

The background of the cover is a dark blue-grey color. It features a blurred image of a person's hands typing on a keyboard. Overlaid on this are various financial data visualizations, including a line graph with multiple data series and a candlestick chart. The overall aesthetic is professional and financial.

# MULTIPLY GROUP

## Multiply Group PJSC

Directors Report and Interim Financial Information  
For the period ended 30 September 2022

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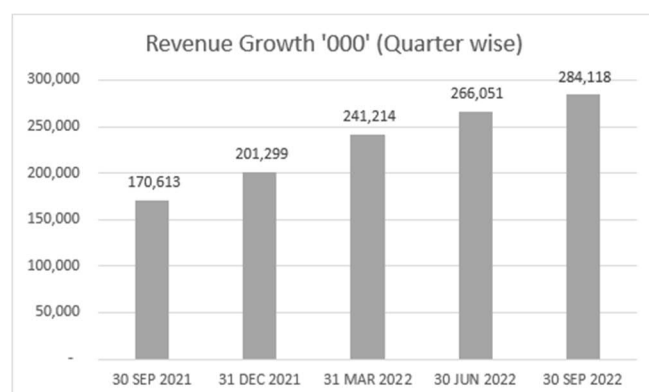
Dear Shareholders,

On behalf of the Board of Directors (“the Board”), I am pleased to present our Q3 interim condensed consolidated financial statements of Multiply Group PJSC (the “Company”) and its subsidiaries (together referred to as the “Group”) as at 30 September 2022.

## **Financial aspect (Consolidated):**

The Group's Q3 2022 figures show revenue of AED 284.12 million (*Q3 2021: AED 162.33 million*) and gross margin of AED 138.7 million (*Q3 2021: AED 95.21 million*);

As of 30 September 2022, Multiply Group’s revenue grew by 67% compared to the same period last year, mainly nurtured by the impact of organic growth and acquisitions.



The Group recorded net profit for the period ended 30 September 2022 amounting to AED 9,748.76 million (*Q3 2021: net profit of AED 123.66 million*);

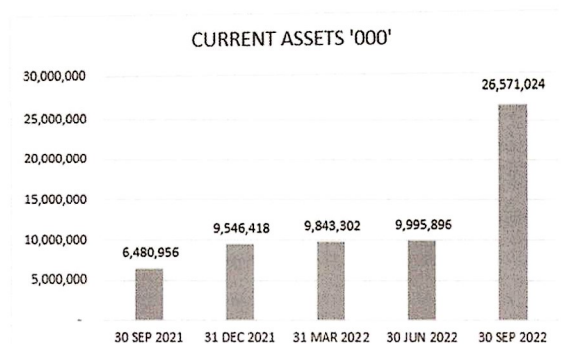
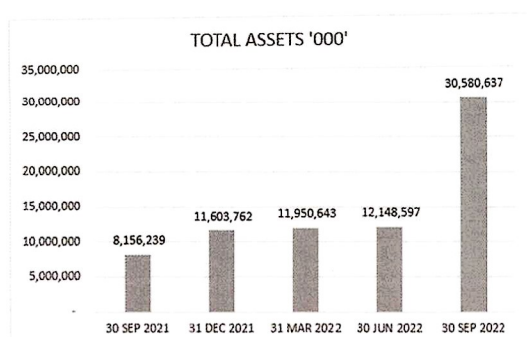
Investment and other income for Q3 2022 was AED 9,250.67 million (*Q3 2021: AED 55.86*);

The Group’s total expenses (including direct expenses, general and administrative expenses and finance costs) for the period ended 30 September 2022 was AED 593.66 million (*Q3 2021: AED 102.07 million*).

The Group’s earnings per share for the period ended 30 September 2022 was AED 0.86 (*Q3 2021: earnings per share of AED 0.32*);

As of 30 September 2022, Multiply Group total assets grew by 275% compared with 30 September 2021. The increase is mainly composed of new investments and growth in existing operational assets.

As of 30 September 2022, Multiply Group total current assets grew by 310% compared with 30 September 2021. The Increase is mainly composed of new investments and performance of existing investment portfolio.



## Going concern basis

The Board of Directors has reasonable expectation that the Group has adequate resources and support to continue its operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the interim condensed consolidated financial statements for the period ended 30 September 2022.

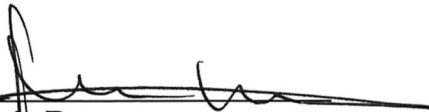
## Transactions with related parties

The consolidated financial statements disclose related party transactions and balances in note 13. All transactions are carried out as part of our normal course of business and in compliance with applicable laws and regulations.

## Auditors

Ernst & Young were appointed as external auditors for the Group for the period ended 30 September 2022. Ernst & Young have expressed their willingness to continue in office.

On behalf of the Board of Directors

  
**Mrs. Samia Bouazza**  
 Chief Executive Officer  
 27 October 2022

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**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
TO THE BOARD OF DIRECTORS OF MULTIPLY GROUP PJSC**

*Introduction*

We have reviewed the accompanying interim condensed consolidated financial statements of Multiply Group PJSC (the "Company") and its subsidiaries (together referred to as the "Group") as at 30 September 2022, comprising of the interim condensed consolidated statement of financial position as at 30 September 2022, and the related interim condensed consolidated statements of profit or loss and other comprehensive income for the three months and nine months periods then ended and the related interim condensed consolidated statement of changes in equity and cash flows for the nine months period then ended and explanatory notes. Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

*Scope of review*


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

*Conclusion*

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

*Other matters*

The interim condensed consolidated statements of profit or loss and other comprehensive income for the three months ended 30 September 2021 and explanatory notes, were not reviewed by an auditor and are presented for comparison purposes only.



Signed by:  
Raed Ahmad  
Partner  
Ernst & Young  
Registration No 811

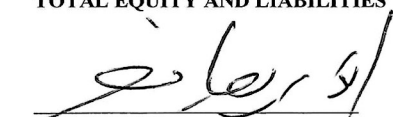
27 October 2022  
Abu Dhabi



# Multiply Group PJSC

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION At 30 September 2022

		<i>(Unaudited)</i> 30 September 2022 AED'000	<i>(Audited)</i> 31 December 2021 AED'000
	<i>Notes</i>		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	1,369,213	1,260,947
Investment properties		127,830	131,682
Intangible assets and goodwill		492,900	501,428
Right-of-use assets	5	111,484	94,384
Investment in a joint venture	6	1,841,175	-
Investments carried at fair value through other comprehensive income	7	<u>67,011</u>	<u>68,903</u>
		<u>4,009,613</u>	<u>2,057,344</u>
<b>Current assets</b>			
Inventories		26,548	20,391
Investments carried at fair value through profit or loss	8	25,297,789	5,433,404
Trade and other receivables	9	244,934	207,033
Due from related parties	13	42,939	343,264
Cash and bank balances	10	<u>958,814</u>	<u>3,542,326</u>
		<u>26,571,024</u>	<u>9,546,418</u>
<b>TOTAL ASSETS</b>		<u>30,580,637</u>	<u>11,603,762</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	12	2,800,000	2,800,000
Share premium		6,703,610	6,703,610
Statutory reserve		18,642	18,642
Cumulative changes on revaluation of investments		476	1,384
Merger and acquisition reserve		375,593	375,353
Retained earnings		<u>9,889,348</u>	<u>251,512</u>
<b>Equity attributable to owners of the Company</b>		19,787,669	10,150,501
Non-controlling interests		<u>825,300</u>	<u>575,529</u>
<b>Total equity</b>		<u>20,612,969</u>	<u>10,726,030</u>
<b>Non-current liabilities</b>			
Employees' end of service benefit		41,989	37,383
Borrowings	15	8,180,709	314,861
Lease liabilities	5	76,665	75,409
Trade and other payables	14	<u>108,384</u>	<u>108,303</u>
		<u>8,407,747</u>	<u>535,956</u>
<b>Current liabilities</b>			
Borrowings	15	333,937	118,070
Lease liabilities	5	37,262	20,321
Due to related parties	13	961,253	28,494
Trade and other payables	14	<u>227,469</u>	<u>174,891</u>
		<u>1,559,921</u>	<u>341,776</u>
<b>Total liabilities</b>		<u>9,967,668</u>	<u>877,732</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>30,580,637</u>	<u>11,603,762</u>

  
CHAIRMAN

  
CHIEF EXECUTIVE OFFICER

  
GROUP FINANCE DIRECTOR

The attached notes 1 to 21 form part of these interim condensed consolidated financial statements.

## Multiply Group PJSC

### INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

For the three months and nine months periods ended 30 September 2022

		<i>Three months ended</i> <i>30 September</i>		<i>Nine months ended</i> <i>30 September</i>	
		<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
	<i>Notes</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Revenue	16	<b>284,118</b>	162,326	<b>791,383</b>	170,773
Cost of revenue		<b><u>(145,418)</u></b>	<u>(67,115)</u>	<b><u>(402,141)</u></b>	<u>(71,092)</u>
<b>GROSS PROFIT</b>		<b>138,700</b>	95,211	<b>389,242</b>	99,681
Investment and other income	17	<b>9,250,667</b>	55,862	<b>9,551,041</b>	55,862
Share of profit from investment in associate		-	7	-	(903)
General and administrative expenses		<b>(51,232)</b>	(24,145)	<b>(133,472)</b>	(28,438)
Finance costs		<b><u>(51,621)</u></b>	<u>(2,542)</u>	<b><u>(58,050)</u></b>	<u>(2,542)</u>
<b>PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b><u>9,286,514</u></b>	<u>124,393</u>	<b><u>9,748,761</u></b>	<u>123,660</u>
<b>Attributable to:</b>					
Owners of the Company		<b>9,251,936</b>	101,529	<b>9,641,239</b>	100,796
Non-controlling interests		<b><u>34,578</u></b>	<u>22,864</u>	<b><u>107,522</u></b>	<u>22,864</u>
		<b><u>9,286,514</u></b>	<u>124,393</u>	<b><u>9,748,761</u></b>	<u>123,660</u>
<b>Basic earnings per share (AED)</b>	18	<b><u>0.83</u></b>	<u>0.32</u>	<b><u>0.86</u></b>	<u>0.32</u>

The attached notes 1 to 21 form part of these interim condensed consolidated financial statements.

## Multiply Group PJSC

### INTERIM CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME (UNAUDITED)

For the three months and nine months periods ended 30 September 2022

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
<b>PROFIT FOR THE PERIOD</b>	<b>9,286,514</b>	124,393	<b>9,748,761</b>	123,660
<b>Other comprehensive loss:</b>				
<i>Items that will not be reclassified subsequently to The consolidated statement of profit or loss:</i>				
Change in the fair value of financial assets carried at fair value through other comprehensive income (note 7)	<u>(1,892)</u>	-	<u>(1,892)</u>	-
<b>Total other comprehensive loss</b>	<u>(1,892)</u>	-	<u>(1,892)</u>	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u><b>9,284,622</b></u>	<u>124,393</u>	<u><b>9,746,869</b></u>	<u>123,660</u>
<b>Attributable to:</b>				
Owners of the Company	9,251,028	101,529	9,640,331	100,796
Non-controlling interests	<u>33,594</u>	<u>22,864</u>	<u>106,538</u>	<u>22,864</u>
	<u><b>9,284,622</b></u>	<u>124,393</u>	<u><b>9,746,869</b></u>	<u>123,660</u>

The attached notes 1 to 21 form part of these interim condensed consolidated financial statements.

## Multiply Group PJSC

### INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the nine months period ended 30 September 2022

	Attributable to equity holders of the Company							Non controlling- interests AED '000	Total equity AED '000
	Share capital AED '000	Share premium AED '000	Statutory reserve AED '000	Capital contribution AED '000	Cumulative change on revaluation of investment AED '000	Merger and acquisition reserve AED '000	Retained earnings AED '000	Total AED '000	
Balance at 1 January 2021 (audited)	300	-	150	33,147	-	56,330	89,927	-	89,927
Total comprehensive income for the period	-	-	-	-	-	-	100,796	100,796	22,864
Business combination of entities under common control	-	-	-	-	-	1,075,721	-	1,075,721	375,913
Additional capital contributed	-	-	-	69,825	-	-	-	69,825	-
Increase in share capital	<u>2,099,700</u>	<u>4,295,610</u>	<u>-</u>	<u>(102,972)</u>	<u>-</u>	<u>(772,638)</u>	<u>-</u>	<u>5,519,700</u>	<u>-</u>
Balance at 30 September 2021 (unaudited)	<u>2,100,000</u>	<u>4,295,610</u>	<u>150</u>	<u>-</u>	<u>-</u>	<u>303,083</u>	<u>157,126</u>	<u>6,855,969</u>	<u>398,777</u>
Balance at 1 January 2022 (audited)	2,800,000	6,703,610	18,642	-	1,384	375,353	251,512	10,150,501	575,529
Profit for the period	-	-	-	-	-	-	9,641,239	9,641,239	107,522
Other comprehensive loss for the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(908)</u>	<u>-</u>	<u>-</u>	<u>(908)</u>	<u>(984)</u>
Total comprehensive income for the period	-	-	-	-	(908)	-	9,641,239	9,640,331	106,538
Capital injection by non-controlling interest	-	-	-	-	-	-	-	-	184,118
Business combination of entities under common control (note 11.1)	-	-	-	-	-	240	-	240	60
Disposal of partial interest in a subsidiary (note 11.3)	-	-	-	-	-	-	125	125	(125)
Additional non-controlling interest at Group level from acquisition of a subsidiary (note 11.2)	-	-	-	-	-	-	(3,528)	(3,528)	3,528
Dividends to non-controlling interest (note 20)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(44,348)</u>
Balance at 30 September 2022 (unaudited)	<u>2,800,000</u>	<u>6,703,610</u>	<u>18,642</u>	<u>-</u>	<u>476</u>	<u>375,593</u>	<u>9,889,348</u>	<u>19,787,669</u>	<u>825,300</u>
									<u>20,612,969</u>

The attached notes 1 to 21 form part of these interim condensed consolidated financial statements.



## Multiply Group PJSC

### INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the nine months period ended 30 September 2022

		<i>Nine months ended</i> <i>30 September</i>	
		2022	2021
	Notes	AED'000	AED'000
<b>OPERATING ACTIVITIES</b>			
Profit for the period		9,748,761	123,660
Adjustments for:			
Depreciation of property, plant and equipment	4	46,662	11,098
Depreciation of right-of-use assets	5	22,615	1,033
Depreciation of investment properties		3,852	1,284
Amortisation of intangible assets		15,839	2,123
Share of loss (profit) from investment in associate		-	903
Change in fair value of investments carried at fair value through profit or loss	7	(9,477,907)	(13,133)
Gain on revaluation of previously held equity interest	17	-	(40,988)
Gain on disposal of property, plant and equipment	17	(798)	(439)
Provision for employees' end of service benefit		7,109	1,333
Allowance for slow moving inventories		654	-
Interest and dividends		(62,342)	-
Finance costs		58,050	2,542
Allowance for expected credit losses		3,315	1,041
Operating cash flows before working capital changes		365,810	90,457
Working capital changes:			
Inventories		(6,651)	278
Due from related parties		300,641	18,329
Trade and other receivables		(18,002)	62,086
Due to related parties		12,172	(3,538)
Trade and other payables		37,752	(48,025)
Cash generated from operations		691,722	119,587
Finance cost paid		(75)	(1,751)
Employees' end of service benefit paid		(2,533)	(894)
Net cash generated from operating activities		689,114	116,942
<b>INVESTING ACTIVITIES</b>			
Term deposits with original maturities of more than three months		(325,000)	-
Purchase of property, plant and equipment	4	(162,871)	(35,724)
Purchase of intangible assets		(1,191)	-
Proceeds from sale of property, plant and equipment		15,598	441
Interest and dividends received		39,342	-
Purchase of investments carried at fair value through profit or loss	8	(11,199,937)	(81,408)
Proceeds from disposal of investments carried at fair value through profit or loss		813,459	946
Business combination of entities under common control		-	376,216
Purchase of investment in a joint venture		(920,588)	-
Cash used on acquisition of a subsidiary	11.2	(7,200)	-
Cash acquired on from acquisition of a subsidiary		-	48,392
Net cash generated from (used in) generated from investing activities		(11,748,388)	308,863

## Multiply Group PJSC

### INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) continued For the nine months period ended 30 September 2022

		<i>Nine months ended</i> <i>30 September</i>	
		<i>2022</i> <i>AED'000</i>	<i>2021</i> <i>AED'000</i>
	<i>Notes</i>		
<b>FINANCING ACTIVITIES</b>			
Cash injection on increase of share capital		-	1,834,100
Additional capital contributed		-	69,825
Capital contribution by non-controlling interest		<b>184,118</b>	
Proceeds from borrowings		<b>8,057,972</b>	94,036
Repayment from borrowings		<b>(34,034)</b>	(57,155)
Repayment of lease liabilities	5	<b>(26,945)</b>	(780)
Dividend paid	20	<b><u>(30,349)</u></b>	<u>-</u>
Net cash from financing activities		<b><u>8,150,762</u></b>	<u>1,940,026</u>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD</b>		<b>(2,908,512)</b>	2,365,831
Cash and cash equivalents at beginning of the period		<b><u>3,442,326</u></b>	<u>10,330</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	10	<b><u>533,814</u></b>	<u>2,376,161</u>

Significant non-cash transaction excluded from the interim consolidated statement of cash flows is as follows:

	<i>Notes</i>	<i>(Unaudited) 2022 AED '000</i>	<i>(Unaudited) 2021 AED '000</i>
Investments carried at fair value through profit or loss contributed by a shareholder	7	<u><u>-</u></u>	<u><u>3,685,600</u></u>
Dividends payable		<u><u>13,999</u></u>	<u><u>-</u></u>
Other receivables		<u><u>23,000</u></u>	<u><u>-</u></u>
Investment in a joint venture		<u><u>920,587</u></u>	<u><u>-</u></u>

The attached notes 1 to 21 form part of these interim condensed consolidated financial statements.

# Multiply Group PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

### 1 GENERAL INFORMATION

Multiply Group PJSC (the “Company”) is public joint stock company under the UAE Federal Law No.(2) of 2015 (as amended). The registered office of the Company is P.O Box 34491, Abu Dhabi, United Arab Emirates.

On 27 October 2021, the shareholders resolved to change the legal form of the Company from a limited liability company to a public joint stock company and to increase the share capital of the Company to AED 2,800,000,000. On 5 December 2021, the Company listed its ordinary shares on the main market of the Abu Dhabi Securities Exchange (“ADX”).

International Holding Company PJSC is the Parent and Royal Group Holding LLC is the Ultimate Parent of the Company.

These interim condensed consolidation financial statements include the results of operations and financial position of the Company and its subsidiaries (together referred to as the “Group”). The main activities of the Group is to provide advertisement design and production, economic feasibility consultancy and studies, exhibition organisation and management, public relationship consultancy, organisation and event management and newspaper advertisement, management and development of motor vehicles driving training and to manage investment properties, installation of district cooling and air conditioning, repair of district cooling and investment in infrastructure projects, wholesale of cosmetics and make-up trading, women and men personal care and other grooming related services.

The interim condensed consolidated financial statements were approved by the Board of Directors and authorised for issue on 27 October 2022.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting.

The interim condensed financial statements do not include all information and disclosures required in the annual consolidated financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2021. In addition, results for the period ended 30 September 2022 are not necessarily indicative of the results that may be expected for the year ending 31 December 2022.

These interim condensed consolidated financial statements have been prepared on the historical cost basis, except for investments carried at fair value through other comprehensive income and investments carried at fair value through profit or loss which are stated fair value.

The interim condensed consolidated financial statements are presented in United Arab Emirates Dirhams (AED), which is the presentation currency and the functional currency of the Company. All the values are rounded to the nearest thousand (AED’000) except when otherwise indicated.

#### 2.2 Basis for consolidation

The interim condensed consolidated financial statements of the Group comprise the financial information of the Company and its subsidiaries.

Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

## 2 BASIS OF PREPARATION continued

### 2.2 Basis for consolidation continued

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the interim condensed consolidated statement of profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

# Multiply Group PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

### 2 BASIS OF PREPARATION continued

#### 2.2 Basis for consolidation continued

Details of the Company's subsidiaries as at 30 September 2022 and 31 December 2021 were as follows:

Name of subsidiary	Place of Incorporation	Principal activities	Proportion of ownership interest and voting power held	
			2022	2021
Emirates Driving Company PJSC (i)	United Arab Emirates	Driving training and road safety education	48.01%	48.01%
Omorfia Group LLC	United Arab Emirates	Women and men personal care and other grooming related services, including procuring beauty products and equipment	51%	51%
Viola Communications LLC	United Arab Emirates	Communication, marketing, media and events	100%	100%
Pal Cooling Holding LLC	United Arab Emirates	District cooling and air conditioning	100%	100%
Norm Commercial Investment – Sole Proprietorship LLC	United Arab Emirates	Investments holding company	100%	100%
Multiply Companies Management Sole proprietorship LLC	United Arab Emirates	Management services of companies and private institutions	100%	100%
MG Communications LLC	United Arab Emirates	Establishing, investing and managing technology projects	100%	100%
MG Wellness Holding LLC	United Arab Emirates	Investment, institute and management of health services enterprises	100%	100%
MG Digital Holding LLC	United Arab Emirates	Establishing, investing and managing technology projects	100%	100%
MG Utilities Holding LLC	United Arab Emirates	Establishing, investing and managing infrastructure projects	100%	100%
MG Ventures Holding LLC	United Arab Emirates	Establishing, investing and managing commercial projects	100%	100%
PAL 4 Solar Energy LLC (note 10.3)	United Arab Emirates	Installation and maintenance of alternative energy equipment	80%	100%
Spranza Commercial Investments SP LLC	United Arab Emirates	Establishing, investing and managing commercial projects	100%	100%
<b><u>Below are the subsidiaries of Emirates Driving Company PJSC:</u></b>				
Tabieah Property Investment – Sole Proprietorship L.L.C.	United Arab Emirates	Manage investment properties	100%	100%
<b><u>Below are the subsidiaries of Omorfia Group LLC:</u></b>				
Bedashing Holding Company LLC	United Arab Emirates	Wholesale cosmetic and make-up trading women personal care and other grooming related services	100%	100%
Dashing International Group – Sole proprietorship LLC	United Arab Emirates	Company representation	100%	100%
Bedashing Beauty Lounge – Sole proprietorship LLC	United Arab Emirates	Wholesale cosmetics and make-up trading, women personal care and other grooming related services	100%	100%
Bedashing Beauty Lounge International Limited	United Arab Emirates	Wholesale cosmetics and make-up trading, women personal care and other grooming related services	100%	100%
Dazzling Beauty Salon – Sole Proprietorship	United Arab Emirates	Women personal care and beauty and women hairdressing, trimming and styling	100%	100%
Groovy Ladies Beauty Center	United Arab Emirates	Women personal care and beauty and women oriental bath, women haircutting and hair dressing and women massage and relation centre	100%	100%
Glam & Glow Beauty Lounge – Sole Proprietorship	United Arab Emirates	Women personal care and beauty, women haircutting and hair dressing and wholesale of cosmetics and trading	100%	100%
Stella Beauty Lounge Center	United Arab Emirates	Women personal care and beauty, women haircutting and hair dressing and retails sale of cosmetics	100%	100%
Nippers & Scissors training Centre – Sole Proprietorship LLC	United Arab Emirates	Wholesale cosmetics and make-up trading, women personal care and other grooming related services	100%	100%
Tips & Toes Beauty and Spa Centre LLC	United Arab Emirates	Ladies' cosmetic and personal care centre, women salon, ladies oriental bath and ladies spa club	100%	100%
Rose Water Ladies Salon – Sole Proprietorship LLC (ii)	United Arab Emirates	Women personal care and beauty, women hairdressing, trimming, styling and henna pigmentation	100%	-
Jazz Lounge Spa LLC	United Arab Emirates	Men oriental bath, gents cosmetic and personal care centre, hair fixing centre, perfumes and cosmetic trading, gents haircutting and hairdressing salon	100%	100%
Ben Suhail Distribution LLC	United Arab Emirates	Perfumes and cosmetic trading, beauty and personal care equipment trading, imitation jewellery trading, Soap and hair care products trading, and beauty and personal care requisites trading	100%	100%

# Multiply Group PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

### 2 BASIS OF PREPARATION continued

#### 2.2 Basis for consolidation continued

Name of subsidiary	Place of Incorporation	Principal activities	Proportion of ownership interest and voting power held	
			2022	2021
<b><u>Below are the subsidiaries of Viola Communication LLC:</u></b>				
Purple Printing LLC	United Arab Emirates	Commercial publication printing	100%	100%
<b><u>Below are the subsidiaries of PAL Cooling Holding LLC:</u></b>				
PAL Cooling Services LLC	United Arab Emirates	Installation of district cooling and air conditioning, repair district cooling and investment in infrastructure projects	100%	100%
PAL First Cooling LLC	United Arab Emirates	Installation of district cooling and air conditioning, repair district cooling and investment in infrastructure projects	100%	100%
PAL Danat Cooling LLC	United Arab Emirates	Installation of district cooling and air conditioning, repair district cooling and investment in infrastructure projects	100%	100%
PAL Saraya Cooling LLC	United Arab Emirates	Installation of district cooling and air conditioning, repair district cooling and investment in infrastructure projects	100%	100%
PAL Shams Cooling LLC	United Arab Emirates	Installation of district cooling and air conditioning, repair district cooling and investment in infrastructure projects	100%	100%
PAL Najmat Cooling LLC	United Arab Emirates	Installation of district cooling and air conditioning, repair district cooling and investment in infrastructure projects	100%	100%
PAL 4 Reem Cooling LLC	United Arab Emirates	Installation of district cooling and air conditioning, repair district cooling and investments in infrastructure projects	100%	100%
PAL 4 Shams Cooling LLC	United Arab Emirates	Installation of district cooling and air conditioning, repair district cooling and investment in infrastructure projects	100%	100%
<b><u>Below are the subsidiaries of PAL 4 Solar Energy LLC:</u></b>				
International Energy Holding LLC (ii)	United Arab Emirates	Commercial publication printing	100%	-
(i)	Emirates Driving Company PJSC is a subsidiary by virtue of the Group being the single largest shareholder at 48.01% with the remaining 51.99% being dispersed amongst 458 shareholders, of which one holds 11.39% and the remaining hold no more than 5% of the voting rights.			
(ii)	Subsidiary acquired during the period (note 11.1)			

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those applied by the Group in the preparation of the consolidated financial statements as at and for the year ended 31 December 2021, except for the adoption of the following new standards and amendments effective as of 1 January 2022. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

- IFRS 1 First-time Adoption of International Financial Reporting Standards - Subsidiary as a first-time adopter
- IFRS 9 Financial Instruments - Fees in the '10 per cent' test for derecognition of financial liabilities
- IAS 41 Agriculture - Taxation in fair value measurements
- Amendments to IAS 37 Onerous Contracts - Cost of Fulfilling a Contract
- Amendments to IFRS 3 - Reference to the Conceptual Framework
- Amendments to IAS 16 - Property, Plant and Equipment: Proceeds before Intended to Use

These amendments had no impact on the interim condensed consolidated financial statements of the Group.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

#### 3.1 New standards, interpretations and amendments adopted by the Group continued

In addition to the accounting policies applied by the Group in its financial statements as at and for the year ended 31 December 2021, the Group has adopted the following accounting policies in preparation of the interim condensed consolidated financial statements due investment in a joint venture during the period.

##### **Investment in a joint venture**

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining joint control are similar to those necessary to determine control over subsidiaries. The Group's investments in its joint venture are accounted for using the equity method.

The results and assets and liabilities of the joint ventures are incorporated in the consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for under IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Company's share of net assets of the joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The interim condensed consolidated statement of comprehensive income reflects the Company's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

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

The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss within 'Share of profit of a joint venture' in the interim condensed consolidated statement of comprehensive income.

When Group's share of losses in a joint venture equals or exceeds its interests in the joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

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



# Multiply Group PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

#### 3.2 Significant accounting estimates and judgments

The preparation of the interim condensed consolidated financial statements in conformity with the International Financial Reporting Standards requires management to make judgment, estimates and assumptions that affect the application of accounting policies and reported amounts of financial assets and liabilities and the disclosure of contingent liabilities. These judgments, estimates and assumptions also affect the revenue, expenses, and provisions as well as fair value changes. Actual results may differ from these estimates.

These judgments, estimates and assumptions may affect the reported amounts in subsequent financial years. Estimates and judgments are currently evaluated and are based on historical experience and other factors.

In preparing these interim condensed consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2021.

### 4 PROPERTY, PLANT AND EQUIPMENT

During the period, additions to property, plant and equipment amounted to AED 168,100 thousand (30 September 2021: AED 35,724 thousand), excluding those acquired through business combinations, depreciation charge of AED 46,662 thousand (30 September 2021: AED 11,098 thousand) and disposals of AED 14,800 thousand (30 September 2021: AED 2 thousand). Property, plant and equipment acquired through business combinations amounted to AED 837 thousand (note 11) (30 September 2021: AED 1,155,127 thousand).

### 5 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

	<i>(Unaudited)</i> <b>30 September</b> <b>2022</b> <i>AED '000</i>	<i>(Audited)</i> <b>31 December</b> <b>2021</b> <i>AED '000</i>
<b>Right-of-use assets:</b>		
Balance at the beginning of the period / year	<b>94,384</b>	-
Acquired through business combination	-	92,402
Additions during the period / year	<b>39,715</b>	5,926
Depreciation expense	<b><u>(22,615)</u></b>	<u>(3,944)</u>
Balance at the end of the period / year	<b><u>111,484</u></b>	<u>94,384</u>
<b>Lease liabilities:</b>		
Balance at the beginning of the period / year	<b>95,730</b>	-
Acquired through business combination	-	91,952
Additions during the period / year	<b>39,715</b>	5,926
Interest expense	<b>5,427</b>	1,817
Payments	<b><u>(26,945)</u></b>	<u>(3,965)</u>
Balance at the end of the period / year	<b><u>113,927</u></b>	<u>95,730</u>
Lease liabilities is analysed in the interim condensed consolidated statement of financial position as follows:		
Current	<b>37,262</b>	20,321
Non-current	<b><u>76,665</u></b>	<u>75,409</u>
	<b><u>113,927</u></b>	<u>95,730</u>

## Multiply Group PJSC

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

#### 6 INVESTMENT IN A JOINT VENTURE

Details of the Company's joint venture is as follows:

<i>Name of entity</i>	<i>Principal activities</i>	<i>Place of incorporation and operation</i>	<i>Ownership interest</i>	
			<i>2022</i>	<i>2021</i>
Kalyon Enerji Yatirmiliari A.S ("Kalyon")	Clean and renewable energy company	Turkey	50%	-

During the period, the Group acquired 50% shareholding in Kalyon for total consideration of AED 1,841,175 thousand, out of which an amount of AED 920,588 thousand was paid. The remaining consideration of AED 920,587 thousand will be paid in 2023.

The investment in Kalyon is accounted for based on provisional fair values/net asset value which will be finalized within 12 months from the date of acquisition..

	<i>(Unaudited)</i> <b>30 September</b> <b>2022</b> <b>AED '000</b>
At 1 January	-
Additions during the period	<b><u>1,841,175</u></b>
At the end of the period	<b><u>1,841,175</u></b>

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below.

	<i>(Unaudited)</i> <b>30 September</b> <b>2022</b> <b>AED '000</b>
Non-current assets	<b>3,918,597</b>
Current assets	<b>372,864</b>
Non-current liabilities	<b>(2,622,830)</b>
Current liabilities	<b><u>(339,917)</u></b>
Net assets	<b><u>1,328,714</u></b>

#### 7 INVESTMENTS CARRIED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<i>(Unaudited)</i> <b>30 September</b> <b>2022</b> <b>AED '000</b>	<i>(Audited)</i> <b>31 December</b> <b>2021</b> <b>AED '000</b>
Quoted	<b>36,227</b>	<b>38,119</b>
Unquoted	<b><u>30,784</u></b>	<b><u>30,784</u></b>
	<b><u>67,011</u></b>	<b><u>68,903</u></b>

## Multiply Group PJSC

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

#### 7 INVESTMENTS CARRIED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME continued

The geographical distribution of investments is as follows:

	<i>(Unaudited)</i> <b>30 September</b> 2022 <i>AED'000</i>	<i>(Audited)</i> <b>31 December</b> 2021 <i>AED'000</i>
Inside the UAE	36,227	38,119
Outside the UAE	<u>30,784</u>	<u>30,784</u>
	<u><b>67,011</b></u>	<u><b>68,903</b></u>

The investments are recorded at fair value using the valuation techniques as disclosed in note 21. Movement in investment in financial assets carried at fair value through other comprehensive income as follows:

	<i>(Unaudited)</i> <b>30 September</b> 2022 <i>AED'000</i>	<i>(Audited)</i> <b>31 December</b> 2021 <i>AED'000</i>
At the beginning of the period / year	68,903	29,400
Acquired through business combination	-	38,119
Change in fair value during the period / year	<u>(1,892)</u>	<u>1,384</u>
At the end of the period / year	<u><b>67,011</b></u>	<u><b>68,903</b></u>

#### 8 INVESTMENTS CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS

	<i>(Unaudited)</i> <b>30 September</b> 2022 <i>AED'000</i>	<i>(Audited)</i> <b>31 December</b> 2021 <i>AED'000</i>
Quoted	25,119,970	5,350,294
Unquoted	<u>177,819</u>	<u>83,110</u>
	<u><b>25,297,789</b></u>	<u><b>5,433,404</b></u>

The geographical distribution of investments is as follows:

	<i>(Unaudited)</i> <b>30 September</b> 2022 <i>AED'000</i>	<i>(Audited)</i> <b>31 December</b> 2021 <i>AED'000</i>
Inside the UAE	24,922,141	5,350,294
Outside the UAE	<u>375,648</u>	<u>83,110</u>
	<u><b>25,297,789</b></u>	<u><b>5,433,404</b></u>

## Multiply Group PJSC

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

#### 8 INVESTMENTS CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS continued

The investments are recorded at fair value using the valuation techniques as disclosed in note 19. Movement in investment in financial assets carried at fair value through profit or loss is as follows:

	<i>(Unaudited)</i> <b>30 September</b> 2022 <i>AED '000</i>	<i>(Audited)</i> <b>31 December</b> 2021 <i>AED '000</i>
At the beginning of the period / year	<b>5,433,404</b>	-
Acquired through business combination	-	38,356
Additions during the period / year	<b>11,199,937</b>	5,342,342
Change in fair value during the period / year (note 17)	<b>9,477,907</b>	56,740
Disposal during the period / year	<b><u>(813,459)</u></b>	<b><u>(4,034)</u></b>
At the end of the period / year	<b><u>25,297,789</u></b>	<b><u>5,433,404</u></b>

As of 30 September 2022, shares with a fair value of AED 23,738,450 thousand, are pledged as security against borrowings (2021: Nil).

#### 9 TRADE AND OTHER RECEIVABLES

	<i>(Unaudited)</i> <b>30 September</b> 2022 <i>AED '000</i>	<i>(Audited)</i> <b>31 December</b> 2021 <i>AED '000</i>
Trade receivables	<b>153,210</b>	159,819
Less: allowance for expected credit losses	<b><u>(24,886)</u></b>	<b><u>(21,555)</u></b>
	<b>128,324</b>	138,264
Advances to suppliers	<b>38,110</b>	24,514
Contract assets	<b>14,648</b>	17,647
Prepayments	<b>21,853</b>	15,077
Other receivables	<b><u>41,999</u></b>	<b><u>11,531</u></b>
	<b><u>244,934</u></b>	<b><u>207,033</u></b>

Movement in allowance for expected credit losses against trade receivables during the period / year was as follows:

	<i>(Unaudited)</i> <b>30 September</b> 2022 <i>AED '000</i>	<i>(Audited)</i> <b>31 December</b> 2021 <i>AED '000</i>
At the beginning of the period / year	<b>21,555</b>	1,757
Acquired in business combinations	-	22,930
Charge (reversal) for the period / year	<b><u>3,331</u></b>	<b><u>(3,132)</u></b>
At the end of the period / year	<b><u>24,886</u></b>	<b><u>21,555</u></b>

# Multiply Group PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

### 10 CASH AND BANK BALANCES

	<i>(Unaudited)</i> <i>30 September</i> <i>2022</i> <i>AED'000</i>	<i>(Audited)</i> <i>31 December</i> <i>2021</i> <i>AED'000</i>
Cash on hand	<b>1,879</b>	2,526
Cash at banks	<b>425,989</b>	3,439,859
Term deposits	<b>531,625</b>	100,620
Less: allowance for expected credit loss	<u><b>(679)</b></u>	<u>(679)</u>
Cash and bank balances	<b>958,814</b>	3,542,326
Less: term deposits with an original maturity more than three months	<u><b>(425,000)</b></u>	<u>(100,000)</u>
Cash and cash equivalents	<u><b>533,814</b></u>	<u>3,442,326</u>

Term deposits are placed with commercial banks in UAE, which carry interest rate ranging from 0.67% to 2.60% per annum (31 December 2021: 0.5% to 2.5% per annum).

### 11 BUSINESS COMBINATIONS

#### 11.1 Business combination under common control

During the period, the Group acquired the following entity under common control. This acquisition is excluded from the scope of International Financial Reporting Standard 3 (IFRS 3) "Business Combinations" given that the Group and the acquired entity is ultimately controlled by the same party before and after the acquisition. The acquisition has been accounted for in the interim condensed consolidated financial statements using the pooling of interest method, which reflects the economic substance of the transaction. The Group has elected to consolidate the income, expense, assets and liabilities of acquired entity from the date of acquisition.

#### International Energy Holding LLC

Effective 1 August 2022, PAL 4 Solar Energy LLC, a subsidiary, acquired a 100% equity interest in International Energy Holding LLC ("Energy") for nil consideration. Energy is based in Abu Dhabi, United Arab Emirates, and is involved in commercial, power, and industrial enterprise investment, institution and management. From the date of acquisition, Energy contributed loss to the Group amounting to AED 6,842 thousand.

The amount recognised in respect of the identified asset acquired and liabilities assumed are set out in the table below.

	<i>AED'000</i>
<b>Assets</b>	
Due from related parties	<u>300</u>
<b>Total assets</b>	<b>300</b>
<b>Net assets</b>	<b>300</b>
Less: non-controlling interest	<u>(60)</u>
Proportionate share of identifiable net assets acquired	<u>240</u>
Merger reserve	<u><b>240</b></u>

# Multiply Group PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

### 11 BUSINESS COMBINATIONS continued

#### 11.2 Acquisition under IFRS 3 Business Combination

During the period, the Group acquired the following entity, which were accounted for the acquisition method under IFRS 3 Business Combinations:

##### **Rose Water Ladies Salon – Sole Proprietorship LLC**

Effective 1 January 2022, Bedashing Holding Company LLC ("Bedashing"), a subsidiary, acquired a 100% equity interest in Rose Water Ladies Salon - Sole Proprietorship LLC ("Rose") for consideration of AED 7,200 thousand. Rose is a sole proprietorship LLC, registered in the Emirate of Abu Dhabi, and is engaged in women personal care and beauty, women hairdressing, trimming, styling and henna pigmentation. From the date of acquisition, Rose contributed revenue and profit to the Group amounting to AED 3,905 thousand and AED 938 thousand respectively.

##### **Assets acquired and liabilities assumed**

The fair values of the identifiable assets and liabilities of the acquired entity as at the date of acquisition was as follows:

	<i>AED'000</i>
<b>Assets</b>	
Property, plant and equipment	837
Intangible assets	577
Inventories	160
Trade and other receivables	<u>230</u>
<b>Total assets</b>	<b><u>1,804</u></b>
<b>Liabilities</b>	
Employees' end of service benefit	30
Trade and other payables	<u>117</u>
<b>Total liabilities</b>	<b><u>147</u></b>
<b>Total identifiable net assets at fair value</b>	<b>1,657</b>
Goodwill arising on acquisition	<u>5,543</u>
<b>Total purchase consideration</b>	<b><u>7,200</u></b>
Non-controlling interest on Group level	<u>3,528</u>

The net assets recognised are based on a provisional assessment of their fair values as at the acquisition date. The Group will finalise the purchase price allocation before the end of 2022. Intangible assets comprises largely of reacquired rights relating to the acquisition which was previously under a franchise agreement with Bedashing.

##### **Analysis of cashflows on acquisition is as follows:**

	<i>AED'000</i>
Cash paid for the acquisition	7,200
Net cash acquired on business combination	<u>-</u>
Acquisition of operating business – net of cash used (included in cash flows from investing activities)	7,200
Transaction costs of the acquisition (included in cash flows from operating activities)	<u>30</u>
<b>Net cash used on acquisition</b>	<b><u>7,230</u></b>

Acquisition related costs amounting to AED 30 thousand were expensed during the period and are included in general and administrative expenses.

## Multiply Group PJSC

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

#### 11 BUSINESS COMBINATIONS continued

##### 11.3 Reduction in shareholding without a loss of control

###### *Decrease of shareholding in a subsidiary without consideration*

During the period, the Group transferred 20% shareholding in PAL 4 Solar Energy LLC to a related party (Alpha Dhabi Holding PJSC) for nil consideration. Following is the schedule reduction in shareholding of PAL 4 Solar Energy LLC:

	<i><b>PAL 4 Solar Energy LLC</b></i>
Reduction in shareholding (%)	20%
Number of shares disposed-off	2,000
Carrying value of the shareholding disposed-off ( <i>AED '000</i> )	(125)
Cash consideration received	<u>-</u>
<b>Difference recognised directly in retained earnings (<i>AED '000</i>)</b>	<b><u>(125)</u></b>

#### 12 SHARE CAPITAL

	<i>(Unaudited) 30 September 2022 AED'000</i>	<i>(Audited) 31 December 2021 AED'000</i>
<b>Authorised issued and fully paid</b>		
11,200,000,000 shares of AED 0.25 each		
(31 December 2021: 11,200,000,000 shares of AED 0.25 each)	<b><u>2,800,000</u></b>	<b><u>2,800,000</u></b>



## Multiply Group PJSC

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

#### 13 RELATED PARTY BALANCES AND TRANSACTIONS

The Group enters into transactions with companies and entities that fall within the definition of a related party as contained in the International Accounting Standard (IAS) 24 *Related Party Disclosures*.

Related parties include the Group's major Shareholders, Directors and businesses controlled by them and their families over which they exercise significant influence in financial and operating decisions making as well as key management personnel.

##### 13.1 Balances

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

		(Unaudited) 30 September 2022 AED'000	(Audited) 31 December 2021 AED'000
Name	Nature of relationship		
<b>Due from related parties:</b>			
Al Ataa Investment LLC	Entity under common control	5,814	6,071
TSL Properties LLC	Entity under common control	5,557	3,581
Pal Technology Services LLC	Entity under common control	4,384	6,426
Al Qudra Holding International LLC	Entity under common control	4,380	-
Bunya Enterprises LLC	Other related party	4,240	-
PAL Group of Companies LLC	Entity under common control	3,308	3,308
International Securities LLC	Entity under common control	2,956	313,455
International Holding Company PJSC	Parent Company	2,114	781
Reem Developers Soler Proprietorship LLC	Entity under common control	1,816	-
Aldar Properties PJSC	Entity under common control	1,751	-
Paragon Malls LLC	Entity under common control	1,474	-
ATGC Transport & GC LLC	Other related party	1,208	6,753
Others	Entities under common control/ other related parties	4,393	3,361
		43,395	343,736
Less: allowance for expected credit loss		(456)	(472)
		42,939	343,264
<b>Due to related parties:</b>			
Kaylon Insaat Sanyi VE Ticaret A.S	Other related party	920,588	-
Chimera Investments LLC	Entity under common control	14,700	14,700
Reem Investments	Entity under common control	10,359	-
Tamouh Investments Company LLC	Entity under common control	6,962	3,986
RG Procurement RSC LTD	Other related party	3,550	2,900
Boudoir Interiors LLC	Other related party	1,256	1,761
Others	Entities under common control/ other related parties	3,838	5,147
		961,253	28,494
Investments in financial assets	Entity under common control/ other related parties	4,313,586	4,618,384

# Multiply Group PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

### 13 RELATED PARTY BALANCES AND TRANSACTIONS continued

#### 13.1 Balances continued

##### Loan from related parties:

Included under borrowings in the interim statement of financial position are the following related party loans:

				(Unaudited) 30 September 2022 AED'000	(Audited) 31 December 2021 AED'000
	Security	Interest rates	Maturity		
Related party loan 1	Secured	5%	December 2026	42,554	41,001
Related party loan 2	Unsecured	Interest free	April 2023	7,623	7,623
Related party loan 3*	Unsecured	Interest free	December 2022	25,000	25,000
				<u>75,177</u>	<u>73,624</u>

\* Related party loan 3 was obtained from the Parent Company during 2021. The loan amounted to AED 50,000 thousand, of which AED 25,000 thousand was repaid during 2021, and the balance being repayable in one bullet payment on 28 February 2022. During the period the repayment terms were amended, where the balance of AED 25,000 thousand is repayable in one bullet payment on 31 December 2022.

#### 13.2 Transactions

##### Balances with a financial institution (other related party):

	(Unaudited) 30 September 2022 AED'000	(Audited) 31 December 2021 AED'000
Balances with a financial institution	<u>257,057</u>	<u>3,054,807</u>
Borrowings	<u>8,297,193</u>	<u>205,088</u>

During the period, the Group entered into the following transactions with related parties:

	Three months ended 30 September		Nine months ended 30 September	
	2022 AED '000	2021 AED '000	2022 AED '000	2021 AED '000
<b>Revenue (entities under common control)</b>	<u>12,714</u>	<u>12,082</u>	<u>31,137</u>	<u>14,407</u>
<b>Cost of revenue (entities under common control)</b>	<u>962</u>	<u>31,318</u>	<u>8,704</u>	<u>31,318</u>
<b>General and administrative expenses (entities under common control)</b>	<u>501</u>	<u>2,286</u>	<u>1,549</u>	<u>2,286</u>
<b>Key management remuneration:</b>				
Salaries and employee benefits	<u>3,457</u>	<u>358</u>	<u>11,993</u>	<u>1,043</u>
Employees end of service benefits	<u>216</u>	<u>25</u>	<u>858</u>	<u>75</u>
<b>Transactions:</b>				
Interest expense for the period	<u>49,774</u>	<u>-</u>	<u>52,587</u>	<u>-</u>
Additions/Drawdowns of borrowings	<u>8,005,758</u>	<u>-</u>	<u>8,057,972</u>	<u>-</u>
Repayment of borrowings	<u>3,704</u>	<u>-</u>	<u>18,026</u>	<u>-</u>

# Multiply Group PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

### 14 TRADE AND OTHER PAYABLES

	(Unaudited) 30 September 2022 AED'000	(Audited) 31 December 2021 AED'000
Trade payables	32,122	44,351
Advance from customers	73,498	56,455
Deferred revenue	67,560	58,232
Accruals and other payables	116,810	90,379
Security deposits	25,903	24,639
VAT payable, net	2,154	794
Retention payable	<u>17,806</u>	<u>8,344</u>
	<b>335,853</b>	283,194
Less: non-current portion	<b>(108,384)</b>	<b>(108,303)</b>
	<b><u>227,469</u></b>	<b><u>174,891</u></b>

Non-current portion consists of the following:

Deferred revenue	33,874	49,231
Advances from customers	48,608	34,433
Security deposits	<u>25,902</u>	<u>24,639</u>
	<b><u>108,384</u></b>	<b><u>108,303</u></b>

### 15 BORROWINGS

<i>Borrowings:</i>	<i>Security</i>	<i>Interest rates</i>	<i>Maturity</i>	(Unaudited) 30 September 2022 AED'000	(Audited) 31 December 2021 AED'000
Term loan 1	Secured	EIBOR + 1.85%	December 2027	18,176	25,431
Term loan 2	Secured	EIBOR + 1.85%	December 2024	155,502	137,481
Term loan 3	Secured	EIBOR + 1.85%	September 2030	79,122	41,607
Term loan 4	Secured	EIBOR + 1.85%	December 2027	142,277	154,788
Term loan 5	Secured	5%	December 2026	42,554	41,001
Term loan 6	Unsecured	Interest free	April 2023	7,623	7,623
Term loan 7	Unsecured	Interest free	December 2022	25,000	25,000
Term loan 8	Secured	3.88%	December 2027	6,041,529	-
Term loan 9	Secured	3.88%	December 2025	1,003,722	-
Term loan 10	Secured	EIBOR + 0.85%	December 2025	500,883	-
Term loan 11	Secured	4.2%	December 2027	<u>498,258</u>	-
				<b><u>8,514,646</u></b>	<b><u>432,931</u></b>

#### *Term loan 8, 9 and 10*

These term loan facilities were obtained during the period to finance the acquisition of investments. Total facilities amount to AED 9 billion. The term loans are repayable in instalments, starting from 31 July 2025 till 31 July 2027.

## Multiply Group PJSC

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

#### 15 BORROWINGS continued

##### *Term loan 11*

Facility is obtained primarily to finance the acquisition of investments. The loan is repayable in two instalments, starting from 31 August 2025 till 31 August 2027.

Disclosed in the interim consolidated statement of financial position as follows:

	<i>(Unaudited)</i> <b>30 September</b> 2022 <i>AED'000</i>	<i>(Audited)</i> <b>31 December</b> 2021 <i>AED'000</i>
Non-current portion	<b>8,180,709</b>	314,861
Current portion	<u><b>333,937</b></u>	<u>118,070</u>
	<u><b>8,514,646</b></u>	<u>432,931</u>

Movement in bank borrowings during the period / year is as follows:

	<i>(Unaudited)</i> <b>30 September</b> 2022 <i>AED'000</i>	<i>(Audited)</i> <b>31 December</b> 2021 <i>AED'000</i>
At 1 January	<b>432,931</b>	-
Acquired in business combinations	-	390,352
Drawdowns	<b>8,057,972</b>	94,036
Repayments	<b>(34,034)</b>	(57,155)
Amortization	<b>141</b>	136
Finance cost*	<u><b>57,636</b></u>	<u>5,562</u>
Balance at the end of the period / year	<u><b>8,514,646</b></u>	<u>432,931</u>

\* Finance cost of AED 5,229 thousand (30 September 2021: 2,182 thousand) was capitalized under property, plant and equipment with the remaining 52,407 thousand being charged to finance cost in the consolidation statement of profit or loss.

# Multiply Group PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

### 16 REVENUE

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
<b>Type of goods or services</b>				
Revenue from district cooling services	<b>79,674</b>	-	<b>203,738</b>	-
Revenue from consultancy, training and coaching services	<b>93,320</b>	65,793	<b>250,054</b>	65,793
Revenue from media and marketing services	<b>20,096</b>	18,264	<b>67,598</b>	26,711
Revenue from sale of cosmetics and rendering of related personal care services	<b>89,029</b>	78,109	<b>263,874</b>	78,109
Revenue from rentals	<b><u>1,999</u></b>	<u>160</u>	<b><u>6,119</u></b>	<u>160</u>
	<b><u>284,118</u></b>	<u>162,326</u>	<b><u>791,383</u></b>	<u>170,773</u>
<b>Timing of revenue recognition</b>				
Revenue at a point in time	<b>235,341</b>	51,489	<b>637,162</b>	59,936
Revenue over time	<b><u>48,777</u></b>	<u>110,837</u>	<b><u>154,221</u></b>	<u>110,837</u>
	<b><u>284,118</u></b>	<u>162,326</u>	<b><u>791,383</u></b>	<u>170,773</u>
<b>Geographical markets</b>				
UAE	<b><u>284,118</u></b>	<u>162,326</u>	<b><u>791,383</u></b>	<u>170,773</u>

### 17 INVESTMENT AND OTHER INCOME

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Change in fair value of investments carried at fair value through profit or loss (note 7)	<b>9,210,731</b>	13,133	<b>9,477,907</b>	13,133
Gain on revaluation of previously held equity interest	-	40,988	-	40,988
Gain on disposal of property, plant and equipment	-	439	<b>798</b>	439
Interest and dividends income	<b>38,352</b>	209	<b>62,342</b>	209
Others	<b><u>1,584</u></b>	<u>1,093</u>	<b><u>9,994</u></b>	<u>1,093</u>
	<b><u>9,250,667</u></b>	<u>55,862</u>	<b><u>9,551,041</u></b>	<u>55,862</u>

## Multiply Group PJSC

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

#### 18 BASIC EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit for the period attributed to the owners of the Group by the weighted average number of shares in issue throughout the period as follows:

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Profit attributable to the Owners of the Company ( <i>AED '000</i> )	<u><b>9,251,936</b></u>	<u>101,529</u>	<u><b>9,641,239</b></u>	<u>100,796</u>
Weighted average number of shares ( <i>shares in '000</i> )	<u><b>11,200,000</b></u>	<u>312,029</u>	<u><b>11,200,000</b></u>	<u>312,029</u>
Basic earnings per share for the period ( <i>AED</i> )	<u><b>0.83</b></u>	<u>0.32</u>	<u><b>0.86</b></u>	<u>0.32</u>

#### 19 CONTINGENT LIABILITIES AND COMMITMENTS

	<i>(Unaudited) 30 September 2022 AED '000</i>	<i>(Audited) 31 December 2021 AED '000</i>
Letters of guarantee	<u><b>11,696</b></u>	<u>10,038</u>
Letters of credit	<u><b>18,237</b></u>	<u>1,260</u>
Commitment of capital expenditure	<u><b>120,026</b></u>	<u>145,318</u>
Commitment of equity investments	<u><b>11,752</b></u>	<u>-</u>

The above bank guarantees were issued in the normal course of business

#### 20 DIVIDENDS

Dividends attribute to non-controlling interest amounting to AED 44,348 thousand was declared during the period (30 September 2021: nil), of which AED 30,349 thousand was paid.

## 21.1 FAIR VALUE MEASUREMENTS

### Fair value of the Group's assets that are measured at fair value on recurring basis

Some of the Group's financial assets are measured at fair value at the end of the reporting period. The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable and gives information about how the fair value of these financial assets are determined

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

<i>Financial assets</i>	<i>Fair value as at</i>		<i>Fair value hierarchy</i>	<i>Valuation techniques</i>
	<i>30 September 2022</i> <i>(Unaudited)</i> <i>AED'000</i>	<i>31 December 2021</i> <i>(Audited)</i> <i>AED'000</i>		
Quoted equity investments – investment in financial assets	<b>25,156,197</b>	5,388,413	Level 1	Quoted bid prices in an active market
Unquoted equity investments – investment in financial assets	<b>208,603</b>	113,894	Level 3	Market approach and latest transaction prices

There were no transfers between each of levels during the period. There are no financial liabilities which should be measured at fair value and accordingly no disclosure is made in the above table.

## 21.2 SEGMENT REPORTING

For operating purposes, the Group is organised into business segments as follows:

**Communications** includes advertisement designing, production and commercial publication printing services.

**Utilities** includes the installation of district cooling and air conditioning, repair district cooling and investment in infrastructure projects.

**Driving training** includes management and development of motor vehicles driving training.

**Wellness** includes health, wholesale cosmetics and make-up trading, women personal care and other grooming related services.

**Investment activities** includes investments in quoted and unquoted equity instruments.



## Multiply Group PJSC

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2022 (Unaudited)

#### 21.2 SEGMENT REPORTING continued

	<i>Communication</i>		<i>Utilities</i>		<i>Driving training</i>		<i>Wellness</i>		<i>Investment activities</i>		<i>Total</i>	
	<i>30 September 2022</i>	<i>30 September 2021</i>	<i>30 September 2022</i>	<i>30 September 2021</i>	<i>30 September 2022</i>	<i>30 September 2021</i>	<i>30 September 2022</i>	<i>30 September 2021</i>	<i>30 September 2022</i>	<i>30 September 2021</i>	<i>30 September 2022</i>	<i>30 September 2021</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Revenue	<b>67,375</b>	26,711	<b>203,738</b>	78,109	<b>256,173</b>	65,793	<b>264,097</b>	-	-	-	<b>791,383</b>	170,613
Cost of revenue	<b>(52,719)</b>	(19,639)	<b>(95,808)</b>	(39,916)	<b>(51,870)</b>	(11,537)	<b>(201,744)</b>	-	-	-	<b>(402,141)</b>	(71,092)
<b>GROSS PROFIT</b>	<b>14,656</b>	7,072	<b>107,930</b>	38,193	<b>204,303</b>	54,256	<b>62,353</b>	-	-	-	<b>389,242</b>	99,521
Investment and other income	<b>74</b>	52,980	-	-	<b>28,718</b>	2,882	<b>1,405</b>	-	<b>9,520,844</b>	-	<b>9,551,041</b>	55,862
Rental income, net	-	-	-	-	-	160	-	-	-	-	-	160
Share of (loss) profit from investment in associate	-	(903)	-	-	-	-	-	-	-	-	-	(903)
Finance costs	<b>(220)</b>	(60)	<b>(5,156)</b>	(1,734)	<b>(2,212)</b>	(748)	<b>(2,859)</b>	-	<b>(47,603)</b>	-	<b>(58,050)</b>	(2,542)
General and administrative expenses	<b>(10,008)</b>	(10,270)	<b>(21,624)</b>	(5,425)	<b>(47,568)</b>	(12,743)	<b>(23,086)</b>	-	<b>(31,186)</b>	-	<b>(133,472)</b>	(28,438)
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b><u>4,502</u></b>	<b><u>48,819</u></b>	<b><u>81,150</u></b>	<b><u>31,034</u></b>	<b><u>183,241</u></b>	<b><u>43,807</u></b>	<b><u>37,813</u></b>	<b><u>-</u></b>	<b><u>9,442,055</u></b>	<b><u>-</u></b>	<b><u>9,748,761</u></b>	<b><u>123,660</u></b>
	<i>30 September 2022</i>	<i>31 December 2021</i>	<i>30 September 2022</i>	<i>31 December 2021</i>	<i>30 September 2022</i>	<i>31 December 2021</i>	<i>30 September 2022</i>	<i>31 December 2021</i>	<i>30 September 2022</i>	<i>31 December 2021</i>	<i>30 September 2022</i>	<i>31 December 2021</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Segment assets	<b><u>87,815</u></b>	<b><u>3,139,252</u></b>	<b><u>3,416,980</u></b>	<b><u>1,303,601</u></b>	<b><u>1,036,132</u></b>	<b><u>1,115,461</u></b>	<b><u>629,911</u></b>	<b><u>581,260</u></b>	<b><u>25,409,799</u></b>	<b><u>5,464,188</u></b>	<b><u>30,580,637</u></b>	<b><u>11,603,762</u></b>
Segment liabilities	<b><u>51,741</u></b>	<b><u>51,812</u></b>	<b><u>1,614,511</u></b>	<b><u>616,761</u></b>	<b><u>139,557</u></b>	<b><u>106,107</u></b>	<b><u>307,711</u></b>	<b><u>103,052</u></b>	<b><u>7,854,148</u></b>	<b><u>-</u></b>	<b><u>9,967,668</u></b>	<b><u>877,732</u></b>