Al MEERA CONSUMER GOODS COMPANY Q.P.S.C.
DOHA QATAR

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REVIEW REPORT FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2022

AL MEERA CONSUMER GOODS COMPANY Q.P.S.C.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REVIEW REPORT

For the six month period ended 30 June 2022

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QR. 99-8

RN: 188/SM/FY2023

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Board of Directors of
Al Meera Consumer Goods Company Q.P.S.C.
Doha, Qatar

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Al Meera Consumer Goods Company Q.P.S.C. (the "Parent") and its subsidiaries (together referred to as the "Group") as of 30 June 2022, and the related interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six month period then ended, and other related explanatory notes. Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, 'Interim financial reporting' as issued by International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

Doha – Qatar
10 August 2022

For **Deloitte & Touche**
Qatar Branch

Midhat Salha
Partner
License No. 257
QFMA Auditor License No. 120156

AL MEERA CONSUMER GOODS COMPANY Q.P.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the six month period ended 30 June 2022

		Six month period ended 30 June	
	Note	**2022 (Reviewed)**	2021 (Reviewed)
		QR.	QR.
Sales		**1,411,174,462**	1,486,926,863
Cost of sales		**(1,148,275,165)**	(1,211,693,614)
Gross profit		**262,899,297**	275,233,249
Rental income		**40,879,428**	39,089,635
Other income		**19,086,304**	12,907,572
General and administrative expenses		**(166,247,101)**	(157,716,611)
Depreciation and amortisation expenses		**(58,113,765)**	(58,964,151)
Finance costs		**(10,071,326)**	(10,274,334)
Share of loss of an associate		**(27,601)**	(17,854)
Profit before tax		**88,405,236**	100,257,506
Income tax expense		**(89,068)**	(84,994)
Profit for the period		**88,316,168**	100,172,512
Attributable to:			
Equity holders of the parent		**89,254,638**	100,117,165
Non-controlling interests		**(938,470)**	55,347
		88,316,168	100,172,512
Basic and diluted earnings per share attributable to equity holders of the parent	4	**0.45**	0.50

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Doha-Qatar

10 AUG 2022

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AL MEERA CONSUMER GOODS COMPANY Q.P.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six month period ended 30 June 2022

	Six month period ended 30 June	
	2022	2021
	(Reviewed)	(Reviewed)
	QR.	QR.
Profit for the period	**88,316,168**	100,172,512
Other comprehensive income / (loss)		
Items that will not be reclassified subsequently to consolidated statement of profit or loss		
Net changes in the fair value of financial assets at fair value through other comprehensive income	**25,959,584**	(4,430,843)
Total comprehensive income for the period	**114,275,752**	95,741,669
Attributable to:		
Equity holders of the parent	**115,214,222**	95,686,322
Non-controlling interests	**(938,470)**	55,347
	114,275,752	95,741,669

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 30 June 2022

	Notes	**30 June 2022 (Reviewed) QR.**	31 December 2021 (Audited) QR.
ASSETS			
Non-current assets			
Property and equipment	5	**1,207,916,535**	1,209,037,115
Right-of-use assets	6	**289,858,602**	314,007,625
Goodwill	7	**344,097,998**	344,097,998
Intangible assets	8	**212,012**	306,141
Financial assets at fair value through other comprehensive income	9	**365,698,634**	355,578,649
Deferred tax assets		**774,117**	774,117
Total non-current assets		**2,208,557,898**	2,223,801,645
Current assets			
Inventories	10	**255,586,834**	208,462,897
Trade and other receivables		**64,848,460**	61,377,123
Amounts due from related parties	15 (b)	**19,540,330**	19,344,641
Bank balances and cash	11	**219,412,686**	342,315,523
Total current assets		**559,388,310**	631,500,184
TOTAL ASSETS		**2,767,946,208**	2,855,301,829
EQUITY AND LIABILITIES			
Equity			
Share capital		**200,000,000**	200,000,000
Legal reserve		**901,289,603**	901,289,603
Optional reserve		**21,750,835**	21,750,835
Fair value reserve		**51,388,717**	56,070,081
Retained earnings		**308,179,479**	370,111,373
Equity attributable to equity holders of the parent		**1,482,608,634**	1,549,221,892
Non-controlling interests		**39,345,432**	40,283,902
Total equity		**1,521,954,066**	1,589,505,794
Non-current liabilities			
Loans and borrowings	13	**265,036,292**	278,011,417
Lease liabilities	14	**252,821,269**	273,236,547
Employees' end of service benefits		**43,864,758**	43,047,965
Retentions payable		**3,315,359**	3,187,795
Total non-current liabilities		**565,037,678**	597,483,724
Current liabilities			
Trade and other payables		**583,572,379**	572,282,095
Lease liabilities	14	**53,616,442**	56,107,760
Loans and borrowings	13	**43,765,643**	39,922,456
Total current liabilities		**680,954,464**	668,312,311
Total liabilities		**1,245,992,142**	1,265,796,035
TOTAL EQUITY AND LIABILITIES		**2,767,946,208**	2,855,301,829

H.E. Abdulla Abdulaziz Abdulla Turki Al-Subaie
Chairman

Mr. Ali Hilal Ali Omran Al-Kuwari
Vice Chairman

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THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AL MEERA CONSUMER GOODS COMPANY Q.P.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six month period ended 30 June 2022

	Equity attributable to equity holders of the parent							
	Share capital QR.	Legal reserve QR.	Optional reserve QR.	Fair value reserve QR.	Retained earnings QR.	Total QR.	Non-controlling interest QR.	Total equity QR.
Balance at 1 January 2022 (Audited)	**200,000,000**	**901,289,603**	**21,750,835**	**56,070,081**	**370,111,373**	**1,549,221,892**	**40,283,902**	**1,589,505,794**
Profit for the period	--	--	--	--	**89,254,638**	**89,254,638**	**(938,470)**	**88,316,168**
Reclassification of gain on sale of financial assets at fair value through other comprehensive income	--	--	--	**(30,640,948)**	**30,640,948**	--	--	--
Other comprehensive income for the period	--	--	--	**25,959,584**	--	**25,959,584**	--	**25,959,584**
Appropriation for contribution to social and sports fund	--	--	--	--	**(1,827,480)**	**(1,827,480)**	--	**(1,827,480)**
Dividends paid (Note 12)	--	--	--	--	**(180,000,000)**	**(180,000,000)**	--	**(180,000,000)**
Balance at 30 June 2022 (Reviewed)	**200,000,000**	**901,289,603**	**21,750,835**	**51,388,717**	**308,179,479**	**1,482,608,634**	**39,345,432**	**1,521,954,066**
Balance at 1 January 2021 (Audited)	200,000,000	901,289,603	21,750,835	68,750,766	345,184,917	1,536,976,121	41,077,067	1,578,053,188
Profit for the period	--	--	--	--	100,117,165	100,117,165	55,347	100,172,512
Reclassification of gain on sale of financial assets at fair value through other comprehensive income	--	--	--	(4,380,127)	4,380,127	--	--	--
Other comprehensive loss for the period	--	--	--	(4,430,843)	--	(4,430,843)	--	(4,430,843)
Appropriation for contribution to social and sports fund	--	--	--	--	(2,241,415)	(2,241,415)	--	(2,241,415)
Dividends paid (Note 12)	--	--	--	--	(180,000,000)	(180,000,000)	--	(180,000,000)
Balance at 30 June 2021 (Reviewed)	200,000,000	901,289,603	21,750,835	59,939,796	267,440,794	1,450,421,028	41,132,414	1,491,553,442

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AL MEERA CONSUMER GOODS COMPANY Q.P.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the six month period ended 30 June 2022

	Six month period ended 30 June	
	2022 (Reviewed)	2021 (Reviewed)
	QR.	QR.
OPERATING ACTIVITIES		
Profit for the period before income tax	**88,405,236**	100,257,506
Adjustments for:		
Depreciation and amortisation	**58,113,765**	58,964,151
Provision for employees' end of service benefits	**3,601,181**	3,565,341
Provision for obsolete and slow moving inventories	**(2,108,568)**	1,735,505
Allowance recognised for credit loss	**28,379**	72,741
Finance costs	**10,071,322**	10,274,334
Dividend income from financial assets at fair value through other comprehensive income	**(15,216,973)**	(10,515,911)
Share of loss on an associate	**27,601**	17,854
Loss/(gain) on disposal of property and equipment	**(42,200)**	87,374
Interest income	**(1,604,277)**	(2,128,297)
Operating profit before changes in working capital	**141,275,466**	162,330,598
Working capital changes:		
Trade and other receivables	**(3,477,583)**	(25,033,089)
Inventories	**(45,015,369)**	(5,757,995)
Amounts due from related parties	**(195,689)**	(501,262)
Trade, retentions and other payables	**6,221,915**	(27,904,979)
Cash flows from operating activities	**98,808,740**	103,133,273
Payment of contribution to social and sports fund	**(4,618,112)**	(4,989,523)
Income tax paid	**(176,400)**	(421,316)
Employees' end of service benefits paid	**(2,784,388)**	(2,947,848)
Net cash generated from operating activities	**91,229,840**	94,774,586
INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	**(191,483,243)**	(77,532,250)
Proceeds from sale of financial assets at fair value through other comprehensive income	**207,322,841**	59,839,515
Purchase of property and equipment	**(31,236,066)**	(131,167,677)
Proceeds from disposal of property and equipment	**172,405**	123,484
Purchase of intangible assets	**--**	(49,980)
Net movement in restricted bank accounts	**(7,912,596)**	(27,624,737)
Net movement in deposits maturing after 90 days	**(54,300,000)**	(11,900,000)
Dividends received	**15,216,973**	10,515,911
Interest received	**1,582,144**	2,603,142
Net cash flows used in investing activities	**(60,637,542)**	(175,192,592)

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AL MEERA CONSUMER GOODS COMPANY Q.P.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the six month period ended 30 June 2022

	Six month period ended 30 June	
	2022 (Reviewed)	2021 (Reviewed)
	QR.	QR.
FINANCING ACTIVITIES		
Dividends paid	**(172,028,436)**	(161,863,405)
Finance costs paid	**(4,567,692)**	(2,717,982)
Repayment of principal portion of lease liabilities	**(22,856,335)**	(22,049,462)
Repayment of interest portion of lease liabilities	**(7,084,557)**	(7,354,525)
Net movement in loans and borrowings	**(9,170,711)**	96,876,070
Net cash flows used in financing activities	**(215,707,731)**	(97,109,304)
Net decrease in cash and cash equivalents	**(185,115,433)**	(177,527,310)
Cash and cash equivalents at 1 January	**243,103,204**	271,677,522
Cash and cash equivalents at 30 June	**57,987,771**	94,150,212

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1. CORPORATE INFORMATION AND PRINCIPAL ACTIVITIES

On 13 July 2004, the Law No. (24) for 2004 was issued in order to transfer the former Consumers Cooperative Societies to Qatari Shareholding Company with a capital of QR 100,000,000, thus, incorporating a new company Al Meera Consumer Goods Company Q.P.S.C (the "Company"), which is governed by the Qatar Commercial Companies Law No. 11 of 2015. The Company was registered under commercial registration number 29969 on 2 March 2005. The Company's registered office address is at P.O. Box 3371 Doha, State of Qatar.

On 8 October 2012, the shareholders approved the increase in share capital to 20,000,000 shares with nominal value of QR. 10 per share. The 10,000,000 shares were issued at QR. 95 per share and subscription was closed on 10 February 2013. To comply with the regulations of Qatar Financial Markets Authority in 2019, the Company implemented a 10 for 1 share split with par value of QR. 1 per share which resulted in increase in share capital to 200,000,000 shares with nominal value of QR. 1 per share.

The Company and its subsidiaries (together the "Group") are mainly involved in wholesale and retail trading of various types of consumer goods commodities, owning and managing consumer outlets and trading in food stuff and consumer goods.

The Company is listed on the Qatar Stock Exchange and 26% ownership of the Company is held by Qatar Holding L.L.C.

These interim condensed consolidated financial statements of the Group for the six month period ended 30 June 2022 were authorized for issue by the Board of Directors on 10 August 2022.

The Group's subsidiaries and associates are as follows:

			Group effective shareholding percentage	
Name of subsidiaries and associates	*Country of incorporation*	*Relationship*	*2022*	*2021*
Al Meera Holding Company W.L.L.	Qatar	Subsidiary	100%	**100%**
Al Meera Supermarkets Company W.L.L.	Qatar	Subsidiary	100%	**100%**
Al Meera Development Company W.L.L.	Qatar	Subsidiary	100%	**100%**
Qatar Markets Company W.L.L.	Qatar	Subsidiary	100%	**100%**
Al Meera Bookstore W.L.L.	Qatar	Subsidiary	100%	**100%**
MAAR Trading & Services Company W.L.L.	Qatar	Subsidiary	100%	**100%**
Al Meera Logistics Services Company W.L.L.	Qatar	Subsidiary	100%	**100%**
Al Meera Oman S.A.O.C	Oman	Subsidiary	70%	**70%**
Al Meera Markets S.A.O.C	Oman	Subsidiary	70%	**70%**
Al Oumara Bakeries Company W.L.L.	Qatar	Associate	51%	**51%**

Al Meera Holding Company W.L.L. ("Al Meera Holding") is a limited liability company, incorporated in the State of Qatar. The Company is a holding company for holding the Group's investments and managing its subsidiaries, owning patents, trademarks and real estate needed to carry out its activities.

Al Meera Supermarkets Company W.L.L. ("Al Meera Supermarkets") is a limited liability company incorporated in the State of Qatar. The Company is engaged in the establishment and management of business enterprise and investing therein, owning shares, moveable and immoveable properties necessary to carry out its activities.

1. INCORPORATE AND PRINCIPAL ACTIVITIES (CONTINUED)

Al Meera Development Company W.L.L. ("Al Meera Development") is a limited liability company, incorporated in the State of Qatar. The Company is engaged in establishment and management of business enterprise and investing therein, owning patents, trade-works and real estate needed to carry out its activities.

Qatar Markets Company W.L.L. ("Qatar Markets") is a limited liability company, incorporated in the State of Qatar. The Company is engaged in the sale of food stuff, household items and garments.

Al Meera Bookstore W.L.L. ("Al Meera Bookstore") is a limited liability company incorporated in the State of Qatar. The Company is engaged in the sale of stationery, computer accessories, books and toys. During 2020, the board of directors resolved to discontinue the operation of Al Meera Bookstore.

MAAR Trading & Services Co W.L.L. ("MAAR Trading") is a limited liability company incorporated in State of Qatar. The Company is engaged in the sale of food stuff and household items.

Al Meera Logistics Services W.L.L. ("Al Meera Logistics") is a limited liability company, incorporated in the State of Qatar. The Company is engaged in the warehousing and delivery truck services. In December 2019, Al Meera Logistics was fully acquired by the Parent Company and was accounted as a subsidiary. As of the reporting date, this company has not commenced its commercial operations.

Al Meera Oman S.A.O.C ("Al Meera Oman") is a limited liability company, incorporated in Sultanate of Oman. The Company is engaged in the construction and management of shopping centers and related facilities. As of the reporting date, company has not commenced its commercial operations.

Al Meera Markets S.A.O.C. ("Al Meera Market") is a limited liability company, incorporated in Sultanate of Oman. The Company is engaged in the establishment and operation of shopping centers, supermarkets and hypermarkets.

Al Oumara Bakeries Company W.L.L. ("Al Oumara Bakeries") is a limited liability company, incorporated in the State of Qatar. The Company is engaged in manufacture and sale of bakery products.

2. BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six month period ended 30 June 2022 have been prepared in accordance with with International Accounting Standard 34 Interim Financial Reporting ("IAS 34"), and in conformity with Qatar Commercial Companies Law.

The interim condensed consolidated financial statements have been presented in Qatar Riyals ("QR."), which is the functional and presentation currency of the Group.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2021. In addition, the results for the six month period ended 30 June 2022 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2022.

2. BASIS OF PREPARATION (CONTINUED)

Judgments, estimates and risk management

The preparation of the interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affects the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group's annual consolidated financial statements for the year ended 31 December 2021.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of this interim condensed consolidated financial statements are consistent with those used in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2021, and the notes attached thereto, except for the adoption of certain new and revised standards, that became effective in the current period as set out below.

(i) New and amended IFRS Standards that are effective for the current year

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2022, have been adopted in these financial statements.

New and revised IFRSs	**Effective for annual periods beginning on or after**
Amendments to IFRS 3 - Reference to the Conceptual Framework	1 January 2022
Amendments to IAS 16 - Property, Plant and Equipment—Proceeds before Intended Use	1 January 2022
Amendments to IAS 37 - Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to IFRS Standards 2018-2020 Cycle - Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture	1 January 2022

The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ii) New and amended IFRSs in issue but not yet effective and not early adopted

The Group has not early adopted the following new and amended standards and interpretations that have been issued but are not yet effective.

New and revised IFRS	Effective for annual periods beginning on or after
IFRS 17 Insurance Contracts IFRS 17 requires insurance liabilities to be measured at a current fulfilment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 Insurance Contracts as at 1 January 2023.	1 January 2023
Amendments to IAS 1- Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to IFRS 10 and IAS 28 – Sale or consideration of assets between an investor and its associate or Joint Venture	1 January 2023
Amendments to IAS 12 Income taxes – Deferred tax related to assets and liabilities arising from a single transaction.	1 January 2023
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	1 January 2023
Definition of Accounting Estimates (Amendments to IAS 8)	1 January 2023

Management anticipates that these new standards, interpretations and amendments will be adopted in the Group consolidated financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the consolidated financial statements of the Group in the period of initial application.

4. BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing the profit attributable to the equity holders of the parent company for the period by the number of shares outstanding during the period as follows:

	Six month period ended 30 June	
	2022 (Reviewed)	2021 (Reviewed)
Profit for the period attributable to equity holders of the parent (QR.)	**89,254,638**	100,117,165
Weighted average number of ordinary shares outstanding	**200,000,000**	200,000,000
Basic and diluted earnings per share (QR.)	**0.45**	0.50

(i) Basic and diluted earnings per share are equal as the Company has not issued any instruments which will dilute the existing shareholding.

5. PROPERTY AND EQUIPMENT

	30 June 2022 (Reviewed)	31 December 2021 (Audited)
	QR.	QR.
Cost:		
Balance at the beginning of the period/ year	**1,758,130,465**	1,593,345,726
Additions during the period/ year	**33,121,466**	165,859,564
Disposals during the period/ year	**(5,470,365)**	(1,074,825)
Balance at the end of the period/ year	**1,785,781,566**	1,758,130,465
Accumulated depreciation:		
Balance at the beginning of the period/ year	**549,093,350**	478,271,852
Charge for the period/ year	**34,111,841**	71,711,409
Relating to disposals	**(5,340,160)**	(889,911)
Balance at the end of the period/ year	**577,865,031**	549,093,350
Net carrying amount at the end of the period/ year	**1,207,916,535**	1,209,037,115

6. RIGHT-OF-USE ASSETS

The Group leases several assets including land and buildings. Rental contracts are typically for extendable fixed periods of time.

	30 June 2022 (Reviewed)	31 December 2021 (Audited)
	QR.	QR.
Net book value at beginning of the period/ year	**314,007,625**	207,471,146
Additions	**256,789**	149,944,235
Contract modification	**(307,050)**	4,887,582
Amortisation expense	**(23,907,795)**	(45,967,377)
Transferred to work-in-progress	**(190,967)**	(2,327,961)
Carrying value at the end of the period/ year	**289,858,602**	314,007,625

7. GOODWILL

	30 June 2022 (Reviewed)	31 December 2021 (Audited)
	QR.	QR.
Qatar Markets Company W.L.L.	**227,028,986**	227,028,986
Al Meera Market S.A.O.C.	**117,069,012**	117,069,012
	344,097,998	344,097,998

Management performs goodwill impairment assessment annually and when there are indications that the carrying value may be impaired. Management believes that any reasonably possible change in the key assumptions used for impairment assessment performed on 31 December 2021 will not cause the carrying value of the goodwill to materially exceed its recoverable amount. Accordingly, no impairment loss has been recognised for the six month period ended 30 June 2022 (30 June 2021: Nil).

8. INTANGIBLE ASSETS

This represents computer software, customer contracts and non-compete agreement acquired by the Group. These assets are amortised over its useful economic lives.

	30 June 2022 (Reviewed) QR.	31 December 2021 (Audited) QR.
Cost:		
Balance at the beginning of the period/ year	**18,030,325**	17,880,025
Addition for the period/ year	**--**	150,300
Balance at the end of the period/ year	**18,030,325**	18,030,325
Accumulated amortisation:		
Balance at the beginning of the period/ year	**17,724,184**	16,490,121
Charge for the period/ year	**94,129**	1,234,063
Balance at the end of the period/ year	**17,818,313**	17,724,184
Net carrying amount at the end of the period/ year	**212,012**	306,141

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 June 2022 (Reviewed) QR.	31 December 2021 (Audited) QR.
Quoted equity shares	**357,449,046**	349,281,349
Unquoted equity shares	**8,249,588**	6,297,300
	365,698,634	355,578,649

10. INVENTORIES

	30 June 2022 (Reviewed) QR.	31 December 2021 (Audited) QR.
Finished goods	**271,637,935**	226,566,472
Consumables and spare parts	**1,485,029**	1,541,123
	273,122,964	228,107,595
Less: Provision for obsolete and slow moving inventories	**(17,536,130)**	(19,644,698)
	255,586,834	208,462,897

11. CASH AND CASH EQUIVALENTS

For the purpose of the interim condensed consolidated statement of cash flows, cash and cash equivalents comprise the following:

	30 June 2022 (Reviewed) QR.	31 December 2021 (Audited) QR.
Cash on hand	**1,746,303**	2,576,763
Cash at banks	**47,691,468**	155,776,441
Short term deposits	**8,550,000**	84,750,000
Total cash and cash equivalents	**57,987,771**	243,103,204
Term deposits maturing after 90 days	**71,400,000**	17,100,000
Restricted bank accounts	**90,245,500**	82,332,904
Allowance for credit loss on term deposits	**(220,585)**	(220,585)
Total cash on hand at banks	**219,412,686**	342,315,523

12. DIVIDENDS

During the current period, following the approval at the Annual General Assembly held on 13 March 2022, the Company declared a cash dividend of QR. 0.90 per share totaling to QR. 180 million (2021: QR. 0.90 per share, totaling to QR. 180 million) relating to the year ended 31 December 2021.

13. LOANS AND BORROWINGS

	30 June 2022 (Reviewed) QR.	31 December 2021 (Audited) QR.
Loan 1	**72,526,677**	79,562,721
Loan 2	**197,584,093**	208,801,209
Loan 3	**39,134,479**	30,052,030
Deferred financing arrangement cost	**(443,314)**	(482,087)
	308,801,935	317,933,873

Presented in the interim condensed consolidated statement of financial position as follows:

	30 June 2022 (Reviewed) QR.	31 December 2021 (Audited) QR.
Non-current portion	**265,036,292**	278,011,417
Current portion	**43,765,643**	39,922,456
	308,801,935	317,933,873

14. LEASE LIABILITIES

	30 June 2022 (Reviewed) QR.	31 December 2021 (Audited) QR.
At beginning of the period/ year	**329,344,307**	216,947,709
Additions during the period/ year	**256,789**	149,544,207
Contract modification	**(307,050)**	4,887,582
Accretion of interest	**7,084,557**	14,680,906
Payments during the period/ year	**(29,940,892)**	(56,716,097)
At the end of the period/ year	**306,437,711**	329,344,307

Presented in the interim condensed consolidated statement of financial position as follows:

Current	**53,616,442**	56,107,760
Non-current	**252,821,269**	273,236,547
	306,437,711	329,344,307

15. RELATED PARTY DISCLOSURES

a) Related party transactions

Related parties represent associated companies, Government and semi-Government agencies, associates, major shareholders, directors and key management personnel of the Group and companies of which they are principal owners. In the ordinary course of business, the Group enters into transactions with related parties. Pricing policies and terms of transactions are approved by the Group's management.

Qatar Holding L.L.C. holds 26% of the Company's share capital. In the course of business, the Group supplies its commodities to various Government and semi-Government agencies in the State of Qatar. The Group also avails various services from these parties in the State of Qatar.

b) Due from related parties

Balances with related parties included in the interim condensed consolidated statement of financial position are as follows:

	30 June 2022 (Reviewed) QR.	31 December 2021 (Audited) QR.
Associate:		
Al Oumara Bakeries Company W.L.L.	**19,540,330**	19,344,641
	19,540,330	19,344,641

15. RELATED PARTY DISCLOSURES (CONTINUED)

c) Compensation of key management personnel

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

	Six month period ended 30 June	
	2022 (Reviewed)	2021 (Reviewed)
	QR.	QR.
Key management remuneration	**4,524,510**	4,832,740
Board of Directors' remuneration	**3,871,000**	3,202,250
	8,395,510	8,034,990

16. SEGMENT REPORTING

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

- The retail segment, which comprises the buying and selling of consumer goods.
- The investment segment, which comprises equity and funds held as investment in associates, financial assets at fair value through other comprehensive income and fixed deposits.
- The leasing segment, which comprises letting of vacant premises and spaces in malls.

Management monitors the operating results for its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured the same as the operating profit or loss in the interim condensed consolidated financial statements.

Period ended 30 June 2022: (Reviewed)

	Retail	**Investment**	**Leasing**	**Total**
	QR.	**QR.**	**QR.**	**QR.**
Sales	**1,411,174,462**	--	--	**1,411,174,462**
Cost of sales	**(1,148,275,165)**	--	--	**(1,148,275,165)**
Gross profit	**262,899,297**	--	--	**262,899,297**
Rental income	--	--	**40,879,428**	**40,879,428**
Income from equity investment	--	**14,769,309**	--	**14,769,309**
Income from fixed deposits	--	**1,017,449**	--	**1,017,449**
Other income	**3,292,362**	--	**7,184**	**3,299,546**
Operating income	**266,191,659**	**15,786,758**	**40,886,612**	**322,865,029**
General and administrative expenses	**(161,634,126)**	**(1,266,699)**	**(3,346,276)**	**(166,247,101)**
Depreciation and amortization	**(53,953,188)**	**(32,833)**	**(4,127,744)**	**(58,113,765)**
Finance costs	**(9,943,124)**	**(36,162)**	**(92,040)**	**(10,071,326)**
Share of loss of an associate	--	**(27,601)**	--	**(27,601)**
Profit for the period before income tax	**40,661,221**	**14,423,463**	**33,320,552**	**88,405,236**
Income tax expense	**(89,068)**	--	--	**(89,068)**
Profit for the period	**40,572,153**	**14,423,463**	**33,320,552**	**88,316,168**

16. SEGMENT REPORTING (CONTINUED)

Period ended 30 June 2021: (Reviewed)

	Retail QR.	Investment QR.	Leasing QR.	Total QR.
Sales	1,486,926,863	--	--	1,486,926,863
Cost of sales	(1,211,693,614)	--	--	(1,211,693,614)
Gross profit	275,233,249	--	--	275,233,249
Rental income	--	--	39,089,635	39,089,635
Income from equity investment	--	9,508,711	--	9,508,711
Income from fixed deposits	--	1,828,057	--	1,828,057
Other income	1,570,804	--	--	1,570,804
Operating income	276,804,053	11,336,768	39,089,635	327,230,456
General and administrative expenses	(154,338,202)	(1,157,701)	(2,220,708)	(157,716,611)
Depreciation and amortization	(53,551,233)	(553,609)	(4,859,309)	(58,964,151)
Finance costs	(9,728,617)	(31,244)	(514,473)	(10,274,334)
Share of loss of an associate	--	(17,854)	--	(17,854)
Profit for the period before income tax	59,186,001	9,576,360	31,495,145	100,257,506
Income tax benefit	(84,994)	--	--	(84,994)
Profit for the period	59,101,007	9,576,360	31,495,145	100,172,512

Note:

The Group sales from all segments are generated from external customers and no inter-segment transactions occurred during the period.

The following table presents segmental assets regarding the Group's business segments for the period ended 30 June 2022 and for the year ended 31 December 2021 respectively.

	Retail **QR.**	**Investment** **QR.**	**Leasing** **QR.**	**Total** **QR.**
Segment assets				
At 30 June 2022 (Reviewed)	**1,987,926,997**	**484,216,499**	**295,802,712**	**2,767,946,208**
At 31 December 2021 (Audited)	2,095,073,107	469,703,942	290,524,780	2,855,301,829

16. SEGMENT REPORTING (CONTINUED)

Geographically, the Group operates in the State of Qatar and the Sultanate of Oman. The following is a summary of key balances related to each geography:

	Qatar		Oman		Eliminations		Total	
	30 June 2022 (Reviewed)	31 December 2021 (Audited)	**30 June 2022 (Reviewed)**	31 December 2021 (Audited)	**30 June 2022 (Reviewed)**	31 December 2021 (Audited)	**30 June 2022 (Reviewed)**	31 December 2021 (Audited)
	QR.	QR.	**QR.**	QR.	**QR.**	QR.	**QR.**	QR.
Total assets	**2,513,992,898**	2,602,297,202	**302,206,071**	299,919,767	**(48,252,761)**	(46,915,140)	**2,767,946,208**	2,855,301,829
Total liabilities	**1,120,593,728**	1,144,903,981	**171,054,674**	165,640,113	**(45,656,260)**	(44,748,059)	**1,245,992,142**	1,265,796,035

	Qatar Six month period ended 30 June		Oman Six month period ended 30 June		Eliminations Six month period ended 30 June		Total Six month period ended 30 June	
	2022 (Reviewed)	2021 (Reviewed)	**2022 (Reviewed)**	2021 (Reviewed)	**2022 (Reviewed)**	2021 (Reviewed)	**2022 (Reviewed)**	2021 (Reviewed)
	QR.	QR.	**QR.**	QR.	**QR.**	QR.	**QR.**	QR.
Sales	**1,350,161,987**	1,416,490,281	**61,012,475**	70,436,582	**--**	--	**1,411,174,462**	1,486,926,863
Profit (loss)	**91,873,845**	100,417,381	**(3,128,251)**	184,557	**(429,426)**	(429,426)	**88,316,168**	100,172,512

Note:
Actual profits generated in the above stated locations, have been adjusted to arrive at the net profit by Geographic segment of the Group.

17. COMMITMENTS AND CONTINGENCIES

Capital commitments

The Group's capital commitments contracted but not provided for in the interim condensed consolidated financial statement as at 30 June 2022 amounted to QR. 48.7 million (31 December 2021: QR. 37.85 million).

Commitment under lease within 12 months:

	30 June 2022 (Reviewed) QR.	31 December 2021 (Audited) QR.
Within one year	**9,384,061**	8,236,750
Total	**9,384,061**	8,236,750

Contingent liabilities

The Group has contingent liabilities in respect of letters of credit and letters of guarantee and other matters arising in the ordinary course of business from which it is anticipated that no material liabilities will arise. The details are as follows:

	30 June 2022 (Reviewed) QR.	31 December 2021 (Audited) QR.
Letters of guarantees	**3,660,382**	2,841,480
Letters of credits	**729,323**	1,685,888
	4,389,705	4,527,368

18. FINANCIAL RISK MANAGEMENT

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

19. FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets and financial liabilities.

Financial assets consists of cash and cash equivalents, financial assets at fair value through other comprehensive income, amounts due from related parties and trade and other receivables. Financial liabilities consist of loans and borrowings and trade and other payables.

The fair values of financial instruments are not materially different from their carrying values.

Fair values

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

19. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

Valuation methods and assumptions

The following methods and assumptions were used to estimate the fair values:

- Cash and cash equivalents, trade receivables, trade payables, and other current assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

- Fair value of quoted financial assets at fair value through other comprehensive income is derived from quoted market prices in active markets.

- Fair value of unquoted financial assets at fair value through other comprehensive income is estimated using appropriate valuation techniques.

The Group does not hold credit enhancement or collateral to mitigate credit risk. The carrying amount of financial assets therefore represents the potential credit risk.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at reporting date, the Group held the following financial instruments measured at fair value:

	30 June 2022 (Reviewed)			
	Total	**Level 1**	**Level 2**	**Level 3**
	QR.	**QR.**	**QR.**	**QR.**
Financial assets at fair value through other comprehensive income				
Quoted equity shares	**357,449,046**	**357,449,046**	--	--
Un-quoted equity shares	**8,249,588**	--	--	**8,249,588**

	31 December 2021 (Audited)			
	Total	Level 1	Level 2	Level 3
	QR.	QR.	QR.	QR.
Financial assets at fair value through other comprehensive income				
Quoted equity shares	349,281,349	349,281,349	--	--
Un-quoted equity shares	6,297,300	--	--	6,297,300

During the period ended 30 June 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 (2021: Nil).

19. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy (continued)

The tables above illustrate the classification of the Group's financial instruments based on the fair value hierarchy. This classification provides a reasonable basis to illustrate the nature and extent of risks associated with those financial instruments.

20. COVID 19 IMPACT

The outbreak of Coronavirus continues to disrupt business operations and economic activity globally. The extent and duration of the impacts depend highly on future events that cannot be accurately predicted. The impact on the Group's activities and operations are assessed to be minimal.

➢ **Commitments and contingent liabilities**

The Group has assessed the impact of any operational disruptions, including any contractual challenges and changes in business or commercial relationships among the related entities, customers and suppliers, to determine if there is any potential increase in contingent liabilities and commitments.

➢ **Going concern**

The Group has performed an assessment of whether going concern assumption is appropriate in the light of current economic conditions and all available information about future risks and uncertainties. The projections have been prepared covering the Group's future performance, capital and liquidity. The impact of COVID-19 may continue to evolve, but at the present time the projections show that the Group has sufficient resources to continue in operational existence and its assumption on going concern remains largely unaffected and unchanged from 31 December 2021. As a result, these interim condensed financial information have been appropriately prepared on a going concern basis.

The Group will continue to closely monitor the impact of COVID-19 as the situation progresses to manage the potential business disruption on its operations and financial performance in 2022.