



**MULTIPLY  
GROUP**

# Multiply Group PJSC

Directors Report and Financial Information

For the three months and six months periods ended 30 June 2023

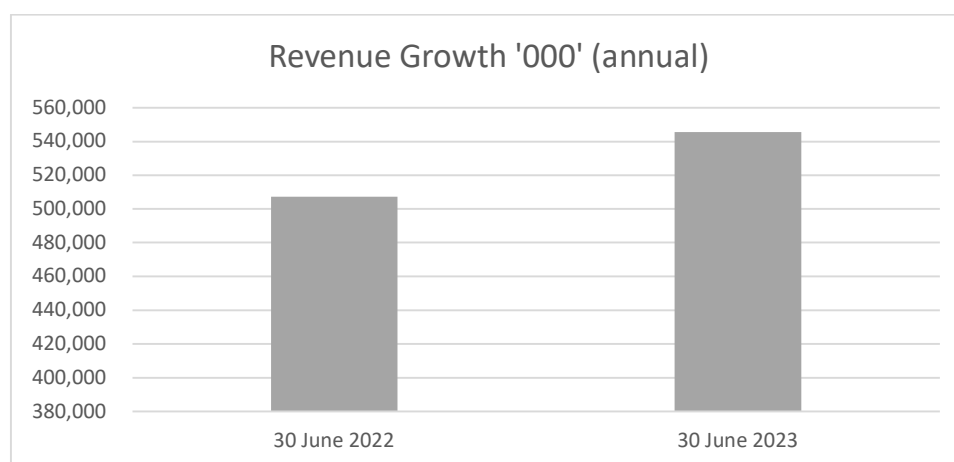
---

Dear Shareholders,

On behalf of the Board of Directors (“the Board”), I am pleased to present our consolidated financial statements of Multiply Group PJSC (the “Company”) and its subsidiaries (together referred to as the “Group”) as at 30 June 2023.

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

The Group's H1 2023 figures show revenue of AED 546 million (H1 2022: AED 507 million) and gross margin of AED 281 million (H1 2022: AED 251 million);



The Group recorded net profit for the half year ended 30 June 2023 amounting to AED 400 million (H1 2022: AED 462 million);

Investment and other income for H1 2023 was AED 443 million (H1 2022: AED 300 million);

The Group’s total expenses (direct expenses and general and administrative expenses) for the period ended 30 June 2023 was AED 378 million (H1 2022: AED 339 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 interim condensed consolidated financial statements for the half year ended 30 June 2023.

## **Transactions with related parties**

The 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.

## **Auditors**

Ernst & Young were appointed as external auditors for the Group for the period ended 30 June 2023. Ernst & Young have expressed their willingness to continue in office.

On behalf of the Board of Directors



---

**Samia Bouazza**  
Chief Executive Officer  
24 July 2023

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**TO THE BOARD OF DIRECTORS OF MULITPLY 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 June 2023, comprising of the interim consolidated statement of financial position as at 30 June 2023, and the related interim consolidated statements of profit or loss and comprehensive income for the three month and six month periods then ended and the related interim consolidated statements of changes in equity and cash flows for the six month 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*".



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

24 July 2023  
Abu Dhabi

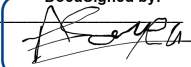
## Multiply Group PJSC

## INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

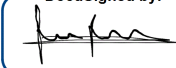
At 30 June 2023

		(Unaudited) 30 June 2023 AED '000	(Audited) 31 December 2022 AED '000
	Notes		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	1,438,883	1,405,865
Investment property		123,978	126,546
Intangible assets and goodwill		457,151	465,362
Right-of-use assets		132,987	104,423
Investment in a joint venture	5	1,821,860	1,838,425
Non-current receivables	8	1,554,431	1,647,558
Loan to a related party	12	357,563	-
Investments carried at fair value through profit or loss	6	23,147,541	22,491,803
Investments carried at fair value through other comprehensive income	7	52,828	45,045
		<u>29,087,222</u>	<u>28,125,027</u>
<b>Current assets</b>			
Inventories		28,415	24,304
Investments carried at fair value through profit or loss	6	10,341,967	11,440,768
Loan to a related party	12	6,212	-
Trade and other receivables	8	567,020	526,128
Due from related parties	12	44,423	56,514
Cash and bank balances	9	2,026,611	1,033,141
		<u>13,014,648</u>	<u>13,080,855</u>
<b>TOTAL ASSETS</b>		<u>42,101,870</u>	<u>41,205,882</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
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
Cumulative changes on revaluation of investments		(21,284)	(21,491)
Merger, acquisition and other reserves		378,679	378,679
Retained earnings		17,591,976	17,266,690
<b>Equity attributable to owners of the Company</b>		<u>28,852,981</u>	<u>28,527,488</u>
Non-controlling interests		1,065,786	853,219
<b>Total equity</b>		<u>29,918,767</u>	<u>29,380,707</u>
<b>Non-current liabilities</b>			
Employees' end of service benefit		47,934	44,647
Borrowings	14	8,301,567	8,102,301
Loan from a related party	12	30,738	29,707
Lease liabilities		91,810	70,300
Other payables	13	1,342,815	1,540,153
		<u>9,814,864</u>	<u>9,787,108</u>
<b>Current liabilities</b>			
Loan from related parties	12	43,911	43,911
Borrowings	14	1,276,351	361,037
Lease liabilities		44,825	36,562
Due to related parties	12	105,585	960,763
Trade and other payables	13	897,567	635,794
		<u>2,368,239</u>	<u>2,038,067</u>
<b>Total liabilities</b>		<u>12,183,103</u>	<u>11,825,175</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>42,101,870</u>	<u>41,205,882</u>

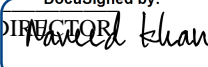
DS  
08

DocuSigned by:  
  
 98DFE579857D4E9...

CHAIRMAN

DocuSigned by:  
  
 AA73F404739B402...

CHIEF EXECUTIVE OFFICER

DocuSigned by:  
  
 9D35B12A29294E0...

GROUP FINANCE DIRECTOR

The attached notes 1 to 22 form part of these interim condensed consolidated financial statements

## Multiply Group PJSC

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

For the three months and six months periods ended 30 June 2023

	<i>Notes</i>	<i>Three months ended 30 June (Unaudited)</i>		<i>Six months ended 30 June (Unaudited)</i>	
		<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
		<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Revenue	15	<b>276,419</b>	266,051	<b>545,505</b>	507,265
Cost of revenue		<b>(133,795)</b>	(136,195)	<b>(264,539)</b>	(256,723)
<b>GROSS PROFIT</b>		<b>142,624</b>	129,856	<b>280,966</b>	250,542
Investment and other income	16	<b>428,603</b>	43,290	<b>442,729</b>	300,374
Share of loss from investment in a joint venture	5	<b>(14,427)</b>	-	<b>(16,565)</b>	-
General and administrative expenses		<b>(53,963)</b>	(42,631)	<b>(113,385)</b>	(82,240)
Finance costs	14	<b>(103,277)</b>	(3,207)	<b>(193,677)</b>	(6,429)
<b>PROFIT FOR THE PERIOD</b>		<b><u>399,560</u></b>	<u>127,308</u>	<b><u>400,068</u></b>	<u>462,247</u>
<b>Attributable to:</b>					
Owners of the Company		<b>362,125</b>	98,711	<b>325,286</b>	389,303
Non-controlling interests		<b><u>37,435</u></b>	<u>28,597</u>	<b><u>74,782</u></b>	<u>72,944</u>
		<b><u>399,560</u></b>	<u>127,308</u>	<b><u>400,068</u></b>	<u>462,247</u>
<b>Basic earnings per share (AED)</b>	17	<b><u>0.03</u></b>	<u>0.009</u>	<b><u>0.03</u></b>	<u>0.035</u>

The attached notes 1 to 22 form part of these interim condensed consolidated financial statements.

## Multiply Group PJSC

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

For the three months and six months period ended 30 June 2023

		<i>Three months ended 30 June (Unaudited)</i>		<i>Six months ended 30 June (Unaudited)</i>	
		<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
	<i>Notes</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Profit for the period		<b>399,560</b>	127,308	<b>400,068</b>	462,247
<b>Other comprehensive income:</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	7	<u>433</u>	-	<u>433</u>	-
<b>Total other comprehensive income</b>		<u>433</u>	-	<u>433</u>	-
<b>Total comprehensive income for the period</b>		<u><b>399,993</b></u>	<u>127,308</u>	<u><b>400,501</b></u>	<u>462,247</u>
<b>Attributable to:</b>					
Owners of the Company		<b>362,332</b>	98,711	<b>325,493</b>	389,303
Non-controlling interests		<u>37,661</u>	<u>28,597</u>	<u>75,008</u>	<u>72,944</u>
		<u><b>399,993</b></u>	<u>127,308</u>	<u><b>400,501</b></u>	<u>462,247</u>

The attached notes 1 to 22 form part of these interim condensed consolidated financial statements.

## Multiply Group PJSC

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

For the six months period ended 30 June 2023

	Attributable to equity holders of the Company								
	Share capital AED '000	Share premium AED '000	Statutory reserve AED '000	Cumulative changes on revaluation of investments AED '000	Merger and acquisition reserve AED '000	Retained earnings AED '000	Total AED '000	Non controlling-interests AED '000	Total equity AED '000
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	10,726,030
Total comprehensive income for the period	-	-	-	-	-	389,303	389,303	72,944	462,247
Dividends to non-controlling interest (note 18)	-	-	-	-	-	-	-	(44,348)	(44,348)
Balance at 30 June 2022 (unaudited)	<u>2,800,000</u>	<u>6,703,610</u>	<u>18,642</u>	<u>1,384</u>	<u>375,353</u>	<u>640,815</u>	<u>10,539,804</u>	<u>604,125</u>	<u>11,143,929</u>
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
Profit for the period	-	-	-	-	-	325,286	325,286	74,782	400,068
Other comprehensive income for the period	-	-	-	207	-	-	207	226	433
Total comprehensive income for the period	-	-	-	207	-	325,286	325,493	75,008	400,501
Capital injected by non-controlling interest (note 12)	-	-	-	-	-	-	-	184,241	184,241
Dividends to non-controlling interest (note 18)	-	-	-	-	-	-	-	(46,682)	(46,682)
Balance at 30 June 2023 (unaudited)	<u>2,800,000</u>	<u>6,703,610</u>	<u>1,400,000</u>	<u>(21,284)</u>	<u>378,679</u>	<u>17,591,976</u>	<u>28,852,981</u>	<u>1,065,786</u>	<u>29,918,767</u>

The attached notes 1 to 22 form part of these interim condensed consolidated financial statements.



# Multiply Group PJSC

## INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the six months period ended 30 June 2023

		Six months ended 30 June (Unaudited)	
		2023	2022
	Notes	AED'000	AED'000
<b>OPERATING ACTIVITIES</b>			
Profit for the period		400,068	462,247
Adjustments for:			
Depreciation of property, plant and equipment	4	36,713	30,523
Depreciation of right-of-use assets		18,762	14,809
Depreciation of investment properties		2,568	2,568
Amortisation of intangible assets		9,879	10,545
Share of loss from investment in joint venture	5	16,565	-
Change in fair value of investments carried at fair value through profit or loss	6&16	80,256	(267,176)
Gain on disposal of property, plant and equipment	16	-	(798)
Provision for employees' end of service benefit		5,954	4,791
Finance cost		193,677	6,429
Interest and dividend income	16	(400,730)	(23,990)
Unwinding of discount on non-current receivable	16	(76,618)	-
Amortization of deferred income	16	(191,940)	-
Loss on reassessment of non-current receivable	16	169,616	-
(Reversal of) allowance for slow moving inventories		(448)	336
(Reversal of) provision for expected credit losses	8	(12,042)	4,512
<b>Operating cash flows before working capital changes</b>		<b>252,280</b>	<b>244,796</b>
Working capital changes:			
Inventories		(3,643)	(3,524)
Due from related parties		12,091	(3,645)
Trade and other receivables		(17,741)	(20,924)
Due to related parties		66,025	9,462
Trade and other payables		251,861	32,782
Cash generated from operations		560,873	258,947
Finance cost paid		(57,783)	(3,097)
Employees' end of service benefit paid		(2,706)	(1,782)
<b>Net cash from operating activities</b>		<b>500,384</b>	<b>254,068</b>
<b>INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(65,201)	(112,285)
Purchase of intangible assets		(485)	(668)
Proceeds from sale of property, plant and equipment		240	1,370
Purchase of investments carried at fair value through profit or loss	6	(15,007)	(675,932)
Purchase of investment carried at fair value through other comprehensive income	7	(7,350)	-
Proceeds from disposal of investments carried at fair value through profit or loss	6	377,814	730,797
Term deposits with original maturities of more than three months		(150,000)	(200,000)
Due from a related party		-	(519,083)
Payment due on acquisition of investment in a joint venture		(921,203)	-
Loan to a related party		(363,775)	-
Interest and dividends received		391,235	23,990
Cash acquired (used in) acquisition of a subsidiary	10	191	(7,200)
<b>Net cash used in investing activities</b>		<b>(753,541)</b>	<b>(759,011)</b>

## Multiply Group PJSC

### INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) continued For the six months period ended 30 June 2023

	<i>Notes</i>	<i>Six months ended 30 June (Unaudited)</i>	
		<i>2023 AED'000</i>	<i>2022 AED'000</i>
<b>FINANCING ACTIVITIES</b>			
Net proceeds from borrowings		<b>980,339</b>	41,778
Capital contribution by non-controlling interest		<b>184,241</b>	-
Repayment of lease liabilities		<b>(21,271)</b>	(19,045)
Dividend paid	18	<b><u>(46,682)</u></b>	<u>(23,341)</u>
Net cash from (used in) financing activities		<b><u>1,096,627</u></b>	<u>(608)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE PERIOD</b>		<b>843,470</b>	(505,551)
Cash and cash equivalents at beginning of the period		<b><u>833,141</u></b>	<u>3,442,326</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	9	<b><u>1,676,611</u></b>	<u>2,936,775</u>
Non-cash transactions excluded from the interim consolidated statement of cash flows:			
Dividend payables		<u>-</u>	<u>21,007</u>

The attached notes 1 to 22 form part of these interim condensed consolidated financial statements.

# Multiply Group PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2023 (Unaudited)

### 1 GENERAL INFORMATION

Multiply Group PJSC (the “Company”) is public joint stock company 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 investments 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 \_\_\_\_\_.

### 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 2022. In addition, results for the period ended 30 June 2023 are not necessarily indicative of the results that may be expected for the year ending 31 December 2023.

These interim condensed consolidated financial statements have been prepared on 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 at 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.

# Multiply Group PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2023 (Unaudited)

### 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
- 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 interim condensed consolidated financial statements of subsidiaries to bring their accounting policies into 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 30 June 2023 (Unaudited)

#### 2 BASIS OF PREPARATION continued

##### 2.2 Basis for consolidation continued

Details of the Company's subsidiaries as at 30 June 2023 and 31 December 2022 were as follows:

Name of subsidiary	Place of incorporation	Principal activities	Proportion of ownership interest and voting power held	
			30 June 2023	31 December 2022
Emirates Driving Company PJSC	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%
Spranza Commercial Investments Sole proprietorship LLC	United Arab Emirates	Establishing, investing and managing commercial projects	100%	100%
MG Entertainment Holding LLC	United Arab Emirates	Entertainment enterprise investment, institution and management.	100%	100%
Healthier U Wellness Services LLC	United Arab Emirates	Health enterprise investment, institution and management.	100%	100%
Multiply Group International Holding Limited (i)	United Arab Emirates	Investments holding company	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%
Fisio Therapy and Rehabilitation Center LLC (ii)	United Arab Emirates	Physical medicine and rehabilitation centre, and physiotherapy centre	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%
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%
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%
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 June 2023 (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	
			30 June 2023	31 December 2022
<b><u>Below are the subsidiaries of Viola Communications LLC:</u></b>				
Purple Printing LLC	United Arab Emirates	Commercial publication printing	100%	100%
Purple Exhibition 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 investment 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>				
PAL 4 Solar Energy LLC	United Arab Emirates	Installation and maintenance of alternative energy equipment	80%	80%
<b><u>Below are the subsidiaries of PAL 4 Solar Energy LLC:</u></b>				
International Energy Holding LLC	United Arab Emirates	Commercial Enterprises Investment, Institution and management, Power Enterprise Investment, and Industrial Enterprises Investment.	100%	100%

- (i) Subsidiary incorporated during the period.  
(ii) Subsidiary acquired during the period (note 10).

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2023 (Unaudited)

### 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 2022, except for the adoption of the following new standards and amendments effective as of 1 January 2023. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

- IFRS 17 Insurance Contracts
- Definition of Accounting Estimates – Amendments to IAS 8
- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

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

#### UAE corporate income tax

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime is effective from 1 June 2023 and accordingly, it has an income tax related impact on the financial statements for accounting periods beginning on or after 1 June 2023.

Decision No. 116 of 2022 (published in December 2022 and considered to be effective from 16 January 2023) specifies that taxable income not exceeding AED 375,000 would be subject to the 0% UAE CT rate, and taxable income exceeding AED 375,000 would be subject to the 9% UAE CT rate. With the publication of this Decision, the UAE CT Law is considered to be substantively enacted for the purposes of accounting for Income Taxes.

The UAE CT Law shall apply to the Group with effect from 1 January 2024. The MoF continue to issue supplemental Decisions of the Cabinet of Ministers of the UAE (Decisions) to further clarify certain aspects of the UAE CT Law. Such Decisions, and other interpretive guidance of the UAE Federal Tax Authority, are required to fully evaluate the impact of the UAE CT Law on the Group.

Since the provisions of UAE CT law will apply to Tax Periods commencing on or after 1 June 2023, the related current taxes shall be accounted for in the consolidated financial statements for the period beginning 1 January 2024. However, the related deferred tax accounting impact has been considered for the financial period ended 30 June 2023. Following assessment of the potential impact of the UAE CT Law on the balance sheet, we do not consider there to be material temporary differences on which deferred taxes should be accounted.

The Group will continue to monitor the publication of subsequent decisions and related guidance, as well as continuing its more detailed review of its financial matters, to consider any changes to the position at subsequent reporting dates.

#### 3.2 Significant accounting estimates and judgements

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 in the consolidated financial statements as at and for the year ended 31 December 2022.

# Multiply Group PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2023 (Unaudited)

### 4 PROPERTY, PLANT AND EQUIPMENT

During the period, additions to property, plant and equipment amounted to AED 68,297 thousand (six months period ended 30 June 2022: AED 112,285 thousand), excluding those acquired through business combinations, depreciation charge of AED 36,713 thousand (six months period ended 30 June 2022: AED 30,523 thousand) and disposals of AED 240 thousand (six months period ended 30 June 2022: AED 572 thousand). Property, plant and equipment acquired through business combinations amounted to AED 1,674 thousand (note 10) (six months period ended 30 June 2022: AED 837 thousand).

During the period, the Group capitalized finance cost of AED 3,096 thousand related to its borrowing (30 June 2022: AED 2,940 thousand).

### 5 INVESTMENT IN 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>2023</i>	<i>2022</i>
<i>Joint venture:</i>				
Kalyon Enerji Yatirmiliari A.S (“Kalyon”) *	Clean and renewable energy company	Turkey	50%	50%

\* The net assets recognised are based on a provisional assessment of the fair value of identifiable assets and liabilities as at the acquisition date. Additional analysis is required to determine the acquisition date fair values of the assets and liabilities acquired. Thus, the assets and liabilities may be subsequently adjusted, with a corresponding adjustment to goodwill/intangible assets prior to the completion of 12 months from the acquisition date.

Movement in investment in joint venture is as follows:

	<i>(Unaudited)</i> <i>30 June</i> <i>2023</i> <i>AED'000</i>	<i>(Audited)</i> <i>31 December</i> <i>2022</i> <i>AED'000</i>
At the beginning of the period / year	<b>1,838,425</b>	-
Additions during the period / year	-	1,852,958
Share of loss during the period / year	<b>(16,565)</b>	(14,533)
At the end of the period / year	<b><u>1,821,860</u></b>	<u>1,838,425</u>

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

	<i>(Unaudited)</i> <i>30 June</i> <i>2023</i> <i>AED'000</i>	<i>(Audited)</i> <i>31 December</i> <i>2022</i> <i>AED'000</i>
Quoted	<b>33,394,486</b>	33,837,534
Unquoted	<b><u>95,022</u></b>	<u>95,037</u>
	<b><u>33,489,508</u></b>	<u>33,932,571</u>



## Multiply Group PJSC

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2023 (Unaudited)

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

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

	<i>(Unaudited)</i> <b>30 June</b> <b>2023</b> <i>AED '000</i>	<i>(Audited)</i> <b>31 December</b> <b>2022</b> <i>AED '000</i>
Non-current	<b>23,147,541</b>	22,491,803
Current	<b><u>10,341,967</u></b>	<u>11,440,768</u>
	<b><u>33,489,508</u></b>	<u>33,932,571</u>

The geographical distribution of investments is as follows:

	<i>(Unaudited)</i> <b>30 June</b> <b>2023</b> <i>AED '000</i>	<i>(Audited)</i> <b>31 December</b> <b>2022</b> <i>AED '000</i>
Inside the UAE	<b>33,252,646</b>	33,676,220
Outside the UAE	<b><u>236,862</u></b>	<u>256,351</u>
	<b><u>33,489,508</u></b>	<u>33,932,571</u>

The investments are recorded at fair value using valuation techniques disclosed in note 20. Movement in investment in financial assets carried at fair value through profit or loss is as follows:

	<i>(Unaudited)</i> <b>30 June</b> <b>2023</b> <i>AED '000</i>	<i>(Audited)</i> <b>31 December</b> <b>2022</b> <i>AED '000</i>
At the beginning of the period / year	<b>33,932,571</b>	5,433,404
Additions during the period / year	<b>15,007</b>	11,185,397
Change in fair value during the period / year (note 16)	<b>(80,256)</b>	18,095,400
Disposal during the period / year	<b><u>(377,814)</u></b>	<u>(781,630)</u>
At the end of the period / year	<b><u>33,489,508</u></b>	<u>33,932,571</u>

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

	<i>(Unaudited)</i> <b>30 June</b> <b>2023</b> <i>AED '000</i>	<i>(Audited)</i> <b>31 December</b> <b>2022</b> <i>AED '000</i>
Quoted	<b>36,660</b>	36,227
Unquoted	<b><u>16,168</u></b>	<u>8,818</u>
	<b><u>52,828</u></b>	<u>45,045</u>

## Multiply Group PJSC

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2023 (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 June</b> <b>2023</b> <b>AED'000</b>	<i>(Audited)</i> <b>31 December</b> <b>2022</b> <b>AED'000</b>
Inside the UAE	<b>36,660</b>	36,227
Outside the UAE	<b><u>16,168</u></b>	<u>8,818</u>
	<b><u>52,828</u></b>	<u>45,045</u>

The investments are recorded at fair value using valuation techniques disclosed in note 20. Movement in investment in financial assets carried at fair value through other comprehensive income is as follows:

	<i>(Unaudited)</i> <b>30 June</b> <b>2023</b> <b>AED'000</b>	<i>(Audited)</i> <b>31 December</b> <b>2022</b> <b>AED'000</b>
At the beginning of the period / year	<b>45,045</b>	68,903
Additions during period / year	<b>7,350</b>	-
Change in fair value during the period / year	<b><u>433</u></b>	<u>(23,858)</u>
At the end of the period / year	<b><u>52,828</u></b>	<u>45,045</u>

#### 8 TRADE AND OTHER RECEIVABLES

	<i>(Unaudited)</i> <b>30 June</b> <b>2023</b> <b>AED'000</b>	<i>(Audited)</i> <b>31 December</b> <b>2022</b> <b>AED'000</b>
Trade receivables	<b>176,093</b>	165,509
Less: allowance for expected credit losses	<b><u>(23,880)</u></b>	<u>(35,922)</u>
	<b>152,213</b>	129,587
Advances to suppliers	<b>19,439</b>	15,589
Prepayments	<b>26,467</b>	19,471
Dividends receivable	-	6,458
Receivable under share purchase agreement*	<b>1,889,784</b>	1,983,110
Other receivables	<b><u>33,548</u></b>	<u>19,471</u>
	<b>2,121,451</b>	2,173,686
Less: non-current portion	<b><u>(1,554,431)</u></b>	<u>(1,647,558)</u>
	<b><u>567,020</u></b>	<u>526,128</u>

## Multiply Group PJSC

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 June 2023 (Unaudited)

#### 8 TRADE AND OTHER RECEIVABLES continued

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

	<i>(Unaudited)</i> <b>30 June</b> <b>2023</b> <i>AED'000</i>	<i>(Audited)</i> <b>31 December</b> <b>2022</b> <i>AED'000</i>
At the beginning of the period / year	<b>35,922</b>	21,555
(Reversal) charge for the period / year	<u><b>(12,042)</b></u>	<u>14,367</u>
At the end of the period / year	<u><b>23,880</b></u>	<u>35,922</u>

During the period, the Group recorded a loss of AED 169.6 million on reassessment of the receivable under the share purchase agreement due to change in the expected future cash flows. During the period, unwinding of non-current receivable amounting to AED 76.6 million (note 16) and amortization of deferred income amounting to AED 191.9 million (note 16) were recorded in the consolidated statement of profit or loss.

#### 9 CASH AND BANK BALANCES

	<i>(Unaudited)</i> <b>30 June</b> <b>2023</b> <i>AED'000</i>	<i>(Audited)</i> <b>31 December</b> <b>2022</b> <i>AED'000</i>
Cash on hand	<b>2,044</b>	2,206
Cash at banks	<b>1,341,899</b>	344,237
Term deposits	<b>682,673</b>	686,703
Less: allowance for expected credit loss	<u><b>(5)</b></u>	<u>(5)</u>
Cash and bank balances	<b>2,026,611</b>	1,033,141
Less: term deposits with an original maturity more than three months	<u><b>(350,000)</b></u>	<u>(200,000)</u>
Cash and cash equivalents	<u><b>1,676,611</b></u>	<u>833,141</u>

Term deposits are placed with commercial banks in UAE, which carry interest ranging from 3.88% to 5.5% per annum (30 June 2022: 0.84% to 5.5%).

# Multiply Group PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2023 (Unaudited)

### 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:

#### **Fisio Therapy and Rehabilitation Center LLC**

Effective 1 March 2023, Omorfia Group LLC ("Omorfia"), a subsidiary, acquired a 100% equity interest in Fisio Therapy and Rehabilitation Center LLC ("Fisio") for consideration of AED 1 thousand. FISIO is based in the emirate of Dubai, and operates physical medicine, rehabilitation and physiotherapy center. From the date of acquisition, Fisio contributed revenue and loss to the Group amounting to AED 571 thousand and AED 302 thousand respectively. If the acquisition had taken place at the beginning of the year, Fisio would have contributed revenue and loss to the Group amounting to AED 800 thousand and AED 490 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 were as follows:

	<i>AED'000</i>
<b>Assets</b>	
Property, plant and equipment	1,674
Inventories	20
Other receivables	1,485
Cash and bank balance	<u>192</u>
<b>Total assets</b>	<b><u>3,371</u></b>
<b>Liabilities</b>	
Employees' end of service benefit	39
Trade and other payables	<u>4,514</u>
<b>Total liabilities</b>	<b><u>4,553</u></b>
<b>Total identifiable net liabilities at fair value</b>	<b>(1,182)</b>
Goodwill arising on acquisition	<b><u>1,181</u></b>
<b>Total purchase consideration</b>	<b><u><u>1</u></u></b>

The net liabilities 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	1
Cash acquired on business combination	<u>(192)</u>
Acquisition of operating business – net of cash used (included in cash flows from investing activities)	(191)
Transaction costs of the acquisition (included in cash flows from operating activities)	<u>-</u>
<b>Net cash acquired on acquisition</b>	<b><u>(191)</u></b>

# Multiply Group PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2023 (Unaudited)

### 11 SHARE CAPITAL

	(Unaudited) 30 June 2023 AED'000	(Audited) 31 December 2022 AED'000
<b>Authorised issued and fully paid</b>		
11,200,000,000 shares of AED 0.25 each		
(31 December 2022: 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

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.

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

Name	Nature of relationship	(Unaudited) 30 June 2023 AED'000	(Audited) 31 December 2022 AED'000
<b>Due from related parties:</b>			
International Securities LLC	Entity under common control	-	4,449
Pal Technology Services LLC	Entity under common control	-	22,736
Al Ataa Investment LLC	Entity under common control	5,121	6,769
PAL Group of Companies LLC	Entity under common control	3,308	3,308
International Holding Company PJSC	Parent company	3,545	2,907
Aldar Properties PJSC	Entity under common control	11,265	-
Radiant enterprises	Entity under common control	8,925	-
Q Holding PJSC	Entity under common control	2,803	2,803
Alpha Dhabi Holding PJSC	Entity under common control	-	1,179
Others	Entities under common control/ other related parties	<u>9,467</u>	<u>12,796</u>
		<b>44,434</b>	56,947
Less: allowance for expected credit loss		<u>(11)</u>	<u>(433)</u>
		<u><b>44,423</b></u>	<u>56,514</u>
<b>Due to related parties:</b>			
Alpha Dhabi Holding PJSC	Entity under common control	71,495	-
Chimera Investments LLC	Entity under common control	14,700	14,700
Reem from energy Investment Services LLC	Other related party	5,690	7,550
PAL Technology services LLC	Entity under common control	-	4,184
RG Procurement RSC LTD	Entity under common control	4,199	3,560
Tamouh Investments Company LLC	Entity under common control	2,912	3,104
Provis Real Estate SP LLC	Entity under common control	2,916	2,887
Oriontek Innovation LLC	Other related party	-	1,016
Kalyon Insaat Sanyı VE Ticaret A.Ş	Other related party	-	920,587
Others	Entities under common control/ other related parties	<u>3,673</u>	<u>3,175</u>
		<u><b>105,585</b></u>	<u>960,763</u>
<b>Investments in financial assets</b>	Entity under common control	<u><b>3,825,456</b></u>	4,716,524

# Multiply Group PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2023 (Unaudited)

### 12 RELATED PARTY BALANCES AND TRANSACTIONS continued

#### Loan to a related party:

International Energy Holding LLC, a subsidiary, signed an agreement with Kalyon Enerjij Yatirimlari A.S, a joint venture of the Group, to provide loans amounting to USD 58 million and EUR 36 million to fund 50% of the joint venture's working capital requirements. The loans carry interest at 10.5% per annum on outstanding principal amounts, which is payable on quarterly basis starting from 31 December 2023. The principal amounts are repayable at the end of maturity of the loan i.e. April 2033.

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

	<i>(Unaudited)</i> 30 June 2023 AED'000	<i>(Audited)</i> 31 December 2022 AED'000
Current	6,212	-
Non-current	<u>357,563</u>	<u>-</u>
	<u><u>363,775</u></u>	<u><u>-</u></u>

#### Loan from related parties:

Following are the details of loans from related parties:

				<i>(Unaudited)</i> 30 June 2023 AED'000	<i>(Audited)</i> 31 December 2022 AED'000
	<i>Security</i>	<i>Interest rates</i>	<i>Maturity</i>		
Related party loan 1	Secured	5%	December 2026	42,026	40,995
Related party loan 2	Unsecured	Interest free	December 2023	7,623	7,623
Related party loan 3	Unsecured	Interest free	September 2023	<u>25,000</u>	<u>25,000</u>
				<u><u>74,649</u></u>	<u><u>73,618</u></u>

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

	<i>(Unaudited)</i> 30 June 2023 AED'000	<i>(Audited)</i> 31 December 2022 AED'000
Current	43,911	43,911
Non-current	<u>30,738</u>	<u>29,707</u>
	<u><u>74,649</u></u>	<u><u>73,618</u></u>

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

	<i>(Unaudited)</i> 30 June 2023 AED'000	<i>(Audited)</i> 31 December 2022 AED'000
Balances with a financial institution	<u>1,390,949</u>	<u>385,972</u>
Borrowings	<u><u>9,445,398</u></u>	<u><u>8,324,231</u></u>

## Multiply Group PJSC

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2023 (Unaudited)

#### 12 RELATED PARTY BALANCES AND TRANSACTIONS continued

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

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
<b>Revenue</b> ( <i>entities under common control</i> )	<b><u>16,548</u></b>	<b><u>14,397</u></b>	<b><u>20,370</u></b>	<b><u>18,423</u></b>
<b>Cost of revenue</b> ( <i>entities under common control</i> )	<b><u>2,005</u></b>	<b><u>1,338</u></b>	<b><u>4,597</u></b>	<b><u>7,742</u></b>
<b>General and administrative expenses</b> ( <i>entities under common control</i> )	<b><u>3,309</u></b>	<b><u>175</u></b>	<b><u>4,131</u></b>	<b><u>1,048</u></b>
<b>Other income</b> ( <i>entities under common control/other related parties</i> )	<b><u>6,424</u></b>	<b><u>-</u></b>	<b><u>6,424</u></b>	<b><u>-</u></b>
<b>Key management remuneration:</b>				
Salaries and employee benefits	<b>6,779</b>	<b>5,730</b>	<b>9,784</b>	<b>8,536</b>
Employees end of service benefits	<b><u>188</u></b>	<b><u>500</u></b>	<b><u>399</u></b>	<b><u>642</u></b>
	<b><u>6,967</u></b>	<b><u>6,230</u></b>	<b><u>10,183</u></b>	<b><u>9,178</u></b>
<b>Transactions with a financial institution (other related party):</b>				
Interest expense for the period	<b><u>97,506</u></b>	<b><u>1,500</u></b>	<b><u>182,217</u></b>	<b><u>2,813</u></b>
Drawdowns of borrowings	<b><u>190,000</u></b>	<b><u>44,131</u></b>	<b><u>1,190,000</u></b>	<b><u>52,214</u></b>
Repayment of borrowings	<b><u>(19,512)</u></b>	<b><u>(11,097)</u></b>	<b><u>(250,896)</u></b>	<b><u>(14,322)</u></b>

#### Capital injection by a related party (under common control):

During the period, a related party under common control holding a non-controlling interest in one of the subsidiaries of the Group, made a capital contribution of AED 184 million in the subsidiary pursuant to an agreement related to the acquisition of investment in a joint venture.

#### 13 TRADE AND OTHER PAYABLES

	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>30 June</i>	<i>31 December</i>
	<i>2023</i>	<i>2022</i>
	<i>AED '000</i>	<i>AED '000</i>
Trade payables	<b>45,642</b>	<b>56,049</b>
Advances from customers	<b>57,168</b>	<b>71,086</b>
Unearned revenue	<b>82,407</b>	<b>66,338</b>
Deferred income	<b>1,626,715</b>	<b>1,818,655</b>
Accruals and other payables	<b>381,387</b>	<b>117,513</b>
Security deposits	<b>24,892</b>	<b>26,924</b>
VAT payable, net	<b>1,654</b>	<b>1,557</b>
Retention payable	<b><u>20,517</u></b>	<b><u>17,825</u></b>
	<b>2,240,382</b>	<b>2,175,947</b>
Less: non-current portion	<b><u>(1,342,815)</u></b>	<b><u>(1,540,153)</u></b>
	<b><u>897,567</u></b>	<b><u>635,794</u></b>

## Multiply Group PJSC

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2023 (Unaudited)

#### 13 TRADE AND OTHER PAYABLES continued

Non-current portion consists of the following:

Unearned revenue	46,452	48,758
Deferred income	1,238,594	1,431,594
Advances from customers	32,877	32,877
Security deposits	<u>24,892</u>	<u>26,924</u>
	<b><u>1,342,815</u></b>	<b><u>1,540,153</u></b>

#### 14 BORROWINGS

<i>Borrowings:</i>	<i>Security</i>	<i>Interest rates</i>	<i>Maturity</i>	(Unaudited) 30 June 2023 AED'000	(Audited) 31 December 2022 AED'000
Term loan 1	Secured	EIBOR + 1.85%	December 2023	10,986	10,640
Term loan 2	Secured	EIBOR + 1.85%	December 2024	115,593	111,885
Term loan 3	Secured	EIBOR + 1.85%	September 2030	90,100	95,648
Term loan 4	Secured	EIBOR + 1.85%	December 2027	132,521	139,106
Term loan 5	Secured	3.88%	July 2027	6,097,366	6,096,956
Term loan 6	Secured	3.88%	August 2025	1,003,814	1,003,295
Term loan 7	Secured	4.2%	August 2027	497,939	498,448
Term loan 8	Secured	EBIOR + 0.85%	September 2025	421,272	507,360
Term loan 9	Secured	EBIOR + 0.85%	March 2026	1,017,528	-
Term loan 10	Secured	EBIOR + 0.85%	June 2026	<u>190,799</u>	<u>-</u>
				<b><u>9,577,918</u></b>	<b><u>8,463,338</u></b>

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

	(Unaudited) 30 June 2023 AED'000	(Audited) 31 December 2022 AED'000
Non-current	8,301,567	8,102,301
Current	<u>1,276,351</u>	<u>361,037</u>
	<b><u>9,577,918</u></b>	<b><u>8,463,338</u></b>

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

	(Unaudited) 30 June 2023 AED'000	(Audited) 31 December 2022 AED'000
At the beginning of the period / year	8,463,338	366,930
Drawdowns	1,190,000	8,076,944
Reclassified to loan from related parties (note 12)	-	(7,623)
Transaction cost, net	(155)	(3,671)
Finance costs	186,731	141,301
Repayments	<u>(261,996)</u>	<u>(110,543)</u>
At the end of the period / year	<b><u>9,577,918</u></b>	<b><u>8,463,338</u></b>



## Multiply Group PJSC

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2023 (Unaudited)

#### 14 BORROWINGS continued

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

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>AED '000</b>	<b>AED '000</b>	<b>AED '000</b>	<b>AED '000</b>
Interest on bank borrowings	<b>96,706</b>	1,356	<b>183,635</b>	2,934
Interest on loans from related parties	<b>519</b>	514	<b>1,031</b>	1,029
Interest on lease liabilities	<b>2,281</b>	1,178	<b>3,921</b>	2,278
Amortization of transaction cost	<b>631</b>	-	<b>678</b>	-
Bank charges	<b>3,140</b>	159	<b>4,412</b>	188
	<b><u>103,277</u></b>	<b><u>3,207</u></b>	<b><u>193,677</u></b>	<b><u>6,429</u></b>

#### 15 REVENUE

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>AED '000</b>	<b>AED '000</b>	<b>AED '000</b>	<b>AED '000</b>
<b>Type of goods or services</b>				
Revenue from district cooling services	<b>72,862</b>	71,331	<b>130,155</b>	124,064
Revenue from consultancy, training and coaching services	<b>80,632</b>	80,492	<b>170,021</b>	156,734
Revenue from media and marketing services	<b>23,053</b>	24,216	<b>53,039</b>	47,502
Revenue from sale of cosmetics and rendering of related personal care services	<b>97,755</b>	87,945	<b>188,083</b>	174,845
Revenue from rentals	<b>2,117</b>	2,067	<b>4,207</b>	4,120
	<b><u>276,419</u></b>	<b><u>266,051</u></b>	<b><u>545,505</u></b>	<b><u>507,265</u></b>
<b>Timing of revenue recognition</b>				
Revenue at a point in time	<b>138,603</b>	135,570	<b>264,110</b>	245,087
Revenue over time	<b>137,816</b>	130,481	<b>281,395</b>	262,178
	<b><u>276,419</u></b>	<b><u>266,051</u></b>	<b><u>545,505</u></b>	<b><u>507,265</u></b>
<b>Geographical markets</b>				
United Arab Emirates	<b>274,776</b>	264,500	<b>542,195</b>	504,132
Kingdom of Saudi Arabia	<b>1,643</b>	1,551	<b>3,310</b>	3,133
	<b><u>276,419</u></b>	<b><u>266,051</u></b>	<b><u>545,505</u></b>	<b><u>507,265</u></b>

# Multiply Group PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2023 (Unaudited)

### 16 INVESTMENT AND OTHER INCOME

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</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 6)	<b>184,972</b>	20,474	<b>(80,256)</b>	267,176
Gain on disposal of property, plant and equipment	-	5	-	798
Interest and dividend income	<b>88,084</b>	21,880	<b>400,730</b>	23,990
Gain (loss) on reassessment of non-current receivable (note 8)	<b>14,932</b>	-	<b>(169,616)</b>	-
Unwinding of discount on non-current receivable (note 8)	<b>37,922</b>	-	<b>76,618</b>	-
Amortization of deferred income (note 8)	<b>96,500</b>	-	<b>191,940</b>	-
Others	<b><u>6,193</u></b>	<u>931</u>	<b><u>23,313</u></b>	<u>8,410</u>
	<b><u>428,603</u></b>	<u>43,290</u>	<b><u>442,729</u></b>	<u>300,374</u>

### 17 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 30 June</i>		<i>Six months ended 30 June</i>	
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</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> )	<b><u>362,125</u></b>	<u>98,711</u>	<b><u>325,286</u></b>	<u>389,303</u>
Weighted average number of shares ( <i>shares in '000</i> )	<b><u>11,200,000</u></b>	<u>11,200,000</u>	<b><u>11,200,000</u></b>	<u>11,200,000</u>
Basic earnings per share for the period ( <i>AED</i> )	<b><u>0.03</u></b>	<u>0.009</u>	<b><u>0.03</u></b>	<u>0.035</u>

As of 30 June 2023, the Group has not issued any dilutive instruments that have an impact on earnings per share when exercised

### 18 DIVIDENDS

Dividends attributable to non-controlling interest amounting to AED 46,682 thousand were declared during the period (30 June 2022: AED 44,348 thousand), of which AED 23,341 thousand was paid.

### 19 CONTINGENT LIABILITIES AND COMMITMENTS

	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>30 June</i>	<i>31 December</i>
	<i>2023</i>	<i>2022</i>
	<i>AED '000</i>	<i>AED '000</i>
Letters of guarantee	<b><u>16,950</u></b>	<u>3,718</u>
Letters of credit	<b><u>4,693</u></b>	<u>5,918</u>
Commitment of capital expenditure	<b><u>85,140</u></b>	<u>124,216</u>

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

## Multiply Group PJSC

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2023 (Unaudited)

#### 20 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 June 2023</i> <i>(Unaudited)</i> <i>AED'000</i>	<i>31 December 2022</i> <i>(Audited)</i> <i>AED'000</i>		
Quoted equity investments – investment in financial assets	<b>33,431,146</b>	33,873,761	Level 1	Quoted bid prices in an active market
Unquoted equity investments – investment in financial assets	<b>111,190</b>	103,855	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 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 June 2023 (Unaudited)

### 21 SEGMENTAL ANALYSIS continued

For the six months period ended:

#### *Interim consolidated statement of profit or loss*

	<i>Communications</i>		<i>Utilities</i>		<i>Driving training</i>		<i>Wellness</i>		<i>Investment activities</i>		<i>Total</i>	
	<i>30 June 2023</i>	<i>30 June 2022</i>	<i>30 June 2023</i>	<i>30 June 2022</i>	<i>30 June 2023</i>	<i>30 June 2022</i>	<i>30 June 2023</i>	<i>30 June 2022</i>	<i>30 June 2023</i>	<i>30 June 2022</i>	<i>30 June 2023</i>	<i>30 June 2022</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>53,039</b>	47,502	<b>130,155</b>	124,064	<b>174,228</b>	160,854	<b>188,083</b>	174,845	-	-	<b>545,505</b>	507,265
Cost of revenue	<b>(38,122)</b>	(37,521)	<b>(62,361)</b>	(54,933)	<b>(40,869)</b>	(32,814)	<b>(123,187)</b>	(131,455)	-	-	<b>(264,539)</b>	(256,723)
<b>Gross profit</b>	<b>14,917</b>	9,981	<b>67,794</b>	69,131	<b>133,359</b>	128,040	<b>64,896</b>	43,390	-	-	<b>280,966</b>	250,542
Investment and other income	<b>7,527</b>	4,571	<b>13,422</b>	-	<b>27,808</b>	2,474	<b>3,604</b>	930	<b>390,368</b>	292,399	<b>442,729</b>	300,374
Share of loss from investment in joint venture	-	-	<b>(16,565)</b>	-	-	-	-	-	-	-	<b>(16,565)</b>	-
Finance cost	<b>(371)</b>	(141)	<b>(9,791)</b>	(2,934)	<b>(2,269)</b>	(1,475)	<b>(4,757)</b>	(1,879)	<b>(176,489)</b>	-	<b>(193,677)</b>	(6,429)
General and administrative expenses	<b>(11,307)</b>	(18,479)	<b>(10,714)</b>	(12,368)	<b>(37,204)</b>	(30,060)	<b>(35,141)</b>	(21,333)	<b>(19,019)</b>	-	<b>(113,385)</b>	(82,240)
<b>Profit (loss) for the period</b>	<b>10,766</b>	(4,068)	<b>44,146</b>	53,829	<b>121,694</b>	98,979	<b>28,602</b>	21,108	<b>194,860</b>	292,399	<b>400,068</b>	462,247
	<i>As of 30 June 2023</i>	<i>As of 31 December 2022</i>	<i>As of 30 June 2023</i>	<i>As of 31 December 2022</i>	<i>As of 30 June 2023</i>	<i>As of 31 December 2022</i>	<i>As of 30 June 2023</i>	<i>As of 31 December 2022</i>	<i>As of 30 June 2023</i>	<i>As of 31 December 2022</i>	<i>As of 30 June 2023</i>	<i>As of 31 December 2022</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>223,936</b>	72,854	<b>3,689,953</b>	3,259,221	<b>1,080,368</b>	432,810	<b>666,858</b>	623,382	<b>36,440,755</b>	36,817,615	<b>42,101,870</b>	41,205,882
Segment liabilities	<b>60,161</b>	65,631	<b>996,719</b>	1,541,463	<b>98,221</b>	119,418	<b>333,849</b>	136,527	<b>10,694,153</b>	9,962,136	<b>12,183,103</b>	11,825,175

## Multiply Group PJSC

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2023 (Unaudited)

#### 21 SEGMENTAL ANALYSIS continued

For the three months period ended:

*Interim consolidated statement of profit or loss*

	<i>Communications</i>		<i>Utilities</i>		<i>Driving training</i>		<i>Wellness</i>		<i>Investment activities</i>		<i>Total</i>
	<i>30 June 2023</i>	<i>30 June 2022</i>	<i>30 June 2023</i>	<i>30 June 2022</i>	<i>30 June 2023</i>	<i>30 June 2022</i>	<i>30 June 2023</i>	<i>30 June 2022</i>	<i>30 June 2023</i>	<i>30 June 2022</i>	<i>30 June 2023</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	23,053	24,216	72,863	71,331	82,749	82,559	97,754	87,945	-	-	276,419
Cost of revenue	(15,431)	(18,696)	(36,793)	(32,862)	(19,825)	(18,471)	(61,746)	(66,166)	-	-	(133,795)
<b>Gross profit</b>	<b>7,622</b>	<b>5,520</b>	<b>36,070</b>	<b>38,469</b>	<b>62,924</b>	<b>64,088</b>	<b>36,008</b>	<b>21,779</b>	<b>-</b>	<b>-</b>	<b>142,624</b>
Investment and other income	304	4,333	5,698	-	17,831	(5,186)	2,121	68	402,649	44,075	428,603
Share of loss from investment in joint venture	-	-	(14,427)	-	-	-	-	-	-	-	(14,427)
Finance cost	(193)	(93)	(4,974)	(1,356)	(715)	(738)	(2,443)	(1,020)	(94,952)	-	(103,277)
General and administrative expenses	(5,075)	(10,507)	(3,622)	(6,377)	(20,218)	(14,370)	(18,724)	(11,377)	(6,324)	-	(53,963)
<b>Profit (loss) for the period</b>	<b>2,658</b>	<b>(747)</b>	<b>18,745</b>	<b>30,736</b>	<b>59,822</b>	<b>43,794</b>	<b>16,962</b>	<b>9,450</b>	<b>301,373</b>	<b>44,075</b>	<b>399,560</b>

## **22 SUBSEQUENT EVENTS**

Subsequent to the period end, the Group acquired ownership interest in the following entities:

- Media 247 Holding Ltd. (“Media 247”) - 55% equity interest. Media 247 is a specialised outdoor media solution provider in United Arab Emirates; and
- LVL Technology Holding (formerly “Switch Technology Holding”) (“LVL”) – 49.38% equity interest. LVL carries on activities related to corporate wellness.

Further, the Group invested AED 367,500 thousand (US\$ 100 million) in Breakwater Energy, L.P.