



**VODAFONE QATAR P.Q.S.C.**

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

**FOR THE SIX MONTHS PERIOD ENDED  
30 JUNE 2022**

VODAFONE QATAR P.Q.S.C.

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**For the six months period ended 30 June 2022**

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## Independent auditors' report on review of interim condensed consolidated financial information

To the Shareholders of  
*Vodafone Qatar P.Q.S.C*

### Introduction

We have reviewed the accompanying 30 June 2022 interim condensed consolidated financial statements of Vodafone Qatar P.Q.S.C (the "Company") and its subsidiaries (together the "Group"), which comprises:

- the interim condensed consolidated statement of income for the six-month period ended 30 June 2022;
- the interim condensed consolidated statement of comprehensive income for the six-month period ended 30 June 2022;
- the interim condensed consolidated statement of financial position as at 30 June 2022;
- the interim condensed consolidated statement of changes in equity for the six-month period ended 30 June 2022;
- the interim condensed consolidated statement of cash flows for the six-month period ended 30 June 2022; and
- notes to the interim condensed consolidated financial statements.

The Board of Directors of the Company is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

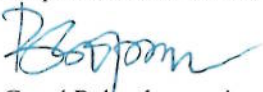
### Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements 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 IAS 34, 'Interim Financial Reporting'.

9 August 2022  
Doha  
State of Qatar

  
Gopal Balasubramaniam  
KPMG  
Audit Registration No.251



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

	Notes	Six months ended 30 June	
		2022	2021
		(Reviewed) QR'000	(Reviewed) QR'000
Revenue	5	1,435,943	1,162,929
Interconnection and other direct expenses		(477,169)	(366,086)
Network and other operational expenses		(228,778)	(198,306)
Employees' salaries and benefits		(126,322)	(114,251)
Expected credit losses		(13,434)	(12,713)
Depreciation of property, plant and equipment		(174,483)	(157,955)
Amortisation of intangible assets		(103,485)	(93,098)
Depreciation of right-of-use assets		(50,730)	(51,001)
Gain on disposal of property, plant and equipment		-	170
Industry fee	6	(24,742)	(15,372)
<b>Operating profit</b>		<b>236,800</b>	<b>154,317</b>
Finance costs		(13,560)	(15,697)
Other financing costs	7	(9,483)	(4,665)
Other income		2,586	129
<b>Profit for the period</b>		<b>216,343</b>	<b>134,084</b>
<b>Basic and diluted earnings per share (in QR per share)</b>	8	<b>0.051</b>	<b>0.032</b>



This statement has been prepared by the Group and stamped by the Auditors for identification purposes only.

The accompanying notes 1 to 27 form an integral part of these interim condensed consolidated financial statements.



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

	Six months ended 30 June	
	2022 (Reviewed) QR'000	2021 (Reviewed) QR'000
Profit for the period	216,343	134,084
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<b>216,343</b>	<b>134,084</b>



The accompanying notes 1 to 27 form an integral part of these interim condensed consolidated financial statements.





INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
As at 30 June 2022

	Notes	30 June 2022 (Reviewed) QR'000	31 December 2021 (Audited) QR'000
<b>Non-current assets</b>			
Property, plant and equipment	9	1,655,725	1,637,538
Intangible assets	10	4,088,522	4,168,793
Right-of-use assets	11	276,383	291,185
Trade and other receivables	13	140,910	92,323
<b>Total non-current assets</b>		<b>6,161,540</b>	<b>6,189,839</b>
<b>Current assets</b>			
Inventories	12	29,407	34,728
Contract assets		30,492	33,234
Contract costs		16,079	8,949
Trade and other receivables	13	378,392	346,789
Cash and bank balances	14	156,200	189,508
<b>Total current assets</b>		<b>610,570</b>	<b>613,208</b>
<b>Total assets</b>		<b>6,772,110</b>	<b>6,803,047</b>
<b>Equity</b>			
Share capital	15	4,227,000	4,227,000
Legal reserve	16	109,870	96,913
Retained earnings		216,897	272,540
<b>Total equity</b>		<b>4,553,767</b>	<b>4,596,453</b>
<b>Non-current liabilities</b>			
Loans and borrowings	17	564,151	506,238
Provisions	18	91,151	83,078
Lease liabilities	19	173,014	197,059
<b>Total non-current liabilities</b>		<b>828,316</b>	<b>786,375</b>
<b>Current liabilities</b>			
Loans and borrowings	17	206,304	206,156
Lease liabilities	19	143,986	135,842
Trade and other payables	20	1,039,737	1,078,221
<b>Total current liabilities</b>		<b>1,390,027</b>	<b>1,420,219</b>
<b>Total liabilities</b>		<b>2,218,343</b>	<b>2,206,594</b>
<b>Total equity and liabilities</b>		<b>6,772,110</b>	<b>6,803,047</b>

These interim condensed consolidated financial statements were approved by the Board of Directors on 9 August 2022 and were signed on its behalf by:

Akbar Al Baker  
Vice-Chairman

Rashid Fahad Al Naimi  
Managing Director

This statement has been prepared by the Group and stamped by the Auditors for identification purposes only. The accompanying notes 1 to 27 form an integral part of these interim condensed consolidated financial statements.

**VODAFONE QATAR P.Q.S.C.**



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

	Share capital	Legal reserve	Retained earnings		Total equity
			Distributable profits	Accumulated losses	
	QR'000	QR'000	QR'000	QR'000	QR'000
<b>Balance as at 1 January 2021 (Audited)</b>	4,227,000	76,334	437,392	(252,135)	4,488,591
Profit for the period	-	-	-	134,084	134,084
Total comprehensive income for the period	-	-	-	134,084	134,084
Transfer to distributable profits (note 16)	-	-	175,872	(175,872)	-
Transfer to legal reserve (note 16)	-	8,794	(8,794)	-	-
Dividend for the year ended 31 December 2020 (note 23)	-	-	(211,350)	-	(211,350)
Transfer to social and sports fund	-	-	(3,346)	-	(3,346)
<b>Balance as at 30 June 2021 (Reviewed)</b>	4,227,000	85,128	389,774	(293,923)	4,407,979
<b>Balance as at 1 January 2022 (Audited)</b>	4,227,000	96,913	608,850	(336,310)	4,596,453
Profit for the period	-	-	-	216,343	216,343
Total comprehensive income for the period	-	-	-	216,343	216,343
Transfer to distributable profits (note 16)	-	-	259,132	(259,132)	-
Transfer to legal reserve (note 16)	-	12,957	(12,957)	-	-
Dividend for the year ended 31 December 2021 (note 23)	-	-	(253,620)	-	(253,620)
Transfer to social and sports fund	-	-	(5,409)	-	(5,409)
<b>Balance as at 30 June 2022 (Reviewed)</b>	4,227,000	109,870	595,996	(379,099)	4,553,767

The accompanying notes 1 to 27 form an integral part of these interim condensed consolidated financial statements.





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

	Notes	Six months ended 30 June	
		2022 (Reviewed) QR'000	2021 (Reviewed) QR'000
<b>Cash flows from operating activities</b>			
Profit for the period		216,343	134,084
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment		174,483	157,955
Amortisation of intangible assets		103,485	93,098
Depreciation of right-of-use assets		50,730	51,001
Expected credit losses		13,434	12,713
Other income		(2,586)	(129)
Other financing costs		9,483	4,665
Finance costs		13,560	15,697
Gain on disposal of property, plant and equipment		-	(170)
<i>Change in operating assets and liabilities</i>			
Decrease in inventories		5,321	1,613
Increase in trade and other receivables		(93,244)	(85,470)
Decrease / (increase) in contract assets		2,742	(3,799)
Increase in contract costs		(7,130)	(1,145)
Decrease in trade and other payables		(48,741)	(70,386)
Increase in provisions		8,073	3,090
<b>Cash generated from operations</b>		<b>445,953</b>	<b>312,817</b>
Finance costs paid		(13,379)	(15,608)
Other income received		136	129
<b>Net cash flows from operating activities</b>		<b>432,710</b>	<b>297,338</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(192,670)	(113,483)
Purchase of intangible assets		(23,214)	(40,935)
Proceeds from disposal of property, plant and equipment		-	170
<b>Net cash used in investing activities</b>		<b>(215,884)</b>	<b>(154,248)</b>
<b>Cash flows from financing activities</b>			
Payment of lease liabilities		(57,913)	(49,791)
Proceeds from loans and borrowings		260,000	220,000
Repayment of loans and borrowings		(202,500)	(102,500)
Dividend paid		(249,721)	(205,989)
Movement in restricted bank accounts	14.1	(3,899)	(5,361)
<b>Net cash used in financing activities</b>		<b>(254,033)</b>	<b>(143,641)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(37,207)</b>	<b>(551)</b>
Cash and cash equivalents at the beginning of the period		170,543	151,446
<b>Cash and cash equivalents at the end of the period</b>		<b>133,336</b>	<b>150,895</b>

The accompanying notes 1 to 27 form an integral part of these interim condensed consolidated financial statements.





## 1 INCORPORATION AND PRINCIPAL ACTIVITIES

Vodafone Qatar P.Q.S.C. (the “Company”) is registered as a Qatari Shareholding Company for a twenty-five-year period (which may be extended to sixty year period by a resolution passed at a General Assembly) under Qatar Commercial Companies Law. The Company was registered with the Commercial Register of the Ministry of Economy and Commerce on 23 June 2008 under Commercial Registration No: 39656. The shares of the Company are listed on the Qatar Stock Exchange.

The Company is licensed by the Communications Regulatory Authority (CRA) (formerly known as Supreme Council of Information and Communication Technology (ictQATAR)) to provide both fixed and mobile telecommunications services in the State of Qatar. The conduct and activities of the Company are primarily regulated by the CRA pursuant to Law No. 34 of 2006 (Telecommunications Law), the terms of its mobile and fixed licences and applicable regulations.

The Company is engaged in providing cellular mobile telecommunication services, fixed line and broadband services and selling related equipment and accessories. The Group is controlled by Qatar Foundation Endowment LLC. The Company’s head office is located in Doha, State of Qatar and its registered address is P.O. Box 27727, Msheireb Downtown, Doha, State of Qatar.

During 2018, the Company made an agreement with Vodafone Sales & Services Limited, a company registered in United Kingdom. In accordance with the agreement, the Company has rights to receive the benefit of Vodafone Group’s brand, products, services, expertise and technical knowledge for a period of 5 years. The term may be extended upon mutual written agreement of the parties.

As at the current and comparative reporting date, the Company has the following subsidiaries, which together with the Company constitutes the “Group”:

Subsidiary companies	Location	Nature of business	Holding
Infinity Solutions LLC	Qatar	Operational and administrative services	100%
Infinity Payment Solutions WLL	Qatar	Fintech and digital innovation services	100%

The subsidiary, Infinity Payment Solution WLL, is yet to commence its commercial operations as of the reporting date.

## 2 BASIS OF PREPARATION

### Statement of compliance

These interim condensed consolidated financial statements for the six months period ended 30 June 2022 have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (IAS 34).

All amounts in the interim condensed consolidated financial statements are stated in thousands of Qatari Riyals (QR’000) unless indicated otherwise. These interim condensed consolidated financial statements are presented on a condensed basis as permitted by IAS 34 and therefore do not include all disclosures that would otherwise be required in a full set of consolidated financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2021. In addition, 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.

The preparation of these interim condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period, and the reported amounts of revenue and expenses during the reporting period. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Management has carried out sensitivity analysis over these significant judgments to assess if any adjustment is needed to the amounts recognised in these interim condensed consolidated financial statements. Any adjustment required is taken on an ongoing basis.

The Group’s financial risk management objectives and policies, judgments and estimates are consistent with those disclosed in the consolidated financial statements as at and for year ended 31 December 2021.



### 3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ended 31 December 2021 and the notes attached thereto, except for the adoption of certain amendments to the standards that became effective in current period as set out below:

#### (i) New currently effective requirements

The Group has applied the following new and revised IFRS Standards that have been issued and are effective for annual periods beginning on or after 1 January 2022:

Effective date	New standards or amendments
1 April 2021	COVID-19-Related Rent Concessions beyond 30 June 2021 – Amendment to IFRS 16
1 January 2022	Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37)
	Annual Improvements to IFRS standards 2018-2020
	Property, Plant and Equipment: Proceeds before intended use (Amendments to IAS 16)
	Reference to the Conceptual Framework (Amendments to IFRS 3)

The application of these amendments had no material impact on the Group's interim condensed consolidated financial statements.

#### (ii) New and revised standards and interpretations issued but not yet effective

Effective for annual periods beginning on or after 1 January 2023:

- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current
- IFRS 17 – Insurance Contracts
- Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies
- Amendments to IAS 8 – Definition of Accounting Estimate
- Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Amendments with effective date yet to be set by IASB, but available for early adoption:

- Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group has not early adopted any of the forthcoming new or amended standards in preparing these interim condensed consolidated financial statements.

### 4 CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

#### Changes in judgments and estimation uncertainty

During the period, the Group modernised its network to provide high quality services and cater the upcoming demand, due to FIFA world cup. This has resulted in reassessment and reduction of useful life of some of the old assets and consequently higher depreciation charge of QR 46.81 million during the period, (30 June 2021: QR 19.8 million).

Except for above, the critical judgments and estimates used in the preparation of these 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.





## 5 REVENUE

### Disaggregation of revenue

In the following table, revenue is disaggregated by major service lines and timing of revenue recognition.

	Six months ended 30 June	
	2022 (Reviewed) QR'000	2021 (Reviewed) QR'000
Revenue from pre-paid mobile services	289,388	268,568
Revenue from post-paid mobile services	639,704	564,047
Sale of equipment, related services, and accessories	205,921	84,931
Other revenue	300,930	245,383
	<u>1,435,943</u>	<u>1,162,929</u>
	Six months ended 30 June	
	2022 (Reviewed) QR'000	2021 (Reviewed) QR'000
<b>Disaggregation of revenue – over time</b>		
Pre-paid and post-paid services	929,092	832,615
Sale of equipment, related services, and accessories	109,219	-
Other revenue	300,930	245,383
	<u>1,339,241</u>	<u>1,077,998</u>
<b>Disaggregation of revenue – at a point in time</b>		
Sale of equipment, related services, and accessories	96,702	84,931
	<u>96,702</u>	<u>84,931</u>
<b>Total revenue</b>	<u>1,435,943</u>	<u>1,162,929</u>

## 6 INDUSTRY FEE

In accordance with its operating licenses for Public Telecommunications Networks and Services granted in Qatar by Communications Regulatory Authority (CRA), the Company is liable to pay to the CRA an annual industry fee which is calculated at 12.5% of adjusted net profit on licensed activities.

## 7 OTHER FINANCING COSTS

Other financing costs include unwinding of discounted portion of asset retirement obligations, interest expense on lease liabilities and certain other ancillary costs.

## 8 BASIC AND DILUTED EARNINGS PER SHARE

	Six months ended 30 June	
	2022 (Reviewed)	2021 (Reviewed)
Profit for the period (QR '000)	216,343	134,084
Weighted average number of shares (in thousands)	4,227,000	4,227,000
Basic and diluted earnings per share (QR)	0.051	0.032

**9 PROPERTY, PLANT AND EQUIPMENT**

	<u>30 June 2022</u>	<u>31 December 2021</u>
	(Reviewed)	(Audited)
	QR'000	QR'000
Net book value at the beginning of the period / year	1,637,538	1,646,698
Additions during the period / year	192,670	340,896
Net book value of reclassifications during the period / year	-	(12,438)
Net book value of disposals during the period / year	-	(843)
Depreciation for the period / year	<u>(174,483)</u>	<u>(336,775)</u>
Net book value at the end of the period / year	<u>1,655,725</u>	<u>1,637,538</u>

9.1 The net book value of PPE includes Asset Under Construction amounting to QR 209.67 million (31 December 2021 QR 149.10 million), which are not depreciated.

**10 INTANGIBLE ASSETS**

	<u>30 June 2022</u>	<u>31 December 2021</u>
	(Reviewed)	(Audited)
	QR'000	QR'000
Net book value at the beginning of the period / year	4,168,793	4,279,612
Additions during the period / year	23,214	67,024
Net book value of reclassifications during the period / year	-	12,438
Amortisation for the period / year	<u>(103,485)</u>	<u>(190,281)</u>
Net book value at the end of the period / year	<u>4,088,522</u>	<u>4,168,793</u>

**11 RIGHT-OF-USE ASSETS**

	<u>30 June 2022</u>	<u>31 December 2021</u>
	(Reviewed)	(Audited)
	QR'000	QR'000
Net book value at the beginning of the period / year	291,185	371,621
New leases added during the period / year	35,928	20,254
Depreciation for the period / year	<u>(50,730)</u>	<u>(100,690)</u>
Net book value at the end of the period / year	<u>276,383</u>	<u>291,185</u>

**12 INVENTORIES**

	<u>30 June 2022</u>	<u>31 December 2021</u>
	(Reviewed)	(Audited)
	QR'000	QR'000
Handsets	23,679	29,536
Scratch cards and accessories	<u>9,553</u>	<u>9,762</u>
Gross value	33,232	39,298
Less: Provision for stock obsolescence (note 12.1)	<u>(3,825)</u>	<u>(4,570)</u>
Written down value	<u>29,407</u>	<u>34,728</u>



**12 INVENTORIES (CONTINUED)**

12.1 Movement in provision for stock obsolescence is as follows:

	<b>30 June 2022</b>	31 December 2021
	<b>(Reviewed)</b>	(Audited)
	<b>QR'000</b>	QR'000
Balance at beginning of the period / year	4,570	3,940
(Reversal) /charges recognized in consolidated statement of income	(663)	650
Amounts written off during the period / year	(82)	(20)
Balance at end of the period / year	<b>3,825</b>	<b>4,570</b>

**13 TRADE AND OTHER RECEIVABLES**

	<b>30 June 2022</b>	31 December 2021
	<b>(Reviewed)</b>	(Audited)
	<b>QR'000</b>	QR'000
<b>Non-current assets:</b>		
Trade receivables	121,200	70,200
Prepayments	19,710	22,123
	<b>140,910</b>	<b>92,323</b>
<b>Current assets:</b>		
Trade and other receivables – net	320,942	294,332
Prepayments	47,200	22,038
Due from related parties (note 22)	10,250	30,419
	<b>378,392</b>	<b>346,789</b>

The following table shows the movement in expected credit losses that was recognised for trade and other receivables:

	<b>30 June 2022</b>	31 December 2021
	<b>(Reviewed)</b>	(Audited)
	<b>QR'000</b>	QR'000
Balance at beginning of the period/year	111,185	149,836
Expected credit losses recognised during the period/year	13,434	28,745
Collections from previously written off balances during the period/year	1,850	2,163
Write offs during the period/year	-	(69,559)
Balance at end of the period/year	<b>126,469</b>	<b>111,185</b>



## 14 CASH AND BANK BALANCES

	<b>30 June 2022</b>	31 December 2021
	<b>(Reviewed) QR'000</b>	(Audited) QR'000
Cash and bank balances	156,200	189,508
Less: Balance with restricted bank accounts (note 14.1)	<u>(22,864)</u>	<u>(18,965)</u>
Cash and cash equivalents	<u>133,336</u>	<u>170,543</u>

14.1 This comprises restricted funds maintained for uncollected shareholders' dividends.

## 15 SHARE CAPITAL

	<b>30 June 2022</b>		31 December 2021	
	<b>Number (Reviewed)</b>	<b>QR'000 (Reviewed)</b>	Number (Audited)	QR'000 (Audited)
<b>Ordinary shares authorised, allotted, issued and fully paid:</b>				
Ordinary shares of QR 1 each	<u>4,227,000,000</u>	<u>4,227,000</u>	<u>4,227,000,000</u>	<u>4,227,000</u>

## 16 LEGAL RESERVE AND DISTRIBUTABLE PROFITS

As per the Articles of Association of the Company, distributable profits are defined as the reported net profit/loss for the financial period plus amortisation of license fees for the period. Undistributed profits are carried forward and are available for distribution in future periods.

Further, as per the Articles of Association of the Company, 5% of annual distributable profits should be transferred to the legal reserve. The General Assembly may discontinue this deduction if the legal reserve reaches 10% of the paid-up capital.

The movement in the balance of distributable profits is as follows:

	<b>Six months ended 30 June</b>			
	<b>2022</b>		2021	
	<b>(Reviewed) QR'000</b>	<b>(Reviewed) QR'000</b>	(Reviewed) QR'000	(Reviewed) QR'000
Balance at beginning of the period		608,850		437,392
Net profit of the Company	217,086		133,826	
Amortisation of license fee	<u>42,046</u>		<u>42,046</u>	
Distributable profit	<u>259,132</u>		<u>175,872</u>	
Transfer to distributable profits		259,132		175,872
Transfer to legal reserve		(12,957)		(8,794)
Dividends declared (note 23)		(253,620)		(211,350)
Transfer to social and sports fund		<u>(5,409)</u>		<u>(3,346)</u>
Balance at period end		<u>595,996</u>		<u>389,774</u>



## 17 LOANS AND BORROWINGS

	<b>30 June 2022</b>	31 December 2021
	<b>(Reviewed)</b>	(Audited)
	<b>QR'000</b>	QR'000
Loan – I	<b>409,422</b>	511,890
Loan – II	<b>361,033</b>	200,504
	<b>770,455</b>	712,394

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

Non-current liabilities	<b>564,151</b>	506,238
Current liabilities	<b>206,304</b>	206,156
	<b>770,455</b>	712,394

Loan – I The Group entered into a Facility Agreement with a local bank for QR 820 million on 29 October 2019 (the “Facility”) at an agreed interest rate of QMRL less 25 Basis Points (BPs). The facility of QR 820 million was availed on 12 November 2019 for a term of five years. The facility is being paid in 16 equal quarterly instalments of QR 51.25 million each starting February 2021. The facility is secured against general assignment agreement. Interest of QR 8.26 million (30 June 2021: QR 13.67 million) was incurred during the period on the facility.

Loan – II The Group also secured a rollover financing facility of QR 911 million on 27 May 2018 from a local bank, which has been amended to QR 1,211 million at an agreed interest rate of QMRL less 25 Basis Points (BPs). During the period an amount of QR 260 million was withdrawn (30 June 2021: QR 220 million) and an amount of QR 100 million was repaid (30 June 2021: Nil). As of reporting date, a principal amount of QR 360 million was outstanding. Financing cost of QR 5.29 million (30 June 2021: QR 2.02 million) was incurred during the period on this financing facility. The facility is secured over assets agreement and receivable asset agreement.

## 18 PROVISIONS

	<b>30 June 2022</b>	31 December 2021
	<b>(Reviewed)</b>	(Audited)
	<b>QR'000</b>	QR'000
Asset retirement obligations (18.1)	<b>35,786</b>	33,625
Employees’ end of service benefits	<b>52,303</b>	49,453
Other provisions	<b>3,062</b>	-
	<b>91,151</b>	83,078

## 18.1 Asset retirement obligations

	<b>30 June 2022</b>	31 December 2021
	<b>QR'000</b>	QR'000
Balance at beginning of the period/year	<b>33,625</b>	29,639
Addition to the provision during the period/year	<b>981</b>	1,798
Unwinding of discount during the period / year	<b>1,180</b>	2,188
Balance at end of the period/year	<b>35,786</b>	33,625

**19 LEASE LIABILITIES**

	<b>30 June 2022</b>	31 December 2021
	<b>(Reviewed)</b>	<b>(Audited)</b>
	<b>QR'000</b>	<b>QR'000</b>
Balance at the beginning of the period / year	332,901	395,431
New leases added during the period / year	35,928	20,254
Interest expense for the period / year	6,084	15,057
Rent waivers received during the period / year	-	(1,134)
Payments made during the period / year	<u>(57,913)</u>	<u>(96,707)</u>
Balance at the end of the period / year	<u><b>317,000</b></u>	<u><b>332,901</b></u>

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

Non-current lease liabilities	173,014	197,059
Current lease liabilities	<u>143,986</u>	<u>135,842</u>
	<u><b>317,000</b></u>	<u><b>332,901</b></u>

**20 TRADE AND OTHER PAYABLES**

	<b>30 June 2022</b>	31 December 2021
	<b>(Reviewed)</b>	<b>(Audited)</b>
	<b>QR'000</b>	<b>QR'000</b>
Accruals	530,935	491,447
Trade payables	365,325	447,088
Contract liabilities	101,200	98,617
Dividend payable	22,864	18,965
Payable to social and sports fund	5,409	8,185
Other payables	<u>14,004</u>	<u>13,919</u>
	<u><b>1,039,737</b></u>	<u><b>1,078,221</b></u>

**21 FAIR VALUES OF FINANCIAL INSTRUMENTS**

These financial assets and financial liabilities are carried at amortised cost. The fair values of these financial assets and financial liabilities are not materially different from their carrying values in the interim condensed consolidated statement of financial position, as these assets and liabilities are either of short-term maturities or are re-priced frequently based on market movement in interest rates.




**21 FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)**

	Carrying value	
	30 June 2022 (Reviewed) QR'000	31 December 2021 (Audited) QR'000
<b>Financial assets</b>		
Cash and bank balances	156,200	189,508
Trade and other receivables (excluding prepayments)	452,392	394,951
Contract assets	30,492	33,234
<b>Financial liabilities</b>		
Loans and borrowings	770,455	712,394
Trade and other payables (excluding accruals and contract liabilities)	407,602	488,157
Lease Liabilities	317,000	332,901

**22 RELATED PARTY TRANSACTIONS**

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

The transactions carried out with the related parties are presented below:

	Six months ended 30 June	
	2022 (Reviewed) QR'000	2021 (Reviewed) QR'000
<i>Sales of goods and services:</i>		
Parent entity	5,761	-
Other related parties	2,733	8,374
	<u>8,494</u>	<u>8,374</u>
<i>Purchases of goods and services:</i>		
Other related parties	15,637	18,711

The following transactions were carried out with related parties:

	30 June 2022 (Reviewed) QR'000	31 December 2021 (Audited) QR'000
	<i>Due from related parties:</i>	
Parent entity	4,434	4,521
Other related parties	5,816	25,898
	<u>10,250</u>	<u>30,419</u>
<i>Due to related parties:</i>		
Other related parties	9,133	9,543


**22 RELATED PARTY TRANSACTIONS (CONTINUED)**
**Compensation of key management personnel**

Key management personnel include the Board of Directors, Managing Director, Chief Executive Officer (CEO) and the executives who directly report to the CEO. Compensation of key management personnel are as follows:

	Six months ended 30 June	
	2022 (Reviewed) QR'000	2021 (Reviewed) QR'000
Salaries and short-term benefits	21,566	17,157
Employees' end of service benefits	735	306
	<b>22,301</b>	<b>17,463</b>

**23 DIVIDENDS**

On 02 February 2022, the Board of Directors had proposed a cash dividend of 6% of the nominal share value amounting to QR 253.6 million (QR 0.06 per share with nominal value of QR 1 each). This was subsequently approved by the shareholders during the Annual General Assembly held on 28 February 2022.

**24 COMMITMENTS AND CONTINGENT LIABILITIES**

	30 June 2022 (Reviewed) QR'000	31 December 2021 (Audited) QR'000
Capital commitments	378,808	388,270
Contingent liabilities	132,468	136,505

**25 SEGMENT INFORMATION**

Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker (CODM), and for which discrete financial information is available. The CODM is the person or group of persons who allocates resources and assesses the performance of the components. For the Group The functions of the CODM are performed by the Board of Directors of the Group.

The Group only operates in the State of Qatar and is therefore viewed to operate in one geographical area. The operating segments that are regularly reported to the CODM are Consumer and Enterprise & others. This is the measure reported to the Group's CODM for the purpose of resource allocation and assessment of segment performance.



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For the six months period ended 30 June 2022

25 SEGMENT INFORMATION (CONTINUED)

	Six months ended 30 June			
	2022		2021	
	Consumer	Enterprise & others (Reviewed)	Consumer	Enterprise & others (Reviewed)
	Total		Total	
	QR'000			
<b>Segment revenue</b>				
Timing of revenue recognition:				
Over time	797,198	542,043	706,830	371,168
Point in time	-	96,702	-	84,931
	797,198	638,745	706,830	456,099
		1,435,943		1,162,929
<b>Unallocated costs</b>				
Interconnection and other direct expenses		(477,169)		(366,086)
Network and other operational expenses		(228,778)		(198,306)
Employee salaries and benefits		(126,322)		(114,251)
Expected credit loss		(13,434)		(12,713)
Depreciation and amortisation expenses		(328,698)		(302,054)
Gain on disposal of property, plant and equipment		-		170
Industry fee		(24,742)		(15,372)
Operating profit		236,800		154,317
Finance costs		(13,560)		(15,697)
Other financing costs		(9,483)		(4,665)
Other income		2,586		129
<b>Profit for the period</b>		216,343		134,084

The Group's assets and liabilities have not been identified to any of the reportable segments as the majority of the operating fixed assets are fully integrated between segments. The Group believes that it is not practical to provide segment disclosure relating to total costs, assets and liabilities since a meaningful segregation of available data is not feasible.



## 26 RECLASSIFICATIONS

The comparative amounts have been reclassified, where necessary, in order to conform to the current period's presentation. Such reclassification does not affect the previously reported net profits, net assets or equity.

## 27 OFFSETTING

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

As at the reporting date, the Group has presented financial assets net of financial liabilities, when they are subject to offsetting. Gross and net amounts presented in the interim condensed consolidated statement of financial position are as follows:

	<u>Gross amounts</u> QR'000	<u>Offsetting amounts</u> QR'000	<u>Net amounts</u> QR'000
<b>Current assets</b>			
<b>As at 30 June 2022</b>			
Trade and other receivables	<u>417,044</u>	<u>(38,652)</u>	<u>378,392</u>
<b>As at 31 December 2021</b>			
Trade and other receivables	<u>388,025</u>	<u>(41,236)</u>	<u>346,789</u>
	<u>Gross amounts</u> QR'000	<u>Offsetting amounts</u> QR'000	<u>Net amounts</u> QR'000
<b>Current liabilities</b>			
<b>As at 30 June 2022</b>			
Trade and other payables	<u>1,078,389</u>	<u>(38,652)</u>	<u>1,039,737</u>
<b>As at 31 December 2021</b>			
Trade and other payables	<u>1,119,457</u>	<u>(41,236)</u>	<u>1,078,221</u>