EBITDA GROWTH | Page 8

Vodafone Qatar's profit rises 53.4% to QR502mn in 2022

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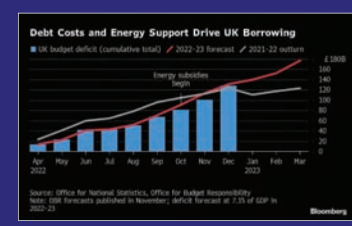

WIDENING DEFICIT : Page 4

UK recession risks grow with record deficit, output slump

Commercial Bank Group net profit jumps 22% to 'record' QR2.8bn in 2022

■ **Board of Directors proposes dividend distribution of QR0.25 per share, which amounts to 25% of the nominal share value**

By Pratap John
Business Editor

Commercial Bank Group reported consolidated "record" net profit of QR2.8bn in 2022, up 22% on QR2.3bn in 2021, driven mainly by an improvement in operating income and higher contributions from its associates.

The board of directors proposed a dividend distribution to shareholders of QR0.25 per share, which amounts to 25% of the nominal share value.

The financials and proposed dividend distribution are subject to the Qatar Central Bank approval and endorsement by shareholders at the bank's Annual General Meeting.

The Group's balance sheet increased by 2.2% as on December 31, 2022 with total assets at QR169.1bn compared with QR165.5bn in December 2021. The increase was mainly in due from banks and investment securities.

Commercial Bank chairman Sheikh Abdullah bin Ali bin Jabor al-Thani.

Customer deposits increased by 1.5% to QR83.2bn in December 2022, compared with QR82bn in the same period in 2021. **To Page 3**

Commercial Bank Group CEO Joseph Abraham (centre) with Rehan Khan, chief financial officer and Hussein al-Abdulla, chief marketing officer at the media roundtable at the Commercial Bank Plaza yesterday.
PICTURE: Thajudheen

Local banks to gain from Qatar's strong macroeconomic fundamentals, says Commercial Bank CEO

By Pratap John
Business Editor

The outlook for Qatar is a lot better than it is for many other countries, noted Commercial Bank Group CEO Joseph Abraham.

Replying to a question by Gulf Times at a media event at the Commercial Bank Plaza yesterday Abraham said: "I am very optimistic about the outlook as Qatar's macroeconomic fundamentals are strong. The North Field expansion will create new business opportunities for Qatari banks. Especially on the downstream, lots of local sub-contractors will get involved. We will have an opportunity to finance them."

The North Field expansion plan, which is the global industry's largest ever LNG project includes six LNG trains that will ramp up Qatar's liquefaction capacity from 77mtpy to 126 mtpy by 2027.

Also, Qatar's projects on the downstream hydrocarbon sector such as the Petrochemical Complex at Ras Laffan will have a multiplier effect on the national economy.

He said the FIFA World Cup Qatar 2022 has "put Qatar firmly on the global map." This, Abraham said, will facilitate more investments and visitors to the country.

"I believe the population will rise with more people coming in to implement projects such as North Field expansion and the Petrochemical Complex."

Higher energy and commodity prices are beneficial for Qatar. "And so I think that's very positive for long term."

He said: "We have also seen the debt to GDP coming down in Qatar. The government has prudently used it."

That said, Abraham noted: "There might be some imported inflation because Qatar imports commodities. But I think the impact will be mitigated to some extent with Qatar's efforts in achieving self-sufficiency, especially in dairy and agriculture."

"And banks are the ultimately proxy for the economy. So if our economy is in good shape, we as banks can grow faster."

Abraham, however, said issues such as fears of recession, inflation and the Ukraine crisis are all challenges facing the global economy and the financial system.

On Commercial Bank Group's 2022 results, the CEO said: "We reported strong set of results for the year that ended in December 2022, maintaining the momentum and strong execution of our five-year strategic plan.

"Commercial Bank Group reported consolidated net profit of QR2.8bn for the period, up 22% compared to the previous year, driven mainly by an improvement in operating income and higher contributions from our associates."

He added: "S&P Global Ratings upgraded their long-term issuer credit rating on Commercial Bank to 'A-' from 'BBB+' and affirmed the 'A-2' short-term rating. The outlook remained stable. This reflects recognition by external agencies of the strong execution of our strategy resulting in improved operating performance and strong capitalisation."

State-of-the-art branch planned at Lusail City

Commercial Bank is planning to open a state-of-the-art branch at Lusail City, Group CEO Joseph Abraham said.

"We have a branch coming up there, subject to QCB approval. A few months ago, we opened our Premium Lounge at Place Vendome Mall, targeting our private and Sadara clients. "We see opportunities in retail in the period ahead. The possibilities of innovations such as artificial intelligence will also be looked at," Abraham said.

GWC posts QR239.6mn net profit, QR1.52bn gross revenue in 2022

GWC has posted a net profit of QR239.6mn and gross revenue of nearly QR1.52bn in 2022. Earnings per share (EPS) stood at QR0.41 by the end of the same period, GWC announced yesterday.

The company's board of directors recommended QR0.1 cash dividend to shareholders, which is subject for discussion and approval during GWC's Assembly General Meeting scheduled on February 19.

GWC chairman Sheikh Abdullah bin Fahad bin Jassem bin Jaber al-Thani stated: "2022 was a milestone year for GWC. Our expertise, coupled with our determination and dedication to excel and go the extra mile placed us in good stead as we delivered seamless and timely logistical services to make FIFA World Cup Qatar 2022 a roaring success. **To Page 3**

GWC chairman Sheikh Abdullah bin Fahad bin Jassem bin Jaber al-Thani.

Vodafone Qatar P.Q.S.C

Consolidated Financial Statements and Independent Auditor's Report
As at and for the year ended 31 December 2022

BOARD OF DIRECTORS' REPORT

Dear Shareholders

On behalf of its Board of Directors, I am pleased to present Vodafone Qatar's financial results and business performance for the year ending December 31st 2022.

2022 Overview

From the outset, 2022 promised to be an eventful year for both Vodafone Qatar and the country as a whole. Vodafone Qatar continued to support key events in Qatar and deepen important partnerships within the local business and community spheres, all whilst further embedding its new brand positioning – Together We Can – into its operations and communications with stakeholders at all levels through adapting to advanced technologies and empowering the human capability to use innovative solutions.

In 2022, by further expanding our growing IoT product portfolio we managed to successfully expand our product offering including the launch of our Asset Tracking and IoT Smart Tracker products, which support businesses and SMEs to operate efficiently. In our efforts to provide the right financial technology to a wider population, Vodafone Qatar has launched iPay: Qatar's first licensed e-wallet product that aims to encourage customers along their digital transformation journey.

Additionally, we continued to focus our efforts on the topic of sustainability, which we made the core of our operations. We have dedicated a lot of time and effort to finding advanced innovative ways to promote a more environmentally friendly lifestyle for our customers. The campaign we executed during the Ramadan period signified the next phase of Vodafone Qatar's push to promote greener lifestyles, sustainability, and recycling, in line with the Qatar National Vision 2030.

Moreover, in our effort to provide a unique digital experience for our customers during the world's largest sporting event, we launched our 'We Fan Together' campaign in a customised Vodafone Qatar Metaverse experience. The campaign was launched during an event that took place in Vodafone Qatar's newly opened experience store at Place Vendome mall.

Overall, Vodafone Qatar was able to continue its progress in developing and providing both consumers and businesses across Qatar with the cutting-edge technologies needed to improve their lives and digitally transform. We now look ahead to 2023, during which we will further build on our momentum and our position as a leader in Qatar's technology industry.

Financials

The Company reported an annual Net profit of QR 502 million, a 53.4% (or QR 175 million) increase compared to the previous year mainly driven by EBITDA growth.

Total revenue for the year increased 21.4% year-on-year to reach QR 3.1 billion, due to continued growth across all business segments including Prepaid, Postpaid, Fixed broadband services (GigaHome), Managed services, Internet of Things (IoT) and others. Service revenue grew by 17.3% to QR 2.6 billion, including the revenue from world cup related services.

EBITDA increased to QR 1.2 billion reflecting strong growth of 19.7% compared to last year, positively impacted by the higher service revenue and the continued cost optimisation programme. EBITDA margin at 40.2% decreased by 0.6 ppts due to higher mix of low margin projects revenue. However, underlying EBITDA margin excluding equipment, projects and one-off benefits increased by 1.4 ppts year-on-year to reach 45.2%.

Total mobile customers reached 2.1 million representing growth of 8.9% YoY. In addition to this, 419 thousand Fan SIM cards were activated for World Cup 2022.

Based on Vodafone Qatar's commitment to enhance shareholder value and the strong financial performance, the Board of Directors have recommended the distribution of a cash dividend of 10% of the nominal share value, i.e. QR 0.10 per share, which will be presented at the Company's next Annual General Assembly for approval.

In addition, the Board of Directors have approved a dividend policy for the Company for a period of 2 years commencing FY2023 aiming for a dividend ranging between 8% to 10% of the share capital. The Board of Directors may change the dividend percentage after evaluating a range of factors including net profits, regulatory requirements and future investment opportunities.

Appreciation

On behalf of our Board of Directors, I would like to extend my greatest and sincerest expressions of gratitude to His Royal Highness Sheikh Tamim bin Hamad Al-Thani, the most venerable Emir of Qatar, as well as for His Royal Highness the Father Emir Sheikh Hamad bin Khalifa Al-Thani.

The Board of Directors would also like to express its gratitude and appreciation for the constant support provided by Qatar's regulatory authorities and governmental bodies, especially the Communications Regulatory Authority, the Ministry of Communications and Information Technology, the Ministry of Commerce and Industry, the Qatar Financial Markets Authority, and Qatar Stock Exchange.

We would also like to thank our Executive Management team for their exceptional leadership, and our employees, for their relentless efforts, unfaltering loyalty, and constant commitment to performing their duties and providing our clients with customer service of the highest quality.

Lastly, we cannot overstate how thankful and grateful we are to our customers and shareholders for their unwavering trust in Vodafone Qatar.

Abdulla Bin Nasser Al-Misnad

Chairman of the Board of Directors

INDEPENDENT AUDITORS' REPORT
To the Shareholders of Vodafone Qatar P.Q.S.C

Opinion

We have audited the consolidated financial statements of Vodafone Qatar P.Q.S.C (the 'Company') and its subsidiaries (together the 'Group'), which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

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

Key Audit Matters

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

Revenue recognition and related IT systems

See Notes 3, 5 and 28 to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
The Group reported revenue of QR. 3,065,861 thousands from telecommunication and related activities. We focused on this area due to: the complexity of the Information Technology (IT) systems, volume of transactions, involvement of judgements in the application of the revenue recognition accounting standards; and inherent risk around accuracy and occurrence of revenue recorded.	Our audit approach included a combination of test of controls and substantive procedures, in particular, the following: • Obtaining an understanding of the significant revenue processes including performance of an end to end walkthroughs and identifying the relevant controls including IT systems, interfaces, revenue assurance and reports; • Testing the design, implementation and operating effectiveness of key internal controls over recording of revenue including involving our internal specialists to test key automated application and general IT controls; • Performing substantive audit procedures on significant revenue streams including analytical procedures and/or test on the accuracy of invoices on a sample basis, as applicable; • Reviewing key reconciliations performed by the management; • Assessing the appropriateness of the accounting policies adopted in revenue recognition for existing and new revenue streams, (if any); • Assessing the overall presentation, structure and content of revenue related disclosures to the consolidated financial statements to determine if they are in compliance with the IFRS.

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 consolidated financial statements and our auditors' report thereon. Prior to the date of this auditors' report, we obtained the report of the Board of Directors which forms part of the Annual Report, and the remaining sections of the Annual Report are expected to be made available to us after that date.

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

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

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

Responsibilities of Board of Directors for the Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated financial statements.

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

> Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

> Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

> Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

> Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

> Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

> Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal Requirements

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

1. We have obtained all the information and explanations we considered necessary for the purposes of our audit.
2. The Company has maintained proper accounting records and its consolidated financial statements are in agreement therewith.
3. We have read the report of the Board of Directors to be included in the Annual Report, and the financial information contained therein is in agreement with the books and records of the Company.
4. Furthermore, the physical count of the Company's inventories was carried out in accordance with established principles.
5. We are not aware of any violations of the applicable provisions of the amended QCCL or the terms of the Company's Articles of Association having occurred during the year which might have had a material effect on the Company's consolidated financial position or performance as at and for the year ended 31 December 2022.

24 January 2023
Doha
State of Qatar

Gopal Balasubramaniam
KPMG
Qatar Auditors' Registry Number 251
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CONSOLIDATED STATEMENT OF INCOME
For the year ended 31 December 2022

	2022	2021
	QR'000	QR'000
Revenue	3,065,861	2,525,918
Interconnection and other direct expenses	(1,024,660)	(855,860)
Network and other operational expenses	(495,474)	(367,826)
Employee salaries and benefits	(268,897)	(242,961)
Depreciation of property, plant and equipment	(339,782)	(336,775)
Amortisation of intangible assets	(191,459)	(190,281)
Depreciation of right-of-use assets	(103,740)	(100,690)
Expected credit losses	(43,245)	(28,745)
Loss on disposal of property, plant and equipment	-	(672)
Industry fee	(54,107)	(39,367)
Operating profit	544,497	362,741
Finance costs	(29,075)	(30,340)
Other financing costs	(19,270)	(6,331)
Other income	6,228	1,327
Profit for the year	502,380	327,397
Basic and diluted earnings per share (in QR per share)	0.119	0.077

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2022

	2022	2021
	QR'000	QR'000
Profit for the year	502,380	327,397
Other comprehensive income	-	-
Total comprehensive income for the year	502,380	327,397

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2022

	2022	2021
	QR'000	QR'000
Non-current assets		
Property, plant and equipment	1,884,890	1,637,538
Intangible assets	4,049,709	4,168,793
Right-of-use assets	429,538	291,185
Trade and other receivables	297,930	92,323
Total non-current assets	6,662,067	6,189,839
Current assets		
Inventories	38,222	34,728
Contract assets	34,898	33,234
Contract costs	17,271	8,949
Trade and other receivables	482,533	346,789
Cash and bank balances	186,770	189,508
Total current assets	759,694	613,208
Total assets	7,421,761	6,803,047
Equity		
Share capital	4,227,000	4,227,000
Legal reserve	126,369	96,913
Retained earnings	479,284	272,540
Total equity	4,832,653	4,596,453
Non-current liabilities		
Loans and borrowings	512,117	506,238
Provisions	102,065	83,078
Lease liabilities	315,181	197,059
Total non-current liabilities	929,363	786,375
Current liabilities		
Loans and borrowings	207,289	206,156
Lease liabilities	141,209	114,913
Trade and other payables	1,311,247	1,099,150
Total current liabilities	1,659,745	1,420,219
Total liabilities	2,589,108	2,206,594
Total equity and liabilities	7,421,761	6,803,047

These consolidated financial statements were approved by the Board of Directors on 24 January 2023 and were signed on its behalf by:

Abdulla Bin Nasser Al Misnad
Chairman

Rashid Fahad Al-Naimi
Managing Director

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2022

	2022	2021
	QR'000	QR'000
Cash flows from operating activities		
Net profit for the year	502,380	327,397
Adjustments for:		
Depreciation of property, plant and equipment	339,782	336,775
Amortisation of intangible assets	191,459	190,281
Depreciation of right-of-use assets	103,740	100,690
Expected credit losses	43,245	28,745
Other income	(6,228)	(1,327)
Other financing costs	19,270	6,331
Finance costs	29,075	30,340
Loss on disposal of property, plant and equipment	-	672
Change in operating assets and liabilities		
Increase in inventories	(3,494)	(12,880)
Increase in trade and other receivables	(358,599)	(170,009)
Increase in contract assets	(1,664)	(11,231)
Increase in contract costs	(8,322)	(5,926)
Increase in trade and other payables	219,368	66,044
Increase in provisions	16,421	10,986
Cash generated from operations	1,086,433	896,888
Finance costs paid	(27,063)	(30,762)
Other income received	554	193
Net cash flows from operating activities	1,059,924	866,319
Cash flows used in investing activities		
Purchase of property, plant and equipment	(587,134)	(340,896)
Purchase of intangible assets	(104,380)	(90,940)
Advances for long term lease	(19,769)	-
Proceeds from disposal of property, plant and equipment	-	171
Net cash flows used in investing activities	(711,283)	(431,665)
Cash flows used in financing activities		
Proceeds from loans and borrowings	310,000	380,000
Repayment of loans and borrowings	(305,000)	(487,500)
Dividend paid	(250,493)	(215,793)
Payment of lease liabilities	(105,886)	(96,707)
Movement in restricted bank accounts	(3,127)	4,443
Net cash flows used in financing activities	(354,506)	(415,557)
Net (decrease) / increase in cash and cash equivalents	(5,865)	19,097
Cash and cash equivalents at the beginning of the year	170,543	151,446
Cash and cash equivalents at the end of the year	164,678	170,543

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2022

	Share capital	Legal reserve	Retained earnings: Distributable profits	Retained earnings: Accumulated losses	Retained earnings: Total	Total equity
	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000
Balance as at 1 January 2021	4,227,000	76,334	437,392	(252,135)	185,257	4,488,591
Profit for the year	-	-	-	327,397	327,397	327,397
Total comprehensive income for the year	-	-	-	327,397	327,397	327,397
Transfer to distributable profits	-	-	411,572	(411,572)	-	-
Transfer to legal reserve	-	20,579	(20,579)	-	(20,579)	-
Dividend for the year ended 31 December 2020	-	-	(211,350)	-	(211,350)	(211,350)
Transfer to social and sports fund	-	-	(8,185)	-	(8,185)	(8,185)
Balance as at 31 December 2021	4,227,000	96,913	608,850	(336,310)	272,540	4,596,453
Balance as at 1 January 2022	4,227,000	96,913	608,850	(336,310)	272,540	4,596,453
Profit for the year	-	-	-	502,380	502,380	502,380
Total comprehensive income for the year	-	-	-	502,380	502,380	502,380
Transfer to distributable profits	-	-	589,137	(589,137)	-	-
Transfer to legal reserve	-	29,456	(29,456)	-	(29,456)	-
Dividend for the year ended 31 December 2021	-	-	(253,620)	-	(253,620)	(253,620)
Transfer to social and sports fund	-	-	(12,560)	-	(12,560)	(12,560)
Balance as at 31 December 2022	4,227,000	126,369	902,351	(423,067)	479,284	4,832,653

Vodafone Qatar P.Q.S.C
A Public Qatari Shareholding Company, by virtue of Ministerial Resolution number (160) of 2008 and in accordance with the laws of the State of Qatar, having Commercial Registration number 39656.
The complete set of consolidated financial statements of the Group for the year ended 31 December 2022 and the Auditors' report are available on the company's website www.vodafone.qa

Buying in realty, banking and industrials lifts QSE above 11,100

By Santhosh V Perumal
Business Reporter

The Qatar Stock Exchange yesterday gained more than 80 points and its key index surpassed 11,100 points, mainly lifted by real estate, banking and industrials sectors.

The Arab individuals were seen net buyers as the 20-stock Qatar Index rose 0.73% to 11,105.55 points, recovering from an intraday low of 10,999 points.

The foreign retail investors were also seen bullish in the main market, whose year-to-date gains improved further to 3.97%.

About 63% of the traded constituents extended gains to investors in the main bourse, whose capitalisation saw QR4.63bn or 1.18% jump to QR632.73bn, mainly led by midcap segments.

The domestic funds' weakened net selling pressure had its influence on the main market, which saw a total of 0.15mn exchange traded funds (sponsored by Masraf Al Rayan and Doha Bank) valued at QR1.39mn changed hands across 15 deals.

The local individuals' net profit booking was seen subsiding in the main bourse, which saw no trading of sovereign bonds.

The Islamic index was seen outperforming the other indices in the main market, which saw no trading of treasury bills.

The Total Return Index rose 0.73%, the All Share Index by 0.62% and the Al Rayan Islamic Index (Price) by 0.79% in the main bourse, whose trade turnover shrank amidst higher volumes.

The realty sector index shot up 1.41%, followed by banks and financial services (0.85%) and industrials (0.76%); while insurance declined 0.94%, consumer goods and services (0.15%), transport (0.1%) and telecom (0.09%).

Major gainers in the main market included Ezdan, Qatar Oman Investment, Aamal Company, Qatar General Insurance and Reinsurance, Al Khaleej Takaful, Qatar Islamic Bank, Qatar Industrial Manufacturing, Industries Qatar and Mazaya Qatar.

Nevertheless, Gulf Warehousing, Qatar Insurance, Qatar National Cement, Zad Holding, Nakilat, Milaha and Qamco were among the losers in the main market.

The Arab individuals turned net buyers to the tune of QR6.21mn compared with net sellers of QR2.71mn on January 21.

The foreign retail investors were net buyers to the extent of QR2.73mn against net sellers of QR1.14mn the previous day.

The domestic institutions' net profit booking declined markedly to QR11.86mn compared to QR27.36mn on Monday.

The local retail investors' net selling weakened noticeably to QR14.54mn against QR28.92mn on January 21.

However, the Gulf funds turned net sellers to the tune of QR6.47mn compared with net buyers of QR9.07mn the previous day.

The Gulf individuals' net profit booking expanded perceptibly to QR1.58mn against QR0.44mn on Monday.

The foreign institutions' net buying decreased significantly to QR25.51mn compared to QR51.48mn on January 21.

The Arab funds had no major net exposure for the fifth consecutive day.

The main market saw a 15% surge in trade volumes to 150.71mn shares but on 3% decline in value to QR458mn and 2% in deals to 15,073.

Al-Kaabi meets Pakistan's minister for finance and revenue

HE the Minister of State for Energy Affairs Saad bin Sherida al-Kaabi has met Mohamed Ishaq Dar, Pakistan's Federal Minister for Finance and Revenue. Discussions during the meeting dealt with enhancing relations and various aspects of co-operation in the field of energy between Qatar and Pakistan.

GWC posts QR239.6mn net profit and QR1.52bn gross revenue in 2022

From Page 1

"In 2023, we aim to continue to build on this momentum and chart new avenues and further enhance our commitment to Qatar National Vision 2030, including promoting SMEs and giving them the support needed to grow and flourish."

He also praised the GWC team over the last decade for innovating new benchmarks in the logistics industry.

GWC said: "The successful implementation of the World Cup was an endorsement of the company's confidence in delivering seamless logistical execution."

Building a dedicated workforce of more than 5,000 spread across diverse geographies around the world that was skilled to tackle logistical challenges at scale was no easy feat.

GWC also set up a fan zone throughout the duration of the tournament for all the GWC staff which witnessed a huge turnout and gave the employees a sense of what they have worked to achieve.

"2022 was also the year where we built on longstanding partnerships and forged new ones with global strategic partners, such as with Qatar University and Ponticelli. GWC also successfully organised the second GWC Forum – 'Ready for the Game' with focus on MSMEs and how they can leverage this mega sporting event to foster innovation and explore new opportunities for growth. Our esteemed panel of speakers outlined the trends they expected to see after the tournament."

GWC Group CEO Ranjeev Menon.

GWC continued being a part of Qatar Sustainability Week, which serves as a platform to showcase all the work being done by the government and the private sector to protect the environment for future generations.

GWC was recognised by the Ministry of Labour for its commitment to occupational health and safety – a "cause that the group takes very seriously."

GWC through its various measures, whether preparing and organising periodic emergency drills, or conducting safety drills, warrant that all measures possible are taken to empower, educate and protect its employees, and contractors.

"The safety of our workers is of paramount importance to us and preventing accidents, injuries and illnesses arising out of, or occurring due to work, by eliminating or minimising the causes of hazards inherent in the working environment, remains a top priority," GWC Group CEO Ranjeev Menon remarked.

He was also very proud of GWC being the first company in Qatar to get accredited as an Authorised Economic Operator (AEO) from Qatar's General Authority of Customs.

Menon said: "We will now be able to offer our diversified services with quicker turnarounds and a stricter compliance to world-class safety and security standards. Getting this certificate is a testament of our due diligence in ensuring that all requirements and procedures are followed."

In 2023, GWC said it "will strive to build on the economic momentum" created by the World Cup.

"As always, it will also continue to work towards the Qatar National Vision 2030 goals with a strict eye on innovation and sustainability. This is an important year to focus GWC's attention to the legacy of the World Cup and the medium- and long-term impact on the economy.

"Supporting MSMEs thorough its various initiatives will be a top priority for GWC, as will be the health and safety of its employees.

"I am sure 2023 will bring with it, its own set of challenges, opportunities and never-done-before-experiences and we are ready for all that and more," Menon added.

GWC unloading equipment at Stadium 974, one of the venues of FIFA World Cup Qatar 2022. ***Right:*** GWC Regional Hub at Ras Abu Fontas.

Bigger is better in India's nascent electric car market

Bloomberg
New Delhi/London

In India, where an increasing number of consumers aspire to own bigger cars to cope with the country's notoriously potholed roads and bad traffic, automakers are betting on low-cost battery-powered SUVs to capture the budding electric vehicle market.

At the nation's major auto show in New Delhi earlier this month, there was a new breed of EVs taking centre stage, with predominately foreign companies looking to muscle in on the nascent electric scene. In a marked shift in rhetoric, local auto bosses were also excitedly talking up the sector's prospects.

Homegrown manufacturers Tata Motors Ltd and Mahindra & Mahindra Ltd are now jostling with Chinese giants BYD Co and SAIC Motor Corp and South Korea's Hyundai Motor Co. Even India's biggest automaker Maruti Suzuki India Ltd, which had previously largely pooh-poohed EVs, showed a compact electric SUV it says will hit the market in 2025.

Demand for smaller SUVs has been surging in India. They're suited for the country's driving conditions, which can vary vastly from smooth multi-lane freeways to rutted streets crowded with rickshaws, dogs and cows. They also offer aspirational buyers an important, yet affordable, status symbol, perching drivers above the masses. And while larger electric SUVs tend to be inefficient (and expensive) because they require bigger and costlier battery packs, their compact equivalents are built on small-car platforms, making them more cost effective.

"The conundrum for electric vehicles is lighter is better, but customers want SUVs," says Andy Palmer, the former CEO of Aston Martin who also helped spearhead Nissan Motor Co's creation of the Leaf, one of the first mass market EVs. "Using a small-car platform to build an electric SUV meets the sweet spot for both manufacturers and consumers," he said, citing the example of Volkswagen AG using the ID.3 hatchback platform to also build the ID.4 SUV.

After lacklustre sales of a battery-powered sedan called the Tigor EV, Tata Motors in 2020 introduced an electric version of the Nexon compact SUV. Priced at 1.4mn rupees ($17,300) and with a range of around 300 kilometres (186 miles), the Nexon quickly became India's best-selling electric model.

Still, public adoption of anything electric in India when it comes to passenger transport has been slow. Most local manufacturers have been reluctant to switch to electric cars because of their high upfront production costs, while a lack of public charging points has deterred buyers. Just 1.2% of passenger vehicles sold in the six months through September were electric, according to the Society of Indian Automobile Manufacturers. Even EV market leader Tata Motors, whose electric sales in the quarter through December were up almost 120% from a year earlier, only sold 12,596 units.

But India, which may have already surpassed China as the world's most-populous nation, is also a market carmakers can't afford to ignore. At the same time, some foreign players are rethinking their strategies around China, the world's other massive car market. Stellantis NV, for example, has shuttered its only Jeep factory in China due to interference from local politicians while Volkswagen and General Motors Co. are struggling to preserve their positions as local Chinese manufacturers give them a run for their money.

India not only offers cheap labour but also a talent pool of largely English-speaking workers. Prime Minister Narendra Modi has said the country, home to the world's fourth-largest car market, will reduce emissions to net zero by 2070, and curbing transport pollution is key to meeting that goal.

China's SAIC, which owns the British marque MG, started selling SUVs in India in 2019 after taking over GM's plant in the western state of Gujarat. SAIC plans to launch three EVs in India by the end of 2024 and expects as much as 30% of local India sales to eventually come from the segment. BYD, backed by Warren Buffett's Berkshire Hathaway, has meanwhile outlined a bold plan to capture 40% of India's EV market by 2030. Stellantis brand Citroen on Monday started taking bookings for its eC3 electric compact SUV in India.

Commercial Bank net profit jumps 22% to 'record' QR2.8bn in 2022

From Page 1

Loans and advances to customers were flat at QR98bn in December 2022.

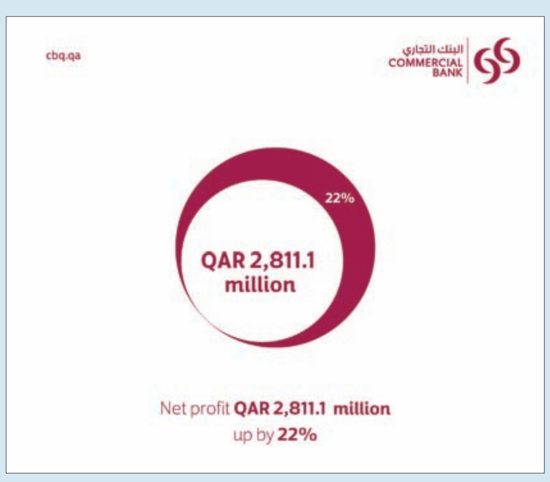
Commercial Bank chairman Sheikh Abdullah bin Ali bin Jabor al-Thani said: "Our robust financial and operational performance for the year 2022 reflects our clear strategy and the Qatari economy's growth over the last year. 2022 will be remembered for the successful execution of the FIFA World Cup Qatar 2022, proving Qatar's ability to execute flawlessly on world events and draw a global audience, reinforcing its efforts to serve as an international destination for tourism, commerce, sports and culture.

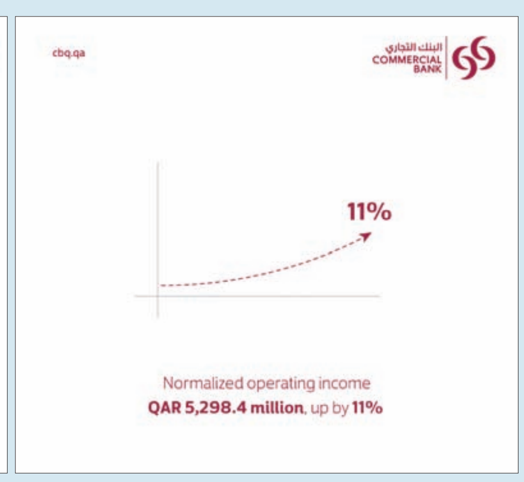
"Commercial Bank is privileged to have played a role in the continued development of Qatar's banking sector particularly in the digital space and in servicing its community to the highest degree in 2022. We look forward to another positive year in 2023, in line with the country's projected upward trajectory."

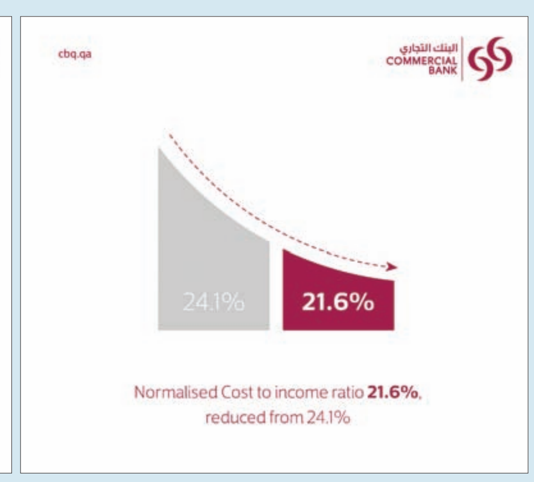
Commercial Bank's vice-chairman Hussain Alfardan added: "Commercial Bank has seen a strong 2022 affirmed by good growth across our key segments and a healthy bottom-line which was the second consecutive year of record profit achievement. Our performance stems from our five-year strategic plans, very strong execution and Qatar's positive macroeconomic fundamentals, which we expect to continue into the New Year.

"Our robust efforts on the financial and operational front have resulted in the bank winning several significant accolades, including "Bank of the Year" in Qatar by *The Banker* magazine.

We continue to support the bank's management in their efforts to position Commercial Bank as the leading bank in Qatar and look forward to continuing to realise this vision in 2023."







Commercial Bank's Group chief executive officer Joseph Abraham commented: "Commercial Bank reported strong set of results for the year ended 31 December 2022, maintaining the momentum and strong execution of our five-year strategic plan.

"Our associates continue to deliver improving performance with net profit from associates of QR222.3mn compared to the previous' year profit of QR129.3mn.

"Alternatif Bank reported a net profit of TL1,066.3mn compared to a net profit of TL76.5mn for the previous year. However, the results for 2022 are impacted by the hyperinflation accounting by TL943.2mn. With hyperinflation adjustment, the net contribution of Alternatif Bank is TL123.1mn", Abraham said.

Commercial Bank group chief financial officer Rehan Khan said: "Net provisions increased by 7.3% compared to last year due to continued prudent provisioning. Net cost of risk stood at 121 basis points, within the guidance provided for 2022.

"As of December 31, 2022, NPL ratio stood at 4.9% compared to 4.7% in 2021, whilst coverage ratio strengthened to 105.4% from 97.4% in 2021 reflecting the bank's prudent approach on credit risk management. Despite higher provisions, net profit improved by 22% compared to last year."

S&P Global and Moody's confirm Qatar's strong credit rating

QNA
Doha

S&P Global and Moody's credit ratings for the State of Qatar stand at AA with positive outlook, given the country's gross domestic product, high GDP per capita, huge hydrocarbon reserves, the high net asset value, and the efficient monetary and fiscal policies, the international credit rating agencies conference revealed on Monday. The conference was held by the Qatar Association of Certified Public Accountants (QCPA), under the auspices of HE the Minister of Social Development and Family Maryam bint Ali bin Nasser al-Misnad, and in strategic partnership with the Global Compliance Institute (GCI), and with the participation of a number of local and international bodies.

In his opening speech, the Board Deputy Chairman of the QCPA, Abdullah al-Mansoori said the first of its type conference in the State of Qatar gains high importance amid the financial, economic and geopolitical crises hitting the world, as well as the supply chain disruption, inflation and the Covid-19 pandemic impacts, with countries seeking to prove their credit and investment ratings to receive funding from international agencies to avoid the risks and get out of these crises with minimal losses and without disrupting the development process.

The importance of global rating agencies in the global economy has increased amid the significant shift in global economic activity, especially the liberalisation of financial markets and banking services, in addition to the development of financial engineering that increased the complexity of exchanges and obligations, particularly with the mergence of financial derivatives, al-Mansoori told the conference.

This increased the financial risks in global markets, elevating the importance of the rating agencies' role as a tool to reduce financial risks and the resulting severe financial crises, he added. He hailed the record economic performance in 2022 as exceptional for the Qatari economy, given the country's successful FIFA World Cup Qatar 2022 hosting. He highlighted the World Bank Group's latest reports that set optimistic outlooks for the Qatari economy, expecting about a 3.4 percent growth, along with estimates that the Qatari economy has achieved a four percent growth of in 2022 compared to initial estimates that put the growth at about 3.2%.

After the conclusion of the FIFA World Cup Qatar 2022, the 2023 budget was unveiled with no less than QR29bn surplus, despite adopting a conservative price for a barrel of oil at $65 at a time when the price of a barrel exceeds $80, as a result of the remarkable recovery in global energy prices during the current year, to confirm the strength and durability of the Qatari economy and its ability to withstand the fluctuations and uncertainty in the global economy. The budget proved that the State of Qatar, under its wise leadership, continues to move forward with confidence in building its economy and development plans, and this is another evidence of Qatar's political and economic stability, which makes it a fertile soil for investment and growth, al-Mansoori said.

He added that the solidity of the Qatari economy was confirmed by international rating agencies, with the S&P Global elevating the State of Qatar's 2022 credit rate from -AA to AA, and Moody's rating upgraded from stable to positive. In the same context, Fitch and Capital Intelligence agencies continued to rate Qatar's sovereign rating at the level of AA with a stable outlook, which reflects the State of Qatar's maintenance of a strong creditworthiness, especially since the Qatari economy succeeded over the years. Last year, it maintained positive growth levels for the overall economy of the country, in addition to the success of companies and financial institutions listed on the Qatar Stock Exchange in overcoming internal and external challenges and turmoil in the global economic system and achieving strong financial returns for 2022.

Al-Mansoori said that the most prominent strengths on which these strong ratings are based are the high GDP per capita, huge hydrocarbon reserves, the growth of global demand for oil and gas, the high net asset value, the private sectors contribution to economic activities, and the efficient monetary and fiscal policies, which confirms the strength, flexibility and ability of the local economy to face economic challenges and fluctuations, in addition to the financial stability witnessed by the state, which increases the country's attractiveness to foreign investments, and the strengthening of the economic methodology based on completing the role of legislation and law in economic, commercial and financial practices, as well as the positive partnership between the public and private sectors.

This contributed to raising the level of the country's economic performance and the attractiveness of international financial institutions' dealings with the State of Qatar to increase the professionalism and positivity of the economy. Speaking to the conference, GCI representative Ahmed Tartir stressed the importance of assessing the geographical risks of countries in terms of financial crimes and anti-money laundering international standards, explaining the Financial Action Task Force (FATF) and the mutual evaluation process carried out by member countries.

He stressed the need for the concerned authorities in countries, especially regulators such as central banks and securities authorities, to enact legislation that protects the states financial system from exposure to the consequences of financial crimes, and that these legislations are commensurate with the sector they regulate, and the importance of involving the private sector in the analysis process to reach legislation that is compatible with international standards and at the same time in line with the requirements of the sectors subject to regulation in addition to the procedures that must be taken by banks and financial institutions to comply with international standards.

Tartir focused on the risk classification mechanism for the countries to which each institutions clients belong, explaining the indicators that must be taken into account and the importance of this being part of a comprehensive mechanism for assessing the overall risks of clients.

Qatar participates in 10th meeting of Arab Technical Committee for Rules of Origin

QNA
Cairo

The three-day 10th meeting of the Technical Committee for Arab Rules of Origin began on Monday at the General Secretariat of the Arab League in Cairo with the participation of a delegation from the State of Qatar.

The three-day 10th meeting of the Technical Committee for Arab Rules of Origin began on Monday at the General Secretariat of the Arab League in Cairo with the participation of a delegation from the State of Qatar that includes representatives from the Ministry of Commerce and Industry, the General Authority of Customs, and the Qatar Chamber.

In a statement, the Arab League said that the meeting deals with discussing possible ways to activate the principle of cumulation of origin within the framework of the Greater Arab Free Trade Area (GAFTA), in addition to completing a review of the general provisions of the Arab rules of origin for Arab goods, based on the observations and views of the GAFTA member states.

The Arab League noted the mandate issued by the Economic and Social Council for the committee to review the general provisions of the Arab rules of origin to keep pace with international developments and propose the necessary amendments in this regard, according to its Resolution No 2234 in its 104th session of 2019. It pointed out that about 80 percent of the review of the general provisions has been completed and the remaining items will be discussed in preparation for submitting them to the Economic and Social Council for consideration and approval.

Also, the Arab League indicated that a joint workshop was held in co-ordination with the Union of Arab Chambers and the participation of representatives of the National Chamber in the Arab countries and representatives of the private sector to spread awareness among representatives of the private sector regarding the importance of applying the principle of accumulation of origin and benefiting from preferential advantages if applied within the GAFTA framework.

UK recession risks grow with record deficit, output slump

Bloomberg
London

British companies signalled output dropped at the fastest pace since the start of the pandemic as the government budget deficit widened to a record, adding to evidence that the economy may be in a shallow recession.

S&P Global said its index of sentiment from purchasing managers fell more sharply than expected in January, led by a deterioration in services that had previously propped up the economy. The Office for National Statistics reported the highest ever December shortfall after soaring interest rates jacked up the cost of debt service.

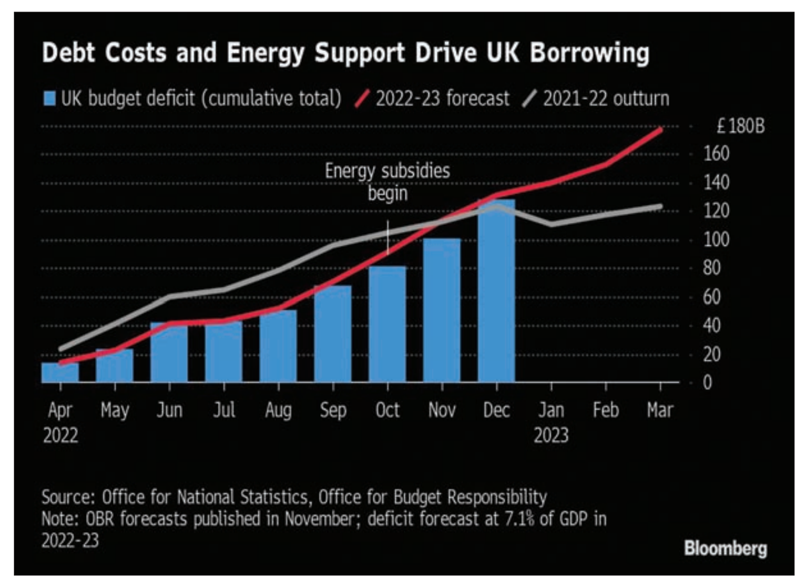
The figures eat away at hopes that the UK may avoid a slump. It adds to pressure on Prime Minister Rishi Sunak to come up with a growth program and defuse some of the labour and trade disputes that have brought some sectors to a standstill.

"Industrial disputes, staff shortages, export losses, the rising cost of living, and higher interest rates all meant the rate of economic decline gathered pace again," Chris Williamson, chief business economist at S&P Global Market Intelligence, said in a statement yesterday. He said the UK is also facing "ongoing damage to the economy from longer-term structural issues such as labour shortages and trade woes linked to Brexit."

The pound dropped after the S&P release, falling as much as 0.6% to $1.2309, and UK government bonds extended gains. Traders also pared bets on the peak in the BoE's key rate, pricing in around 101 basis points of additional hikes by August versus 105 basis points at Monday's close.

So far, the UK has weathered soaring energy prices better than expected. The economy grew unexpectedly in the fourth quarter, dashing expectations that a recession started in the middle of last year. Even so, economists and the Bank of England (BoE) expect a downturn for much of this year, with no growth before 2024 when the next election is due.

Sunak lifted tax rates to the highest since World War II to finance energy subsidies that are cushioning households from soaring natural gas and electricity prices. The public finances figures highlight both how much money the Treasury is draining from consumers in the form of tax and the government's increasing struggle to finance health and welfare programs.



But a number of reports out yesterday pointed to gloom.

The number of British businesses at risk of going bust rose by more than a third at the end of last year, according to a report by consultancy Begbies Traynor. The Confederation of British Industry said factories are curtailing production at record rates on concern that cuts to government energy subsidies will drive up their costs.

"Global supply chain pressures, labour shortages and energy costs are easing, enabling unit cost growth to ease back from record highs," said Anna Leach, deputy chief economist at the CBI. "But there are signs that demand is easing too."

Those reports point toward a darkening outlook for the public finances. While inflation is boosting tax receipts for now, it's also costing the Treasury more in debt service payments.

The budget deficit stood at £27.4bn ($34bn), a record for the month and almost triple the £10.7bn shortfall a year earlier, the ONS said. Economists had forecast a reading of £17.3bn.

"Today's worse-than-expected public finances figures will only embolden the Chancellor in the budget on 15th March to keep a tight grip on the public finances," Ruth Gregory at Capital Economics wrote in a note to clients. It means he'll "waits until closer to the next general election, perhaps in 2024, before announcing any significant tax cuts."

The figures also show that soaring prices and tax rates are bringing more money into the Treasury. Total receipts leaped 11% to £658bn in the financial year to December. VAT and income tax receipts grew at a double digit pace last month.

The massive cost of helping Britain through the living-standards crisis has dashed hopes that borrowing was on a downward path. Less than a year ago, the deficit was projected by the Office for Budget Responsibility to fall below £100bn in 2022-23.

The cost of subsidising gas and electricity is also taking a toll, amounting to £7bn in December alone.

"We are helping millions of families with the cost of living, but we must also ensure that our level of debt is fair for future generations," Chancellor of the Exchequer Jeremy Hunt said in a statement.

"We have already taken some tough decisions to get debt falling, and it is vital that we stick to this plan."

Hopes grow that eurozone will dodge recession

AFP
Brussels

Europe's economy grew in January for the first time since June, a closely watched survey showed yesterday, raising hopes that the eurozone will avoid a recession this winter.

Europe has benefited from lower inflation, improved supply chains and the recent reopening of China's Covid-scarred economy, leading to increased optimism for 2023.

The outlook for the single currency area is significantly brighter than it was a few months ago, when panic set in over the impact of Russia's war in Ukraine on Europe's economy.

The S&P Global Flash Eurozone purchasing managers' index (PMI) rose to 50.2 in January from 49.3 in December.

A figure higher than 50 indicates growth. "This was the third successive increase and, as such, provides more evidence that the region has so far avoided the sharp downturn that we and many others had predicted," Andrew Kenningham, chief Europe economist at Capital Economics, said in a note.

Almost all experts warned last year that the eurozone would enter a recession — two consecutive quarters in which the economy shrinks — in the final three months of 2022 and the first quarter of 2023.

Those fears are receding, but Europe still faces challenges ahead.

Demand for goods and services continued to weaken, industrial orders fell in January — although less sharply than in December — and the impact of more interest rates hikes could still be felt.

European Central Bank chief Christine Lagarde on Monday showed no signs of moving away from more rate hikes, insisting they must continue rising at a "steady pace" in order to avoid inflation becoming entrenched.

Inflation in the single currency area remains high at 9.2%, but has fallen for two months in a row, boosted by the slowdown in the rate of energy price rises.

Last week Lagarde said she expected the eurozone economy to fare "a lot better" than initially feared, with expectations of "a small contraction" instead of a recession.

"The survey undoubtedly brings welcome good news to suggest that any downturn is likely to be far less severe than previously feared and that a recession may well be avoided altogether," said Chris Williamson, S&P's chief business economist.

The economy has been helped by concerns easing over the impact of soaring energy bills, thanks to mild winter weather and generous government support on the continent.

But Williamson warned that the region was "by no means out of the woods yet".

Gulf Warehousing Company (Q.P.S.C)

Board of Director's Report

On behalf of the board of directors, it is my pleasure to present the GWC Annual Report for the year ended 2022. I would also like to thank my fellow board members for their continued commitment and support of the company. 2022 was a milestone year for GWC. Our expertise, coupled with our determination and dedication to excel and go the extra mile placed us in good stead as we delivered seamless and timely logistical services to make FIFA World Cup Qatar 2022™ a roaring success. In 2023, we aim to continue to build on this momentum and chart new avenues and further enhance our commitment to Qatar National Vision 2030, including promoting SMEs and giving them the support needed to grow and flourish.

The company achieved net profits to the amount of QAR 239.6 million for the year ended 2022, in comparison with QAR 224.9 million for the year ended 2021. The EPS for the year ended 2022 was QAR 0.41, in comparison with QAR 0.38 at the end of 2021.

The company was established as per the Commercial Corporate Law No. 5 Year 2002, and the company amended its status as per the regulations set in Law No. 11 Year 2015 as a Qatari Public Shareholding Company.

As always, whatever we have achieved so far would not have been possible without the guidance of His Highness the Emir, His Excellency the Prime Minister, and the Minister of Commerce and Industry, who have given us their continued leadership and support. I also thank the Board of Directors, management, and staff of GWC, and our faithful shareholders and clients, for their exceptional contribution and trust in GWC. May Allah grant us all success and prosperity.

Consolidated financial statements 31 December 2022

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GULF WAREHOUSING COMPANY Q.P.S.C.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Gulf Warehousing Company Q.P.S.C. (the "Company"), and its subsidiaries (together referred as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2022 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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 consolidated financial statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	How our audit addresses the key audit matter
Impairment of Goodwill	
We identified the impairment of goodwill as a key audit matter due to the significance of the balance in the Group's consolidated statement of financial position and the estimation of recoverable amount of each CGU involves complex and subjective management estimates based on management's judgement of key variables. As at 31 December 2022, the Group had goodwill of QR 115 million on its consolidated financial statements, contained within three cash generating units ('CGUs'). Logistic services QR 53 million (2021: QR 53 million), Freight forwarding services QR 45 million (2021: QR 45 million) and Qontrac Logistics Freight QR 17 million (2021: QR 17 million). As required by the International accounting standard ("IAS") 36 "Impairment of assets", an impairment review is performed on goodwill at least annually and when there is an indicator of impairment. In carrying out the impairment assessment of goodwill, management determined the recoverable amount of goodwill through the "value in use" guidance in IAS 36. The management adopted the income approach and prepared a discounted cash flow forecast to determine the recoverable amount of CGUs. Information regarding the goodwill is included in Note 8 to the consolidated financial statements.	Our audit procedures in relation to the impairment assessment of goodwill included the following: Obtained an understanding and evaluated the Group's impairment assessment process and evaluated the appropriateness of management's identification of the Group's CGUs. Assessed the competence and capabilities of the management team who performed the impairment evaluation of the goodwill and evaluated the competence and objectivity of management's experts who assisted in the valuation. Evaluated the key assumptions used in the impairment model for goodwill, including the operating cash flow projections, discount rates, and growth rates and compared them to external industry outlook reports and economic growth forecasts with the assistance of our internal experts. We assessed the reliability of cash flow forecasts through a review of actual past performance, comparison to previous forecasts and checked the mathematical accuracy. We performed sensitivity analysis over management's key assumptions. We assessed the appropriateness and completeness of the related disclosures in the consolidated financial statements.

Consolidated financial statements 31 December 2022

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GULF WAREHOUSING COMPANY Q.P.S.C. DOHA, STATE OF QATAR

Other Information Included in the Group's 2022 Annual Report

Other information consists of the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information.

The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

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

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

The Board of Directors is responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

Report on Legal and Other Regulatory Requirements

Furthermore, in our opinion, proper books of account have been kept by the Company, an inventory count has been conducted in accordance with established principles and the consolidated financial statements comply with the Qatar Commercial Companies' Law No. 11 of 2015 (as amended by Law No.8 of 2021) and the Company's Articles of Association. We have obtained all the information and explanations we required for the purpose of our audit, and are not aware of any violations of the above mentioned law or the Articles of Association having occurred during the year, which might have had a material adverse effect on the Group's financial position or performance.

Ziad Nader
of Ernst and Young
Auditor's Registration No. 258
Date: 24 January 2023
Doha

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2022

	Notes	2022 (In Qatari Riyal)	2021 (In Qatari Riyal)
ASSETS			
Non-current assets			
Property, plant and equipment	4	3,038,626,709	2,540,121,519
Capital work-in-progress	5	343,830,527	569,282,525
Right-of-use of assets	6	213,233,398	217,000,141
Investment properties	7	41,476,343	41,091,331
Intangible assets and goodwill	8	116,783,244	116,961,440
Refundable deposits		18,251,000	18,251,000
		3,772,201,221	3,502,707,956
Current assets			
Inventories		16,342,311	13,846,624
Trade and other receivables	9	747,699,972	584,204,462
Cash and bank balances	10	238,226,527	240,019,079
		1,002,268,810	838,070,165
TOTAL ASSETS		4,774,470,031	4,340,778,121
EQUITY AND LIABILITIES			
Equity			
Share capital	11	586,031,480	586,031,480
Legal reserve	12	552,506,803	552,506,803
Retained earnings		1,094,452,923	930,279,549
Foreign currency translation reserve		(1,457,638)	(543,184)
Attributable to equity holders of the parent		2,231,533,568	2,068,274,648
Non-controlling interests		11,999,312	14,587,853
Total equity		2,243,532,880	2,082,862,501
Liabilities			
Non-current liabilities			
Islamic financing	14	1,269,172,504	1,233,905,946
Lease liabilities	6	198,214,243	200,817,603
Employees' end of service benefits	15	57,622,254	52,935,765
Retention payable to contractors	16	9,915,408	22,607,768
		1,534,924,409	1,510,267,082
Current liabilities			
Islamic financing	14	522,985,271	408,644,507
Trade and other payables	16	461,751,682	324,256,773
Lease liabilities	6	11,275,789	14,747,258
		996,012,742	747,648,538
Total liabilities		2,530,937,151	2,257,915,620
TOTAL EQUITY AND LIABILITIES		4,774,470,031	4,340,778,121

These consolidated financial statements for the year ended 31 December 2022 were approved by Parent Company's Board of Directors on 24 January 2023 and were signed on its behalf by:

Abdulla Bin Fahad J J Al Thani
Chairman

Fahad Bin Hamad J J Al Thani
Vice Chairman

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For year ended 31 December 2022

	Notes	2022 (In Qatari Riyal)	2021 (In Qatari Riyal)
Revenue	18	1,518,900,773	1,303,840,991
Direct cost	20	(1,082,062,137)	(901,462,741)
Gross profit		436,838,636	402,378,250
Other income	19	1,207,346	1,404,628
General and administrative expenses	20	(130,826,382)	(114,501,910)
Operating profit		307,219,600	289,280,968
Finance cost, net	21	(55,601,944)	(55,574,710)
Profit before tax		251,617,656	233,706,258
Income tax expense	22	(2,372,741)	(2,315,476)
Profit for the year		249,244,915	231,390,782
Other comprehensive income			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		(914,454)	71,432
Total profit and other comprehensive income		248,330,461	231,462,214
Profit attributable to:			
Equity holders of the parent		239,583,456	224,942,719
Non-controlling interest		9,661,459	6,448,063
		249,244,915	231,390,782
Total comprehensive income attributable to:			
Equity holders of the parent		238,669,002	225,014,151
Non-controlling interest		9,661,459	6,448,063
		248,330,461	231,462,214
Earnings per share:			
Basic and diluted earnings per share	24	0.41	0.38

Note: For the complete version of the financial statements along with the notes, please visit our website at: www.gwclogistics.com

DELIVERING LOGISTICS INNOVATION

CR: 27386. Capital: QAR 586,031,480 (fully paid)

Vodafone Qatar net profit surges 53.4% to QR502mn in 2022

Vodafone Qatar's net profit in 2022 stood at QR502mn or a 53.4% increase (QR175mn) compared to the previous year mainly driven by EBITDA growth, the company announced yesterday.

Total revenue for 2022 increased 21.4% year-on-year (y-o-y) to reach QR3.1bn due to continued growth across all business segments, including prepaid, postpaid, and fixed broadband services (GigaHome), managed services, Internet of Things (IoT), and others. Service revenue grew by 17.3% to QR2.6bn, including the revenue from World Cup-related services.

EBITDA increased to QR1.2bn, reflecting strong growth of 19.7% compared to last year, positively impacted by the higher service revenue and continued cost optimisation programme. EBITDA margin at 40.2% decreased by 0.6 ppts due to a higher mix of low-margin projects revenue. However, underlying EBITDA margin, excluding equipment, projects, and one-off benefits increased by 1.4 ppts y-o-y to reach 45.2%.

Total mobile customers reached 2.1mn, representing an 8.9% y-o-y growth. In addition, 419,000 fan SIM cards were activated for the FIFA World Cup Qatar 2022.

Based on Vodafone Qatar's commitment to enhancing shareholder value and strong financial performance, the board of directors recommended the distribution of a 10% cash dividend of the nominal share value (QR0.10 per share), which will be presented at the company's next Annual General Assembly for approval.

Vodafone Qatar CEO Sheikh Hamad Abdulla Jassim al-Thani.

Vodafone Qatar managing director Rashid Fahad al-Naimi.

Vodafone Qatar chairman Abdulla Nasser al-Misnad.

In addition, the board approved a two-year dividend policy for the company from FY2023, aiming for a dividend ranging between 8% and 10% of the share capital. The board may change the dividend percentage after evaluating a range of factors, including net profits, regulatory requirements, and future investment opportunities.

Vodafone Qatar chairman Abdulla Nasser al-Misnad said, "In 2022, Vodafone was able to continue its progress in developing and providing both consumers and businesses across Qatar with the cutting-edge technologies needed to improve their lives and digitally transform.

"We continued to deepen important partnerships within the local business and community spheres, and by further expanding our growing IoT product portfolio, we successfully extended our product offerings, supporting businesses and SMEs in their missions to increase operational efficiencies and drive growth."

Vodafone Qatar managing director Rashid Fahad al-Naimi said, "2022 marked a historical turning point for Qatar when it became the first Arab country to host the biggest sporting event in the world and it did so with tremendous success.

"2022 was also a year of major milestones for Vodafone, the most notable of these being the launch of our national 'We Fan Together' campaign, which helped to further bridge the gap between the corporate world and our customer base, and which leveraged the latest advancements in virtual reality technology to deliver a one-of-a-kind Metaverse experience."

He added, "As a company deeply involved in all aspects of the country's technology sector and in recognition of our ability to sustain our business operations in spite of the extraordinary circumstances that we have all weathered over the last couple of years, we received the newest version of the ISO 22301:2019 international certification for Business Continuity Management Systems.

"This award credits the resilience of our GigaNet network, the breadth of our range of services, and the effectiveness of our direct response to the pandemic, all in line with our business continuity strategy. We look forward to another successful year in 2023."

Vodafone Qatar CEO Sheikh Hamad Abdulla Jassim al-Thani said, "As a business that was built in Qatar for Qatar, 2022 was an exceptional year for Vodafone Qatar. Ahead of what became the most memorable and momentous of tournaments, we made a promise to be the largest supporter of fans.

"To fulfil this promise, we leveraged our world-class network to provide an unforgettable fan experience by offering them a whole host of services, ranging from smooth roaming packages to superfast network speeds, dedicated fan offers, and access to free public Wi-Fi that kept fans connected throughout the tournament whilst supporting seamless fan experiences through cutting-edge technology."

He added: "The transformation strategy that we began to implement four years ago is still in force to this day and its effectiveness can be seen through the trend of constant growth that has continued throughout the past twelve months.

"Now, with our outstanding financial results for FY 2022, which reflect the growth we have driven across the entire business and all revenue streams, we continue to build on this momentum.

"Underpinned by our world-class network and portfolio of connectivity solutions and in collaboration with our range of partners across the local market, we are confident in our continued ability to deliver on our strategy and drive responsible growth for our shareholders."

Al Mahhar Holding Company seeks listing on QSE's venture market

Al Mahhar Holding Company, one of the leading service providers for the energy and infrastructure sectors in Qatar, is contemplating listing its shares on the venture market of the Qatar Stock Exchange (QSE).

At its extraordinary general assembly meeting held on Monday, the shareholders approved the company's application for conversion from a Qatari limited liability company into a Qatari public shareholding company.

"The conversion contemplates a potential listing on the venture market of the QSE, subject to obtaining all requisite regulatory approvals," the company, which has a strong historical financial performance and profitability track record, said in a statement.

With this listing, the venture market will have two companies with the other one being Al Faleh Educational Holding.

Abdul Aziz Nasser al-Emadi, the acting chief executive officer of QSE, recently disclosed that one more listing on the venture market was on the anvil.

Deloitte and Touché - Qatar has been appointed as listing adviser, Maroon Capital Advisory as strategic adviser to the company, Eversheds Sutherland (International) as international legal adviser and Sharq Law Firm as Qatar legal adviser.

Further information and details on Al Mahhar's potential listing on the venture market would be provided subject to the relevant approvals being obtained from the regulatory authorities, a company spokesman said.

Beginning of this year, the QSE has been witnessing reports of potential listings, which include those of Dukhan Bank and Meeza. Beema early this month went public through a direct listing on the Qatari bourse.

Al Mahhar Holding began operations in Qatar in 1989, initially conducting business through its fully owned subsidiary, Petroleum Technology Company (Petrotec), providing an enhanced level of support to the energy sector and taking part in the rapid growth and success of Qatar's hydrocarbon sector.

Since then, it has expanded into a diversified business group of 10 different subsidiaries, joint ventures and associates (including Petrotec) operating at different levels of the energy and infrastructure sectors in Qatar and Kuwait.

The company's major revenue sources are derived from providing clients in Qatar with comprehensive specialised engineering products, services and maintenance support and local input to players in Qatar's energy market for both the upstream and downstream industries.

Other sources of revenue include construction related equipment sales and rentals as well as locally designed and manufactured electrical switchgear equipment.

Highlighting that its client-focused corporate structure makes it well positioned to capture growth; the company said it has state-of-the-art facilities to service a wide range of needs and its investments are dedicated on the ground facilities.

EY's Climate Change Readiness Index launch highlights Qatar's deliberative approach

Ernst and Young (EY) has launched its Middle East and North Africa (Mena) Climate Change Readiness Index (CCRI), which highlights Qatar's deliberative approach to climate change by putting in place structures and detailed plans prior to making commitments.

Qatar's quality of infrastructure is already among the highest in the index and it has a notably solid private sector, scoring highly for the soundness of banks, which can be utilised for significant climate investments in the future, said the CCRI, a pioneering tool designed to help countries in the region assess and improve their resilience to the impacts of climate change.

The launch of the Mena CCRI marks an important milestone on this journey that will help to drive the necessary action and collaboration.

The index measures the readiness of the Gulf Co-operation Council countries as well as Egypt and Jordan across several areas such as the effectiveness of their adaptation and mitigation strategies and their ability to finance and implement these strategies. It provides scorecards that can assist governments, investors, and citizens in tracking the performance of the included countries compared to global benchmarks on 37 quantitative and qualitative indicators of climate change readiness.

The index offers a comprehensive overview of the regional and global context in which these countries operate, including the economic, political, and social factors that can influence their outcomes.

"Climate change is a global challenge and addressing it requires collective action. To support these efforts, we are delighted to launch the Mena region's first CCRI that will serve as a valuable tool for governments, businesses, and civil society organisations as they work to evaluate and enhance their readiness to tackle environmental challenges and impacts," said Yasir Ahmad, EY Mena Climate Change and Sustainability Services Leader.

The index, according to him, is designed to be flexible, responsive, and personalised, allowing countries to monitor their progress over time and identify areas for improvement.

The CCRI shows that almost all participating countries have substantially reduced their per capita emissions from 2015 levels as they continue to fulfil their ambitions to diversify their economies away from fossil fuels through large capital investment.

The carbon capture and renewables revolution have complemented this trend, with nearly every country in the region introducing a long-term net-zero strategy, EY said.

"The Mena region is already a global leader in carbon capture utilisation and storage and planning for the future of circular economies.

Together, with the leadership the region is taking in Energy Transition, the use of renewables, and development of hydrogen, Mena is on track to become a forerunner in the development of a low carbon economy," said Richard Paton, EY-Parthenon Mena Leader.

Nakilat revamps its ESG strategy

By Santhosh V Perumal
Business Reporter

Nakilat has revamped its ESG (environment, social and governance) strategy, in accordance with international standards and industry best practices, and anchored the ESG criteria in its corporate strategy, according to its latest ESG report.

In response to these increasing stakeholder demands and to enhance our resilience, Nakilat has not only revamped its ESG strategy in accordance with international standards and industry best practices, but also anchored the ESG criteria in its corporate strategy, the report said.

"This ensures that we continue to meet the growing expectations to strengthen our ESG governance structure, actively mitigate climate-related risks and explore new opportunities, while embodying Nakilat's vision to deliver clean, reliable, and sustainable energy to enhance the quality of life for everyone around the world," Nakilat chief executive officer Abdullah al-Sulaiti said in the report.

As decarbonisation and carbon neutrality have become urgent international agenda items, Nakilat is not only continuously supporting and committing to the International Maritime Organisation's (IMO) ambitions and targets to reduce carbon emissions across the industry, but also applies industry best practices and supports different initiatives to address climate-related risks and opportunities, according to him.

"Climate change is a critical environmental and business challenge and Nakilat has reported the carbon emission intensity of its fleet, encompassing both wholly-owned and joint venture operated vessels in our ESG report," he said.

Despite the elevated inflation, tightening monetary policy, and geopolitical uncertainty which have recently rattled global markets, al-Sulaiti said the focus on ESG issues has become more important than ever.

With ever-increasing attention on big challenges facing society, such as climate change, health and safety, and gender equality, Nakilat recognises the increasing demand from its stakeholders for greater transparency and public disclosure on the impacts to the environment and society, he added.

"This recognition comes as part of Nakilat's drive to become a global maritime sustainability leader," he said.

Highlighting that social integrity, inclusion, health, safety, and well-being are amongst the founding pillars of Nakilat; al-Sulaiti said "we consider employees as our most valuable asset." Nakilat supports and promotes healthy, balanced life and an injury free atmosphere by providing the adequate tools and measures to its employees, crew, and subcontractors to prevent physical or mental related illness and ensures a healthy and safe workplace environment.