



**OOREDOO Q.P.S.C.
DOHA - QATAR**

**CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE NINE-MONTH PERIOD ENDED
30 SEPTEMBER 2020**



OOREDOO Q.P.S.C.

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

For the nine-month period ended 30 September 2020

CONTENTS	Page(s)
Independent auditor's review report	-
Condensed consolidated interim financial statements	
Condensed consolidated interim statement of profit or loss	1
Condensed consolidated interim statement of comprehensive income	2
Condensed consolidated interim statement of financial position	3 - 4
Condensed consolidated interim statement of changes in equity	5 - 6
Condensed consolidated interim statement of cash flows	7 - 8
Notes to the condensed consolidated interim financial statements	9 - 31

QR. 83371

RN: 1392/SM/FY2020

INDEPENDENT AUDITOR'S REVIEW REPORT

The Board of Directors
Ooredoo Q.P.S.C.
Doha - Qatar

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of **Ooredoo Q.P.S.C.** (the "Company") and its subsidiaries (together the "Group") comprising the condensed consolidated interim statement of financial position as at 30 September 2020, and the related condensed consolidated interim statements of profit or loss and condensed consolidated interim statements of comprehensive income for the three-month and nine-month periods ended 30 September 2020, and the condensed consolidated interim statement of changes in equity and cash flows for the nine-month period then ended and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of the condensed consolidated 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 condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

Doha – Qatar
28 October 2020



For **Deloitte & Touche**
Qatar Branch

Midhat Salha
Partner

License No. 257

QFMA Auditor License No. 120156



OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS
For the three-month and nine-month period ended 30 September 2020

	Note	<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
		2020	2019	2020	2019
		<i>(Reviewed)</i>		<i>(Reviewed)</i>	
		<i>QR.'000</i>	<i>QR.'000</i>	<i>QR.'000</i>	<i>QR.'000</i>
Revenue	4	7,295,906	7,457,043	21,413,976	21,965,162
Operating expenses		(2,686,257)	(2,704,901)	(7,842,539)	(7,940,268)
Selling, general and administrative expenses		(1,380,469)	(1,441,114)	(4,346,853)	(4,396,682)
Depreciation and amortisation		(2,044,446)	(2,135,602)	(6,155,384)	(6,377,139)
Net finance costs		(481,643)	(498,956)	(1,407,548)	(1,548,037)
Impairment provision (reversal) on financial assets and other assets		(860)	2,089	(1,004)	2,533
Other income – net	5	240,291	62,442	646,360	410,824
Share in results of associates and joint ventures – net of tax	11	23,501	14,282	24,166	36,167
Royalties and fees	6	(112,824)	(124,638)	(322,013)	(376,968)
Profit before income tax		853,199	630,645	2,009,161	1,775,592
Income tax	16	(100,437)	(94,715)	(315,562)	(261,825)
Profit for the period		752,762	535,930	1,693,599	1,513,767
Profit attributable to:					
Shareholders of the parent		649,758	424,051	1,468,217	1,265,218
Non-controlling interests		103,004	111,879	225,382	248,549
		752,762	535,930	1,693,599	1,513,767
Basic and diluted earnings per share					
(Attributable to shareholders of the parent)	7	0.20	0.13	0.46	0.39
(Expressed in QR. per share)					

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



The accompanying notes are an integral part of these condensed consolidated interim financial statements



OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
For the three-month and nine-month period ended 30 September 2020

	<u>Note</u>	<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
		<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
		<i>(Reviewed)</i>		<i>(Reviewed)</i>	
		<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>
Profit for the period		752,762	535,930	1,693,599	1,513,767
Other comprehensive income					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Effective portion of changes in fair value of cash flow hedges	23	1,818	(1,690)	(7,236)	(6,114)
Share of other comprehensive loss of associates and joint ventures	23	(667)	(10,492)	(15,757)	(37,367)
Foreign currency translation differences	23	8,925	(129,350)	(736,600)	220,987
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Net changes in fair value on investments in equity instruments designated as at FVTOCI	23	(60,636)	(8,185)	(112,069)	(5,360)
Net changes in fair value of employees' benefits reserve	23	(1,354)	835	8,942	1,082
Other comprehensive income (loss) – net of tax		(51,914)	(148,882)	(862,720)	173,228
Total comprehensive income for the period		700,848	387,048	830,879	1,686,995
Total comprehensive income attributable to:					
Shareholders of the parent		632,419	282,376	797,756	1,406,201
Non-controlling interests		68,429	104,672	33,123	280,794
		700,848	387,048	830,879	1,686,995

The accompanying notes are an integral part of these condensed consolidated interim financial statements



OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 September 2020

		<u>30 September</u> <u>2020</u>	<u>31 December</u> <u>2019</u>
	Note	(Reviewed) QR. '000	(Audited) QR. '000
ASSETS			
Non-current assets			
Property, plant and equipment	8	25,232,824	27,045,039
Intangible assets and goodwill	9	25,987,848	26,319,887
Right-of-use assets	10	6,351,854	6,033,848
Investment property		49,453	58,007
Investment in associates and joint ventures	11	1,687,754	1,971,912
Financial assets - equity instruments	12	781,733	904,440
Other non-current assets		712,617	732,243
Deferred tax assets		624,874	658,851
Contract cost and assets		172,638	194,971
Total non-current assets		<u>61,601,595</u>	<u>63,919,198</u>
Current assets			
Inventories		433,585	557,305
Contract costs and assets		365,980	345,919
Trade and other receivables		7,304,402	8,360,840
Bank balances and cash	13	16,119,862	14,716,148
		<u>24,223,829</u>	<u>23,980,212</u>
Assets held for sale	22	273,547	82,212
Total current assets		<u>24,497,376</u>	<u>24,062,424</u>
TOTAL ASSETS		<u>86,098,971</u>	<u>87,981,622</u>
EQUITY			
Share capital	14	3,203,200	3,203,200
Legal reserve		12,434,282	12,434,282
Fair value reserve		407,589	550,809
Employees' benefits reserve		14,010	5,975
Translation reserve	15	(7,857,628)	(7,314,294)
Other statutory reserves		1,299,489	1,299,489
Retained earnings		13,622,035	12,947,508
Equity attributable to shareholders of the parent		<u>23,122,977</u>	<u>23,126,969</u>
Non-controlling interests		5,510,172	5,978,017
Total equity		<u>28,633,149</u>	<u>29,104,986</u>




OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
(CONTINUED)
As at 30 September 2020

		<u>30 September</u> 2020	<u>31 December</u> 2019
		<i>(Reviewed)</i>	<i>(Audited)</i>
	<u>Note</u>	<u>QR.'000</u>	<u>QR.'000</u>
LIABILITIES			
Non-current liabilities			
Loans and borrowings	18	24,479,576	25,336,943
Employees' benefits	19	706,696	766,619
Lease liabilities	21	5,891,246	5,692,809
Deferred tax liabilities		292,659	340,468
Other non-current liabilities		2,430,541	2,658,393
Contract liabilities		8,625	11,481
Total non-current liabilities		<u>33,809,343</u>	<u>34,806,713</u>
Current liabilities			
Loans and borrowings	18	5,525,680	5,410,332
Lease liabilities	21	1,034,685	956,494
Trade and other payables	20	13,396,444	13,774,974
Deferred income		2,047,580	2,265,590
Contract liabilities		190,389	117,768
Income tax payable		1,461,701	1,544,765
Total current liabilities		<u>23,656,479</u>	<u>24,069,923</u>
Total liabilities		<u>57,465,822</u>	<u>58,876,636</u>
TOTAL EQUITY AND LIABILITIES		<u>86,098,971</u>	<u>87,981,622</u>


.....
Faisal Bin Thani Al Thani
Chairman


.....
Nasser Mohammed Marafih
Deputy Chairman

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



The accompanying notes are an integral part of these condensed consolidated interim financial statements



OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the nine-month period ended 30 September 2020

	<i>Attributable to shareholders of the parent</i>							<i>Non – controlling interests</i>	<i>Total equity</i>	
	<i>Share capital</i>	<i>Legal reserve</i>	<i>Fair value reserve</i>	<i>Employees’ benefits reserve</i>	<i>Translation reserve</i>	<i>Other statutory reserves</i>	<i>Retained earnings</i>			<i>Total</i>
	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	
At 1 January 2020	3,203,200	12,434,282	550,809	5,975	(7,314,294)	1,299,489	12,947,508	23,126,969	5,978,017	29,104,986
Profit for the period	-	-	-	-	-	-	1,468,217	1,468,217	225,382	1,693,599
Other comprehensive income (loss)	-	-	(135,162)	8,035	(543,334)	-	-	(670,461)	(192,259)	(862,720)
Total comprehensive income (loss) for the period	-	-	(135,162)	8,035	(543,334)	-	1,468,217	797,756	33,123	830,879
Realized gain on FVTOCI investment recycled to retained earnings	-	-	(8,058)	-	-	-	8,058	-	-	-
<i>Transaction with shareholders of the parent, recognised directly in equity</i>										
Dividend for 2019	-	-	-	-	-	-	(800,800)	(800,800)	-	(800,800)
<i>Transaction with non-controlling interest, recognised directly in equity</i>										
Change in associate’s non-controlling interest of its subsidiary	-	-	-	-	-	-	639	639	-	639
Dividend for 2019	-	-	-	-	-	-	-	-	(500,667)	(500,667)
<i>Transaction with non-owners of the Group, recognised directly in equity</i>										
Transfer to employee association fund	-	-	-	-	-	-	(1,587)	(1,587)	(301)	(1,888)
At 30 September 2020	3,203,200	12,434,282	407,589	14,010	(7,857,628)	1,299,489	13,622,035	23,122,977	5,510,172	28,633,149

The accompanying notes are an integral part of these condensed consolidated interim financial statements



OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the nine-month period ended 30 September 2020

	<i>Attributable to shareholders of the parent</i>							<i>Non – controlling interests (Restated)</i>	<i>Total equity (Restated)</i>	
	<i>Share capital</i>	<i>Legal reserve</i>	<i>Fair value reserve</i>	<i>Employees’ benefits reserve</i>	<i>Translation reserve</i>	<i>Other statutory reserves</i>	<i>Retained earnings (Restated)</i>			
	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>			
At 1 January 2019	3,203,200	12,434,282	606,299	22,031	(7,805,451)	1,252,304	12,496,038	22,208,703	5,968,984	28,177,687
Effect of change in accounting policy for: Initial application of IFRS 16 (Note 29)	-	-	-	-	-	-	(416,503)	(416,503)	(10,827)	(427,330)
Adjusted balance as at 1 January 2019 (Note 29)	3,203,200	12,434,282	606,299	22,031	(7,805,451)	1,252,304	12,079,535	21,792,200	5,958,157	27,750,357
Profit for the period	-	-	-	-	-	-	1,265,218	1,265,218	248,549	1,513,767
Other comprehensive income (loss)	-	-	(48,223)	239	188,967	-	-	140,983	32,245	173,228
Total comprehensive income (loss) for the period	-	-	(48,223)	239	188,967	-	1,265,218	1,406,201	280,794	1,686,995
Realized gain on FVTOCI investment recycled to retained earnings	-	-	(11,856)	-	-	-	11,856	-	-	-
Employee benefit reserve recycled to retained earnings	-	-	-	(12,977)	-	-	12,977	-	-	-
<i>Transaction with shareholders of the parent, recognised directly in equity</i>										
Dividend for 2018	-	-	-	-	-	-	(800,800)	(800,800)	-	(800,800)
<i>Transaction with non-controlling interest, recognised directly in equity</i>										
Change in subsidiary’s non-controlling interest	-	-	-	-	-	-	(82)	(82)	(726)	(808)
Change in associate’s non-controlling interest of its subsidiary	-	-	-	-	-	-	14,924	14,924	-	14,924
Dividend for 2018	-	-	-	-	-	-	-	-	(559,022)	(559,022)
<i>Transaction with non-owners of the Group, recognised directly in equity</i>										
Transfer to employee association fund	-	-	-	-	-	-	(1,515)	(1,515)	(287)	(1,802)
At 30 September 2019	3,203,200	12,434,282	546,220	9,293	(7,616,484)	1,252,304	12,582,113	22,410,928	5,678,916	28,089,844

The accompanying notes are an integral part of these condensed consolidated interim financial statements



OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

For the nine-month period ended 30 September 2020

	Note	For the nine-month period ended	
		30 September	
		2020	2019
		(Reviewed)	
		QR. '000	QR. '000
OPERATING ACTIVITIES			
Profit before income taxes		2,009,161	1,775,592
Adjustments for:			
Depreciation and amortization	8, 9, 10	6,155,384	6,377,139
Dividend income		-	(2,822)
Impairment provision (reversal) on financial assets and other assets		1,004	(2,533)
Gain on disposal of investments at FVTPL		-	51
Changes in fair value of FVTPL investments		(2,592)	3,562
Gain on disposal of property, plant and equipment		(103,341)	(54,505)
Net finance costs		1,407,548	1,548,037
Provision for employees' benefits		87,730	95,122
Provision against doubtful debts		255,854	183,743
Share of results in associates and joint ventures – net of tax	11	(24,166)	(36,167)
Operating profit before working capital changes		9,786,582	9,887,219
Working capital changes:			
Changes in inventories		123,720	102,219
Changes in trade and other receivables		806,196	(783,959)
Changes in contract costs and assets		2,272	(112,217)
Change in trade and other payables		(440,953)	(663,373)
Change in contract liabilities		69,765	(11,162)
Cash from operations		10,347,582	8,418,727
Finance costs paid		(1,587,340)	(1,627,992)
Employees' benefits paid		(148,493)	(181,392)
Income tax paid		(434,325)	(441,496)
Net cash from operating activities		8,177,424	6,167,847
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	8	(3,295,444)	(3,306,864)
Acquisition of intangible assets	9	(873,836)	(992,199)
Additional investment in equity instruments		(8,011)	-
Investment in associates		(2,516)	(15,892)
Proceeds from disposal of property, plant and equipment		268,835	93,543
Proceeds from disposal of investments at FVTPL		15,719	16,015
Movement in restricted deposits		(187,600)	(38,178)
Movement in short-term deposits		112,980	(87,826)
Movement in other non-current assets		13,274	(156,029)
Dividend received		61,384	81,794
Interest received		196,838	241,213
Net cash used in investing activities		(3,698,377)	(4,164,423)

The accompanying notes are an integral part of these condensed consolidated interim financial statements



OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS (CONTINUED)

For the nine-month period ended 30 September 2020

		<i>For the nine-month period ended 30 September</i>	
		<i>2020</i>	<i>2019</i>
		<i>(Reviewed)</i>	
<u>Note</u>		<i>QR. '000</i>	<i>QR. '000</i>
FINANCING ACTIVITIES			
	Acquisition of non-controlling interest	-	(808)
	Proceeds from loans and borrowings	7,706,717	9,125,188
	Repayment of loans and borrowings	(7,894,528)	(14,604,875)
	Principal elements of lease payments	(823,932)	(853,213)
	Additions to deferred financing costs	(3,191)	(30,213)
	Dividend paid to shareholders of the parent	(800,800)	(800,800)
	Dividend paid to non-controlling interests	(500,667)	(559,022)
	Movement in other non-current liabilities	(227,852)	505,470
	Net cash used in financing activities	(2,544,253)	(7,218,273)
	NET CHANGE IN CASH AND CASH EQUIVALENTS	1,934,794	(5,214,849)
	Effect of exchange rate fluctuations	(401,648)	(9,924)
	Cash and cash equivalents at 1 January	13,353,881	16,533,142
	CASH AND CASH EQUIVALENTS 30 SEPTEMBER	14,887,027	11,308,369



OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2020

1. REPORTING ENTITY

Qatar Public Telecommunications Corporation (the “Corporation”) was formed on 29 June 1987 domiciled in the State of Qatar by Law No. 13 of 1987 to provide domestic and international telecommunication services within the State of Qatar. The Company’s registered office is located at 100 Westbay Tower, Doha, State of Qatar.

The Corporation was transformed into a Qatari Shareholding Company under the name of Qatar Telecom (“Qtel”) Q.P.S.C. (the “Company”) on 25 November 1998, pursuant to Law No. 21 of 1998.

In June 2013, the legal name of the Company was changed to Ooredoo Q.S.C. This change had been duly approved by the shareholders at the Company’s extraordinary general assembly meeting held on 31 March 2013.

The Company changed its legal name from Ooredoo Q.S.C. to Ooredoo Q.P.S.C. to comply with the provisions of the new Qatar Commercial Companies Law issued on 7 July 2015.

The Company is a telecommunications service provider 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. As a licensed service provider, the conduct and activities of the Company are regulated by CRA pursuant to Law No. 34 of 2006 (Telecommunications Law) and the Applicable Regulatory Framework.

The Company and its subsidiaries (together referred to as the “Group”) provides domestic and international telecommunication services in Qatar and elsewhere in the Asia and Middle East and North African (“MENA”) region. Qatar Holding L.L.C. is the Parent Company of the Group.

In line with an amendment issued by Qatar Financial Markets Authority (“QFMA”), effective from May 2018, listed entities are required to comply with the Qatar Financial Markets Authority’s law and relevant legislations including Governance Code for Companies & Legal Entities Listed on the Main Market (the “Governance Code”). The Group has taken appropriate steps to comply with the requirements of the Governance Code.

The condensed consolidated interim financial statements of the Group for nine-month period ended 30 September 2020 were authorised for issuance in accordance with a resolution of the Board of Directors of the Group on 28 October 2020.

2. BASIS OF PREPARATION

The condensed consolidated interim financial statements for the nine-month period ended 30 September 2020 have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”).

The condensed consolidated interim financial statements are prepared in Qatari Riyals, which is the Company’s functional and presentation currency and all values are rounded to the nearest thousands (QR.’000) except when otherwise indicated.

The condensed consolidated interim financial statements do not include all information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2019. In addition, results for the nine-month period ended 30 September 2020 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2020.

Judgments, estimates and risk management

The preparation of the condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affects the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Group’s accounting policies, the key sources of estimation uncertainty and financial risk management objectives and policies were the same as those that applied to the Group’s annual consolidated financial statements for the year ended 31 December 2019, except those discussed in Note 3.2 and Note 30, which are primarily arising due to impact of Coronavirus (“COVID-19”).



OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the nine-month period ended 30 September 2020

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of these condensed consolidated interim financial statements are consistent with those used in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2019, and the notes attached thereto, except for the adoption of certain new and revised standards, that became effective in the current period as set out below and as disclosed in Note 3.2.

3.1 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

(i) Revised standards

Effective for annual periods beginning on or after 1 January 2020

- Amendments to IFRS 3 *Amendments to clarify the definition of a business*
- Amendments to IFRS 7 *Amendments regarding pre-replacement issues in the context of the IBOR reform.*
- Amendments to IFRS 9 *Amendments regarding pre-replacement issues in the context of the IBOR reform*
- Amendments to IAS 1, IAS 8 *Amendments regarding the definition of material*
- Amendments to References to the Conceptual Framework *Amendments to References to the Conceptual Framework in IFRS Standards*

Effective for annual periods beginning on or after 1 June 2020

- Amendment to IFRS 16 *Amendments to Rent Concessions (COVID-19-Related)*

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

Effective for annual periods beginning on or after 1 January 2022

- Amendments regarding the classification of liabilities
- Amendments regarding IAS 16 Property, Plant and Equipment — Proceeds before Intended Use
- Annual improvement 2018-2020 Cycle
- Reference to the Conceptual Framework (Amendments to IFRS 3)
- Onerous Contracts — Cost of Fulfilling a Contract (Amendments to IAS 37)

Effective for annual periods beginning on or after 1 January 2023

- Original issue regarding IFRS 17 Insurance contracts
- Amendments regarding IFRS 17

The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

3.2 CHANGES IN ACCOUNTING POLICIES

Impact of the initial application of Interest Rate Benchmark Reform amendment to IFRS 9

The Group has adopted Amendments to IFRS 9 regarding pre-replacement issues in the context of the IBOR reform. These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the on-going interest rate benchmark reforms.

The Group has floating rate debt, linked to USD LIBOR (bank loans), which it has partially cash flow hedged using floating to fixed interest rate swaps. The amendments permit continuation of hedge accounting even though there is uncertainty about the timing and amount of the hedged cash flows due to the interest rate benchmark reforms. The adoption has not had any material impact on the disclosures or on the amounts reported in these interim condensed consolidated financial statements.

The Group will continue to apply the amendments to IFRS 9 until the uncertainty arising from the interest rate benchmark reforms with respect to the timing and the impact to the underlying cash flows that the Group is exposed ends.



OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the nine-month period ended 30 September 2020

3.2 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

Amendment to IFRS 16 – COVID-19-Related Rent Concessions

The Group has adopted Amendment to IFRS 16 Amendments to Rent Concessions, under which any rent discounts arising as a result of COVID-19 are not assessed as lease modifications subject to certain conditions. Their adoption has not had any material impact on the disclosures or on the amounts reported in these interim condensed consolidated financial statements.

Change in estimated useful life

During 2019, Asiacell Communications PJSC (“Asiacell”) applied for renewal of its mobile license for an additional period of 5 years. The renewal request was approved by Commission of Media and Communication during 2020 and as a result the estimated useful life was increased from 15 to 20 years during the nine-month period ended 30 September 2020. However, no additional cost was capitalized as it could not be estimated reliably and will be determined in subsequent periods after agreement with relevant authorities.

Change in functional currency by Asiacell

On 1 January 2020, Asiacell has changed its functional currency from US Dollar to Iraqi Dinar. The subsidiary changed its functional currency as it has met the requirements of IFRS.

4 REVENUE

	<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>(Reviewed)</i>		<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>
Revenue from rendering of services	6,965,838	7,121,499	20,416,260	20,811,393
Sale of telecommunication equipment	284,382	258,709	855,704	930,813
Equipment rental revenue	45,686	76,835	142,012	222,956
	7,295,906	7,457,043	21,413,976	21,965,162
	<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>(Reviewed)</i>		<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>
At a point in time	284,382	258,709	855,704	930,813
Over time	7,011,524	7,198,334	20,558,272	21,034,349
	7,295,906	7,457,043	21,413,976	21,965,162

Management expects that the transaction price allocated to the unsatisfied contracts as at 30 September 2020, mainly relating to deferred income, will be recognized as revenue during subsequent period.



OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2020

5 OTHER INCOME – NET

	<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>(Reviewed)</i>		<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>
Foreign currency gain (loss) – net	137,535	(52,681)	336,937	(1,117)
Dividend income	-	-	-	2,822
Rental income	8,252	8,397	23,823	23,277
Change in fair value of derivatives – net	4,305	527	8,813	(5,197)
Changes in fair value of FVTPL investments	2,530	(1,458)	2,592	(3,562)
Miscellaneous income	87,669	107,657	274,195	394,601
	240,291	62,442	646,360	410,824

6 ROYALTIES AND FEES

	<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>(Reviewed)</i>		<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>
Royalty (i)	60,749	70,087	180,580	208,105
Industry fees (ii)	50,341	51,128	135,332	155,689
Other statutory fees (iii)	1,734	3,423	6,101	13,174
	112,824	124,638	322,013	376,968

Notes

- (i) Royalty is payable to the Government of the Sultanate of Oman based on 12% of the net of predefined sources of revenue and interconnection expenses to local operators for mobile license and 7% for fixed license.
- (ii) In accordance with its operating licenses for Public Telecommunications Networks and Services granted in Qatar by ictQATAR, now referred to as the 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 regulated activities undertaken in Qatar pursuant to the licenses.
- (iii) Contributions by National Mobile Telecommunications Company K.S.C.P. to Kuwait Foundation for the Advancement of Sciences (“KFAS”), National Labour Support Tax (“NLST”) and Zakat are included under other statutory fees.



OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2020

7 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period attributable to the shareholders of the parent by the weighted average number of shares outstanding during the period.

There were no potentially dilutive shares outstanding at any time during the period and, therefore, the dilutive earnings per share is equal to the basic earnings per share.

	<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>(Reviewed)</i>		<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>
Profit for the period attributable to shareholders of the parent (QR.'000)	649,758	424,051	1,468,217	1,265,218
Weighted average number of shares (In '000)	3,203,200	3,203,200	3,203,200	3,203,200
Basic and diluted earnings per share (QR.)	0.20	0.13	0.46	0.39

8 PROPERTY, PLANT AND EQUIPMENT

	<i>30 September 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Net book value at beginning of the period / year	27,045,039	27,207,493
Initial application of IFRS 16	-	(880,280)
Additions	3,295,444	6,344,032
Disposals	(165,325)	(321,819)
Reclassification to intangible assets and right-of-use assets	(133,287)	(15,989)
Depreciation for the period / year	(4,134,175)	(5,707,580)
Exchange adjustment	(674,872)	419,182
Carrying value at the end of the period / year	25,232,824	27,045,039

(i) Asiacell reached an agreement with a local bank wherein it received properties in exchange for the equivalent value of the bank deposits. As at 30 September 2020, Asiacell had received parcels of lands and buildings located in Baghdad and Sulaymaniah amounting to QR. 474,152 thousand (2019: QR. 481,900 thousand). Currently, the legal title is transferred to a related party of Asiacell and it will be transferred in the name of Asiacell upon completing legal formalities. However, the Group has obtained an indemnity letter from the related party that these assets are under the Group's control and the ownership will be transferred upon completing the legal formalities. During the period, Asiacell appointed a third party consultant to review the status of these properties.

(ii) Certain property, plant and equipment are used as collaterals to secure the Group's borrowings.

Refer to Note 30 for the assessment and conclusion made as a result of COVID-19.



OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the nine-month period ended 30 September 2020

9 INTANGIBLE ASSETS AND GOODWILL

	<i>30 September 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Net book value at beginning of the period / year	26,319,887	26,656,686
Additions	830,138	1,124,300
Disposals	(169)	(3,253)
Reclassification from property, plant and equipment (Note 8)	135,973	1,273
Amortisation for the period / year	(1,119,362)	(2,032,222)
Exchange adjustment	(178,619)	573,103
	<u>25,987,848</u>	<u>26,319,887</u>

(i) Indefeasible rights of use (“IRUs”) are initially included in capital work in progress under property, plant and equipment once it meets the criteria for recognizing and measuring and subsequently transferred to intangibles once they are ready for intended use.

Refer to Note 30 for the assessment and conclusion made as a result of COVID-19.

10 RIGHT-OF-USE ASSETS

The Group leases several assets including land and buildings, exchange and network assets, subscriber apparatus and other equipment, and IRU assets. The average lease term is 2 to 20 years (2019: 2 to 20 years).

	<i>30 September 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Net book value at beginning of the period / year	6,033,848	-
Initial application of IFRS 16	-	5,619,868
Additions	1,196,095	1,595,425
Disposals	-	(162,476)
Amortisation during the year	(893,293)	(1,108,826)
Reclassification to property, plant and equipment	(2,686)	-
Reduction on early termination	(4,052)	(11,638)
Exchange adjustment	21,942	101,495
	<u>6,351,854</u>	<u>6,033,848</u>

Refer to Note 30 for the assessment and conclusion made as a result of COVID-19.



OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2020

11 INVESTMENT IN ASSOCIATES AND JOINT VENTURES

The following table presents the summarised financial information of the Group's investment in associates and joint ventures.

	<i>30 September 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Group's share in associates and joint ventures statement of financial position:		
Current assets	1,086,325	1,085,829
Non-current assets	2,473,557	3,009,595
Current liabilities	(882,493)	(743,909)
Non-current liabilities	(1,877,274)	(2,280,708)
Net assets	800,115	1,070,807
Goodwill	887,639	901,105
Carrying amount of the investment	1,687,754	1,971,912

	<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>(Reviewed)</i>		<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>
Share in revenues of associates and joint ventures	363,133	384,430	1,083,016	1,276,169
Share in results of associates and joint ventures – net of tax	23,501	14,282	24,166	36,167

12 FINANCIAL ASSETS – EQUITY INSTRUMENTS

	<i>30 September 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Investment in equity instruments designated at FVTOCI (i)	708,636	828,789
Financial assets measured at FVTPL (i)	73,097	75,651
	781,733	904,440

The respective fair value of these investments is disclosed in Note 28.

Note

(i) The Group's financial assets comprise of investments in telecommunication related companies, hedge funds, private equity and venture capital funds. The investment in hedge funds is fair valued through the condensed consolidated interim statement of profit or loss.

Other investments are fair valued through other comprehensive income. The Group has elected to designate these investments in equity instruments as at FVTOCI as these investments are held for medium to long-term strategic purposes and not held for trading. Further, management believe that recognising short-term fluctuations in these investments' fair value in the condensed consolidated interim statement of profit or loss would not be consistent with the Group's strategy.



OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2020

13 CASH AND CASH EQUIVALENTS

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

	<i>For the nine-month period ended 30 September</i>	
	<i>2020</i>	<i>2019</i>
	<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>
Bank balances and cash – net of impairment allowance	16,119,862	12,627,483
Bank overdraft	(88,365)	(302,367)
	16,031,497	12,325,116
Less: deposits with maturity more than three-months	(96,484)	(186,960)
Less: restricted deposits	(1,047,986)	(829,787)
Cash and cash equivalents as per condensed consolidated interim statement of cash flows	14,887,027	11,308,369

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the respective countries. Accordingly, the Group estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12 month ECL. None of the balances with banks at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the bank, the Group has recorded an impairment loss of QR. 668 thousand during the nine-month period ended 30 September 2020 (2019: a reversal of QR. 2,976 thousand).

14 SHARE CAPITAL

	<i>2020</i>		<i>2019</i>	
	<i>No of shares (000)</i>	<i>QR. '000</i>	<i>No of shares (000)</i>	<i>QR. '000</i>
Authorised				
<i>Ordinary shares of QR. 1 each</i>				
At 30 September / 31 December	5,000,000	5,000,000	5,000,000	5,000,000
Issued and fully paid up				
<i>Ordinary shares of QR. 1 each</i>				
At 30 September / 31 December	3,203,200	3,203,200	3,203,200	3,203,200

15 TRANSLATION RESERVE

The translation reserve comprises foreign currency differences arising from the translation of the financial statements of foreign operations, except to the extent they relate to non-controlling interest.



OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2020

16 INCOME TAX

The income tax represents amounts recognised by the subsidiaries. The major components of the income tax expense for the period included in the condensed consolidated interim statement of profit or loss are as follows:

	<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>(Reviewed)</i>		<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>
Current income tax				
Current income tax charge	121,119	115,309	351,261	335,823
Deferred income tax				
Relating to origination and reversal of temporary differences	(20,682)	(20,594)	(35,699)	(73,998)
	100,437	94,715	315,562	261,825

Refer to Note 30 for the assessment and conclusion made as a result of COVID-19.

17 DIVIDEND

Dividend paid:

	<i>For the nine-month period ended 30 September</i>	
	<i>2020</i>	<i>2019</i>
	<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>
Dividend declared and approved at the Annual General Meeting: Final Dividend for 2019: QR. 0.25 per share (2018: QR. 2.50 per share)*	800,800	800,800

*During 2019, the Company implemented the share split as directed by the Qatar Financial Markets Authority, which resulted in the change of par value of an ordinary share from QR. 10 to QR. 1 and accordingly impacted the number of ordinary shares.

18 LOANS AND BORROWINGS

	<i>30 September 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Loans and borrowings	30,162,083	30,932,248
Less: Deferred financing costs	(156,827)	(184,973)
	30,005,256	30,747,275



OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the nine-month period ended 30 September 2020

18 LOANS AND BORROWINGS (CONTINUED)

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

	<i>30 September 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Non-current portion	24,479,576	25,336,943
Current portion	5,525,680	5,410,332
	<u>30,005,256</u>	<u>30,747,275</u>

The fair value of the Group's loans and borrowings, which include loans and borrowings carried at fixed rates and floating rates, amounted to QR. 31,965,286 thousand as at 30 September 2020 (2019: QR. 31,942,380 thousand).

Refer to Note 3.2 for the assessment and impact of IBOR reform.

19 EMPLOYEES' BENEFITS

Employees' benefits represent end of service benefits, pensions and other post-employment benefits, and long-term incentives in the form of incentive points.

The carrying amount of the liability arising from long-term incentive payments is determined by the achievement of certain performance targets and share price of the Company.

As at the reporting date, the carrying amount of liability arising from long-term incentive payments approximates its fair value.

The defined benefit plan assets have been updated to reflect their market value at 30 September 2020.

20 TRADE AND OTHER PAYABLES

	<i>30 September 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Trade payables	3,193,069	2,727,934
Accrued expenses	7,862,214	8,410,414
Interest payable	210,813	315,986
Profit payable on Islamic financing obligation	4,977	7,245
License costs payable	297,284	355,101
Amounts due to international carriers -net	514,155	489,513
Negative fair value of derivatives	126,212	98,760
Long term incentive points-based payments	91,898	108,868
Other payables	1,095,822	1,261,153
	<u>13,396,444</u>	<u>13,774,974</u>



OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the nine-month period ended 30 September 2020

21 LEASE LIABILITIES

	<i>30 September 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
At beginning of period / year	6,649,303	-
Initial application of IFRS 16	-	4,709,986
Reclassification of finance lease liabilities	-	887,538
Additions during the period / year	1,196,095	2,014,735
Interest expense on lease liability	392,556	451,996
Principal element of lease payments	(823,932)	(1,265,585)
Payment of interest portion of lease liability	(299,150)	(171,325)
Reduction on early termination	(6,446)	(11,757)
Exchange adjustments	(182,495)	33,715
	<u>6,925,931</u>	<u>6,649,303</u>
Carrying value at the end of the period / year	<u>6,925,931</u>	<u>6,649,303</u>
	<i>30 September 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Non-current portion	5,891,246	5,692,809
Current portion	1,034,685	956,494
	<u>6,925,931</u>	<u>6,649,303</u>

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored by the Group's treasury function.

	<i>30 September 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Maturity analysis		
Not later than 1 year	1,541,847	1,429,929
Later than 1 year and not later than 5 years	4,654,981	4,219,386
Later than 5 years	3,409,504	3,394,521
Less: deferred financing costs	(2,680,401)	(2,394,533)
	<u>6,925,931</u>	<u>6,649,303</u>

22 ASSETS HELD FOR SALE

A portion of assets relating to Artajasa Pembayaran Elektronik ("APE"), a subsidiary of PT Indosat before 2017, were classified as held for sale in 2017 following the approval by the Extraordinary General Shareholders' Meeting of APE in order to divest portion of PT Indosat's investment based on requirements of local jurisdiction. The classification resulted in loss of PT Indosat's control over APE and it was classified as an associate. Subsequently, on 28 May 2020, the Board of Commissioners of Lintasarta approved the plan to sell PT Indosat's entire investment in APE's shares. The related assets held for sale are measured at the lower of carrying amount or fair value less cost to sell.



OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the nine-month period ended 30 September 2020

23 COMPONENTS OF OTHER COMPREHENSIVE INCOME

	<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>(Reviewed)</i>		<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>
<i>Items that may be reclassified subsequently to profit or loss</i>				
<i>Cash flow hedges</i>				
Gain (loss) arising during the period	1,818	(1,696)	(7,236)	(6,150)
Deferred tax effect	-	6	-	36
	1,818	(1,690)	(7,236)	(6,114)
Share of changes in fair value of cash flow hedges	(667)	(10,492)	(15,757)	(37,367)
<i>Foreign exchange reserve</i>				
Foreign exchange translation differences – foreign operations	8,925	(129,350)	(736,600)	220,987
<i>Items that will not be reclassified subsequently to profit or loss</i>				
<i>Fair value reserve</i>				
Net changes in fair value of equity investments at fair value through other comprehensive income	(60,636)	(8,185)	(112,069)	(5,360)
<i>Employees' benefits reserve</i>				
Net movement in employees' benefits reserve	(1,387)	835	10,085	1,082
Deferred tax effect	33	-	(1,143)	-
	(1,354)	835	8,942	1,082
Other comprehensive income for the period – net of tax	(51,914)	(148,882)	(862,720)	173,228

24 COMMITMENTS

	<i>30 September 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Capital expenditure commitments not provided for		
Estimated capital expenditure contracted for at the end of the financial reporting period / year but not provided for	2,761,314	3,203,745
Letters of credit	197,625	185,014



OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the nine-month period ended 30 September 2020

25 CONTINGENT LIABILITIES AND LITIGATIONS

	<u>30 September</u> <u>2020</u> <i>(Reviewed)</i> QR. '000	<u>31 December</u> <u>2019</u> <i>(Audited)</i> QR. '000
Contingent liabilities		
Letters of guarantees	<u>509,812</u>	<u>827,153</u>
Claims against the Group not acknowledged as debts	<u>17,172</u>	<u>22,242</u>

Litigation

All other litigations position reported in the Group's annual consolidated financial statements as at 31 December 2019 have not materially changed as at 30 September 2020.

Refer to Note 30 for the assessment and conclusion made as a result of COVID-19.

26 RELATED PARTY DISCLOSURES

Related parties represent associated companies including Government and semi Government agencies, associates, major shareholders, directors and key management personnel of the Group, and companies of which they are principal owners. In the ordinary course of business, the Group enters into transactions with related parties. Pricing policies and terms of transactions are approved by the Group's management. The Group enters into commercial transactions with Government related entities in the ordinary course of business in terms of providing telecommunication services, placement of deposits and obtaining credit facilities etc.

a) Transactions with Government and related entities

As stated in Note 1, Qatar Holding L.L.C. is the Parent Company of the Group, itself which is controlled by Qatar Investment Authority. The Group enters into commercial transactions with the Government and other Government related entities in the ordinary course of business, which includes providing telecommunication services, placement of deposits and obtaining credit facilities. All these transactions are at arm's length and in the normal course of business. Following are the significant balances and transactions between the Company and the Government and other Government related entities.

- (i) Trade receivables include an amount of QR. 606,287 thousand (2019: QR. 772,653 thousand) receivable from Government and Government related entities.
- (ii) The most significant amount of revenue from a Government related entity amounted to QR. 45,041 thousand (2019: QR. 24,569 thousand).
- (iii) Industry fee (Note 6) pertains to the industry fee payable to CRA, a Government related entity.

In accordance with IAS 24 Related Party Disclosures, the Group has elected not to disclose transactions with the Qatar Government and other entities over which the Qatar Government exerts control, joint control or significant influence. The nature of transactions that the Group has with such related parties relates to provision of telecommunication services.

b) Transactions with Directors and other key management personnel

Key management personnel comprise the Board of Directors and key members of management having authority and responsibility of planning, directing and controlling the activities of the Group.

The compensation and benefits related to Board of Directors and key management personnel amounted to QR. 102,843 thousand for the three-month period ended 30 September 2020 (2019: QR. 98,605 thousand) and QR. 286,403 thousand for the nine-month period ended 30 September 2020 (2019: QR. 305,029 thousand), and end of service benefits amounted to QR. 4,167 thousand for the three-month period ended 30 September 2020 (2019: QR. 3,560 thousand) and QR. 12,720 thousand for the nine-month period ended 30 September 2020 (2019: QR. 20,627 thousand). The remuneration to the Board of Directors and key management personnel has been included under the caption "Selling, general and administrative expenses".



OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2020

27 SEGMENT INFORMATION

Information regarding the Group's reportable segments is set out below in accordance with "IFRS 8 Operating Segments". IFRS 8 requires reportable segments to be identified on the basis of internal reports that are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") and used to allocate resources to the segments and to assess their performance.

The Group is mainly engaged in a single line of business, being the supply of telecommunications services and related products. The majority of the Group's revenues, profits and assets relate to its operations in the MENA. Outside of Qatar, the Group operates through its subsidiaries and associates and major operations that are reported to the Group's CODM are considered by the Group to be reportable segment. Revenue is attributed to reportable segments based on the location of the Group companies. Inter-segment sales are charged at arms' length prices.

For management reporting purposes, the Group is organized into business units based on their geographical area covered, and has seven reportable segments as follows:

1. *Ooredoo Qatar* is a provider of domestic and international telecommunication services within the State of Qatar;
2. *Asiacell* is a provider of mobile telecommunication services in Iraq;
3. *Indosat Ooredoo* is a provider of telecommunication services such as cellular services, fixed telecommunications, multimedia, data communication and internet services in Indonesia;
4. *Ooredoo Oman* is a provider of mobile and fixed telecommunication services in Oman;
5. *Ooredoo Algeria* is a provider of mobile and fixed telecommunication services in Algeria;
6. *Ooredoo Myanmar* is a provider of mobile and fixed telecommunication services in Myanmar; and
7. Others include some of the Group's subsidiaries which are providers of wireless and telecommunication services.

NMTC group is a provider of mobile telecommunication services in Kuwait and elsewhere in the MENA region. NMTC group includes balances and results of Ooredoo Kuwait, Ooredoo Tunisia, Ooredoo Algeria, Wataniya Palestine, Ooredoo Maldives PLC and others. In 2020, based on the recent information and circumstances, management reassessed and concluded that each of the aforementioned entity represents a separate operating segment and should be assessed individually whether it meets the criteria of IFRS 8 Operating Segments, as a reportable segment. If not, such is reported as part of "Others".

Management monitors the operating results of its operating subsidiaries separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss of these reportable segments. Transfer pricing between reportable segments are on an arm's length basis in a manner similar to transactions with third parties.

In prior period, the Group has written down its assets to its recoverable amount and recorded an impairment loss when the recoverable amount of assets is lower than its carrying amount.

OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2020

27 SEGMENT INFORMATION (CONTINUED)

Operating segments

The following table present revenue and profit information regarding the Group's operating segments for the three-month period ended 30 September 2020 and 2019:

For the three-month period ended 30 September 2020 (Reviewed)

	<i>Ooredoo Qatar QR. '000</i>	<i>Asiacell QR. '000</i>	<i>Ooredoo Algeria QR. '000</i>	<i>Indosat Ooredoo QR. '000</i>	<i>Ooredoo Oman QR. '000</i>	<i>Ooredoo Myanmar QR. '000</i>	<i>Others QR. '000</i>	<i>Adjustments and eliminations QR. '000</i>	<i>Total QR. '000</i>
Revenue									
Revenue from rendering of telecom services	1,718,599	1,050,863	563,469	1,722,477	601,819	288,439	1,020,172	-	6,965,838
Sale of telecommunications equipment	16,824	-	1,467	11,348	18,670	402	235,671	-	284,382
Revenue from use of assets by others	1,071	-	-	33,823	6,166	2,816	1,810	-	45,686
Inter-segment	30,529	284	6,049	370	768	290	74,335	(112,625) (i)	-
Total revenue	1,767,023	1,051,147	570,985	1,768,018	627,423	291,947	1,331,988	(112,625)	7,295,906
Timing of revenue recognition									
At a point in time	43,279	-	1,467	11,348	18,670	402	254,580	(45,364)	284,382
Over time	1,723,744	1,051,147	569,518	1,756,670	608,753	291,545	1,077,408	(67,261)	7,011,524
	1,767,023	1,051,147	570,985	1,768,018	627,423	291,947	1,331,988	(112,625)	7,295,906
Results									
Segment profit (loss) before tax*	555,940	274,847	42,637	(34,766)	84,455	(54,466)	92,009	(107,457) (ii)	853,199
Depreciation and amortisation	235,637	224,658	153,792	658,869	184,842	227,982	251,209	107,457 (iii)	2,044,446
Net finance costs	167,570	1,334	8,442	221,479	10,444	54,927	17,447	-	481,643

*Segment profit (loss) before tax is determined after deducting all expenses attributable to the segment including depreciation, amortisation and impairment of assets and finance cost.

**During 2020, the Group has reassessed its level of aggregation of its segment information under IFRS 8, Operating Segments for NMTC Group and as described above. The Group has revised and concluded that each of NMTC's subsidiary is a separate operating segment and hence accounted and disclosed individually. This has been reflected in the current and comparative periods.

OOREDOO Q.P.S.C.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2020

27 SEGMENT INFORMATION (CONTINUED)
For the three-month period ended 30 September 2019 (Reviewed)

	<i>Ooredoo Qatar</i>	<i>Asiacell</i>	<i>Ooredoo Algeria</i>	<i>Indosat Ooredoo</i>	<i>Ooredoo Oman</i>	<i>Ooredoo Myanmar</i>	<i>Others</i>	<i>Adjustments and eliminations</i>	<i>Total</i>
	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>
Revenue									
Revenue from rendering of telecom services	1,721,898	1,151,770	613,676	1,610,754	649,534	267,679	1,106,188	-	7,121,499
Sale of telecommunications equipment	22,891	-	7,753	18,040	25,833	1,085	183,107	-	258,709
Revenue from use of assets by others	5,491	-	-	62,747	4,065	3,112	1,420	-	76,835
Inter-segment	9,600	1,778	6,444	543	2,888	861	88,846	(110,960) (i)	-
Total revenue	1,759,880	1,153,548	627,873	1,692,084	682,320	272,737	1,379,561	(110,960)	7,457,043
Timing of revenue recognition									
At a point in time	23,026	-	7,753	18,040	25,833	1,085	194,726	(11,754)	258,709
Over time	1,736,854	1,153,548	620,120	1,674,044	656,487	271,652	1,184,835	(99,206)	7,198,334
	1,759,880	1,153,548	627,873	1,692,084	682,320	272,737	1,379,561	(110,960)	7,457,043
Results									
Segment profit (loss) before tax*	457,464	206,501	7,602	14,879	133,763	(198,657)	121,730	(112,637) (ii)	630,645
Depreciation and amortisation	224,650	325,656	185,957	666,177	178,357	189,469	252,699	112,637 (iii)	2,135,602
Net finance costs	193,525	2,261	8,364	201,131	7,174	60,978	25,523	-	498,956

*Segment profit (loss) before tax is determined after deducting all expenses attributable to the segment including depreciation, amortisation and impairment of assets and finance cost.



OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the nine-month period ended 30 September 2020

27 SEGMENT INFORMATION (CONTINUED)

(i) Inter-segment revenues are eliminated on consolidation.

(ii) Segment profit before tax does not include the following:

	<i>For the three-month period ended</i>	
	<i>30 September</i>	
	<i>2020</i>	<i>2019</i>
	<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>
Amortisation of intangibles	<u><i>(107,457)</i></u>	<u><i>(112,637)</i></u>

(iii) Amortisation relating to additional intangibles identified from business combination was not considered as part of segment expense.



OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2020

27 SEGMENT INFORMATION (CONTINUED)

Operating segments

The following table present revenue and profit information regarding the Group's operating segments for the nine-month period ended 30 September 2020 and 2019:

For the nine-month period ended 30 September 2020 (Reviewed)

	<i>Ooredoo Qatar</i>	<i>Asiacell</i>	<i>Ooredoo Algeria</i>	<i>Indosat Ooredoo</i>	<i>Ooredoo Oman</i>	<i>Ooredoo Myanmar</i>	<i>Others</i>	<i>Adjustments and eliminations</i>	<i>Total</i>
	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>
Revenue									
Revenue from rendering of telecom services	5,083,452	2,981,388	1,662,879	4,992,351	1,793,737	859,010	3,043,443	-	20,416,260
Sale of telecommunications equipment	47,769	-	4,989	27,665	77,908	2,961	694,412	-	855,704
Revenue from use of assets by others	10,952	-	-	101,258	15,011	8,569	6,222	-	142,012
Inter-segment	137,997	1,203	17,496	2,979	2,818	1,033	221,601	(385,127) (i)	-
Total revenue	5,280,170	2,982,591	1,685,364	5,124,253	1,889,474	871,573	3,965,678	(385,127)	21,413,976
Timing of revenue recognition									
At a point in time	160,328	-	4,989	27,665	77,908	2,961	739,226	(157,373)	855,704
Over time	5,119,842	2,982,591	1,680,375	5,096,588	1,811,566	868,612	3,226,452	(227,754)	20,558,272
	5,280,170	2,982,591	1,685,364	5,124,253	1,889,474	871,573	3,965,678	(385,127)	21,413,976
Results									
Segment profit (loss) before tax*	1,561,507	667,525	44,644	(94,373)	255,516	(139,291)	32,069	(318,436) (ii)	2,009,161
Depreciation and amortisation	666,468	687,409	506,768	2,006,058	556,221	663,732	750,292	318,436 (iii)	6,155,384
Net finance costs	528,255	3,667	25,458	600,783	28,516	169,043	51,826	-	1,407,548

*Segment profit (loss) before tax is determined after deducting all expenses attributable to the segment including depreciation, amortisation and impairment of assets and finance cost.

**During 2020, the Group has reassessed its level of aggregation of its segment information under IFRS 8, Operating Segments for NMTC Group and as described above. The Group has revised and concluded that each of NMTC's subsidiary is a separate operating segment and hence accounted and disclosed individually. This has been reflected in the current and comparative periods.

OOREDOO Q.P.S.C.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2020

27 SEGMENT INFORMATION (CONTINUED)

For the nine-month period ended 30 September 2019 (Reviewed)

	<i>Ooredoo Qatar</i>	<i>Asiacell</i>	<i>Ooredoo Algeria</i>	<i>Indosat Ooredoo</i>	<i>Ooredoo Oman</i>	<i>Ooredoo Myanmar</i>	<i>Others</i>	<i>Adjustments and eliminations</i>	<i>Total</i>
	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>
Revenue									
Revenue from rendering of telecom services	5,228,913	3,300,586	1,828,793	4,557,139	1,930,030	792,098	3,173,834	-	20,811,393
Sale of telecommunications equipment	85,634	-	44,197	103,069	51,063	3,800	643,050	-	930,813
Revenue from use of assets by others	13,970	-	-	183,591	11,194	8,849	5,352	-	222,956
Inter-segment	91,879	8,203	11,989	1,824	6,543	2,568	251,409	(374,415) (i)	-
Total revenue	5,420,396	3,308,789	1,884,979	4,845,623	1,998,830	807,315	4,073,645	(374,415)	21,965,162
Timing of revenue recognition									
At a point in time	148,010	-	44,197	103,069	51,063	3,800	678,295	(97,621)	930,813
Over time	5,272,386	3,308,789	1,840,782	4,742,554	1,947,767	803,515	3,395,350	(276,794)	21,034,349
	5,420,396	3,308,789	1,884,979	4,845,623	1,998,830	807,315	4,073,645	(374,415)	21,965,162
Results									
Segment profit (loss) before tax*	1,420,019	506,138	92,670	(108,728)	393,690	(548,183)	361,866	(341,880) (ii)	1,775,592
Depreciation and amortisation	668,615	991,032	538,501	2,002,953	498,008	612,413	723,737	341,880 (iii)	6,377,139
Net finance costs	653,480	9,089	29,744	583,485	22,247	172,254	77,738	-	1,548,037

*Segment profit (loss) before tax is determined after deducting all expenses attributable to the segment including depreciation, amortisation and impairment of assets and finance cost.

OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the nine-month period ended 30 September 2020

27 SEGMENT INFORMATION (CONTINUED)

- (i) Inter-segment revenues are eliminated on consolidation.
(ii) Segment profit before tax does not include the following:

	<i>For the nine-month period ended 30 September</i>	
	<i>2020</i>	<i>2019</i>
	<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>
Amortisation of intangibles	<u>(318,436)</u>	<u>(341,880)</u>

- (iii) Amortisation relating to additional intangibles identified from business combination was not considered as part of segment expense.

The following table presents segment assets of the Group's operating segments as at 30 September 2020 and 31 December 2019.

	<i>Ooredoo Qatar</i>	<i>Asiacell</i>	<i>Ooredoo Algeria</i>	<i>Indosat Ooredoo</i>	<i>Ooredoo Oman</i>	<i>Ooredoo Myanmar</i>	<i>Others</i>	<i>Adjustments and eliminations</i>	<i>Total</i>
	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>
Segment assets (i)									
At 30 September 2020 (Reviewed)	<u>17,746,923</u>	<u>9,041,282</u>	<u>3,897,513</u>	<u>15,973,640</u>	<u>4,458,816</u>	<u>7,018,220</u>	<u>10,628,238</u>	<u>17,334,339</u>	<u>86,098,971</u>
At 31 December 2019 (Audited)	<u>15,708,374</u>	<u>9,592,206</u>	<u>4,459,738</u>	<u>17,637,300</u>	<u>4,168,799</u>	<u>6,733,000</u>	<u>11,671,230</u>	<u>18,010,975</u>	<u>87,981,622</u>

- (i) Goodwill and other intangibles arising from business combinations amounting to QR. 17,334,339 thousand (31 December 2019: QR. 18,010,975 thousand) were not considered as part of segment assets.

OOREDOO Q.P.S.C.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 For the nine-month period ended 30 September 2020

28 FAIR VALUES OF FINANCIAL INSTRUMENTS
Fair value hierarchy

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

- Level 1: Quoted prices (unadjusted) prices in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the assets of liability, either directly or indirectly; and
- Level 3: Unobservable inputs for the asset or liability.

The following table provides the fair value measurement hierarchy of the Group's financial assets and liabilities at 30 September 2020 and 31 December 2019:

	<i>30 September</i> 2020	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
	<i>QR.'000</i>	<i>QR.'000</i>	<i>QR.'000</i>	<i>QR.'000</i>
Assets				
Financial assets measured at fair value				
FVTOCI	708,636	-	229,962	478,674
FVTPL	73,097	1,264	71,831	2
Derivative financial instrument	3,559	-	3,559	-
Other assets for which fair value is disclosed				
Trade and other receivables	4,179,651	-	-	4,179,651
Bank balances and cash	16,119,862	-	-	16,119,862
	<u>21,084,805</u>	<u>1,264</u>	<u>305,352</u>	<u>20,778,189</u>
Liabilities				
Other financial liabilities measured at fair value				
Derivative financial instruments	126,212	-	126,212	-
Long term incentive points-based payments	166,682	-	166,682	-
Other financial liability for which fair value is disclosed				
Loans and borrowings	31,965,286	20,521,285	11,444,001	-
Other non-current liabilities	1,310,968	-	-	1,310,968
Lease liabilities	6,925,931	-	-	6,925,931
Trade and other payables	5,316,120	-	-	5,316,120
	<u>45,811,199</u>	<u>20,521,285</u>	<u>11,736,895</u>	<u>13,553,019</u>
31 December				
	<i>2019</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
	<i>QR.'000</i>	<i>QR.'000</i>	<i>QR.'000</i>	<i>QR.'000</i>
Assets				
Financial assets measured at fair value				
FVTOCI	828,789	-	210,487	618,302
FVTPL	75,651	1,362	74,286	3
Other assets for which fair value is disclosed				
Trade and other receivables	4,705,956	-	-	4,705,956
Bank balances and cash	14,716,148	-	-	14,716,148
	<u>20,326,544</u>	<u>1,362</u>	<u>284,773</u>	<u>20,040,409</u>
Liabilities				
Other financial liabilities measured at fair value				
Derivative financial instruments	98,760	-	98,760	-
Long term incentive points-based payments	222,859	-	222,859	-
Other financial liability for which fair value is disclosed				
Loans and borrowings	31,942,380	21,071,722	10,870,658	-
Other non-current liabilities	1,587,053	-	-	1,587,053
Lease liabilities	6,649,303	-	-	6,649,303
Trade and other payables	5,156,932	-	-	5,156,932
	<u>45,657,287</u>	<u>21,071,722</u>	<u>11,192,277</u>	<u>13,393,288</u>

There were no transfers among levels 1, 2, and 3 for the nine-month period ended 30 September 2020 and for the year ended 31 December 2019.

OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the nine-month period ended 30 September 2020

29 RESTATEMENT OF COMPARATIVE INFORMATION

Certain comparative have been restated in order to account for the amendments and changes in relation to the initial application of IFRS 16. The restatement impacted the condensed consolidated interim statement of changes in equity for the nine-month period ended 30 September 2019, with no material impact on the condensed consolidated interim statements of profit or loss and comprehensive income and cash flows.

	<i>Adjusted balance as at 1 January 2019 (As previously reported)</i>	<i>Restatement</i>	<i>Adjusted balance as at 1 January 2019 (Restated)</i>
	<u>QR. '000</u>	<u>QR. '000</u>	<u>QR. '000</u>
Retained earnings	12,089,499	(9,964)	12,079,535
Non-controlling interests	5,958,173	(16)	5,958,157

30 IMPACT OF COVID-19

On 11 March 2020, COVID-19 was declared as pandemic by the World Health Organisation and is causing disruptions to businesses and economic activities. The fiscal and monetary authorities, both domestic and international, have announced various support measures across the globe to counter possible adverse implications. The Group will continue to closely monitor as the situation progresses and has activated its business continuity planning and other risk management practices to manage the potential business operations disruption and financial performance in 2020.

COVID-19 has brought about uncertainties in the global economic environment. In light of the rapidly escalating situation, the Group has considered whether any adjustments and changes in judgments, estimates and risk management are required to be considered and reported in the condensed consolidated interim financial statements. The Group's business operations remain largely unaffected by the current situation. Below are the key assumptions about the future and other key sources of estimation that may have a significant risk of causing a material adjustments to the condensed interim consolidated financial statements:

Impairment of non-financial assets

The Group has performed a qualitative assessment for its investment in CGUs, considering the minimal impact of COVID-19 on entities operating in telecommunication sector, and compared the actual results for the nine-month period ended 30 September 2020 against the budget and industry benchmarks and that conclude the impairment assessment as at 31 December 2019 remains unchanged.

The Group has also considered any impairment indicators and any significant uncertainties impacting its property, plant and equipment (Note 8), and right-of-use assets, especially arising from any changes in lease term (Note 10) and concluded that there is no material impact of COVID-19.

Expected Credit Losses ("ECL") and impairment of financial assets

The uncertainties caused by COVID-19 have required the Group to reassess the inputs and assumptions used for the determination of ECLs as at 30 September 2020. The Group has updated the relevant forward-looking information of its international operations with respect to; the weightings of the relevant macroeconomic scenarios of the respective market in which it operates; significant increase in credit risk; and assessing the indicators of impairment for the exposures in potentially affected sectors. As a result, the Group has appropriately recorded a provision on impacted assets for the nine-month period ended 30 September 2020.

Further, due to volatility of foreign exchange rates, the Group has also assessed the impact of COVID-19 on foreign exchange rates of the countries it operates in and recorded an appropriate adjustment towards the estimated forex loss on its financial assets and liabilities for the nine-month period ended 30 September 2020.

OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the nine-month period ended 30 September 2020

30 IMPACT OF COVID-19 (CONTINUED)

Income tax, commitments and contingent liabilities

One of the Group's subsidiaries had adjusted its income tax based on the revision corporate tax directives issued by the local regulatory authority. Refer to Note 16.

Further, the Group has assessed the impact of any operational disruptions, including any contractual challenges and changes in business or commercial relationships among the Group entities, customers and suppliers, to determine if there is any potential increase in contingent liabilities and commitments. Refer to Note 24 and 25.

Going concern

The Group has performed an assessment of whether it is a going concern in the light of current economic conditions and all available information about future risks and uncertainties. The projections have been prepared covering the Group's future performance, capital and liquidity. The impact of COVID-19 may continue to evolve, but at the present time the projections show that the Group has sufficient resources to continue in operational existence and its going concern position remains largely unaffected and unchanged from 31 December 2019. As a result, these interim condensed consolidated financial statements have been appropriately prepared on a going concern basis.

The Group will continue to closely monitor the impact of COVID-19 as the situation progresses to manage the potential business disruption COVID-19 outbreak may have on its operations and financial performance in 2020.