

Multiply Group PJSC

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

PERIOD ENDED 31 MARCH 2024



MULTIPLY GROUP

Multiply Group PJSC

Directors Report and Financial Information

For the period ended 31 March 2024



Dear Shareholders,

On behalf of the Board of Directors ("the Board"), I am pleased to present our interim condensed consolidated financial statements of Multiply Group PJSC (the "Company") and its subsidiaries (together referred to as the "Group") as at 31 March 2024.

Financial performance

Multiply Group reported revenue of AED 391 million for the first quarter of 2024 (Q1 2023: AED 269 million). This translates into an increase of 45% year-on-year reflecting the strength of our vertical building dual strategy of organic growth and acquisitions. Q1 2024 Gross profit of AED 200 million (Q1 2023: AED 138 million) imply healthy blended margin of 51%.

Reported Group net loss stood at AED 4.2 billion (Q1 2023 profit: AED 0.5 million). Net profit excluding unrealized fair value changes in investment portfolio increased 48% year-on-year to AED 393 million (Q1 2023: AED 266 million) largely driven by strong vertical performance and higher investment income.

In Q1 2024, we reported AED 4.6 billion unrealized fair value losses on recent market volatility backdrop (Q1 2023: AED 265 million fair value losses).

The Group's total expenses (Direct expenses and general and administrative expenses) for the quarter were AED 276 million (Q1 2023: AED 190 million).

The Group's consolidated statement of financial position remains robust with total assets of AED 38.7 billion (Full year 2023: AED 42.2 billion). Cash balance stands at AED 1.62 billion (Full year 2023: AED 1.56 billion) after realizing net operating cash flow of AED 483 million during the quarter (Q1 2023: AED 286 million).

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 reviewed interim condensed consolidated financial statements for the first quarter ended 31 March 2024.

Transactions with related parties

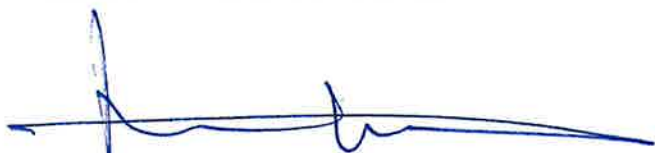
The interim condensed consolidated financial statements disclose related party transactions and balances in note 12. All transactions are carried out as part of our normal course of business and in compliance with applicable laws and regulations.

Disclaimer

To the best of our knowledge, the financial information fairly presents in all material respects, the financial condition, results of its operations and cash flows of the Group for the years presented in this report.

Auditors

Ernst & Young are the external auditors for the Group for the year ending 31 December 2024.

On behalf of the Board of Directors

Samia Bouazza
Chief Executive Officer
03 May 2024

**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 “the Group”) as at 31 March 2024, comprising of the interim consolidated statement of financial position as at 31 March 2024, and the related interim consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the three month period then ended and material accounting policy information and other 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 of the Group are not prepared, in all material respects in accordance with IAS 34.



Signed by:
Ahmad Al Dali
Partner
Ernst & Young
Registration No 5548

3 May 2024
Abu Dhabi

Multiply Group PJSC

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2024

		(Unaudited) 31 March 2024 AED'000	(Audited) 31 December 2023 AED'000
	Notes		
ASSETS			
Non-current assets			
Property, plant and equipment	4	1,523,190	1,456,955
Investment property		120,126	121,410
Intangible assets and goodwill		1,237,814	800,314
Right-of-use assets		533,369	128,929
Investment in a joint venture	5	2,062,181	2,065,268
Trade and other receivables	8	1,166,477	1,236,517
Loans to a related party	12	613,145	616,505
Deferred tax assets		60,659	3,842
Investments carried at fair value through profit or loss	7	14,754,098	17,213,115
Investments carried at fair value through other comprehensive income	6	444,208	446,986
		<u>22,515,267</u>	<u>24,089,841</u>
Current assets			
Inventories		28,772	32,727
Investments carried at fair value through profit or loss	7	13,458,389	15,763,589
Trade and other receivables	8	1,025,539	664,862
Due from related parties	12	78,145	54,195
Cash and bank balances	9	1,618,978	1,557,277
		<u>16,209,823</u>	<u>18,072,650</u>
TOTAL ASSETS		<u>38,725,090</u>	<u>42,162,491</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	11	2,800,000	2,800,000
Share premium		6,703,610	6,703,610
Statutory reserve		1,400,000	1,400,000
Hedging reserve		6,606	(1,372)
Cumulative changes on revaluation of investments		10,097	12,875
Merger, acquisition and other reserves		383,553	383,553
Retained earnings		13,323,282	17,610,165
Equity attributable to owners of the Company		<u>24,627,148</u>	<u>28,908,831</u>
Non-controlling interests		<u>1,227,227</u>	<u>1,277,745</u>
Total equity		<u>25,854,375</u>	<u>30,186,576</u>
Non-current liabilities			
Employees' end of service benefit		57,566	53,220
Borrowings	14	8,869,687	8,208,999
Deferred tax liabilities		45,907	46,745
Loan from related parties	12	20,897	20,497
Lease liabilities		455,546	99,376
Trade and other payables	13	1,050,807	1,149,959
		<u>10,500,410</u>	<u>9,578,796</u>
Current liabilities			
Loan from related parties	12	16,736	17,965
Borrowings	14	808,275	1,381,143
Lease liabilities		164,265	34,861
Due to related parties	12	149,498	145,802
Trade and other payables	13	1,231,531	817,348
		<u>2,370,305</u>	<u>2,397,119</u>
Total liabilities		<u>12,870,715</u>	<u>11,975,915</u>
TOTAL EQUITY AND LIABILITIES		<u>38,725,090</u>	<u>42,162,491</u>

DocuSigned by:

 CHAIRMAN


 CHIEF EXECUTIVE OFFICER


 GROUP FINANCE DIRECTOR

The attached notes 1 to 23 form part of these interim condensed consolidated financial statements

Multiply Group PJSC

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

For the three month period ended 31 March 2024

		<i>Three months ended 31 March (Unaudited)</i>	
		<i>2024</i>	<i>2023</i>
	<i>Notes</i>	<i>AED'000</i>	<i>AED'000</i>
Revenue	15	391,299	269,086
Cost of revenue		<u>(191,463)</u>	<u>(130,744)</u>
GROSS PROFIT		199,836	138,342
Investment and other income	16	360,608	279,354
Unrealised fair value loss on investments in financial assets	7	(4,637,493)	(265,228)
Share of loss from investment in a joint venture	5	(13,059)	(2,138)
General and administrative expenses		(84,894)	(59,422)
Finance costs	14	<u>(115,024)</u>	<u>(90,400)</u>
(LOSS) PROFIT FOR THE PERIOD BEFORE TAX		(4,290,026)	508
Income tax	17	<u>45,863</u>	<u>-</u>
(LOSS) PROFIT FOR THE PERIOD AFTER TAX		(4,244,163)	508
Attributable to:			
Owners of the Company		(4,286,883)	(36,839)
Non-controlling interests		<u>42,720</u>	<u>37,347</u>
		(4,244,163)	508
Basic loss per share (AED)	18	<u>(0.38)</u>	<u>(0.00)</u>

The attached notes 1 to 23 form part of these interim condensed consolidated financial statements.

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INTERIM CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME (UNAUDITED)

For the three month period ended 31 March 2024

	Notes	<i>Three month period ended 31 March</i>	
		2024 AED'000	2023 AED'000
(Loss) profit for the period after tax		(4,244,163)	508
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Share of other comprehensive income of a joint venture	5	9,972	-
<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	6	<u>(2,778)</u>	<u>-</u>
Total other comprehensive income		<u>7,194</u>	<u>-</u>
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD		<u>(4,236,969)</u>	<u>508</u>
Attributable to:			
Owners of the Company		(4,281,683)	(36,839)
Non-controlling interests		<u>44,714</u>	<u>37,347</u>
		<u>(4,236,969)</u>	<u>508</u>

The attached notes 1 to 23 form part of these interim condensed consolidated financial statements.

Multiply Group PJSC

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the three month period ended 31 March 2024

	Attributable to equity holders of the Company									
	Share capital AED '000	Share premium AED '000	Statutory reserve AED '000	Cumulative changes in fair value of investments AED '000	Hedging reserve AED '000	Merger, acquisition and other reserve AED '000	Retained earnings AED '000	Total AED '000	Non controlling interests AED '000	Total equity AED '000
Balance at 1 January 2023 (audited)	2,800,000	6,703,610	1,400,000	(21,491)	-	378,679	17,266,690	28,527,488	853,219	29,380,707
Total comprehensive income for the period	-	-	-	-	-	-	(36,839)	(36,839)	37,347	508
Capital injected by non-controlling interest	-	-	-	-	-	-	-	-	184,241	184,241
Dividends to non-controlling interest (note 19)	-	-	-	-	-	-	-	-	(46,682)	(46,682)
Balance at 31 March 2023 (unaudited)	2,800,000	6,703,610	1,400,000	(21,491)	-	378,679	17,229,851	28,490,649	1,028,125	29,518,774
Balance at 1 January 2024 (audited)	2,800,000	6,703,610	1,400,000	12,875	(1,372)	383,553	17,610,165	28,908,831	1,277,745	30,186,576
(Loss) profit for the period	-	-	-	-	-	-	(4,286,883)	(4,286,883)	42,720	(4,244,163)
Other comprehensive income for the period	-	-	-	(2,778)	7,978	-	-	5,200	1,994	7,194
Total comprehensive (loss) income for the period	-	-	-	(2,778)	7,978	-	(4,286,883)	(4,281,683)	44,714	(4,236,969)
Dividends to non-controlling interest (note 19)	-	-	-	-	-	-	-	-	(95,232)	(95,232)
Balance at 31 March 2024 (unaudited)	2,800,000	6,703,610	1,400,000	10,097	6,606	383,553	13,323,282	24,627,148	1,227,227	25,854,375

The attached notes 1 to 23 form part of these interim condensed consolidated financial statements.

Multiply Group PJSC

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the three month period ended 31 March 2024

		<i>Three months ended</i>	
		<i>31 March (Unaudited)</i>	
	<i>Notes</i>	<i>31 March 2024 AED'000</i>	<i>31 March 2023 AED'000</i>
OPERATING ACTIVITIES			
(Loss) profit for the period before tax		(4,290,026)	508
Adjustments for:			
Depreciation of property, plant and equipment	4	21,066	18,547
Depreciation of right-of-use assets		15,459	8,616
Depreciation of investment properties		1,284	1,284
Amortisation of intangible assets		10,683	5,001
Share of loss from investment in a joint venture	5	13,059	2,138
Change in fair value of investments carried at fair value through profit or loss	7	4,637,493	265,228
Gain on disposal of property, plant and equipment	16	(84)	-
Provision for employees' end of service benefit		2,937	3,586
Finance costs	14	115,024	90,400
Interest and dividends	16	(231,009)	(312,646)
Allowance for (reversal of) slow moving inventories		87	(56)
Unwinding of discount on non-current receivable	16	(31,966)	(38,696)
Amortization of deferred income	16	(96,500)	(95,440)
Loss on reassessment of non-current receivable	16	-	184,548
Provision for (reversal of) expected credit losses		<u>1,421</u>	<u>(12,380)</u>
Operating cash flows before working capital changes		168,928	120,638
Working capital changes:			
Inventories		3,868	(118)
Due from related parties		(23,950)	(17,982)
Trade and other receivables		32,767	96,481
Due to related parties		3,696	(4,771)
Trade and other payables		<u>309,008</u>	<u>99,470</u>
Cash generated from operations		494,317	293,718
Finance costs paid		(10,206)	(6,217)
Employees' end of service benefit paid		<u>(1,199)</u>	<u>(1,536)</u>
Net cash from operating activities		<u>482,912</u>	<u>285,965</u>
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(23,660)	(34,498)
Purchase of intangible assets		(2,137)	(200)
Movement in term deposits with an original maturity more than three months	9	234,649	(250,000)
Proceeds from sale of property, plant and equipment		167	121
Purchase of investments carried at fair value through profit or loss	7	(801)	(6,170)
Purchase of investment carried at fair value through other comprehensive income	6	-	(7,350)
Proceeds from disposal of investments carried at fair value through profit or loss	7	127,525	4,815
Loans to a related party		3,360	-
Payment of amount due to a related party		-	(921,203)
Interest and dividends received		27,181	4,078
Finance costs paid		(46,010)	(30,452)
Cash (used) acquired in acquisition of a subsidiary	10	<u>(416,395)</u>	<u>191</u>
Net cash used in investing activities		<u>(96,121)</u>	<u>(1,240,668)</u>

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INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) continued For the three month period ended 31 March 2024

	<i>Notes</i>	<i>Three months ended 31 March (Unaudited)</i>	
		<i>31 March 2024</i>	<i>31 March 2023</i>
		<i>AED'000</i>	<i>AED'000</i>
FINANCING ACTIVITIES			
Net proceeds from borrowings		32,552	796,555
Repayment of lease liabilities		(27,761)	(12,852)
Capital contribution by non-controlling interest		-	184,241
Dividend paid	19	(95,232)	(46,682)
Net cash (used in) from financing activities		(90,441)	921,262
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE PERIOD		296,350	(33,441)
Cash and cash equivalents at beginning of the period		1,115,953	833,141
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	9	1,412,303	799,700

The attached notes 1 to 23 form part of these interim condensed consolidated financial statements.

Multiply Group PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2024 (Unaudited)

1 GENERAL INFORMATION

Multiply Group PJSC (the “Company”) is public joint stock company registered under the UAE Federal Law No.(32) of 2021. The registered office of the Company is P.O Box 34491, Abu Dhabi, United Arab Emirates.

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

These interim condensed consolidated 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 are:

- 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;
- Manage investment properties;
- Installation of district cooling and air conditioning;
- Repair of district cooling;
- Investment in infrastructure projects;
- Wholesale of cosmetics and make-up trading;
- Women and men personal care and other grooming related services;
- Physiotherapy center; and
- Physical Medicine and rehabilitation center.

The interim condensed consolidated financial statements were approved by the Board of Directors and authorised for issue on 3 May 2024.

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 consolidated 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 2023. In addition, results for the period ended 31 March 2024 are not necessarily indicative of the results that may be expected for the year ending 31 December 2024.

These interim condensed consolidated financial statements have been prepared on a 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 Dirham (AED), which is the presentation currency of the Group and the functional currency of the Company. All the values are rounded to the nearest thousand (AED’000), except when otherwise indicated.

2 BASIS OF PREPARATION continued

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 is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its return.

When the Group has less than a majority of the voting or similar right of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses 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. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the interim condensed consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Non-controlling interest represent the portion of profit or loss and net assets of subsidiaries not owned directly or indirectly by the Parent Company. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group 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.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

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 31 March 2024 (Unaudited)

2 BASIS OF PREPARATION continued

2.2 Basis for consolidation continued

Details of subsidiaries as at 31 March 2024 and 31 December 2023 were as follows:

Name of subsidiary	Place of Incorporation	Principal activities	Proportion of ownership interest and voting power held	
			2024	2023
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%
MG Entertainment Holding LLC	United Arab Emirates	Entertainment enterprises investment, institution and management	100%	100%
Multiply Group International Limited	United Arab Emirates	Holding company	100%	100%
Spranza Commercial Investment - Sole Proprietorship LLC	United Arab Emirates	Establishing, investing and managing commercial projects	100%	100%
Emirates Driving Company PJSC*	United Arab Emirates	Drivers training and road safety education	48.01%	48.01%
<u>Below are the subsidiaries of MG Communications Holding LLC:</u>				
Viola Communications LLC	United Arab Emirates	Communication, marketing, media and events	100%	100%
24 7 Media Holding LLC	United Arab Emirates	Investment holding company	60%	60%
BackLite Media LLC (i)	United Arab Emirates	Outdoor media solution provider	100%	-
<u>Below are the subsidiaries of Viola Communication LLC:</u>				
Purple Printing LLC	United Arab Emirates	Commercial publication printing	100%	100%
Purple Exhibition LLC	United Arab Emirates	Commercial publication printing	100%	100%
<u>Below are the subsidiaries of 24 7 Media Holding LLC:</u>				
24 7 Media LLC	United Arab Emirates	Advertising billboards contracting	100%	100%
Media 20-4 Seven DMCC	United Arab Emirates	Public relation management, media studies, consultancies advertising, consultancies services and events management	100%	100%
<u>Below are the subsidiaries of BackLite Media LLC:</u>				
BackLite Media FZ LLC	United Arab Emirates	Outdoor media solution provider	100%	-
BackLite Digital billboards - Sole proprietorship LLC	United Arab Emirates	Outdoor media solution provider	100%	-
<u>Below are the subsidiaries of MG Wellness Holding LLC:</u>				
Omorfia Group LLC	United Arab Emirates	Women and men personal care and other grooming related services, including procuring beauty products and equipment	51%	51%
LVL Technology Holding (formerly "Switch Technology Holding") *	Cayman Islands	Operation of a wellbeing streaming service and marketplace via an online platform and in physical studios	49.38%	49.38%

Multiply Group PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 March 2024 (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	
			2024	2023
<u>Below are the subsidiaries of Omorfia Group LLC:</u>				
Bedashing Holding Company LLC	United Arab Emirates	Wholesale cosmetic and make-up trading women personal care and other grooming related services	100%	100%
Tips & Toes Beauty And Spa Centre L.L.C	United Arab Emirates	Ladies' cosmetic and personal care centre, women salon, ladies oriental bath and ladies spa club	100%	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 L.L.C	United Arab Emirates	Perfumes and cosmetic trading, beauty and personal care equipment trading, imitation jewellery trading, soap and hair care products trading	100%	100%
Omorfia Institute of Beauty and Wellness Women Beauty Saloon Works Training - Sole Proprietorship LLC (formerly 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%
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	Physical medicine and rehabilitation center and physiotherapy center	100%	100%
Fisio Therapy and Rehabilitation LLC	United Arab Emirates	Woman salon, ladies oriental bath, ladies health club, ladies massage & relaxation center	100%	100%
Juice Lounge SPA and Beauty Center LLC	United Arab Emirates	Ladies health club, ladies oriental bath, ladies cosmetic & personal care center	100%	100%
Juice SPA Salon	United Arab Emirates	Ladies cosmetic & personal care center, women salon, hair fixing center, and henna saloon	100%	100%
Jamm Salon Supplies	United Arab Emirates	Perfumes & cosmetics trading, ladies oriental bath, ladies health club, women salon, soap & hair care products trading, ladies massage & relaxation center	100%	100%
The Juice Beauty Salon LLC	United Arab Emirates	Gents cosmetic & personal care, gents haircutting & hairdressing salon, ladies cosmetic & personal care, ladies haircutting & hair dressing, ladies spa club	100%	100%
Acumen International Ltd.	United Arab Emirates	Men oriental bath, gents haircutting & hairdressing salon, gents health club, gents massage & relaxation center	100%	100%
Atelier Hommage Mens Salon LLC	United Arab Emirates			
<u>Below are the subsidiaries of LVL Technology Holding (formerly "Switch Technology Holding"):</u>				
HealthierU Wellness Services L.L.C	United Arab Emirates	Health enterprise investment, institution and management.	100%	100%
Switch Lifestyle ME FZ LLC	United Arab Emirates	Activities related to corporate wellness	100%	100%
Fuze Fitness Studio LLC	United Arab Emirates	Activities related to corporate wellness	100%	100%
Switch Lifestyle PTE. LTD.	Singapore	Activities related to corporate wellness	100%	100%
Switch Technology HK Limited	Hong Kong	Activities related to corporate wellness	100%	100%
LVL Wellbeing USA INC	United States of America	Activities related to corporate wellness	100%	100%
LVL Technology North America LTD	Canada	Activities related to corporate wellness	100%	100%

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2024 (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	
			2024	2023
<u>Below is the subsidiary of MG Digital Holding LLC:</u>				
PAL Cooling Holding LLC	United Arab Emirates	Installation of district cooling and air conditioning, repair district cooling and investment in infrastructure projects	100%	100%
<u>Below are the subsidiaries of PAL Cooling Holding LLC:</u>				
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%
<u>Below is the subsidiary of MG Utilities Holding LLC:</u>				
PAL 4 Solar Energy LLC	United Arab Emirates	Installation and maintenance of alternative energy equipment.	80%	80%
<u>Below are the subsidiaries of PAL 4 Solar Energy LLC:</u>				
International Energy Holding LLC	United Arab Emirates	Commercial enterprises, investment, institution and management, power enterprise investment and industrial enterprise investment.	100%	100%
<u>Below are the subsidiaries of MG Ventures Holding LLC:</u>				
Norm Commercial Investment – Sole Proprietorship LLC	United Arab Emirates	Investing company	100%	100%
<u>Below is the subsidiary of Emirates Driving Company PJSC:</u>				
Tabieah Property Investments - Sole Proprietorship LLC	United Arab Emirates	Manage Investment Properties	100%	100%

(i) Subsidiaries acquired during the period

* Subsidiaries consolidated based on de facto control/ contractual arrangement.

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 2023, except for the adoption of the following new standards and amendments effective as of 1 January 2024. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2024, but do not have an impact on the interim condensed consolidated financial statements of the Group.

- Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7.
- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback.
- Amendments to IAS 1: Classification of liabilities as Current or Non-current.

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

3.2 Significant accounting estimates and judgements

The preparation of the interim condensed consolidated financial statements in conformity with 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 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 2023.

4 PROPERTY, PLANT AND EQUIPMENT

During the period, additions to property, plant and equipment amounted to AED 25,186 thousand (three month period ended 31 March 2023: AED 35,975 thousand), excluding those acquired through business combinations, depreciation charge of AED 21,066 thousand (three month period ended 31 March 2023: AED 18,547 thousand) and disposals of AED 83 thousand (three month period ended 31 March 2023: AED 121 thousand). Property, plant and equipment acquired through business combinations amounted to AED 62,198 thousand (note 10) (three month period ended 31 March 2023: AED 1,674 thousand).

During the period, the Group capitalized finance cost of AED 1,526 thousand related to its borrowing (31 March 2023: AED 1,477 thousand).

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2024 (Unaudited)

5 INVESTMENT IN A JOINT VENTURE

Details of the Group's joint venture are as follows:

<i>Name of entity</i>	<i>Principal activities</i>	<i>Place of incorporation and operation</i>	<i>Ownership interest</i>	
			<i>2024</i>	<i>2023</i>
<i>Joint venture:</i>				
Kalvon Enerji Yatirmilari A.S (“Kalvon”)	Clean and renewable energy company	Turkey	50%	50%

Movement in investment in joint venture is as follows:

	<i>(Unaudited)</i> <i>31 March</i> <i>2024</i> <i>AED'000</i>	<i>(Audited)</i> <i>31 December</i> <i>2023</i> <i>AED'000</i>
At the beginning of the period/year	2,065,268	1,838,425
Share of (loss) profit for the period/year	(13,059)	228,558
Share of other comprehensive income (loss) for the period/year	<u>9,972</u>	<u>(1,715)</u>
At the end of the period/year	<u>2,062,181</u>	<u>2,065,268</u>

6 INVESTMENTS CARRIED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<i>(Unaudited)</i> <i>31 March</i> <i>2024</i> <i>AED'000</i>	<i>(Audited)</i> <i>31 December</i> <i>2023</i> <i>AED'000</i>
Quoted	36,659	36,659
Unquoted	<u>407,549</u>	<u>410,327</u>
	<u>444,208</u>	<u>446,986</u>

The geographical distribution of investments is as follows:

	<i>(Unaudited)</i> <i>31 March</i> <i>2024</i> <i>AED'000</i>	<i>(Audited)</i> <i>31 December</i> <i>2023</i> <i>AED'000</i>
Inside the UAE	36,659	36,659
Outside the UAE	<u>407,549</u>	<u>410,327</u>
	<u>444,208</u>	<u>446,986</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
31 March 2024 (Unaudited)

6 INVESTMENTS CARRIED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME continued

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 is as follows:

	<i>(Unaudited)</i> 31 March 2024 AED'000	<i>(Audited)</i> 31 December 2023 AED'000
At the beginning of the period/year	446,986	45,045
Additions during the period/year	-	374,700
Transferred to investment in subsidiaries	-	(13,025)
Change in fair value	<u>(2,778)</u>	<u>40,266</u>
At the end of the period/year	<u>444,208</u>	<u>446,986</u>

7 INVESTMENTS CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS

	<i>(Unaudited)</i> 31 March 2024 AED'000	<i>(Audited)</i> 31 December 2023 AED'000
Quoted	28,129,309	32,893,112
Unquoted	<u>83,178</u>	<u>83,592</u>
	<u>28,212,487</u>	<u>32,976,704</u>

Investments carried at fair value through profit or loss are analyzed as follows:

	<i>(Unaudited)</i> 31 March 2024 AED'000	<i>(Audited)</i> 31 December 2023 AED'000
Non-current	14,754,098	17,213,115
Current	<u>13,458,389</u>	<u>15,763,589</u>
	<u>28,212,487</u>	<u>32,976,704</u>

The geographical distribution of investments is as follows:

	<i>(Unaudited)</i> 31 March 2024 AED'000	<i>(Audited)</i> 31 December 2023 AED'000
Inside the UAE	28,008,686	32,740,517
Outside the UAE	<u>203,801</u>	<u>236,187</u>
	<u>28,212,487</u>	<u>32,976,704</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
31 March 2024 (Unaudited)

7 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 21. Movement in investment in financial assets carried at fair value through profit or loss is as follows:

	<i>(Unaudited)</i> 31 March 2024 AED'000	<i>(Audited)</i> 31 December 2023 AED'000
At the beginning of the period/year	32,976,704	33,932,571
Additions	801	57,603
Change in fair value	(4,637,493)	(561,587)
Disposals	<u>(127,525)</u>	<u>(451,883)</u>
At the end of the period/year	<u>28,212,487</u>	<u>32,976,704</u>

8 TRADE AND OTHER RECEIVABLES

	<i>(Unaudited)</i> 31 March 2024 AED'000	<i>(Audited)</i> 31 December 2023 AED'000
Trade receivables	332,784	207,214
Less: allowance for expected credit losses	<u>(21,931)</u>	<u>(20,510)</u>
	310,853	186,704
Advances to suppliers	49,260	33,229
Prepayments	49,552	37,324
Dividends receivable	192,757	-
Receivable under share purchase agreement*	1,523,325	1,585,949
Other receivables	<u>66,269</u>	<u>58,173</u>
	2,192,016	1,901,379
Less: non-current portion	<u>(1,166,477)</u>	<u>(1,236,517)</u>
	<u>1,025,539</u>	<u>664,862</u>

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

	<i>(Unaudited)</i> 31 March 2024 AED'000	<i>(Audited)</i> 31 December 2023 AED'000
At the beginning of the period/year	20,510	35,922
Acquired in business combinations	3	-
Charge (reversal) for the period/year (net)	<u>1,418</u>	<u>(15,412)</u>
At the end of the period/year	<u>21,931</u>	<u>20,510</u>

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2024 (Unaudited)

8 TRADE AND OTHER RECEIVABLES continued

* During 2022, the Group entered into an agreement to acquire shares of a listed company. Under the provisions of the agreement, the Group is entitled to receive a guaranteed return over a period of 5 years, which shall be reduced by any dividends that may be declared and paid by the investee over the 5-year period. Accordingly, the Group recognised a non-current receivable of AED 1,935,301 thousand on the transaction date, using a discount rate of 8%, with a corresponding deferred income. During the period, unwinding of non-current receivable amounting to AED 31,966 thousand (three month period ended 31 March 2023: AED 38,696 thousand) (note 16) and amortisation of deferred income amounting to AED 96,500 thousand (three month period ended 31 March 2023: AED 95,440 thousand) (note 16) were recorded in the interim consolidated statement of profit or loss.

9 CASH AND BANK BALANCES

	<i>(Unaudited)</i> 31 March 2024 AED'000	<i>(Audited)</i> 31 December 2023 AED'000
Cash on hand	2,544	2,539
Cash at banks	491,733	716,275
Term deposits	1,124,706	838,468
Less: allowance for expected credit losses	(5)	(5)
Cash and bank balances	1,618,978	1,557,277
Less: term deposits with an original maturity more than three months	(206,675)	(441,324)
Cash and cash equivalents	<u>1,412,303</u>	<u>1,115,953</u>

Term deposits are placed with commercial banks in UAE, which carry interest rate ranging from 3.05% to 5.90% per annum (31 December 2023: 5.15% to 5.95% per annum).

10 BUSINESS COMBINATIONS

Acquisition during the period

During the period, the Group acquired the following entity, which was accounted for using the acquisition method under IFRS 3 Business Combination:

BackLite Media LLC

Effective 1 March 2024, the Group acquired a 100% equity interest in BackLite Media LLC for a cash consideration of AED 468,728 thousand. BackLite Media LLC is based in the Emirate of Dubai and is a specialized outdoor media solution provided in the United Arab Emirates. From the date of acquisition, BackLite Media LLC contributed revenue and profit to the Group amounting to AED 29,138 thousand and AED 11,695 thousand respectively. If the acquisition had taken place at the beginning of the year, BackLite Media LLC would have contributed revenue and profit to the Group amounting to AED 62,139 thousand and AED 19,346 thousand respectively.

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2024 (Unaudited)

10 BUSINESS COMBINATIONS continued

Assets acquired and liabilities assumed

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

	<i>AED'000</i>
Assets	
Property, plant and equipment	62,198
Right of use assets	399,747
Trade and other receivables	89,031
Cash and bank balance	<u>52,333</u>
Total assets	<u>603,309</u>
Liabilities	
Trade and other payables	90,731
Employees' end of service benefit	2,608
Lease liabilities	<u>487,288</u>
Total liabilities	<u>580,627</u>
Total identifiable net assets at fair value	<u>22,682</u>
Proportionate share of identifiable net assets acquired	22,682
Goodwill arising on acquisition	<u>446,046</u>
Total purchase consideration*	<u>468,728</u>

The net assets recognised are based on a provisional assessment of the fair value of identifiable assets and liabilities as at the acquisition date. The Group will finalise the purchase price allocation before the completion of 12 months from the acquisition date.

Analysis of cashflows on acquisition is as follows:

	<i>AED'000</i>
Cash paid for the acquisition	468,728
Cash acquired on business combination	<u>(52,333)</u>
Cash paid on acquisitions – net of cash acquired (included in cash flows used in investing activities)	416,395
Transaction costs of the acquisition (included in cash flows used in operating activities)	<u>58</u>
Net cash paid on acquisition	<u>416,453</u>

* In accordance with the purchase agreement related to the acquisition of Backlite Media LLC, the initial purchase consideration was determined based on the fair value of the net assets acquired at the time of transfer. The net assets and purchase consideration will be adjusted during the year once provisional assessment of acquisition is complete.

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2024 (Unaudited)

11 SHARE CAPITAL

	<i>(Unaudited)</i> 31 March 2024 AED'000	<i>(Audited)</i> 31 December 2023 AED'000
Authorised issued and fully paid		
11,200,000,000 shares of AED 0.25 each		
(31 December 2023: 11,200,000,000 shares of AED 0.25 each)	<u>2,800,000</u>	<u>2,800,000</u>

12 RELATED PARTY BALANCES AND TRANSACTIONS

12.1 BALANCES

The Group enters into transactions with companies and entities that fall within the definition of a related party as defined 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.

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

<i>Name</i>	<i>Nature of relationship</i>	<i>(Unaudited)</i> 31 March 2024 AED'000	<i>(Audited)</i> 31 December 2023 AED'000
Due from related parties:			
Kalyon Enerji Yatirimlari A.S.	Joint venture	46,193	31,038
Al Qudra Real Estate LLC	Entity under common control	10,530	-
Aldar Properties PJSC	Entity under common control	10,457	6,342
TSL Properties LLC	Entity under common control	1,254	4,783
International Holding Company PJSC	Parent Company	3,919	3,810
Oriontek Innovation LLC ICP	Entity under common control	2,583	2,458
ATGC Transport & GC LLC	Entity under common control	904	1,420
National Marine Dredging Company PJSC (NMDC)	Entity under common control	179	1,268
International Securities LLC	Entity under common control	-	642
Reem Developers Sole Proprietorship LLC	Entity under common control	1,213	-
Others	Entities under common control/ other related parties	<u>2,169</u>	<u>4,351</u>
		79,401	56,112
Less: allowance for expected credit losses		<u>(1,256)</u>	<u>(1,917)</u>
		<u>78,145</u>	<u>54,195</u>

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2024 (Unaudited)

12 RELATED PARTY BALANCES AND TRANSACTIONS continued

12.1 BALANCES continued

Name	Nature of relationship	(Unaudited)	(Audited)
		31 March 2024 AED'000	31 December 2023 AED'000
Due to related parties:			
Alpha Dhabi Holding PJSC	Entity under common control	122,591	123,263
Tamouh Investments Company LLC	Entity under common control	5,088	5,150
RG Procurement RSC LTD	Entity under common control	4,224	3,905
IMEDIA 247 LLC	Entity under common control	8,977	2,857
IMEDIA 24-7 LLC – Sharjah	Entity under common control	1,964	1,872
Reem from energy Investment Services LLC	Other related party	1,788	1,788
International Holding Company PJSC	Parent Company	201	1,474
Others	Entities under common control/ other related parties	4,665	5,493
		149,498	145,802

Loans to a related party:

International Energy Holding LLC, a subsidiary, signed agreements with Kalyon Enerjij Yatirimlari A.S, a joint venture of the Group, to grant loans amounting to USD 128 million and EUR 36 million in order to fund 50% of the joint venture's working capital requirements. The loans carry interest ranging from 8.25% to 10.5% per annum on outstanding principal amounts, which are payable on a quarterly basis starting from 31 December 2023. The principal amounts are repayable at the end of maturity of the loans.

				(Unaudited) 31 March 2024 AED'000	(Audited) 31 December 2023 AED'000
	Currency	Interest rates	Maturity		
Related party loan 1	USD	10.5%	June 2025	213,150	213,150
Related party loan 2	EUR	10.5%	June 2025	114,197	116,884
Related party loan 3	EUR	10.5%	June 2025	28,549	29,221
Related party loan 4	USD	8.25%	September 2031	196,612	196,613
Related party loan 5	USD	10.5%	September 2031	60,637	60,637
				<u>613,145</u>	<u>616,505</u>

Loans from related parties:

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

				(Unaudited) 31 March 2024 AED'000	(Audited) 31 December 2023 AED'000
	Security	Interest rates	Maturity		
Related party loan 1	Secured	5%	December 2026	32,185	31,785
Related party loan 2	Unsecured	Interest free	On demand	5,015	5,015
Related party loan 3	Unsecured	13%	April 2024	433	1,662
				<u>37,633</u>	<u>38,462</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
31 March 2024 (Unaudited)

12 RELATED PARTY BALANCES AND TRANSACTIONS continued

12.1 BALANCES continued

Loans from related parties: continued

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

	<i>(Unaudited)</i> 31 March 2024 <i>AED'000</i>	<i>(Audited)</i> 31 December 2023 <i>AED'000</i>
Non-current portion	20,897	20,497
Current portion	<u>16,736</u>	<u>17,965</u>
	<u>37,633</u>	<u>38,462</u>

12.2 TRANSACTIONS

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

	<i>(Unaudited)</i> 31 March 2024 <i>AED'000</i>	<i>(Unaudited)</i> 31 March 2023 <i>AED'000</i>
Revenue (<i>entities under common control</i>)	<u>9,524</u>	<u>3,822</u>
Cost of revenue (<i>entities under common control</i>)	<u>10,872</u>	<u>2,592</u>
General and administrative expenses (<i>entities under common control</i>)	<u>1,040</u>	<u>822</u>
Investment and other income (<i>Other related parties</i>)	<u>15,156</u>	<u>-</u>
Transactions and balances with a financial institution (other related party)		
	<i>(Unaudited)</i> 31 March 2024 <i>AED'000</i>	<i>(Audited)</i> 31 December 2023 <i>AED'000</i>
Balances with a financial institution	<u>428,531</u>	<u>740,241</u>
Borrowings	<u>8,535,566</u>	<u>9,421,428</u>
Interest expense for the year	<u>99,976</u>	<u>389,563</u>
Drawdown	<u>-</u>	<u>1,500,000</u>
Repayment of borrowings	<u>986,180</u>	<u>792,764</u>

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2024 (Unaudited)

12 RELATED PARTY BALANCES AND TRANSACTIONS continued

12.3 KEY MANAGEMENT REMUNERATION:

	<i>(Unaudited)</i> 31 March 2024 AED'000	<i>(Unaudited)</i> 31 March 2023 AED'000
Salaries and employee benefits	5,405	3,005
Employees end of service benefits	<u>289</u>	<u>481</u>
	<u>5,694</u>	<u>3,486</u>

13 TRADE AND OTHER PAYABLES

	<i>(Unaudited)</i> 31 March 2024 AED'000	<i>(Audited)</i> 31 December 2023 AED'000
Trade payables	142,401	92,309
Advances from customers	76,108	65,573
Unearned revenue	137,674	82,273
Deferred income	1,335,094	1,431,593
Accruals and other payables	447,930	252,543
Dividend payable	95,235	-
Security deposits	25,641	25,641
VAT payable, net	7,244	2,150
Retention payable	<u>15,011</u>	<u>15,225</u>
	2,282,338	1,967,307
Less: non-current portion	<u>(1,050,807)</u>	<u>(1,149,959)</u>
	<u>1,231,531</u>	<u>817,348</u>

Non-current portion consists of the following:

	<i>(Unaudited)</i> 31 March 2024 AED'000	<i>(Audited)</i> 31 December 2023 AED'000
Deferred income	948,033	1,043,473
Unearned revenue	44,256	47,968
Advances from customers	32,877	32,877
Security deposits	<u>25,641</u>	<u>25,641</u>
	<u>1,050,807</u>	<u>1,149,959</u>

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2024 (Unaudited)

14 BORROWINGS

				(Unaudited) 31 March 2024 AED'000	(Audited) 31 December 2023 AED'000
<i>Borrowings</i>	<i>Security</i>	<i>Interest rates</i>	<i>Maturity</i>		
Term loan 1	Secured	EIBOR + 1.85%	December 2024	76,275	74,880
Term loan 2	Secured	EIBOR + 1.85%	September 2030	81,065	84,094
Term loan 3	Secured	EIBOR + 1.85%	December 2027	125,722	130,064
Term loan 4	Secured	EIBOR + 1.85%	November 2029	33,261	33,254
Term loan 5	Secured	3.88%	July 2027	6,039,472	6,099,730
Term loan 6	Secured	3.88%	August 2025	501,853	1,003,814
Term loan 7	Secured	4.2%	August 2027	498,050	498,033
Term loan 8	Secured	EIBOR + 0.85%	September 2025	250,460	339,064
Term loan 9	Secured	EIBOR + 0.85%	March 2026	668,556	847,902
Term loan 10	Secured	EIBOR + 0.85%	June 2026	161,504	159,005
Term loan 11	Secured	EIBOR + 0.85%	September 2026	258,332	314,906
Term loan 12	Unsecured	20%	January 2026	7,752	5,396
Term loan 13 (i)	Secured	EIBOR + 1.15%	February 2029	900,357	-
Term loan 14 (i)	Secured	EIBOR + 1.15%	March 2029	75,303	-
				<u>9,677,962</u>	<u>9,590,142</u>

- (i) Term loans 13 and 14 were obtained to finance the purchase of investments. The term loans are repayable in instalments. The loans are secured against the mortgage of investments in financial assets amounting to AED 1,742,871 thousand.

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

	(Unaudited) 31 March 2024 AED'000	(Audited) 31 December 2023 AED'000
Non-current portion	8,869,687	8,208,999
Current portion	<u>808,275</u>	<u>1,381,143</u>
	<u>9,677,962</u>	<u>9,590,142</u>

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

	(Unaudited) 31 March 2024 AED'000	(Audited) 31 December 2023 AED'000
At the beginning of the period/year	9,590,142	8,463,338
Drawdowns	977,357	1,543,685
Transaction costs, net	(4,783)	398
Finance costs	109,014	399,267
Repayments	<u>(993,768)</u>	<u>(816,546)</u>
At the end of the period/year	<u>9,677,962</u>	<u>9,590,142</u>

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2024 (Unaudited)

14 BORROWINGS continued

Finance costs in the interim consolidated statement of profit or loss consist of the following:

	<i>(Unaudited)</i> 31 March 2024 AED'000	<i>(Unaudited)</i> 31 March 2023 AED'000
Interest on borrowings	107,488	86,929
Interest on loans from related parties	448	512
Interest on lease liabilities	3,768	1,640
Amortization of transaction cost	473	47
Bank charges	<u>2,847</u>	<u>1,272</u>
	<u>115,024</u>	<u>90,400</u>

15 REVENUE

	<i>(Unaudited)</i> 31 March 2024 AED'000	<i>(Unaudited)</i> 31 March 2023 AED'000
<i>Type of goods or services</i>		
Revenue from media and marketing services	140,746	29,986
Revenue from consultancy, training and coaching services	90,143	89,389
Revenue from sale of cosmetics and rendering of related personal care services	96,368	90,328
Revenue from district cooling services	61,937	57,293
Revenue from rentals	<u>2,105</u>	<u>2,090</u>
	<u>391,299</u>	<u>269,086</u>
<i>Timing of revenue recognition</i>		
Revenue at a point in time	232,342	125,507
Revenue over time	<u>158,957</u>	<u>143,579</u>
	<u>391,299</u>	<u>269,086</u>
<i>Geographical markets</i>		
United Arab Emirates	388,826	267,419
Kingdom of Saudi Arabia	<u>2,473</u>	<u>1,667</u>
	<u>391,299</u>	<u>269,086</u>

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2024 (Unaudited)

16 INVESTMENT AND OTHER INCOME

	<i>(Unaudited)</i> 31 March 2024 AED'000	<i>(Unaudited)</i> 31 March 2023 AED'000
Dividend income	202,116	304,363
Amortization of deferred income (note 8)	96,500	95,440
Unwinding of discount on non-current receivable (note 8)	31,966	38,696
Interest income	28,893	8,283
Gain on disposal of property, plant and equipment	84	-
Loss on reassessment of non-current receivable	-	(184,548)
Others	<u>1,049</u>	<u>17,120</u>
	<u>360,608</u>	<u>279,354</u>

17 INCOME TAX

	<i>(Unaudited)</i> 31 March 2024 AED'000	<i>(Unaudited)</i> 31 March 2023 AED'000
Current income tax expense	(11,792)	-
Deferred income tax relating to origination and reversal of temporary differences	<u>57,655</u>	<u>-</u>
Income tax recognized in the interim consolidated statement of profit or loss	<u>45,863</u>	<u>-</u>

18 BASIC EARNINGS PER SHARE

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

	<i>Three months ended</i> 31 March <i>(Unaudited)</i> 2024	<i>(Unaudited)</i> 2023
Loss attributable to the owners of the Company (AED '000)	<u>(4,286,883)</u>	<u>(36,839)</u>
Weighted average number of shares (shares in '000)	<u>11,200,000</u>	<u>11,200,000</u>
Basic loss per share for the period (AED)	<u>(0.38)</u>	<u>(0.00)</u>

As of 31 March 2024, the Group has not issued any dilutive instruments that have an impact on loss per share.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
31 March 2024 (Unaudited)

19 DIVIDENDS

Dividends attributable to non-controlling interest amounting to AED 95,232 thousand were declared during the period (three month period ended 31 March 2023: AED 46,682 thousand was declared and paid during the period).

20 CONTINGENT LIABILITIES AND COMMITMENTS

	<i>(Unaudited)</i> 31 March 2024 AED'000	<i>(Audited)</i> 31 December 2023 AED'000
Letters of guarantee	<u>228,201</u>	<u>204,712</u>
Letters of credit	<u>505</u>	<u>642</u>
Commitment of capital expenditure	<u>185,045</u>	<u>316,442</u>

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

21 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>Fair value as at</i> 31 March 2024 <i>(Unaudited)</i> AED'000	31 December 2023 <i>(Audited)</i> AED'000	Fair value hierarchy	Valuation techniques
Financial assets				
Quoted equity investments – investment in financial assets	28,165,968	32,929,771	Level 1	Quoted bid prices in an active market
Unquoted equity investments – investment in financial assets	490,727	493,919	Level 3	Market approach and latest transaction prices

There were no transfers between of the 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.

22 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.

Asset management includes investments in quoted and unquoted equity instruments.

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 March 2024 (Unaudited)

22 SEGMENTAL REPORTING continued

	Communications			Utilities			Driving training			Wellness			Asset management			Total		
	31 March 2024 AED'000	31 March 2023 AED'000		31 March 2024 AED'000	31 March 2023 AED'000		31 March 2024 AED'000	31 March 2023 AED'000		31 March 2024 AED'000	31 March 2023 AED'000		31 March 2024 AED'000	31 March 2023 AED'000		31 March 2024 AED'000	31 March 2023 AED'000	
Revenue	140,746	29,986		61,937	57,293		92,248	91,479		96,368	90,328		-	-		391,299	269,086	
Cost of revenue	(78,303)	(22,691)		(27,226)	(25,568)		(20,348)	(21,044)		(65,586)	(61,441)		-	-		(191,463)	(130,744)	
Gross profit	62,443	7,295		34,711	31,725		71,900	70,435		30,782	28,887		-	-		199,836	138,342	
Investment and other income	637	7,223		13,985	7,724		12,925	10,090		1,452	1,485		331,609	252,832		360,608	279,354	
Unrealised fair value loss on investments in financial assets	-	-		-	-		2,278	(113)		-	-		(4,639,771)	(265,115)		(4,637,493)	(265,228)	
Share of loss from investment in a joint venture	-	-		(13,059)	(2,138)		-	-		-	-		-	-		(13,059)	(2,138)	
General and administrative expenses	(24,328)	(6,232)		(5,244)	(7,092)		(16,901)	(16,986)		(21,773)	(16,417)		(16,648)	(12,695)		(84,894)	(59,422)	
Finance costs	(2,113)	(178)		(4,759)	(4,817)		(1,339)	(1,554)		(2,789)	(2,314)		(104,024)	(81,537)		(115,024)	(90,400)	
(Loss) profit for the period before tax	36,639	8,108		25,634	25,402		68,863	61,872		7,672	11,641		(4,428,834)	(106,515)		(4,290,026)	508	
Income tax	(3,443)	-		(2,473)	-		(5,995)	-		(924)	-		58,698	-		45,863	-	
(Loss) profit after tax	33,196	8,108		23,161	25,402		62,868	61,872		6,748	11,641		(4,370,136)	(106,515)		(4,244,163)	508	
Segment assets	964,956	307,326		4,249,409	4,205,448		1,278,916	1,218,339		705,818	694,928		31,525,991	35,736,450		38,725,090	42,162,491	
Segment liabilities	769,929	164,458		1,184,129	1,173,301		288,505	107,632		359,579	355,568		10,268,573	10,174,956		12,870,715	11,975,915	

23 COMPARATIVE FIGURES

Where necessary, comparative information have been reclassified to conform with changes in presentation in the current period. These changes did not affect the previously reported results and has been made to improve the quality of information presented.