

The background of the entire cover is a dark blue, monochromatic image. It features a blurred financial candlestick chart with white and grey bars and thin white lines. In the center, a pair of hands is visible, with fingers slightly curled as if holding or typing on a device. The overall aesthetic is professional and financial.

MULTIPLY GROUP

Multiply Group PJSC

Directors Report and Financial Information

For the three month and nine month periods ended 30 September 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 September 2023.

Financial aspect (Consolidated):

For the first nine months of 2023, Multiply Group reported revenue of AED 897 million (9 Month 2022: AED 791 million) and gross profit of AED 457 million (9 Month 2022: AED 389 million).

Reported net profit for the first nine months stood at AED 546 million (9 Month 2022: AED 9,749 million). Net profit excluding fair value changes in investment portfolio amounted to AED 811 million (9 Month 2022: AED 271 million).

Investment and other income (including fair value changes) for 9M 2023 was AED 477 million (9 Month 2022: AED 9,551 million).

The Group's total expenses (Direct expenses and general and administrative expenses) for the period ending 30 September 2023 was AED 636 million (9 Month 2022: AED 536 million).

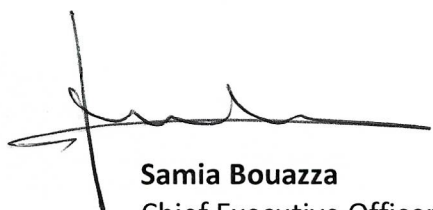
Going concern basis

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 first nine months ending 30 September 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.

On behalf of the Board of Directors



Samia Bouazza
Chief Executive Officer
20 October 2023



Multiply Group PJSC

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

PERIOD ENDED 30 SEPTEMBER 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 September 2023, comprising of the interim consolidated statement of financial position as at 30 September 2023, and the related interim consolidated statement of profit or loss and comprehensive income for the three month and nine month periods then ended, and the related interim consolidated statements of changes in equity and cash flows for the nine 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

20 October 2023
Abu Dhabi

Multiply Group PJSC

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2023

| | | (Unaudited) 30 September 2023 AED'000 | (Audited) 31 December 2022 AED'000 |
|----------------------------------------------------------------------|-------|------------------------------------------------|---------------------------------------------|
| | Notes | | |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 4 | 1,449,565 | 1,405,865 |
| Investment property | | 122,694 | 126,546 |
| Intangible assets and goodwill | | 802,648 | 465,362 |
| Right-of-use assets | | 134,133 | 104,423 |
| Investment in a joint venture | 5 | 1,979,418 | 1,838,425 |
| Non-current receivables | 8 | 1,211,504 | 1,647,558 |
| Loans to a related party | 12 | 353,025 | - |
| Investments carried at fair value through profit or loss | 6 | 17,213,115 | 22,491,803 |
| Investments carried at fair value through other comprehensive income | 7 | 412,828 | 45,045 |
| | | <u>23,678,930</u> | <u>28,125,027</u> |
| Current assets | | | |
| Inventories | | 33,216 | 24,304 |
| Investments carried at fair value through profit or loss | 6 | 16,068,313 | 11,440,768 |
| Loans to a related party | 12 | 15,621 | - |
| Trade and other receivables | 8 | 650,200 | 526,128 |
| Due from related parties | 12 | 38,590 | 56,514 |
| Cash and bank balances | 9 | 1,648,158 | 1,033,141 |
| | | <u>18,454,098</u> | <u>13,080,855</u> |
| TOTAL ASSETS | | <u>42,133,028</u> | <u>41,205,882</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 |
| Cumulative changes on revaluation of investments | | (21,284) | (21,491) |
| Merger, acquisition and other reserves | | 383,553 | 378,679 |
| Retained earnings | | 17,682,493 | 17,266,690 |
| Equity attributable to owners of the Company | | 28,948,372 | 28,527,488 |
| Non-controlling interests | | 1,216,430 | 853,219 |
| Total equity | | <u>30,164,802</u> | <u>29,380,707</u> |
| Non-current liabilities | | | |
| Employees' end of service benefit | | 52,038 | 44,647 |
| Borrowings | 14 | 8,257,606 | 8,102,301 |
| Deferred tax liabilities | 17 | 48,666 | - |
| Loan from a related party | 12 | 31,261 | 29,707 |
| Lease liabilities | | 95,353 | 70,300 |
| Other payables | 13 | 1,245,039 | 1,540,153 |
| | | <u>9,729,963</u> | <u>9,787,108</u> |
| Current liabilities | | | |
| Loans from related parties | 12 | 47,592 | 43,911 |
| Borrowings | 14 | 1,299,467 | 361,037 |
| Lease liabilities | | 42,416 | 36,562 |
| Due to related parties | 12 | 114,928 | 960,763 |
| Trade and other payables | 13 | 733,860 | 635,794 |
| | | <u>2,238,263</u> | <u>2,038,067</u> |
| Total liabilities | | <u>11,968,226</u> | <u>11,825,175</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>42,133,028</u> | <u>41,205,882</u> |

CHAIRMAN

CHIEF EXECUTIVE OFFICER

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 month and nine month periods ended 30 September 2023

| | <i>Notes</i> | <i>Three months ended 30 September (Unaudited)</i> | | <i>Nine months ended 30 September (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 | 351,790 | 284,118 | 897,295 | 791,383 |
| Cost of revenue | | (175,563) | (145,418) | (440,102) | (402,141) |
| GROSS PROFIT | | 176,227 | 138,700 | 457,193 | 389,242 |
| Investment and other income | 16 | 33,817 | 9,250,667 | 476,546 | 9,551,041 |
| Share of profit from investment in a joint venture | 5 | 157,558 | - | 140,993 | - |
| General and administrative expenses | | (82,801) | (51,232) | (196,186) | (133,472) |
| Finance costs | 14 | (107,961) | (51,621) | (301,638) | (58,050) |
| PROFIT BEFORE TAX | | 176,840 | 9,286,514 | 576,908 | 9,748,761 |
| Income tax expense | 17 | (31,067) | - | (31,067) | - |
| PROFIT FOR THE PERIOD | | <u>145,773</u> | <u>9,286,514</u> | <u>545,841</u> | <u>9,748,761</u> |
| Attributable to: | | | | | |
| Owners of the Company | | 84,842 | 9,251,936 | 410,128 | 9,641,239 |
| Non-controlling interests | | <u>60,931</u> | <u>34,578</u> | <u>135,713</u> | <u>107,522</u> |
| | | <u>145,773</u> | <u>9,286,514</u> | <u>545,841</u> | <u>9,748,761</u> |
| Basic earnings per share (AED) | 18 | <u>0.008</u> | <u>0.83</u> | <u>0.04</u> | <u>0.86</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 month and nine month periods ended 30 September 2023

| | | <i>Three months ended 30 September (Unaudited)</i> | | <i>Nine months ended 30 September (Unaudited)</i> | |
|--------------------------------------------------------------------------------------------------------------|-------------|------------------------------------------------------------|------------------|-----------------------------------------------------------|------------------|
| | | <i>2023</i> | <i>2022</i> | <i>2023</i> | <i>2022</i> |
| | <i>Note</i> | <i>AED '000</i> | <i>AED '000</i> | <i>AED '000</i> | <i>AED '000</i> |
| Profit for the period | | 145,773 | 9,286,514 | 545,841 | 9,748,761 |
| Other comprehensive income: | | | | | |
| <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>5,675</u> | <u>(1,892)</u> | <u>6,108</u> | <u>(1,892)</u> |
| Total other comprehensive income (expense) | | <u>5,675</u> | <u>(1,892)</u> | <u>6,108</u> | <u>(1,892)</u> |
| Total comprehensive income for the period | | <u>151,448</u> | <u>9,284,622</u> | <u>551,949</u> | <u>9,746,869</u> |
| Attributable to: | | | | | |
| Owners of the Company | | 90,517 | 9,251,028 | 416,010 | 9,640,331 |
| Non-controlling interests | | <u>60,931</u> | <u>33,594</u> | <u>135,939</u> | <u>106,538</u> |
| | | <u>151,448</u> | <u>9,284,622</u> | <u>551,949</u> | <u>9,746,869</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 nine months period ended 30 September 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 |
| Profit for the period | - | - | - | - | - | 9,641,239 | 9,641,239 | 107,522 | 9,748,761 |
| Other comprehensive income for the period | - | - | - | (908) | - | - | (908) | (984) | (1,892) |
| Total comprehensive income for the period | - | - | - | (908) | - | 9,641,239 | 9,640,331 | 106,538 | 9,746,869 |
| Capital injected by non-controlling interest (note 12) | - | - | - | - | - | - | - | 184,118 | 184,118 |
| Business combination of entities under common control | - | - | - | - | 240 | - | 240 | 60 | 300 |
| Disposal of partial interest in a subsidiary | - | - | - | - | - | 125 | 125 | (125) | - |
| Dividends to non-controlling interest (note 19) | - | - | - | - | - | - | - | (44,348) | (44,348) |
| Balance at 30 September 2022 (unaudited) | <u>2,800,000</u> | <u>6,703,610</u> | <u>18,642</u> | <u>476</u> | <u>375,593</u> | <u>9,892,876</u> | <u>19,791,197</u> | <u>821,772</u> | <u>20,612,969</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 | - | - | - | - | - | 410,128 | 410,128 | 135,713 | 545,841 |
| Other comprehensive income for the period | - | - | - | 5,882 | - | - | 5,882 | 226 | 6,108 |
| Total comprehensive income for the period | - | - | - | 5,882 | - | 410,128 | 416,010 | 135,939 | 551,949 |
| Acquisition of subsidiaries (note 10) | - | - | - | - | - | - | - | 89,345 | 89,345 |
| Disposal of investments carried at fair value through other comprehensive income | - | - | - | (5,675) | - | 5,675 | - | - | - |
| Disposal of partial interest in subsidiary (note 10) | - | - | - | - | 4,874 | - | 4,874 | - | 4,874 |
| Capital injected by non-controlling interest (note 12) | - | - | - | - | - | - | - | 184,609 | 184,609 |
| Dividends to non-controlling interest (note 19) | - | - | - | - | - | - | - | (46,682) | (46,682) |
| Balance at 30 September 2023 (unaudited) | <u>2,800,000</u> | <u>6,703,610</u> | <u>1,400,000</u> | <u>(21,284)</u> | <u>383,553</u> | <u>17,682,493</u> | <u>28,948,372</u> | <u>1,216,430</u> | <u>30,164,802</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 nine months period ended 30 September 2023

| | | <div> <div>Nine months ended</div> <div>30 September (Unaudited)</div> </div> | |
|------------------------------------------------------------------------------------|-------|-------------------------------------------------------------------------------|---------------------|
| | | 2023 | 2022 |
| | Notes | AED'000 | AED'000 |
| OPERATING ACTIVITIES | | | |
| Profit before tax | | 576,908 | 9,748,761 |
| Adjustments for: | | | |
| Depreciation of property, plant and equipment | 4 | 55,711 | 46,662 |
| Depreciation of right-of-use assets | | 28,574 | 22,615 |
| Depreciation of investment properties | | 3,852 | 3,852 |
| Amortisation of intangible assets | | 21,541 | 15,839 |
| Share of profit from investment in joint venture | 5 | (140,993) | - |
| Change in fair value of investments carried at fair value through profit or loss | 6&16 | 265,332 | (9,477,907) |
| Gain on disposal of property, plant and equipment | 16 | (158) | (798) |
| Provision for employees' end of service benefit | | 9,818 | 7,109 |
| Finance cost | | 301,638 | 58,050 |
| Interest and dividend income | 16 | (486,510) | (62,342) |
| Unwinding of discount on non-current receivable | 16 | (114,141) | - |
| Amortization of deferred income | 16 | (289,500) | - |
| Loss on reassessment of non-current receivable | 16 | 169,616 | - |
| (Reversal of) allowance for slow moving inventories | | (553) | 654 |
| (Reversal of) provision for expected credit losses | 8 | (11,569) | 3,315 |
| Operating cash flows before working capital changes | | 389,566 | 365,810 |
| Working capital changes: | | | |
| Inventories | | (8,339) | (6,651) |
| Due from related parties | | 18,454 | 300,641 |
| Trade and other receivables | | 340,245 | (18,002) |
| Due to related parties | | 75,323 | 12,172 |
| Trade and other payables | | (39,566) | 37,752 |
| Cash generated from operations | | 775,683 | 691,722 |
| Finance cost paid | | (232,498) | (75) |
| Employees' end of service benefit paid | | (4,387) | (2,533) |
| Net cash from operating activities | | 538,798 | 689,114 |
| INVESTING ACTIVITIES | | | |
| Purchase of property, plant and equipment | | (91,447) | (162,871) |
| Purchase of intangible assets | | (1,062) | (1,191) |
| Proceeds from sale of property, plant and equipment | | 583 | 15,598 |
| Purchase of investments carried at fair value through profit or loss | 6 | (15,007) | (11,199,937) |
| Purchase of investment carried at fair value through other comprehensive income | 7 | (374,700) | - |
| Proceeds from disposal of investments carried at fair value through profit or loss | 6 | 400,818 | 813,459 |
| Term deposits with original maturities of more than three months | | (150,000) | (325,000) |
| Payment due on acquisition of investment in a joint venture | | (921,203) | - |
| Purchase of investment in a joint venture | | - | (920,588) |
| Loan to a related party | | (368,646) | - |
| Interest and dividends received | | 470,687 | 39,342 |
| Cash used in acquisition of subsidiaries | 10 | (153,439) | (7,200) |
| Net cash used in investing activities | | (1,203,416) | (11,748,388) |

Multiply Group PJSC

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) continued For the nine months period ended 30 September 2023

| | <i>Notes</i> | <i>Nine months ended 30 September (Unaudited)</i> | |
|---------------------------------------------------------------------------------------|--------------|-------------------------------------------------------|-------------------------|
| | | <i>2023 AED'000</i> | <i>2022 AED'000</i> |
| FINANCING ACTIVITIES | | | |
| Net proceeds from borrowings | | 1,024,978 | 8,023,938 |
| Capital contribution by non-controlling interest | | 184,609 | 184,118 |
| Repayment of lease liabilities | | (33,270) | (26,945) |
| Dividend paid | 19 | <u>(46,682)</u> | <u>(30,349)</u> |
| Net cash from financing activities | | <u>1,129,635</u> | <u>8,150,762</u> |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE PERIOD | | 465,017 | (2,908,512) |
| Cash and cash equivalents at beginning of the period | | <u>833,141</u> | <u>3,442,326</u> |
| CASH AND CASH EQUIVALENTS AT END OF THE PERIOD | 9 | <u>1,298,158</u> | <u>533,814</u> |
| Non-cash transactions excluded from the interim consolidated statement of cash flows: | | | |
| Dividend payables | | <u>-</u> | <u>13,999</u> |
| Other receivables | | <u>15,823</u> | <u>23,000</u> |
| Investment in a joint venture | | <u>-</u> | <u>920,587</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 September 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 20 October 2023.

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 September 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 September 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 September 2023 (Unaudited)

2 BASIS OF PREPARATION continued

2.2 Basis for consolidation continued

Details of the Company's subsidiaries as at 30 September 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 September 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% |
| 24 7 Media Holding LLC (ii) | United Arab Emirates | Investment holding company | 60% | - |
| MG Entertainment Holding LLC | United Arab Emirates | Entertainment enterprise investment, institution and management. | 100% | 100% |
| PAL 4 Solar Energy LLC | United Arab Emirates | Installation and maintenance of alternative energy equipment | 80% | 80% |
| LVL Technology Holding (formerly “Switch Technology Holding”) (ii) * | Cayman island | Operation of a wellbeing streaming service and marketplace via an online platform and in physical studios. | 49.38% | - |
| Multiply Group International Holding Limited (i) | United Arab Emirates | Investments holding company | 100% | - |
| <u>Below is the subsidiary of Emirates Driving Company PJSC:</u> | | | | |
| Tabieah Property Investment – Sole Proprietorship L.L.C. | United Arab Emirates | Manage investment properties | 100% | 100% |
| <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% |
| 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% |

Multiply Group PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 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 September 2023 | 31 December 2022 |
| <u>Below are the subsidiaries of Omorfia Group LLC:</u> continued | | | | |
| 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% |
| <u>Below are the subsidiaries of Viola Communications 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 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 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% |
| <u>Below is the subsidiary 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 Enterprises Investment. | 100% | 100% |
| <u>Below is the subsidiary of LVL Technology Holding:</u> | | | | |
| Healthier U Wellness Services LLC (iii) | United Arab Emirates | Health enterprise investment, institution and management. | 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% | - |
| Media 20-4 Seven DMCC | United Arab Emirates | Public relation management, media studies, consultancies advertising, consultancies services and events management | 100% | - |

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

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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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 as at 30 September 2023. Following an assessment of the potential impact of the UAE CT Law on the consolidated statement of financial position, deferred tax liability of AED 48,666 thousand has been recorded as at 30 September 2023.

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.

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

4 PROPERTY, PLANT AND EQUIPMENT

During the period, additions to property, plant and equipment amounted to AED 96,177 thousand (nine months period ended 30 September 2022: AED 168,100 thousand), excluding those acquired through business combinations, depreciation charge of AED 55,711 thousand (nine months period ended 30 September 2022: AED 46,662 thousand) and disposals of AED 425 thousand (nine months period ended 30 September 2022: AED 14,800 thousand). Property, plant and equipment acquired through business combinations amounted to AED 3,659 thousand (note 10) (nine months period ended 30 September 2022: AED 837 thousand).

During the period, the Group capitalized finance cost of AED 4,730 thousand (30 September 2022: AED 5,127 thousand) pertaining the borrowing of a subsidiary of the Group in relation to the construction of a district cooling plant.

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% |

Movement in investment in joint venture is as follows:

| | <i>(Unaudited)</i> <i>30 September</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 | 1,838,425 | - |
| Additions during the period / year | - | 1,852,958 |
| Share of profit (loss) during the period / year | 140,993 | (14,533) |
| At the end of the period / year | <u>1,979,418</u> | <u>1,838,425</u> |

6 INVESTMENTS CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS

| | <i>(Unaudited)</i> <i>30 September</i> <i>2023</i> <i>AED'000</i> | <i>(Audited)</i> <i>31 December</i> <i>2022</i> <i>AED'000</i> |
|----------|----------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Quoted | 33,186,391 | 33,837,534 |
| Unquoted | 95,037 | 95,037 |
| | <u>33,281,428</u> | <u>33,932,571</u> |

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 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> <i>30 September</i> <i>2023</i> <i>AED'000</i> | <i>(Audited)</i> <i>31 December</i> <i>2022</i> <i>AED'000</i> |
|-------------|----------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Non-current | 17,213,115 | 22,491,803 |
| Current | <u>16,068,313</u> | <u>11,440,768</u> |
| | <u>33,281,428</u> | <u>33,932,571</u> |

The geographical distribution of investments is as follows:

| | <i>(Unaudited)</i> <i>30 September</i> <i>2023</i> <i>AED'000</i> | <i>(Audited)</i> <i>31 December</i> <i>2022</i> <i>AED'000</i> |
|-----------------|----------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Inside the UAE | 32,997,775 | 33,676,220 |
| Outside the UAE | <u>283,653</u> | <u>256,351</u> |
| | <u>33,281,428</u> | <u>33,932,571</u> |

The investments are recorded at fair value using valuation techniques disclosed in note 21. Movement in investment in financial assets carried at fair value through profit or loss is as follows:

| | <i>(Unaudited)</i> <i>30 September</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 | 33,932,571 | 5,433,404 |
| Additions during the period / year | 15,007 | 11,185,397 |
| Change in fair value during the period / year (note 16) | (265,332) | 18,095,400 |
| Disposal during the period / year | <u>(400,818)</u> | <u>(781,630)</u> |
| At the end of the period / year | <u>33,281,428</u> | <u>33,932,571</u> |

7 INVESTMENTS CARRIED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

| | <i>(Unaudited)</i> <i>30 September</i> <i>2023</i> <i>AED'000</i> | <i>(Audited)</i> <i>31 December</i> <i>2022</i> <i>AED'000</i> |
|----------|----------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Quoted | 36,660 | 36,227 |
| Unquoted | <u>376,168</u> | <u>8,818</u> |
| | <u>412,828</u> | <u>45,045</u> |

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

7 INVESTMENTS CARRIED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME continued

The geographical distribution of investments is as follows:

| | <i>(Unaudited)</i> 30 September 2023 <i>AED'000</i> | <i>(Audited)</i> 31 December 2022 <i>AED'000</i> |
|-----------------|---------------------------------------------------------------------|------------------------------------------------------------------|
| Inside the UAE | 36,660 | 36,227 |
| Outside the UAE | <u>376,168</u> | <u>8,818</u> |
| | <u><u>412,828</u></u> | <u><u>45,045</u></u> |

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

| | <i>(Unaudited)</i> 30 September 2023 <i>AED'000</i> | <i>(Audited)</i> 31 December 2022 <i>AED'000</i> |
|--------------------------------------------------|---------------------------------------------------------------------|------------------------------------------------------------------|
| At the beginning of the period / year | 45,045 | 68,903 |
| Additions during period / year | 374,700 | - |
| Transfer to investment in a subsidiary (note 10) | (13,025) | - |
| Change in fair value during the period / year | <u>6,108</u> | <u>(23,858)</u> |
| At the end of the period / year | <u><u>412,828</u></u> | <u><u>45,045</u></u> |

8 TRADE AND OTHER RECEIVABLES

| | <i>(Unaudited)</i> 30 September 2023 <i>AED'000</i> | <i>(Audited)</i> 31 December 2022 <i>AED'000</i> |
|--------------------------------------------|---------------------------------------------------------------------|------------------------------------------------------------------|
| Trade receivables | 225,714 | 165,509 |
| Less: allowance for expected credit losses | <u>(24,353)</u> | <u>(35,922)</u> |
| | 201,361 | 129,587 |
| Advances to suppliers | 21,357 | 15,589 |
| Prepayments | 40,637 | 19,471 |
| Dividends receivable | - | 6,458 |
| Receivable under share purchase agreement* | 1,553,866 | 1,983,110 |
| Other receivables | <u>44,483</u> | <u>19,471</u> |
| | 1,861,704 | 2,173,686 |
| Less: non-current portion | <u>(1,211,504)</u> | <u>(1,647,558)</u> |
| | <u><u>650,200</u></u> | <u><u>526,128</u></u> |

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 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> 30 September 2023 <i>AED'000</i> | <i>(Audited)</i> 31 December 2022 <i>AED'000</i> |
|-----------------------------------------|----------------------------------------------------------------------------|-------------------------------------------------------------------------|
| At the beginning of the period / year | 35,922 | 21,555 |
| (Reversal) charge for the period / year | <u>(11,569)</u> | <u>14,367</u> |
| At the end of the period / year | <u>24,353</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 114.1 million (note 16) and amortization of deferred income amounting to AED 289.5 million (note 16) were recorded in the consolidated statement of profit or loss.

9 CASH AND BANK BALANCES

| | <i>(Unaudited)</i> 30 September 2023 <i>AED'000</i> | <i>(Audited)</i> 31 December 2022 <i>AED'000</i> |
|----------------------------------------------------------------------|----------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Cash on hand | 2,107 | 2,206 |
| Cash at banks | 967,832 | 344,237 |
| Term deposits | 678,224 | 686,703 |
| Less: allowance for expected credit loss | <u>(5)</u> | <u>(5)</u> |
| Cash and bank balances | 1,648,158 | 1,033,141 |
| Less: term deposits with an original maturity more than three months | <u>(350,000)</u> | <u>(200,000)</u> |
| Cash and cash equivalents | <u>1,298,158</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 (31 December 2022: 0.5% to 2.5%).

10 BUSINESS COMBINATIONS

Acquisition during the period

During the period, the Group acquired the following entities, which were 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 962 thousand and AED 503 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 1,191 thousand and AED 690 thousand respectively.

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

10 BUSINESS COMBINATIONS continued

Media 247 Holding Ltd

Effective 1 July 2023, the Group acquired a 60% equity interest in Media 247 Holding Ltd. ("Media 247"). Media247 is a private company limited by shares incorporated and registered under the laws of Abu Dhabi Global Market. Media 247 is a specialised outdoor media solution provider in United Arab Emirates. From the date of acquisition, Media 247 contributed revenue and profit to the Group amounting to AED 41,651 thousand and AED 13,512 thousand respectively. If the acquisition had taken place at the beginning of the year, Media247 would have contributed revenue and profit to the Group amounting to AED 131,923 thousand and AED 49,264 thousand respectively.

LVL Technology Holding (formerly "Switch Technology Holding") ("LVL")

Effective 1 July 2023, the Group acquired control over LVL, previously recognised as a financial asset, through the acquisition of an additional ownership interest of 33% in LVL (cumulative ownership interest of 49.38%) for a consideration which consisted of cash amounting to AED 22,050 thousand and contribution of a subsidiary of the Group, Healthier U Wellness Services LLC (i.e. the fair value of the 50.62% interest in Healthier transferred to the third party). The Group controls LVL by virtue of the Shareholder agreement which gives the Group the ability to appoint four out of seven board members. From the date of acquisition, LVL contributed revenue and loss to the Group amounting to AED 429 thousand and AED 4,453 thousand respectively. If the acquisition had taken place at the beginning of the year, LVL would have contributed revenue and loss to the Group amounting to AED 1,583 thousand and AED 10,020 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>Fisio</i> <i>AED'000</i> | <i>Media247</i> <i>AED'000</i> | <i>LVL</i> <i>AED'000</i> | <i>Total</i> <i>AED'000</i> |
|-----------------------------------------------------------------------|--------------------------------|-----------------------------------|------------------------------|--------------------------------|
| Assets | | | | |
| Property, plant and equipment | 1,674 | 1,977 | 8 | 3,659 |
| Intangible assets | - | 195,542 | - | 195,542 |
| Inventories | 20 | - | - | 20 |
| Due from related parties | - | - | 530 | 530 |
| Trade and other receivables | 1,485 | 54,340 | 521 | 56,346 |
| Cash and bank balance | <u>192</u> | <u>19,576</u> | <u>23,582</u> | <u>43,350</u> |
| Total assets | <u>3,371</u> | <u>271,435</u> | <u>24,641</u> | <u>299,447</u> |
| Liabilities | | | | |
| Employees' end of service benefit | 39 | 1,308 | 613 | 1,960 |
| Loan from a related party | - | - | 6,015 | 6,015 |
| Deferred tax liability | - | 17,599 | - | 17,599 |
| Due to related parties | - | - | 45 | 45 |
| Trade and other payables | <u>4,514</u> | <u>43,207</u> | <u>6,872</u> | <u>54,593</u> |
| Total liabilities | <u>4,553</u> | <u>62,114</u> | <u>13,545</u> | <u>80,212</u> |
| Total identifiable net (liabilities) assets at fair value | <u>(1,182)</u> | <u>209,321</u> | <u>11,096</u> | <u>219,235</u> |
| Proportionate share of identifiable net (liabilities) assets acquired | (1,182) | 125,593 | 5,479 | 129,890 |
| Goodwill arising on acquisition | <u>1,183</u> | <u>126,570</u> | <u>34,470</u> | <u>162,223</u> |
| Total purchase consideration | <u>1</u> | <u>252,163</u> | <u>39,949</u> | <u>292,113</u> |
| Non-controlling interest on acquisition | <u>-</u> | <u>83,728</u> | <u>5,617</u> | <u>89,345</u> |

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

10 BUSINESS COMBINATIONS continued

Assets acquired and liabilities assumed continued

The net liabilities and 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 acquisitions 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 acquisitions date.

Details of purchase consideration on acquisitions is as follows:

| | <i>Fisio</i> <i>AED'000</i> | <i>Media247</i> <i>AED'000</i> | <i>LVL</i> <i>AED'000</i> | <i>Total</i> <i>AED'000</i> |
|--------------------------------------------------------|--------------------------------|-----------------------------------|------------------------------|--------------------------------|
| Cash paid for the acquisition | 1 | 174,738 | 22,050 | 196,789 |
| Deferred consideration (i) | - | 37,425 | - | 37,425 |
| Contingent consideration (ii) | - | 40,000 | - | 40,000 |
| Fair value of previously held equity interest (note 7) | - | - | 13,025 | 13,025 |
| Fair value of shares in a subsidiary (iii) | - | - | 4,874 | 4,874 |
| Total purchase consideration | <u>1</u> | <u>252,163</u> | <u>39,949</u> | <u>292,113</u> |

- (i) This represents the deferred payment of the purchase consideration as per the agreement.
- (ii) As part of the purchase agreement for the acquisition of Media 247, an additional cash payment of AED 40,000 thousand is to be paid to the previous owner in to be paid subject to Media 247 achieving a minimum net profit of AED 60,000 thousand during the year ending 31 December 2023. As at the acquisition date, the fair value of the contingent consideration was estimated at AED 40,000 thousand. The Group has recorded the contingent consideration as it is highly probability that the target net profit will be achieved.
- (iii) Represents the fair value of 50.62% ownership interest in HealthierU which was granted to a third party as part of the agreement to acquire LVL.

Analysis of cashflows on acquisition is as follows:

| | <i>Fisio</i> <i>AED'000</i> | <i>Media247</i> <i>AED'000</i> | <i>LVL</i> <i>AED'000</i> | <i>Total</i> <i>AED'000</i> |
|---------------------------------------------------------------------------------------------------------|--------------------------------|-----------------------------------|------------------------------|--------------------------------|
| Cash paid for the acquisition | 1 | 174,738 | 22,050 | 196,789 |
| Cash acquired on business combination | <u>(192)</u> | <u>(19,576)</u> | <u>(23,582)</u> | <u>(43,350)</u> |
| Acquisition of operating business – net of cash used (included in cash flows from investing activities) | (191) | 155,162 | (1,532) | 153,439 |
| Transaction costs of the acquisition (included in cash flows from operating activities) | <u>-</u> | <u>32</u> | <u>-</u> | <u>32</u> |
| Net cash used (acquired) on acquisition | <u>(191)</u> | <u>155,194</u> | <u>(1,532)</u> | <u>153,471</u> |

Acquisition related costs amounting to AED 32 thousand were expensed during the year and are included in general and administrative expenses.

Multiply Group PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

11 SHARE CAPITAL

| | <i>(Unaudited)</i> 30 September 2023 AED'000 | <i>(Audited)</i> 31 December 2022 AED'000 |
|------------------------------------------------------------|----------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Authorised issued and fully paid | | |
| 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:

| <i>Name</i> | <i>Nature of relationship</i> | <i>(Unaudited)</i> 30 September 2023 AED'000 | <i>(Audited)</i> 31 December 2022 AED'000 |
|------------------------------------------|---------------------------------------------------------|----------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Due from related parties: | | | |
| Aldar Properties PJSC | Entity under common control | 8,439 | - |
| Al Ataa Investment LLC | Entity under common control | 5,121 | 6,769 |
| International Holding Company PJSC | Parent company | 3,656 | 2,907 |
| Q Holding PJSC | Entity under common control | 281 | 2,803 |
| Alpha Dhabi Holding PJSC | Entity under common control | 328 | 1,179 |
| International Securities LLC | Entity under common control | 74 | 4,449 |
| Pal Technology Services LLC | Entity under common control | - | 22,736 |
| PAL Group of Companies LLC | Entity under common control | - | 3,308 |
| Others | Entities under common control/ other related parties | <u>20,956</u> | <u>12,796</u> |
| | | 38,855 | 56,947 |
| Less: allowance for expected credit loss | | <u>(265)</u> | <u>(433)</u> |
| | | <u>38,590</u> | <u>56,514</u> |
| Due to related parties: | | | |
| Alpha Dhabi Holding PJSC | Entity under common control | 70,588 | - |
| Chimera Investments LLC | Entity under common control | 14,700 | 14,700 |
| Provis Real Estate SP LLC | Entity under common control | 4,161 | 2,887 |
| RG Procurement RSC LTD | Entity under common control | 3,896 | 3,560 |
| Tamouh Investments Company LLC | Entity under common control | 1,483 | 3,104 |
| Reem from energy | | | |
| Investment Services LLC | Other related party | - | 7,550 |
| PAL Technology services LLC | Entity under common control | - | 4,184 |
| Oriontek Innovation LLC | Other related party | - | 1,016 |
| Kalyon Insaat Sany VE Ticaret A.S | Other related party | - | 920,587 |
| Others | Entities under common control/ other related parties | <u>20,100</u> | <u>3,175</u> |
| | | <u>114,928</u> | <u>960,763</u> |
| Investments in financial assets | Entity under common control | 3,762,073 | 4,716,524 |

Multiply Group PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

12 RELATED PARTY BALANCES AND TRANSACTIONS continued

Loans 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 grant loans amounting to USD 58 million and EUR 36 million in order 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 September 2023 <i>AED'000</i> | <i>(Audited)</i> 31 December 2022 <i>AED'000</i> |
|-------------|---------------------------------------------------------------------|------------------------------------------------------------------|
| Current | 15,621 | - |
| Non-current | <u>353,025</u> | <u>-</u> |
| | <u><u>368,646</u></u> | <u>-</u> |

Loans from related parties:

Following are the details of loans from related parties:

| | | | | <i>(Unaudited)</i> 30 September 2023 <i>AED'000</i> | <i>(Audited)</i> 31 December 2022 <i>AED'000</i> |
|----------------------|-----------------|-----------------------|-----------------|---------------------------------------------------------------------|------------------------------------------------------------------|
| | <i>Security</i> | <i>Interest rates</i> | <i>Maturity</i> | | |
| Related party loan 1 | Secured | 5% | December 2026 | 42,549 | 40,995 |
| Related party loan 2 | Unsecured | Interest free | December 2023 | 7,623 | 7,623 |
| Related party loan 3 | Unsecured | Interest free | September 2023 | 25,000 | 25,000 |
| Related party loan 4 | Unsecured | 10% | 3-12 months | 296 | - |
| Related party loan 5 | Unsecured | 10% | December 2023 | 2,144 | - |
| Related party loan 6 | Unsecured | 10% | 3-12 months | <u>1,241</u> | <u>-</u> |
| | | | | <u><u>78,853</u></u> | <u><u>73,618</u></u> |

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

| | <i>(Unaudited)</i> 30 September 2023 <i>AED'000</i> | <i>(Audited)</i> 31 December 2022 <i>AED'000</i> |
|-------------|---------------------------------------------------------------------|------------------------------------------------------------------|
| Current | 47,592 | 43,911 |
| Non-current | <u>31,261</u> | <u>29,707</u> |
| | <u><u>78,853</u></u> | <u><u>73,618</u></u> |

Balances with a financial institution (other related party):

| | <i>(Unaudited)</i> 30 September 2023 <i>AED'000</i> | <i>(Audited)</i> 31 December 2022 <i>AED'000</i> |
|---------------------------------------|---------------------------------------------------------------------|------------------------------------------------------------------|
| Balances with a financial institution | <u>900,455</u> | <u>385,972</u> |
| Borrowings | <u>9,442,707</u> | <u>8,324,231</u> |

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 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 September</i> | | <i>Nine months ended 30 September</i> | |
|-------------------------------------------------------------------------------|--------------------------------------------|------------------------------------------|-------------------------------------------|------------------------------------------|
| | <i>(Unaudited) 2023 AED '000</i> | <i>(Unaudited) 2022 AED '000</i> | <i>(Unaudited) 2023 AED '000</i> | <i>(Unaudited) 2022 AED '000</i> |
| Revenue (entities under common control) | <u>16,246</u> | <u>14,397</u> | <u>36,616</u> | <u>18,423</u> |
| Cost of revenue (entities under common control) | <u>8,030</u> | <u>1,338</u> | <u>12,627</u> | <u>7,742</u> |
| General and administrative expenses (entities under common control) | <u>2,715</u> | <u>175</u> | <u>6,846</u> | <u>1,048</u> |
| Other income (entities under common control/other related parties) | <u>9,204</u> | <u>-</u> | <u>15,628</u> | <u>-</u> |
| Key management remuneration: | | | | |
| Salaries and employee benefits | 4,522 | 3,457 | 14,306 | 11,993 |
| Employees end of service benefits | <u>212</u> | <u>216</u> | <u>611</u> | <u>858</u> |
| | <u>4,734</u> | <u>3,673</u> | <u>14,917</u> | <u>12,851</u> |
| Transactions with a financial institution (other related party): | | | | |
| Interest expense for the period | <u>103,309</u> | <u>1,500</u> | <u>285,526</u> | <u>2,813</u> |
| Drawdowns of borrowings | <u>310,000</u> | <u>44,131</u> | <u>1,500,000</u> | <u>52,214</u> |
| Repayment of borrowings | <u>(436,156)</u> | <u>(11,097)</u> | <u>(687,052)</u> | <u>(14,322)</u> |

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 (30 September 2022: 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) 30 September 2023 AED '000</i> | <i>(Audited) 31 December 2022 AED '000</i> |
|-----------------------------|-----------------------------------------------------------|--------------------------------------------------------|
| Trade payables | 52,082 | 56,049 |
| Advances from customers | 30,007 | 71,086 |
| Unearned revenue | 19,208 | 66,338 |
| Contingent consideration | 40,000 | - |
| Payable consideration | 37,425 | - |
| Deferred income | 1,529,703 | 1,818,655 |
| Accruals and other payables | 230,158 | 117,513 |
| Security deposits | 25,249 | 26,924 |
| VAT payable, net | 895 | 1,557 |
| Retention payable | <u>14,172</u> | <u>17,825</u> |
| | <u>1,978,899</u> | <u>2,175,947</u> |
| Less: non-current portion | <u>(1,245,039)</u> | <u>(1,540,153)</u> |
| | <u>733,860</u> | <u>635,794</u> |

Multiply Group PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

13 TRADE AND OTHER PAYABLES continued

Non-current portion consists of the following:

| | <i>(Unaudited)</i> 30 September 2023 <i>AED '000</i> | <i>(Audited)</i> 31 December 2022 <i>AED '000</i> |
|-------------------------|-----------------------------------------------------------------------------|--------------------------------------------------------------------------|
| Unearned revenue | 45,880 | 48,758 |
| Deferred income | 1,141,033 | 1,431,594 |
| Advances from customers | 32,877 | 32,877 |
| Security deposits | <u>25,249</u> | <u>26,924</u> |
| | <u>1,245,039</u> | <u>1,540,153</u> |

14 BORROWINGS

| <i>Borrowings:</i> | <i>Security</i> | <i>Interest rates</i> | <i>Maturity</i> | <i>(Unaudited)</i> 30 September 2023 <i>AED '000</i> | <i>(Audited)</i> 31 December 2022 <i>AED '000</i> |
|--------------------|-----------------|-----------------------|-----------------|-----------------------------------------------------------------------------|--------------------------------------------------------------------------|
| Term loan 1 | Secured | EIBOR + 1.85% | December 2023 | 3,336 | 10,640 |
| Term loan 2 | Secured | EIBOR + 1.85% | December 2024 | 117,725 | 111,885 |
| Term loan 3 | Secured | EIBOR + 1.85% | September 2030 | 87,073 | 95,648 |
| Term loan 4 | Secured | EIBOR + 1.85% | December 2027 | 134,366 | 139,106 |
| Term loan 5 | Secured | 3.88% | July 2027 | 6,039,700 | 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 | 497,957 | 498,448 |
| Term loan 8 | Secured | EBIOR + 0.85% | September 2025 | 333,889 | 507,360 |
| Term loan 9 | Secured | EBIOR + 0.85% | March 2026 | 835,457 | - |
| Term loan 10 | Secured | EBIOR + 0.85% | June 2026 | 193,760 | - |
| Term loan 11 | Secured | EBIOR + 0.85% | September 2026 | <u>309,996</u> | <u>-</u> |
| | | | | <u>9,557,073</u> | <u>8,463,338</u> |

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

| | <i>(Unaudited)</i> 30 September 2023 <i>AED '000</i> | <i>(Audited)</i> 31 December 2022 <i>AED '000</i> |
|-------------|-----------------------------------------------------------------------------|--------------------------------------------------------------------------|
| Non-current | 8,257,606 | 8,102,301 |
| Current | <u>1,299,467</u> | <u>361,037</u> |
| | <u>9,557,073</u> | <u>8,463,338</u> |

Multiply Group PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

14 BORROWINGS continued

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

| | <i>(Unaudited)</i> 30 September 2023 AED '000 | <i>(Audited)</i> 31 December 2022 AED '000 |
|-------------------------------------------|-----------------------------------------------------------------------------|--------------------------------------------------------------------------|
| At the beginning of the period / year | 8,463,338 | 366,930 |
| Drawdowns | 1,505,290 | 8,076,944 |
| Reclassified to loan from related parties | - | (7,623) |
| Transaction cost, net | 4 | (3,671) |
| Finance costs | 292,540 | 141,301 |
| Repayments | <u>(704,099)</u> | <u>(110,543)</u> |
| At the end of the period / year | <u>9,557,073</u> | <u>8,463,338</u> |

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

| | Three months ended 30 September | | Nine months ended 30 September | |
|----------------------------------------|------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|
| | <i>(Unaudited)</i> 2023 AED '000 | <i>(Unaudited)</i> 2022 AED '000 | <i>(Unaudited)</i> 2023 AED '000 | <i>(Unaudited)</i> 2022 AED '000 |
| Interest on bank borrowings | 104,175 | 47,905 | 287,810 | 50,839 |
| Interest on loans from related parties | 523 | 524 | 1,554 | 1,553 |
| Interest on lease liabilities | 1,847 | 2,791 | 5,768 | 5,069 |
| Amortization of transaction cost | 376 | 158 | 1,054 | 158 |
| Bank charges | <u>1,040</u> | <u>243</u> | <u>5,452</u> | <u>431</u> |
| | <u>107,961</u> | <u>51,621</u> | <u>301,638</u> | <u>58,050</u> |

Multiply Group PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

15 REVENUE

| | <i>Three months ended 30 September</i> | | <i>Nine months ended 30 September</i> | |
|--------------------------------------------------------------------------------|--------------------------------------------|------------------------------------------|-------------------------------------------|------------------------------------------|
| | <i>(Unaudited) 2023 AED '000</i> | <i>(Unaudited) 2022 AED '000</i> | <i>(Unaudited) 2023 AED '000</i> | <i>(Unaudited) 2022 AED '000</i> |
| Type of goods or services | | | | |
| Revenue from district cooling services | 93,122 | 79,674 | 223,277 | 203,738 |
| Revenue from consultancy, training and coaching services | 94,096 | 93,320 | 264,117 | 250,054 |
| Revenue from media and marketing services | 75,586 | 20,096 | 128,625 | 67,598 |
| Revenue from sale of cosmetics and rendering of related personal care services | 86,832 | 89,029 | 274,915 | 263,874 |
| Revenue from rentals | <u>2,154</u> | <u>1,999</u> | <u>6,361</u> | <u>6,119</u> |
| | <u>351,790</u> | <u>284,118</u> | <u>897,295</u> | <u>791,383</u> |
| Timing of revenue recognition | | | | |
| Revenue at a point in time | 135,510 | 142,021 | 399,620 | 387,108 |
| Revenue over time | <u>216,280</u> | <u>142,097</u> | <u>497,675</u> | <u>404,275</u> |
| | <u>351,790</u> | <u>284,118</u> | <u>897,295</u> | <u>791,383</u> |
| Geographical markets | | | | |
| United Arab Emirates | 350,167 | 282,537 | 892,362 | 786,669 |
| Kingdom of Saudi Arabia | <u>1,623</u> | <u>1,581</u> | <u>4,933</u> | <u>4,714</u> |
| | <u>351,790</u> | <u>284,118</u> | <u>897,295</u> | <u>791,383</u> |

16 INVESTMENT AND OTHER INCOME (LOSS)

| | <i>Three months ended 30 September</i> | | <i>Nine months ended 30 September</i> | |
|-------------------------------------------------------------------------------------------|--------------------------------------------|------------------------------------------|-------------------------------------------|------------------------------------------|
| | <i>(Unaudited) 2023 AED '000</i> | <i>(Unaudited) 2022 AED '000</i> | <i>(Unaudited) 2023 AED '000</i> | <i>(Unaudited) 2022 AED '000</i> |
| Change in fair value of investments carried at fair value through profit or loss (note 6) | (185,076) | 9,210,731 | (265,332) | 9,477,907 |
| Gain on disposal of property, plant and equipment | 158 | - | 158 | 798 |
| Interest and dividend income | 85,780 | 38,352 | 486,510 | 62,342 |
| Loss on reassessment of non-current receivable (note 8) | - | - | (169,616) | - |
| Unwinding of discount on non-current receivable (note 8) | 37,523 | - | 114,141 | - |
| Amortization of deferred income (note 8) | 97,560 | - | 289,500 | - |
| Others | <u>(2,128)</u> | <u>1,584</u> | <u>21,185</u> | <u>9,994</u> |
| | <u>33,817</u> | <u>9,250,667</u> | <u>476,546</u> | <u>9,551,041</u> |

Multiply Group PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

17 INCOME TAX

| | <i>(Unaudited)</i> 30 September 2023 AED '000 | <i>(Audited)</i> 31 December 2022 AED '000 |
|---------------------------------------------------------------------------------|-----------------------------------------------------------------------------|--------------------------------------------------------------------------|
| <i>Consolidated statement of financial position - Deferred tax liabilities:</i> | | |
| Relating to business combinations prior to enactment of UAE CT Law | 31,678 | - |
| Relating to business combinations subsequent to enactment of UAE CT Law | <u>16,988</u> | <u>-</u> |
| | <u>48,666</u> | <u>-</u> |

| | <i>Three months ended</i> 30 September | <i>Nine months ended</i> 30 September |
|--------------------------------------------------|------------------------------------------------------|------------------------------------------------------|
| | <i>(Unaudited)</i> 2023 AED '000 | <i>(Unaudited)</i> 2022 AED '000 |
| <i>Consolidated statement of profit or loss:</i> | | |
| Income tax expense (net) – deferred | 31,067 | - |

The deferred tax expense (net) for the nine months ended 30 September 2023 mainly relates to the initial recognition of deferred tax liability in respect of the goodwill and intangible assets arising from business combination of certain UAE based entities prior to the enactment of UAE CT law.

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> 30 September | <i>Nine months ended</i> 30 September |
|----------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|
| | <i>(Unaudited)</i> 2023 AED '000 | <i>(Unaudited)</i> 2022 AED '000 |
| Profit attributable to the owners of the Company (<i>AED '000</i>) | <u>84,842</u> | <u>9,251,936</u> |
| Weighted average number of shares (<i>shares in '000</i>) | <u>11,200,000</u> | <u>11,200,000</u> |
| Basic earnings per share for the period (<i>AED</i>) | <u>0.008</u> | <u>0.83</u> |

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

19 DIVIDENDS

Dividends attributable to non-controlling interest amounting to AED 46,682 thousand were declared and paid during the period (30 September 2022: AED 44,348 thousand declared, of which AED 30,349 thousand was paid).

Multiply Group PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

20 CONTINGENT LIABILITIES AND COMMITMENTS

| | <i>(Unaudited)</i> 30 September 2023 AED'000 | <i>(Audited)</i> 31 December 2022 AED'000 |
|-----------------------------------|----------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Letters of guarantee | <u>24,316</u> | <u>3,718</u> |
| Letters of credit | <u>2,696</u> | <u>5,918</u> |
| Commitment of capital expenditure | <u>331,860</u> | <u>124,216</u> |

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

21 FAIR VALUE MEASUREMENTS

Fair value of the Group's financial 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> 30 September 2023 <i>(Unaudited)</i> AED'000 | 31 December 2022 <i>(Audited)</i> AED'000 | Fair value hierarchy | Valuation techniques |
|--------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|---------------------------------------|-----------------------------------------------|
| Financial assets | | | | |
| Quoted equity investments – investment in financial assets | 33,223,051 | 33,873,761 | Level 1 | Quoted bid prices in an active market |
| Unquoted equity investments – investment in financial assets | 471,205 | 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.

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.

Investment activities includes investments in quoted and unquoted equity instruments.

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

22 SEGMENTAL ANALYSIS continued

For the nine 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 September 2023</i> | <i>30 September 2022</i> | <i>30 September 2023</i> | <i>30 September 2022</i> | <i>30 September 2023</i> | <i>30 September 2022</i> | <i>30 September 2023</i> | <i>30 September 2022</i> | <i>30 September 2023</i> | <i>30 September 2022</i> | <i>30 September 2023</i> | <i>30 September 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 | 128,625 | 67,375 | 223,277 | 203,738 | 270,479 | 256,173 | 274,914 | 264,097 | - | - | 897,295 | 791,383 |
| Cost of revenue | (83,228) | (52,719) | (112,431) | (95,808) | (59,731) | (51,870) | (184,712) | (201,744) | - | - | (440,102) | (402,141) |
| Gross profit | 45,397 | 14,656 | 110,846 | 107,930 | 210,748 | 204,303 | 90,202 | 62,353 | - | - | 457,193 | 389,242 |
| Investment and other income | 8,152 | 74 | 20,686 | - | 38,808 | 28,718 | 5,944 | 1,405 | 402,956 | 9,520,844 | 476,546 | 9,551,041 |
| Share of profit from investment in joint venture | - | - | 140,993 | - | - | - | - | - | - | - | 140,993 | - |
| Finance cost | (582) | (220) | (14,819) | (5,156) | (3,437) | (2,212) | (5,904) | (2,859) | (276,896) | (47,603) | (301,638) | (58,050) |
| General and administrative expenses | (33,772) | (10,008) | (16,692) | (21,624) | (56,706) | (47,568) | (57,030) | (23,086) | (31,986) | (31,186) | (196,186) | (133,472) |
| Profit (loss) for the period | 19,195 | 4,502 | 241,014 | 81,150 | 189,413 | 183,241 | 33,212 | 37,813 | 94,074 | 9,442,055 | 576,908 | 9,748,761 |
| | <i>As of 30 September 2023</i> | <i>As of 31 December 2022</i> | <i>As of 30 September 2023</i> | <i>As of 31 December 2022</i> | <i>As of 30 September 2023</i> | <i>As of 31 December 2022</i> | <i>As of 30 September 2023</i> | <i>As of 31 December 2022</i> | <i>As of 30 September 2023</i> | <i>As of 31 December 2022</i> | <i>As of 30 September 2023</i> | <i>As of 31 December 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> | <i>AED'000</i> |
| Segment assets | 646,765 | 225,767 | 4,071,139 | 3,282,038 | 1,155,146 | 1,069,410 | 714,219 | 645,263 | 35,545,759 | 35,983,404 | 42,133,028 | 41,205,882 |
| Segment liabilities | 389,674 | 68,260 | 1,180,425 | 1,554,155 | 105,491 | 119,603 | 360,374 | 312,047 | 9,932,262 | 9,771,110 | 11,968,226 | 11,825,175 |

Multiply Group PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2023 (Unaudited)

22 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 September 2023 AED'000</i> | <i>30 September 2022 AED'000</i> | <i>30 September 2023 AED'000</i> | <i>30 September 2022 AED'000</i> | <i>30 September 2023 AED'000</i> | <i>30 September 2022 AED'000</i> | <i>30 September 2023 AED'000</i> | <i>30 September 2022 AED'000</i> | <i>30 September 2023 AED'000</i> | <i>30 September 2022 AED'000</i> | <i>30 September 2023 AED'000</i> | <i>30 September 2022 AED'000</i> |
| Revenue | 75,586 | 19,873 | 93,122 | 79,674 | 96,251 | 95,319 | 86,831 | 89,252 | - | - | 351,790 | 284,118 |
| Cost of revenue | (45,106) | (15,198) | (50,070) | (40,875) | (18,862) | (19,056) | (61,525) | (70,289) | - | - | (175,563) | (145,418) |
| Gross profit | 30,480 | 4,675 | 43,052 | 38,799 | 77,389 | 76,263 | 25,306 | 18,963 | - | - | 176,227 | 138,700 |
| Investment and other income | 625 | (4,497) | 7,264 | - | 11,000 | 26,244 | 2,340 | 475 | 12,588 | 9,228,445 | 33,817 | 9,250,667 |
| Share of profit from investment in joint venture | - | - | 157,558 | - | - | - | - | - | - | - | 157,558 | - |
| Finance cost | (211) | (79) | (5,028) | (2,222) | (1,168) | (737) | (1,147) | (980) | (100,407) | (47,603) | (107,961) | (51,621) |
| General and administrative expenses | (22,465) | 8,471 | (5,978) | (9,256) | (19,502) | (17,508) | (21,889) | (1,753) | (12,967) | (31,186) | (82,801) | (51,232) |
| Profit (loss) for the period | 8,429 | 8,570 | 196,868 | 27,321 | 67,719 | 84,262 | 4,610 | 16,705 | (100,786) | 9,149,656 | 176,840 | 9,286,514 |