Deffered tax related to assets and liabilities arising from a single transactions (Amendments to IAS 12)
Deffered indefinitely	• Sale or Contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28)

3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to both periods presented in these financial statements unless otherwise stated.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a) Property and equipment

Recognition and measurement

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

Cost includes expenditure that is directly attributable to the acquisition of an asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment.

Subsequent expenditure

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

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 recognised in profit or loss.

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

Leasehold improvements	3 years
Office equipment	3 years
Furniture	3 years
Computer software	3 years

Depreciation method, residual value and useful lives of the property and equipment are reviewed at each reporting date and adjusted if appropriate.

Derecognition

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Profits and losses 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 within profit or loss.

b) Investment property

Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss.

Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

Rental income from investment property is recognised as rental income on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

(c) Investments in associates

An associate is an entity over which the Company 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.

The Company’s investments in its associates are accounted for using the equity method. Under the equity method, investment in associates is carried in the statement of financial position at cost plus post-acquisition changes in the Company's share of net assets of the associate. Losses in excess of the cost of the investment in associates are recognized when the Company has incurred obligations on its behalf. Goodwill relating to associates are included in the carrying amounts of the investment and are not amortized.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Investments in associates (Continued)

The statement of profit or loss reflects the Company's share of the results of operations of the associates. Where there has been a change recognized directly in the equity of the associates, the Company recognizes its share of any changes and discloses this, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Company and the associate is eliminated to the extent of the interest in the associate.

The aggregate of the Company's share of profit or loss of an associate is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

After application of the equity method, the Company determines whether it is necessary to recognize an impairment loss on its investment in its associate. At each reporting date, the Company determines whether there is objective evidence that the investment in the associate is impaired.

If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, then recognizes the loss in the statement of profit or loss.

Upon loss of significant influence over the associate, the Company measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

d) Financial instruments

A financial instrument any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Non-derivative financial assets and financial liabilities – initial recognition and derecognition

The Company classified its non-derivative financial assets, at initial recognition, as subsequently measured at amortized cost (receivables and cash), at fair value through OCI (investment in shares) and at fair value through profit or loss (investment in shares). The Company classifies its non-derivative financial liabilities into the other financial liabilities category (payables). The Company does not hold derivative financial instruments.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15. In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

The Company initially recognizes financial assets on the date when they are originated. Financial liabilities are initially recognized on the trade date.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the 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 it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Financial instruments (Continued)

Non-derivative financial assets and financial liabilities – initial recognition and derecognition (Continued)

transferred asset. Any interest in such derecognized financial assets that is created or retained by the Company is recognized as a separate asset or liability.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Non-derivative financial assets – measurement

At amortised cost

These assets are initially recognized at fair value plus any directly attributable transaction costs. Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired

Financial assets at fair value through other comprehensive income

At initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at fair value through other comprehensive income (“FVTOCI”). Designation at FVTOCI is not permitted if the equity investment is held for trading.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the fair value reserve. Where the asset is disposed of, the cumulative gain or loss previously accumulated in the fair value reserve is not reclassified to profit or loss, but is reclassified to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Company’s right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends earned are recognized in profit or loss and are included in the ‘investment income’.

Financial assets carried at fair value through profit and loss

All financial assets are recognized and derecognized on trade date when the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss (FVTPL), which are initially measured at fair value.

Investments in equity instruments are classified as at fair value through profit or loss, unless the Company designates an investment that is not held for trading as at fair value through other comprehensive income (FVTOCI) at initial recognition as described below.

Financial assets at fair value through profit or loss are measured at fair value, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss is included in investment income in the statement of profit or loss. Fair value of financial assets at fair value through profit or loss in an organized financial market is determined by reference to market bid prices at the close of business at the reporting date.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Financial instruments (Continued)

Non-derivative financial liabilities – measurement

Other financial liabilities

All financial liabilities are recognized initially at fair value and, in the case of other financial liabilities, net of directly attributable transaction costs. Other financial liabilities are subsequently measured using the effective interest (EIR) method. Gains and losses are recognized in profit or loss when the asset is derecognized or modified.

e) Impairment

Non-derivative financial assets

Financial assets, are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:
* Default or delinquency by a debtor;
* Restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
* Indications that a debtor will enter bankruptcy; or
* Observable data indicating that there is measurable decrease in expected cash flows from a group of financial assets.

Financial assets measured at amortized cost

The financial assets at amortised cost comprise of trade receivables and cash at bank under IFRS 9 and loss allowances are measured on either of the following bases:

*12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date.
*Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Company has elected to measure loss allowances for trade receivables, contract assets and all lease receivables that result from transactions that are within the scope of IAS 17 at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company 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 Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 365 days past due. The Company considers a financial asset to be in default when:
*The debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or

*The financial asset is more than 365 days past due.

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 Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
e) Impairment (Continued)

Credit-impaired financial assets
At each reporting date, the Company assesses the financial assets carried at amortized cost. 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.

Non-financial assets
At each reporting date, the Company reviews the carrying amounts of its non-financial assets (property and equipment) 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 the 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 recognised.

f) Cash and cash equivalents
Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with a maturity of three months or less.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of any outstanding bank overdrafts.

g) Share capital
Ordinary shares are classified as equity.

h) Provision for employees' end-of service benefits
The Company provides for employees' end of service benefits to its employees that meets or exceeds the provisions of the Qatar Labor Law and Civil Human Resources Law No. 15 of 2016 and any amendments thereof. The entitlement to these benefits is based upon the employees' final salary and period of service, subject to the completion of minimum service period. The expected costs of these benefits are accrued over the period of employment.

i) Provisions
A provision is recognised when:
- The Company has a present obligation (legal or constructive) as a result of a past event;
- It is probable that the Company will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

Provisions are determined by discounting to present value the future expenditures expected to settle the obligation using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed annually to reflect current best estimates of the expenditure required to settle the obligation.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j) Revenue recognition

Dividend income
Dividend income from investments is recognized when the shareholder's right to receive payment has been established.

Interest income
Interest income is accrued on a time basis with reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Rental income
Rental income from investment property is recognized as revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease. Rental income from other property is recognized as other income.
The Company has applied IFRS 15 Revenue from Contracts with Customers to allocate consideration in the contract to each lease and non-lease component.

k) Expenses 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 statement of financial position as an asset, such as in the case of asset impairments.

l) Leases

The Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition, the Company assesses whether the contract meets three key evaluations which are whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company
- The Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- The Company has the right to direct the use of the identified asset throughout the period of use. The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use

The Company as a lessee
At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the company, an estimate of any costs to dismantle

and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

l) Leases (Continued)

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in, in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients, instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

The Company as a lessor

The Company's accounting policy under IFRS 16 has not changed from the comparative period. As a lessor the Company classifies its leases as either operating or finance leases.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.

Rental income from investment property is recognized in the statement of profit or loss on a straight-line basis over the term of the lease.

m) Foreign currency transactions and balances

Transactions in foreign currencies during the year are translated into the functional currency of the Company at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the year are translated into the functional currency at the exchange rate at the reporting date. The Company does not have non-monetary assets and liabilities denominated in foreign currencies at the end of the year. Foreign currency differences are recognized in profit or loss.

o) Dividend distributions

Liabilities for dividend distributions are recognised for the amount of any dividend declared, being appropriately authorised and amount set aside in restricted dividend distribution bank account of the Company, on or before the end of the reporting period but not claimed by the shareholders at the end of the reporting period. Dividend distribution liabilities are recognised as an appropriation from retained earnings in the statement of changes in equity, with any unpaid amount is presented under other payables in the statement of financial position

4. FINANCIAL RISK AND CAPITAL MANAGMENT

Financial risk management

The Company 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 Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

Management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty. The carrying amount of financial assets represents the maximum credit exposure.

	December 31,	
	2022	2021
	QR.	QR.
Bank balances	**21,699,505**	25,588,614
Due from - Dlala brokerage Company	**734**	10,361
Other debit balances	**614,701**	486,936
	22,314,940	26,085,911

As a result of the above, management believes that there is no significant credit risk on its other debit balances as presented on the statement of financial position.

Cash at bank

The Company's cash at bank is held with banks that are independently rated by credit rating agencies.

The Company's bank deposits are held with credit worthy and reputable banks with high credit ratings. As a result, management believes that credit risk in respect of these balances is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Management'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 Company's reputation.

4. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

Financial risk management (Continued)

Liquidity risk (Continued)

The table below summarizes the contractual undiscounted maturities of the Company's financial liabilities at the reporting date. The Company's financial liabilities do not bear any interest.

31 December 2022	**On demand**	**Less than 1 year**	**1-5 years**	**Total**
	QR.	**QR.**	**QR.**	**QR.**
Trade and other payables	**--**	**501,495**	**10,216,634**	**10,718,129**
Total	**--**	**501,495**	**10,216,634**	**10,718,129**

31 December 2021	On demand	Less than 1 year	1-5 years	Total
	QR.	QR.	QR.	QR.
Trade and other payables	--	1,284,765	12,186,952	13,471,717
Total	--	1,284,765	12,186,952	13,471,717

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company'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.

Currency risk

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the Company's functional currency. The Company is not exposed to significant foreign exchange risk as it primarily transacts in Qatari Riyal, which is the Company's functional currency. Transactions in bear no foreign currency risk as these currencies are pegged with the Qatari Riyals. Other foreign exchange transactions or balances are insignificant.

Interest rate risk

Interest rate risk arises when the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Company has no interest-bearing assets or liabilities linked to market interest rates, the Company's income, expenses and cash flows are independent of changes in market interest rates. The Company has some insignificant fair value interest rate risk arising from the fact that its cash held in bank current accounts earn no interest.

Equity price risk

The Company's listed and non-listed equity investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

4. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

Financial risk management (Continued)

Equity price risk (Continued)

The following table demonstrates the sensitivity of the effect of cumulative changes in fair values recognised in the equity to reasonably possible changes in equity prices, with all other variables held constant. The effect of decreases in equity prices is expected to be equal and opposite to the effect of the increases shown.

	Change in equity price	*Effect on equity*	*Effect on profit or loss*
2022		*QR.*	*QR.*
Quoted financial assets at fair value through other comprehensive income	**±10%**	**10,380,798**	**--**
Non- listed – financial assets at fair value through other comprehensive income	**±10%**	**1,169,554**	**--**
Quoted financial assets at fair value through profit or loss	**±10%**	**--**	**551,806**
2021			
Quoted financial assets at fair value through other comprehensive income	±10%	10,843,307	--
Non- listed – financial assets at fair value through other comprehensive income	±10%	1,169,554	--
Quoted financial assets at fair value through profit or loss	±10%	--	2,935,495

(b) Capital management

The Company manages its capital to ensure that it will be able to continue as a going concern while maintaining the return to shareholders through the optimization of the debt and equity balances.

Capital comprises of share capital, fair value reserve, legal reserve and retained earnings and is measured at QR. 259,004,465 (2021: QR. 292,947,777).

Derecognition of financial assets

financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired

Or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into agreements, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

4. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)
Financial risk management (Continued)

Derecognition of financial liabilities
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Current versus non-current classification
The Company presents assets and liabilities in statement of financial position based on current/non-current classification. An asset as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized 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 Company classifies all other liabilities as non-current.

Fair value measurement
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:

a. In the principal market for the asset or liability, or
b. 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 by the Company.

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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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

4. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

Financial risk management (Continued)

The fair value of financial investments that are actively traded in organized financial markets is determined by reference to quoted market bid prices for assets at the close of business on the reporting date.

For financial instruments where there is no active market, the fair value is determined by using discounted cash flow analysis or reference to broker or dealer price quotations. For discounted cash flow analysis, estimated future cash flows are based on management's best estimates and the discount rate used is a market related rate for a similar instrument.

5 INVESTMENT PROPERTY

	December 31,	
	2022	2021
	QR.	QR.
As at 1 January	**48,804,044**	49,060,394
Fair value loss on revaluation of investment property	**(3,044)**	(256,350)
As at 31 December	**48,801,000**	48,804,044

The Company's investment property represents a residential property owned by the Company located at Musherib, Doha.

The Company has no restrictions on the realizability of its investment properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

Investment property is stated at fair value, which has been determined based on valuations performed by two accredited independent properties valuers as at 31 December 2022 and 2021. The valuers are an accredited independent valuer with recognized and relevant professional qualifications and with recent experience in the location and category of this investment property being valued. In arriving at estimated market value, the valuers have used their market knowledge and professional judgment and using sales comparable and income approaches. In estimating the fair value of the property, the highest and best use of the property is their current use.

Rental income for investment property included in the statement of profit or loss for the year ended 31 December 2022 is QR. 2,223,000 (2021: QR. 1,824,000).

6 INVESTMENTS IN ASSOCIATES

	Country of incorporation	Ownership interest		December 31,	
		2022	**2021**	**2022**	2021
		%	**%**	**QR.**	QR.
1. Tilal Development Company S.A.O.C.	Oman	16.11%	16.11%	**73,263,705**	78,104,630

2. Muzn Oman Commercial S.A.O.C.	Oman	20%	20%	**5,735,148**	5,671,927
Total				**78,998,853**	83,776,557

6 INVESTMENTS IN ASSOCIATES (CONTINUED)

6.1) Tilal Development Company S.A.O.C. ("Tilal") is an associate company incorporated in the Sultanate of Oman. Tilal is engaged in real estate investment, development, leasing and maintenance of real estate proprieties.

During the year 2019, at the General Assembly Meeting of Tilal, three members of the Company's Board of Directors were elected to represent the Company on the Board of Directors of Tilal. Accordingly, the Company's representation on Tilal's Board of Directors changed to be three members out of seven members. Despite, the shares owned by the Company represent 16.11% (2021: 16.11%) of Tilal, the Company is able to demonstrate significant influence by participating in operating and financial policies decisions of Tilal. Hence, the Company's investment in Tilal has been reclassified from financial assets at fair value through other comprehensive income to an investment in an associate.

6.2) Muzn Oman Commercial S.A.O.C. ("Muzn") is an associate company incorporated in the Sultanate of Oman. Muzn is engaged in real estate development activities. The main assets of the company are a mall along with a hotel.

The movement in investments in an associate during the year, is as follows:

	December 31,	
	2022	**2021**
	QR.	**QR.**
As at 1 January	**83,776,557**	111,140,269
Adjustment related to opening balance (note 6.3)	**(4,777,704)**	(27,363,712)
As at 1 January (Adjusted)	**78,998,853**	83,776,557
Share of results of associates for the year (note 6.4)	**--**	--
As at 31 December	**78,998,853**	83,776,557

(6.3) The management had not recognized the share of results of the associates on its financial statements for the year ended December 31, 2022 and 2021 due to unavailability of the associates' audited financial statements at the date of issuance the Company's financials. However, during the year, the Company decided to adjust the opening balances of the retained earnings as at January 1, 2022 to reflect the Company's share of results (losses) of the associate companies amounting to QR. 4,777,704 (2021: QR. 27,363,712) as of that date. Since the cumulative effect on the retained earnings as of December 31, 2022 is the same, the management chose not to adjust the comparative information of the prior year, due to impracticability in respect of retrospective application according to paragraph no. 50 of International Accounting Standard 8 - "Accounting policies, Changes in Accounting estimates and Errors".

(6.4) The Company's management have not recorded the share of results of its associates due to unavailability of audited financial statements for the year ended December 31, 2022.

7 FINANCIAL ASSETS

	December 31,	
	2022	2021
	QR.	QR.
Financial assets at fair value through other comprehensive income	**115,503,519**	120,128,611
Financial assets at fair value through profit or loss	**5,518,057**	29,354,954

* The company has distributed its quoted shares between financial assets at fair value through OCI and financial assets at fair value through profit or loss as shown below:

	December 31,	
	2022	2021
	QR.	QR.
Financial assets at fair value through other comprehensive income	**78,948,312**	85,278,400
Financial assets at fair value through profit or loss	**5,518,057**	29,354,954
Total	**84,466,369**	114,633,354

(A) Financial assets at Fair value through OCI

** Financial assets at fair value through other comprehensive income includes investment in Companies unquoted with an amount of QR 11,695,541 (2021: QR 11,695,541) that are invested in equity shares of non-listed companies and the Company considers these investments to be strategic in nature.

*** Financial assets at fair value through other comprehensive income include investment fund as of December 31,2022, includes quoted shares in Oman amounting to QR 24,859,666 (2021: QR 23,154,670). The company has recognized fair value adjustments and was reflected in fair value reserve that are measured at fair value through other comprehensive income. The company has assessed such fund on collective basis as a one financial instrument.

The movement in financial assets at fair value through other comprehensive income is as follows:

	December 31,	
	2022	2021
	QR.	QR.
As at 1 January	**120,128,611**	98,249,619
Additions	**34,125,447**	21,334,309
Disposals	**(11,003,422)**	(5,904,323)
Net fair value (losses)/ gains	**(27,747,117)**	6,449,006
As at 31 December	**115,503,519**	120,128,611

7 FINANCIAL ASSETS (Continued)

(B) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets that are listed equity shares and the fair value are determined by reference to published price quotations in an active stock market.

The movement in financial assets at fair value through profit or loss is as follows:

	December 31,	
	2022	2021
	QR.	QR.
As at 1 January	**29,354,954**	15,856,160
Additions	**53,361,890**	119,509,930
Disposals	**(77,035,535)**	(110,696,092)
Net fair value gains	**(163,251)**	4,684,956
As at 31 December	**5,518,058**	29,354,954

(c) The movement in fair value reserve for the year then ended was follows:

	December 31,	
	2022	2021
	QR.	QR.
Opening balance	**(50,557,561)**	(56,517,412)
Movement in fair value reserve	**(27,747,117)**	6,449,006
Net realized gains on financial assets at FVTOCI transferred to retained earnings	**(286,182)**	(489,155)
Ending balance	**(78,590,860)**	(50,557,561)

8 OTHER DEBIT BALANCES

	December 31,	
	2022	2021
	QR.	QR.
Accrued income	**450,000**	--
Staff loans	**114,186**	111,706
Due from - Dlala Brokerage Company	**734**	10,361
Prepaid expenses	**9,712**	--
Other debit balances	**476,615**	347,330
Miscellaneous	**23,900**	27,900
	1,075,147	497,297

9 CASH AND BANK BALANCES

	December 31,	
	2022	2021
	QR.	QR.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Cash in hand	**2,000**	2,000
Bank current accounts	**10,570,997**	12,447,784
Bank call deposits	**11,128,508**	13,140,830
	21,701,505	25,590,614

10 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS

	December 31,	
	2022	2021
	QR.	QR.
As at 1 January	**1,755,485**	1,617,100
Provided during the year	**135,003**	138,385
As at 31 December	**1,890,488**	1,755,485

11 TRADE AND OTHER PAYABLES

	December 31,	
	2022	2021
	QR.	QR.
Dividends payable	**10,216,634**	12,186,952
Accruals and other payables	**454,224**	756,489
Trade payables	**2,873**	3,388
Payable to social and sport contribution fund**	**44,398**	124,888
Accrued Board of directors' remuneration*	**--**	400,000
	10,718,129	13,471,717

* as per the Board meeting held on 3rd of march 2022, the Board decided to distribute with a lump sum amount of QR 50,000 per member as a Board of Directors' remuneration and it has been recognized as an accrued expense during year 2021. During this year and after communication with the ministry of Commerce and industry, the ministry has rejected such remuneration. Accordingly, the Company has reversed back such accruals to other income.

** Pursuant to Law No. 13 of 2008 and further clarification of the Law issued in 2010, the Company made appropriation of QR 44,398 (2021: QR 124,888) from retained earnings for its contribution to Social and Sports activities. This amount represents 2.5% of the net profit for the year.

During this year on the 13th of November 2022, Qatar financial markets authority has issued a circular no. 2 for year 2022 stating that all the listed companies to settle the social and sports fund contribution to General Tax Authority accounts, as General Tax Authority is the entity responsible for collecting all taxes and funds in the state of Qatar. Accordingly, the company will settle the social and sports fund contribution to General Tax Authority accounts.

12 SHARE CAPITAL

	December 31,	
	2022	2021
	QR.	QR.
Authorized, issued and fully paid share capital:	**315,000,000**	

315,000,000 ordinary shares with a value of QR 1 per share (2021: 315,000,000 with a value of QR 1 per share)		315,000,000

13 LEGAL RESERVE

As required by the Qatari Commercial Company's law no. 11 of 2015 and the Company's articles of association, 10% of the profit is to be transferred to the statutory reserve until the reserve reaches a minimum of 50% of the issued share capital. The Company has transferred an amount of QR 177,591 to the legal reserve for the year ended 31 December 2022 (2021: QR 499,552). This reserve is not available for distribution except in circumstance stipulated in the above mention law.

14 DIVIDENDS

The Board of Directors has proposed in the General Assembly Meeting held on 16th of February 2023 not to distribute and pay any cash dividends. Such decision is subject to the approval by the Company's general assembly meeting.

The Shareholders has approved in the General Assembly Meeting held on 5rd of April 2022 to distribute 1% from total paid share capital for a total amount of QR 3,150,000.

15 NET INCOME FROM FINANCIAL ASSESTS

	Year ended December 31,	
	2022	2021
	QR.	QR.
Dividends income*	**4,161,615**	4,077,913
Net gain on sale of financial assets at fair value - through profit or loss	**1,872,956**	4,704,640
Interest income	**185,372**	129,200
Unrealized loss on financial assets at fair value - through profit or loss	**(2,036,207)**	(19,685)
	4,183,736	8,892,068

* The Company has received dividends from quoted shares in Qatar stock exchange with an amount of QR 3,235,400 (2021: QR 3,241,000) and dividends from quoted shares in Oman with an amount of QR 476,215 (2021: QR 586,913) and dividends from unquoted Company in Qatar stock exchange with an amount of QR 450,000 (2021: QR 250,000)

16 GENERAL AND ADMINISTRATIVE EXPENSES

	Year ended December 31,	
	2022	2021
	QR.	QR.
Staff Costs	**2,865,915**	3,120,342
Board of directors' allowance	**828,500**	667,500
Rent (1)	**337,500**	337,500
Maintenance	**300,606**	346,584
Professional fees	**157,056**	153,556
Qatar exchange fees	**299,737**	307,951
Travel and transportation	**51,539**	7,645
End of service benefits (Note 10)	**135,003**	138,385
Advertisement expenses	**78,436**	72,530
Governmental fees	**60,729**	57,048
Hospitality expenses	**24,047**	10,362
Miscellaneous expenses	**62,563**	101,239
	5,201,631	5,320,642

(1) Rent expenses are related to short term leases.

17 BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share is calculated by dividing the net profit for the year by the weighted average number outstanding of ordinary shares during the year as follows:

	December 31,	
	2022	2021
	QR.	QR.
Net profit for the year	**1,775,907**	4,995,524
Weighted average number of ordinary shares - Note (12)	**315,000,000**	315,000,000
Basic and diluted earnings per share (QR.)	**0.006**	0.016

18 RELATED PARTIES DISCLOSURES

Related parties represent the major shareholders, directors, and key management personnel of the Company and companies controlled, jointly or significantly influenced by those parties.

The remuneration and benefits of key management during the current and comparative year were as follows:

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	December 31, 2022	December 31, 2021
	QR.	QR.
Short-term benefits	**1,374,000**	1,524,000
Long-term benefits	**80,000**	80,000
Total	**1,454,000**	1,604,000

19 SEGMENT ANALYSIS

For management purposes, the Company is organized into business units based on their products and services, and has two reportable operating segments as follows:

- Real estate investing activities comprise investment and trading in real estate and construction or development of real estate for the sale in the ordinary course of business and other related real estate services.
- Equity and other investing activities comprise participation in financial and real estate funds and managing the a Company's liquidity requirements.

31 December 2022	**Real estate investing activities**	**Equities and other investing activities**	**Unallocated**	**Total**
	QR.	**QR.**	**QR.**	**QR.**
Segment revenue - net	**2,223,000**	**4,183,736**	**--**	**6,406,736**
Other income	**--**	**--**	**597,496**	**597,496**
Segment expense - net	**(303,650)**	**--**	**(4,924,675)**	**(5,228,325)**
Segment profit / (loss)	**1,919,350**	**4,183,736**	**(4,327,179)**	**1,775,907**
Segment assets	**48,801,000**	**200,020,430**	**22,791,652**	**271,613,082**
Segment liabilities	**--**	**--**	**12,608,617**	**12,608,617**

31 December 2021	Real estate investing activities	Equities and other investing activities	Unallocated	Total
	QR.	QR.	QR.	QR.
Segment revenue -net	1,824,000	8,892,068	--	10,716,068
Other income	--	--	270,457	270,457
Segment expense - net	(602,934)	--	(5,388,067)	(5,991,001)
Segment profit / (loss)	1,221,066	8,892,068	(5,117,610)	4,995,524
Segment assets	48,804,044	233,260,122	26,110,813	308,174,979

Segment liabilities	--	--	15,227,202	15,227,202

20 FAIR VALUE DISCLOSURES

Financial instruments comprise of financial assets and financial liabilities.

Financial assets consist of bank balances and cash, trade and other receivables, financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss. Financial liabilities consist of trade payables, accruals and other payables.

Fair value hierarchy

As at 31 December 2022, the Company held financial assets at fair value through other comprehensive income investments and financial assets at fair value through profit or loss measured at fair value. The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument (observable inputs).

Level 2: Valuation techniques based on observable inputs, either directly (i.e., as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial assets, the Company determines fair values using valuation techniques.

Valuation techniques include, comparison to similar assets for which market observable prices exist, and other valuation models. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial assets at the reporting date, that would have been determined by market participants acting at arm's length.

20 FAIR VALUE DISCLOSURES (Continued)

The table below analyses assets measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorized:

	Level 1	**Level 2**	**Level 3**	**Total**
	QR.	**QR.**	**QR.**	**QR.**
31 December 2022				
Investment property	**--**	**48,801,000**	**--**	**48,801,000**
Financial assets at fair value through other comprehensive income	**103,807,978**	**--**	**11,695,541**	**115,503,519**
Financial assets at fair value through profit or loss: quoted equity shares	**5,518,058**	**--**	**--**	**5,518,058**

	Level 1	Level 2	Level 3	Total
31 December 2021	QR.	QR.	QR.	QR.
Investment property	--	48,804,044	--	48,804,044
Financial assets at fair value through other comprehensive income	108,433,070	--	11,695,541	120,128,611
Financial assets at fair value through profit or loss: quoted equity shares	29,354,954	--	--	29,354,954

During the reporting year ended 31 December 2022, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

21 COMPARATIVE FIGURES

The comparative figures for the prior year have been reclassified, where necessary, in order to conform to the current year’s presentation. Such reclassifications do not affect the previously reported net profit, net equity or total assets of the Company.

22 SUBSEQUENT EVENTS

There were no significant events after the reporting date, which have a bearing on these financial statements.