



INTERNATIONAL HOLDING COMPANY PJSC

Review report and interim financial information

For the nine-months period ended 30 September 2023

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TO THE BOARD OF DIRECTORS OF INTERNATIONAL HOLDING COMPANY PJSC**

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of International Holding Company 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 statements of profit or loss and comprehensive income for the three months and nine months periods then ended and the related interim consolidated statements of changes in equity and cash flows for the nine months period then ended and explanatory notes. Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

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

Conclusion

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



Signed by:
Anthony O'Sullivan
Partner
Ernst & Young
Registration No 687

7 November 2023
Abu Dhabi

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2023

		<i>(Unaudited)</i> 30 September 2023 <i>AED '000</i>	<i>(Audited)</i> 31 December 2022 <i>AED '000</i>
	<i>Notes</i>		
ASSETS			
Non-current assets			
Property, plant and equipment	4	19,963,450	19,502,124
Intangible assets and goodwill		9,204,941	11,616,475
Right-of-use assets		2,024,449	2,954,791
Investment properties	5	30,147,644	29,602,126
Investment in associates and joint ventures	6	25,764,314	7,654,312
Investments in financial assets	7	21,458,358	26,615,304
Derivative financial instruments		1,332	207,045
Trade and other receivables		2,945,262	2,674,851
Biological assets		120,232	27,008
Loan to a related party	14	353,025	-
Due from related parties	14	951	951
Deferred tax assets		75,595	106,357
		<u>112,059,553</u>	<u>100,961,344</u>
Current assets			
Inventories	8	15,949,405	13,001,371
Development work-in-progress		6,544,968	6,367,548
Biological assets		58,584	57,913
Investments in financial assets	7	35,656,865	32,176,907
Derivative financial instruments		33,533	41,747
Due from related parties	14	1,138,156	1,988,332
Loan to related parties	14	15,621	1,200
Contract assets	10	9,772,711	8,128,256
Trade and other receivables		23,922,246	26,139,983
Cash and bank balances	11	29,353,079	37,230,142
		<u>122,445,168</u>	<u>125,133,399</u>
Assets held for sale	9	<u>1,068,446</u>	<u>1,939,751</u>
		<u>123,513,614</u>	<u>127,073,150</u>
TOTAL ASSETS		<u>235,573,167</u>	<u>228,034,494</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	13	2,193,540	2,193,540
Share premium	13	-	151,188,827
Merger, acquisition and other reserves		18,264,106	(109,900,410)
Statutory reserve		1,096,770	1,096,770
Contributed capital		940,015	940,015
Cumulative changes on revaluation of investments		(727,227)	(146,055)
Currency translation reserve		(392,382)	(236,526)
Hedging reserve		23,417	22,619
Retained earnings		<u>57,489,905</u>	<u>22,701,803</u>
Equity attributable to owners of the Company		78,888,144	67,860,583
Hybrid equity instruments		1,815,646	1,815,646
Non-controlling interests		<u>57,515,595</u>	<u>59,687,880</u>
Total equity		<u>138,219,385</u>	<u>129,364,109</u>

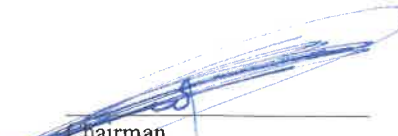
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION continued

As at 30 September 2023

		<i>(Unaudited)</i> 30 September 2023 AED'000	<i>(Audited)</i> 31 December 2022 AED'000
	<i>Notes</i>		
EQUITY AND LIABILITIES continued			
Non-current liabilities			
Employees' end of service benefits		1,474,039	2,771,254
Lease liabilities		1,865,340	2,814,243
Borrowings	15	35,321,221	33,829,725
Non-convertible sukuk	16	5,454,292	3,644,812
Trade and other payables		6,496,971	3,334,080
Loans from related parties	14	142,809	76,899
Due to related parties	14	2,520	3,133
Deferred tax liabilities		<u>663,535</u>	<u>65,148</u>
		<u>51,420,727</u>	<u>46,539,294</u>
Current liabilities			
Due to related parties	14	1,316,840	4,340,517
Loans from related parties	14	37,946	16,574
Lease liabilities		199,111	258,202
Borrowings	15	4,995,228	2,436,992
Non-convertible sukuk	16	63,733	37,104
Derivative financial instruments		29,497	50,171
Contract liabilities		11,969,881	12,023,027
Trade and other payables		<u>27,313,137</u>	<u>32,960,489</u>
		<u>45,925,373</u>	<u>52,123,076</u>
Liabilities directly associated with assets held for sale	9	<u>7,682</u>	<u>8,015</u>
		<u>45,933,055</u>	<u>52,131,091</u>
Total liabilities		<u>97,353,782</u>	<u>98,670,385</u>
TOTAL EQUITY AND LIABILITIES		<u>235,573,167</u>	<u>228,034,494</u>


 Chief Financial Officer


 Managing Director


 Chairman

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

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

For the three months and nine months periods ended 30 September 2023

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2023 AED '000	2022 AED '000	2023 AED '000	2022 AED '000
Revenue	17	14,153,877	12,386,537	42,823,390	34,312,162
Cost of revenue		(11,159,432)	(9,545,228)	(33,691,501)	(25,070,934)
GROSS PROFIT		2,994,445	2,841,309	9,131,889	9,241,228
General and administrative expenses		(1,142,549)	(1,120,898)	(4,840,346)	(3,728,184)
Selling and distribution expenses		(70,409)	(44,696)	(180,720)	(121,168)
Share of profit from investment in associates and joint ventures	6	159,433	192,963	768,763	523,305
Investment and other income	18	3,718,079	12,440,994	2,993,875	15,007,941
Gain on acquisition of subsidiaries	12.2	-	20,150	825	1,264,553
Gain on derecognition / disposal of subsidiaries	12.6	-	457	8,830,127	106,793
Fair value gain on revaluation of previously held equity interest	6	316,721	-	316,931	2,758,679
Gain on disposal of investment in associates and joint ventures	6	15,980	1,999	429,018	39,378
Share of other comprehensive loss of a joint venture reclassified to profit or loss on disposal		-	-	-	(7,077)
Finance costs		(568,602)	(383,271)	(1,615,502)	(754,635)
Profit before tax		5,423,098	13,949,007	15,834,860	24,330,813
Taxation		(597,790)	(30,754)	(613,148)	(57,633)
Profit for the period		4,825,308	13,918,253	15,221,712	24,273,180
Attributable to:					
Owners of the Company		4,137,374	6,419,465	11,315,259	10,829,944
Non-controlling interests		687,934	7,498,788	3,906,453	13,443,236
Profit for the period		4,825,308	13,918,253	15,221,712	24,273,180
Basic and diluted earnings per share (AED)	19	1.89	3.52	5.16	5.95

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

INTERIM CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME (UNAUDITED)

For the three months and nine months periods ended 30 September 2023

		<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</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		4,825,308	13,918,253	15,221,712	24,273,180
Other comprehensive loss:					
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Foreign exchange difference on translation of foreign operations		(25,715)	(101,795)	(431,669)	(378,211)
Change in fair value of hedging instruments		(8,266)	35,524	(11,892)	55,338
Change in fair value of financial assets carried at fair value through other comprehensive income	7.1	-	(8,011)	1,101	(26,599)
Share of other comprehensive income (loss) of associates and joint ventures		399	1,638	22,076	(26,617)
Net gains on hedging instruments reclassified to profit or loss		(2,765)	-	(2,437)	-
Share of other comprehensive loss of a joint venture reclassified to profit or loss on disposal		-	-	-	7,077
<i>Items that will not be reclassified subsequently to profit or loss:</i>					
Share of other comprehensive loss of a joint venture		(75,500)	-	(75,500)	-
Change in fair value of financial assets carried at fair value through other comprehensive income	7.1	(93,084)	(47,519)	(573,488)	(308,346)
Total other comprehensive loss		(204,931)	(120,163)	(1,071,809)	(677,358)
Total comprehensive income for the period		4,620,377	13,798,090	14,149,903	23,595,822
Attributable to:					
Owners of the Company		3,985,527	6,321,632	10,605,700	10,336,849
Non-controlling interests		634,850	7,476,458	3,544,203	13,258,973
Total comprehensive income for the period		4,620,377	13,798,090	14,149,903	23,595,822

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

International Holding Company 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	Merger, acquisition and other reserves AED '000	Statutory reserve AED '000	Contributed capital AED '000	Cumulative revaluation of investments AED '000	Currency translation reserve AED '000	Hedging reserve AED '000	Retained earnings AED '000	Total AED '000	Hybrid equity instruments AED '000	Non controlling- interests AED '000	Total equity AED '000
Balance at 1 January 2022 (audited)	1,821,429	-	16,668,311	910,715	-	360,372	2,038	1,627	7,329,169	27,093,661	-	28,938,365	56,032,026
Profit for the period	-	-	-	-	-	-	-	-	10,829,944	10,829,944	-	13,443,236	24,273,180
Other comprehensive loss for the period	-	-	-	-	-	(356,853)	(130,515)	(5,727)	-	(493,095)	-	(184,263)	(677,358)
Total comprehensive (loss) income for the period	-	-	-	-	-	(356,853)	(130,515)	(5,727)	10,829,944	10,336,849	-	13,258,973	23,595,822
Business combination of entities under common control	-	-	455,314	-	-	-	-	-	-	455,314	-	724,375	1,179,689
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	1,126,639	19,822,542	20,949,181
Acquisition of assets from entities under common control	-	-	783,364	-	-	-	-	-	-	783,364	-	-	783,364
Hybrid equity instruments issued during the period	-	-	-	-	-	-	-	-	-	-	689,007	-	689,007
Coupon paid on hybrid equity instrument	-	-	-	-	-	-	-	-	(51,645)	(51,645)	-	-	(51,645)
Capital contribution by Ultimate Parent	-	-	-	-	121,832	-	-	-	-	121,832	-	-	121,832
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	1,488	1,488
Disposal of partial interest in subsidiaries	-	-	(175,150)	-	-	-	-	-	1,860,028	1,684,878	-	4,439,247	6,124,125
Acquisition of non-controlling interests	-	-	(213,218)	-	-	-	-	-	(104,766)	(317,984)	-	(491,274)	(809,258)
Non-controlling interest share of newly issued shares	-	-	-	-	-	-	-	-	-	-	-	3,305,401	3,305,401
Capital injection by non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	105,764	105,764
Repayment to non-controlling interests of contributed capital	-	-	-	-	-	-	-	-	-	-	-	(10,000)	(10,000)
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	(1,846,408)	(1,846,408)
Balance at 30 September 2022 (unaudited)	1,821,429	-	17,518,621	910,715	121,832	3,519	(128,477)	(4,100)	19,862,730	40,106,269	1,815,646	68,248,473	110,170,388
Balance at 1 January 2023 (audited)	2,193,540	151,188,827	(109,900,410)	1,096,770	940,015	(146,055)	(236,526)	22,619	22,701,803	67,860,583	1,815,646	59,687,880	129,364,109
Profit for the period	-	-	-	-	-	-	-	-	11,315,259	11,315,259	-	3,906,453	15,221,712
Other comprehensive loss for the period	-	-	-	-	-	(554,501)	(155,856)	798	-	(709,559)	-	(362,250)	(1,071,809)
Total comprehensive (loss) income for the period	-	-	-	-	-	(554,501)	(155,856)	798	11,315,259	10,605,700	-	3,544,203	14,149,903
Disposal of investments carried at fair value through other comprehensive income	-	-	-	-	-	(26,671)	-	-	26,671	-	-	-	-
Business combination of entities under common control (note 12.1)	-	-	259,891	-	-	-	-	-	-	259,891	-	329,026	588,917
Acquisition of subsidiaries (note 12.2)	-	-	-	-	-	-	-	-	-	-	-	736,423	736,423
Acquisition of assets from entities under common control (note 7.1 & 12.3)	-	-	514,240	-	-	-	-	-	-	514,240	-	-	514,240
Non-controlling interests arising from acquisition of assets (note 12.3)	-	-	-	-	-	-	-	-	-	-	-	1,018	1,018
Disposal of partial interest in subsidiaries (note 12.4)	-	-	313,907	-	-	-	-	-	-	313,907	-	527,577	841,484
Acquisition of non-controlling interest (note 12.5)	-	-	(441,132)	-	-	-	-	-	-	(441,132)	-	(269,636)	(710,768)
Derecognition of a subsidiary (note 12.6)	-	-	-	-	-	-	-	-	-	-	-	(6,231,391)	(6,231,391)
Non-controlling interest share of newly issued shares (note 12.2)	-	-	-	-	-	-	-	-	-	-	-	176,769	176,769
Coupon paid on hybrid equity instrument	-	-	-	-	-	-	-	-	(103,289)	(103,289)	-	-	(103,289)
Repayment of contributed capital to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	(4,880)	(4,880)
Additional contributions by non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	120,093	120,093
Transfer of share premium (note 13)	-	(151,188,827)	127,639,366	-	-	-	-	-	23,549,461	-	-	-	-
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	(1,194,451)	(1,194,451)
Other equity movement	-	-	(121,756)	-	-	-	-	-	-	(121,756)	-	92,964	(28,792)
Balance at 30 September 2023 (unaudited)	2,193,540	-	18,264,106	1,096,770	940,015	(727,227)	(392,382)	23,417	57,489,905	78,888,144	1,815,646	57,515,595	138,219,385

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

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the nine months period ended 30 September 2023

	Notes	Nine months period ended 30 September	
		2023 AED'000	2022 AED'000
OPERATING ACTIVITIES			
Profit before tax		15,834,860	24,330,813
Adjustments for:			
Depreciation of property, plant and equipment and right-of-use assets		1,483,372	1,059,954
Amortisation of intangible assets		263,385	158,604
Depreciation of investment properties	5	674,327	469,971
Amortisation of biological asset		11,681	4,661
Share of profit from investment in associates and joint ventures	6	(768,763)	(523,305)
Change in the fair value of financial assets carried at fair value through profit or loss	7.2 & 18	1,117,656	(13,620,935)
Gain on acquisition of subsidiaries	12.2	(825)	(1,264,553)
Gain on liquidation of subsidiaries		(4,051)	-
Gain on derecognition / disposal of subsidiaries	12.6	(8,830,127)	(106,793)
Gain on acquisition of an associate	6	(100,080)	-
Change in fair value of biological assets		3,908	8,774
Fair value gain on revaluation of previously held equity interest		(316,931)	(2,758,679)
Gain on disposal of asset held for sale	9.1 & 18	(182,361)	-
Loss on disposal of intangible assets		250	-
Provision for employees' end of service benefit		257,861	172,011
Gain on disposal of property, plant and equipment		(34,230)	(317,346)
Gain on disposal of investment properties		(22,865)	(31,423)
Gain on disposal of investment in associates and joint ventures		(429,018)	(39,378)
Impairment loss allowance on receivables from Islamic financing activities		-	233,967
Allowance for slow moving inventories	8	50,708	9,165
Allowance for expected credit losses		478,304	34,245
Reversal of ECL on investments carried at amortised cost	7.3	(84)	-
Covid-19 rent concessions		-	(376)
Interest and dividend income	18	(1,376,997)	(617,589)
Fair value gain on revaluation of previously held property, plant and equipment		-	(116,430)
(Reversal of impairment) impairment loss on property, plant and equipment, net		(138)	38,246
Impairment (reversal of impairment) loss on investment properties		-	260,768
Impairment loss on development work in progress		11,510	-
Derecognition and termination of right-of-use assets and lease liabilities		-	8,412
Interest on non-convertible sukuk		-	3,222
Reversal of impairment losses on investments in associates and joint ventures, net	6	(37,581)	-
Unwinding of discounting of long-term receivables		(114,141)	-
Amortisation of deferred income		(289,500)	-
Loss on reassessment of non-current receivable		169,616	-
Gain on modification of a borrowing	15	(10,540)	-
Reversal of provisions		(1,070,000)	-
Finance costs		<u>1,615,502</u>	<u>754,635</u>
Operating cash flows before working capital changes		8,384,708	8,150,641
Working capital changes:			
(Increase) decrease in inventories		(279,475)	126,135
Increase in biological assets		(22,247)	(30,043)
Decrease in due from related parties		656,816	734,998
Increase in trade and other receivables		(3,730,623)	(2,889,067)
Increase in contract assets		(3,659,711)	(491,016)
Increase in development work in progress		(787,990)	(371,552)
(Increase) decrease in assets held for sale		25	(286,079)
Decrease in liabilities directly associated with assets held for sale		(333)	(3,278)
Decrease in margins against letter of guarantees		-	(101,404)
(Decrease) increase in due to related parties		(2,027,474)	1,870,292
Decrease in receivables from Islamic financial activities		-	105,848
Increase (decrease) in trade and other payables		3,244,738	(443,061)
Increase in contract liabilities		<u>2,187,983</u>	<u>3,129,121</u>
Cash generated from operations		3,966,417	9,501,535
Employees' end of service benefit paid		(210,393)	(92,233)
Tax paid		(25,114)	(59,731)
Finance costs paid		<u>(1,509,817)</u>	<u>(706,934)</u>
Net cash generated from operating activities		<u>2,221,093</u>	<u>8,642,637</u>

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

		<i>Nine months period ended 30 September</i>	
		<i>2023</i>	<i>2022</i>
	<i>Notes</i>	<i>AED'000</i>	<i>AED'000</i>
INVESTING ACTIVITIES			
Movement in term deposits and wakala deposits with original maturities of more than three months		801,550	(655,196)
Additions to property, plant and equipment	4	(2,618,346)	(3,865,013)
Additions to intangible assets		(67,171)	(38,842)
Proceeds from sale of property, plant and equipment		64,094	381,783
Proceeds from sale of investment properties		130,237	142,861
Purchase of investment in associates and joint ventures		(2,236,270)	(3,902,950)
Purchase of investment properties	5	(1,084,354)	(4,416,106)
Purchase of investment in financial assets	7	(5,542,845)	(25,521,275)
Proceed from sale of investment in financial assets	7	4,861,346	1,789,987
Movement in derivative financial assets		178,930	(36,556)
Capital repayment against a joint venture		99,145	232,000
Proceed from disposal of investment in associates		38,789	-
Dividends received from associates and joint ventures	6	235,467	508,386
Cash received on partial disposal of shareholding in an associate		-	2,217
Cash acquired on business combination of entities under common control	12.1	54,288	92,185
Payment against acquisition of subsidiaries, net of cash acquired	12.2	(1,474,157)	8,706,069
Payment against acquisition of assets	12.3	(276,353)	-
Proceeds from disposal of shares of subsidiaries	12.4	378	3,383,082
Cash paid on acquisition of non-controlling interest	12.5	(204,268)	(10,230)
Cash given up on derecognition of a subsidiary	12.6	(5,497,768)	-
Proceed from disposal of a subsidiary, net of cash disposed		-	105,296
Proceed from disposal of biological assets		22,299	-
Movement in restricted cash		(2,091,896)	(3,955,008)
Loans to related parties, net of repayment		(367,446)	25,000
Interest and dividends received		<u>1,376,997</u>	<u>617,589</u>
Net cash used in investing activities		<u>(13,597,354)</u>	<u>(26,414,721)</u>
FINANCING ACTIVITIES			
Proceeds from bank borrowings, net of repayments		3,808,292	20,831,864
Dividends paid to non-controlling interest		(1,194,451)	(1,846,408)
Hybrid equity instruments issued during the period		-	689,007
Coupon paid on hybrid equity instrument		(103,289)	(51,645)
Proceeds from share based payments		-	1,553
Movement of non-convertible sukuk		1,836,250	-
Additional contribution by non-controlling interests		120,093	105,764
Loan from related parties		(11,590)	-
Repayment to non-controlling interests towards contributed capital		(10,000)	(10,000)
Repayment of lease liabilities		<u>(226,653)</u>	<u>(170,894)</u>
Net cash generated from financing activities		<u>4,218,652</u>	<u>19,549,241</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD			
		(7,157,609)	1,777,157
Cash and cash equivalents at beginning of the period		22,643,185	16,034,057
Effect of foreign exchange rate changes		<u>160,460</u>	<u>(164,536)</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	11	<u>15,646,036</u>	<u>17,646,678</u>

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

1 GENERAL INFORMATION

International Holding Company PJSC (the “Company” or “IHC”) is a Public Shareholding Company incorporated in Abu Dhabi by an Emiri Decree No.15 issued by His Highness the Ruler of Abu Dhabi on 23 November 1998. The registered office of the Company is P.O. Box 32619, Abu Dhabi, United Arab Emirates. 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:

- management services and investing in diversified projects;
- trading and importing of food items, including fresh consumables, canned, preserved and frozen foods, providing catering, re-packaging and wrapping services;
- rearing, hatching, feed processing and sale of poultry products and providing other farming and livestock related services;
- sport enterprises investment, institution, management services;
- management of cinema shows;
- installation, repair and maintenance of district cooling and air conditioning;
- buying, selling, leasing and other management & development related services of plots and real estate, including interior design related works;
- performing technical, commercial and contracting services related to marine works;
- importing, maintaining, trading and other services relating to spare parts, industrial machineries and equipment;
- medical and health care services including hospitalization, management of testing laboratories with their related logistics, operating medical laboratories, distributing medical supplies and devices and management of hospitals and medical clinics;
- wholesale and trading of cosmetics, personal care and other grooming related services;
- motorcycle trading, repairing and rentals;
- engineering and construction contracting relating to all types of buildings, infrastructure development, earth and civil works;
- engineering, procurement and dredging contracts and associated land reclamation works in the territorial waters of different countries;
- oil and gas transmission engineering consultancy oil and gas productions facilities operations and management services;
- Islamic banking and financial services including shariah compliant loans and deposits;
- tourism related investments, development and management;
- forestry and natural vegetation management including farming, agricultural related investments and management;
- manufacturing and supply of concrete and other industrial products including installation and fabrication of aluminium and glass panels;
- organisation and event management, newspaper advertisement and other services related to advertisement designing and production;
- coaching and training of motor vehicle drivers and management of driving license issuance related services;
- clinkers and hydraulic cements manufacturing, whole sale of cement products trading;
- development, sales, construction, leasing, management and associated services in real estate;
- development, construction, management and operations of hotels, schools, marinas, restaurants, beach clubs and golf courses;
- procurement of manpower related services;
- information and communication technology services including data centres and cyber security services;
- health insurance services;
- manage the production and sale of dairy and poultry products;
- facility management services; and
- education related services.

The interim condensed consolidated financial statements were approved by the Board of Directors and authorised for issue on 7 November 2023.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

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 the 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 as at 31 December 2022. In addition, results for the nine months period ended 30 September 2023 are not necessarily indicative of the results for the year ending 31 December 2023.

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

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

2.2 Basis for consolidation

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

Control is achieved when the Group:

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

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

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

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

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

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

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

2 BASIS OF PREPARATION continued

2.2 Basis for consolidation continued

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

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

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

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

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
IHC Holdings RSC Limited	United Arab Emirates	Investment Company.	100%	100%
IHC Companies Management LLC	United Arab Emirates	Commercial enterprises investments, institution and management.	100%	100%
IHC Utilities Holding LLC	United Arab Emirates	Commercial enterprises investments, institution and management.	100%	100%
IHC Real Estate Holding LLC	United Arab Emirates	Commercial enterprises investments, institution and management.	100%	100%
IHC Digital Holding LLC	United Arab Emirates	Commercial enterprises investments, institution and management.	100%	100%
IHC Industrial Holding LLC	United Arab Emirates	Commercial enterprises investments, institution and management.	100%	100%
IHC Food Holding LLC	United Arab Emirates	Management and operations of public utilities, restaurant management, commercial enterprises investments, institution and management.	100%	100%
IHC Capital Holding LLC	United Arab Emirates	Commercial enterprises investments, institution and management.	100%	100%
IHC Education Holding LLC	United Arab Emirates	Education services enterprises investment, institution and management.	100%	100%
IHC Healthcare Holding LLC	United Arab Emirates	Health services enterprises investment, institution and management.	100%	100%
IHC West Investment – Sole Proprietorship LLC	United Arab Emirates	Agricultural, commercial and industrial enterprises investment, institution and management.	100%	100%
International Aviation Holding – Sole Proprietorship LLC	United Arab Emirates	Commercial enterprises investments, institution and management.	100%	100%
Reset Energy LLC	United Arab Emirates	Installation of district cooling and air conditioning, repair district cooling and investment in infrastructure projects.	65%	65%

2 BASIS OF PREPARATION continued

2.2 Basis for consolidation continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
Diqa Technologies Limited **	United Arab Emirates	Installation of district cooling and air conditioning, repair district cooling and investment in infrastructure projects.	45%	45%
ESG Emirates Stallions Group PJSC	United Arab Emirates	Buying, selling and dividing plots and real estate management and developing and leasing of real estate.	85%	85%
Asmak Al Arab Co. LLC	Kingdom of Saudi Arabia	Wholesale and retail trading of fish, shrimps and other fresh, chilled and frozen aquatic and importing and exporting of those products. Farming of fish, shrimps and other aquatic. Wholesale and retail trading in property, plant and equipment of fish farming.	80%	80%
Palms Sports PJSC	United Arab Emirates	Providing sport enterprises investment, institution and management.	79.44%	79.44%
Ghitha Holding PJSC	United Arab Emirates	Trading and import of fresh consumables, canned, preserved and frozen foods.	86.90%	86.90%
Cine Royal Cinema LLC	United Arab Emirates	Establishment, management services, sale of food and cafeteria items and cinema shows.	100%	100%
International Securities LLC	United Arab Emirates	Share brokerage services.	100%	100%
Serenity Aviation Holding LLC **	United Arab Emirates	Aviation consultancy and commercial enterprises investment, institution and management.	50%	50%
Acutus Investment – Sole Proprietorship LLC (Formerly “Matrix International Solutions LLC”)	United Arab Emirates	Commercial enterprises investments, institution and management.	100%	80%
Multiply Group PJSC	United Arab Emirates	Advertisement, designing and production services and motor vehicles driving training and installation and maintenance of district cooling and cosmetics and make-up trading.	58.74%	58.74%
Royal Technology Solutions LLC	United Arab Emirates	Computer trading, computer and data processing requisites trading, computer networks maintenance, and on-shore and off-shore oil and gas fields’ services.	100%	100%
Easy Lease Motorcycle Rental PSC *	United Arab Emirates	Motorcycles trading, motorcycles repairing and motorcycles rental.	49.57%	49.57%
Al Seer Marine Supplies and Equipment Company PJSC	United Arab Emirates	Importing, maintaining and trading of marine machinery and equipment.	81.1%	81.1%
Qausar Energy Limited **	United Arab Emirates	Consultancy, research and development and testing with respect of energy generation.	50%	50%
Alpha Technologies Limited **	United Arab Emirates	Consultancy, research and development and testing with respect of energy generation.	50%	50%
Tamouh Healthcare Group LLC	United Arab Emirates	Health services enterprise investment.	100%	100%
West Investments SPV RSC Ltd.	United Arab Emirates	Investment company.	100%	100%
Fooj Fire Fighting Services LLC	United Arab Emirates	Trading of firefighting and resistant material and management of firefighting stations.	75%	75%

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 and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
Retiro Properties LLC	United Arab Emirates	Real estate enterprises investment development, institution and management.	100%	100%
Playa Properties LLC	United Arab Emirates	Real estate enterprises investment development, institution and management.	100%	100%
Shory Technology LLC	United Arab Emirates	Information technology network services.	70%	70%
Alpha Dhabi Holding PJSC	United Arab Emirates	Manage a diverse portfolio of businesses in the UAE and abroad, primarily through its subsidiaries.	89.7%	89.7%
Afkar Financial & Property Investments LLC	United Arab Emirates	Commercial enterprise investment, institution and management, companies' representation, and real estate enterprise investment and development.	60%	60%
CH Artillgence LLC	United Arab Emirates	Investment holding company.	100%	100%
Q Holding PSC	United Arab Emirates	Commercial enterprises investment, institution and management and investment in properties.	55.6%	55.6%
Rebound Limited	United Arab Emirates	Facilitating global trade of recycled plastic.	80%	80%
Theta Bidco Limited	United Kingdom	Investment holding company.	70%	70%
Green Energy Investment Holding RSC Limited	United Arab Emirates	Implementation of smart technology solutions.	100%	100%
Green Enterprises Investment Holding RSC Limited	United Arab Emirates	Solar manufacturing.	100%	100%
Green Transmission Investment Holding RSC Limited	United Arab Emirates	Power transmission and distribution.	100%	100%
International Tech Group – Sole Proprietorship LLC	United Arab Emirates	Information technology and investment holding company.	100%	100%
Reach Global Services Holding 1 SPV Limited (ii)	United Arab Emirates	Holding company.	55%	-
Green Vitality RSC LTD (i)	United Arab Emirates	Holding ownership of equity and non-equity assets, real estate property and intellectual property.	100%	-
Avenir Investment RSC LTD (i)	United Arab Emirates	Holding ownership of equity and non-equity assets, real property and intellectual property.	100%	-
Connaissance Investment RSC LTD (i)	United Arab Emirates	Holding ownership of equity and non-equity assets, real property and intellectual property.	100%	-
Augmen Enterprise RSC LTD (i)	United Arab Emirates	Holding ownership of equity and non-equity assets, real property and intellectual property.	100%	-
Slash Data Digital LLC (i)	United Arab Emirates	Information technology network services.	70%	-
<u>Below is the subsidiary of ESG Emirates Stallions Group PJSC:</u>				
ESG Holding – Sole Proprietorship LLC	United Arab Emirates	Management services of companies and private institutions, land and real estate purchase and sale.	100%	100%
ESG Companies Management – Sole Proprietorship LLC	United Arab Emirates	Management services of the companies and private institutions, commercial enterprises investment, institution and management.	100%	100%

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 and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Below are the subsidiaries of ESG Holding – Sole Proprietorship LLC:</u>				
ESG Capital Holding LLC	United Arab Emirates	Commercial enterprises investment, institution and management.	100%	100%
<u>Below are the subsidiaries of ESG Companies Management – Sole Proprietorship LLC:</u>				
Abu Dhabi Land General Contracting LLC	United Arab Emirates	Technical, building construction & maintenance contracting, general contracting and associated business.	100%	100%
Royal Architect Project Management LLC	United Arab Emirates	Architectural engineering consultancy, construction and projects management consultancy.	100%	100%
ESG Hospitality Sole Proprietorship LLC (formerly “Gulf Dunes Real Estate Investments LLC”)	United Arab Emirates	Real estate purchase, sale, lease and management, real estate enterprises investment, development, institution and management, land purchase and sale and facilities management services.	100%	100%
Gulf Dunes Landscaping and Agricultural Services Company LLC	United Arab Emirates	Landscaping design and execution. Landscaping, gardening designing and execution, irrigation works, main roads, streets and related works contracting.	100%	100%
Royal Development Company LLC	United Arab Emirates	Real estate development construction, real estate enterprise investment, development, institution and management, lease management, marketing, economic feasibility, and real estate consultancy.	100%	100%
Trie Star Investment LLC (xi)	United Arab Emirates	Commercial brokers, commercial enterprises investment, institution, and management real estate investment, development, institution and management.	100%	-
<u>Below are the subsidiaries of ESG Capital Holding LLC:</u>				
ESG Agro LLC	United Arab Emirates	Agricultural enterprises investment, institution and management.	100%	100%
Vision Furniture & Decoration Factory LLC	United Arab Emirates	House & office furniture manufacturing, Fireproof wooden doors manufacturing, Onshore & offshore oil & gas fields and facilities.	60%	60%
Century Village Real Estate Investment LLC (vii)	United Arab Emirates	Real estate lease and management services, development construction, facilities management services.	100%	100%
Century Real Estate Investment LLC (vi)	United Arab Emirates	Real estate management.	100%	100%
ESG Commercial International Investments - Sole Proprietorship LLC (i)	United Arab Emirates	Commercial Enterprises Investment, Institution and Management, Tourist Enterprises Investment, Institution and Management.	100%	-
Century Human Resources and Logistics LLC OPC (i)	United Arab Emirates	Human resources and logistics consultancy.	100%	-
Progressive Real Estate Development LLC (ii)	United Arab Emirates	Real estate enterprise investment, development, institution and management.	80%	-
<u>Below is the subsidiary of Royal Development Company LLC:</u>				
Royal Development Company d.o.o Beograd – Vracar	Republic of Serbia	Hotel accommodation.	100%	100%

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 and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Below are the subsidiaries of Ghitha Holding PJSC:</u>				
Ghitha Companies Management LLC (i)	United Arab Emirates	Commercial enterprises investment, institution and management.	100%	-
Ghitha Enterprises Holding RSC (i)	United Arab Emirates	Commercial enterprises investment, institution and management.	100%	-
Ghitha Investment Holding LLC (i)	United Arab Emirates	Commercial enterprises investment, institution and management.	100%	-
Ghitha Trading Holding LLC (i)	United Arab Emirates	Commercial enterprises investment, institution and management.	100%	-
Ghitha Manufacturing Holding LLC (i)	United Arab Emirates	Commercial enterprises investment, institution and management.	100%	-
Ghitha Agriculture Holding LLC (i)	United Arab Emirates	Commercial enterprises investment, institution and management.	100%	-
Tamween Group LLC	United Arab Emirates	Commercial enterprises investment, institution and management.	100%	100%
Mega Logistics Park Warehouses Management – Sole Proprietorship LLC	United Arab Emirates	Warehouses management and operations.	100%	100%
Tamween Companies Management LLC	United Arab Emirates	Commercial enterprises investment, institution and management.	100%	100%
<u>Below are the subsidiaries of Ghitha Investment Holding LLC:</u>				
Green Park Investment Sole Proprietorship LLC	United Arab Emirates	Commercial enterprises investment, institution and management.	100%	100%
Ghitha Culinary RSC LTD (i)	United Arab Emirates	Commercial enterprises investment, institution and management.	100%	-
<u>Below is the subsidiary of Ghitha Trading Holding LLC:</u>				
Zee Stores International LLC	United Arab Emirates	Wholesale of food and non-food items, including fresh consumables, canned, preserved and frozen foods and providing re-packaging and wrapping services.	100%	100%
<u>Below is the subsidiary of Zee Stores International LLC:</u>				
Royal Horizon Holding LLC	United Arab Emirates	Holding company.	60%	60%
<u>Below are the subsidiaries of Royal Horizon Holding LLC:</u>				
Overseas Foodstuff Trading – Sole Proprietorship LLC	United Arab Emirates	Importing and wholesale of canned and preserved foodstuff trading.	100%	100%
Royal Horizon General Trading – Sole Proprietorship LLC	United Arab Emirates	General trading, retail sale of computer system and software, wholesale of canned and preserved foodstuff trading, importing and exporting, packaging and wrapping of foodstuff.	100%	100%
Royal Horizon Fazaa Stores LLC	United Arab Emirates	Retail and wholesale consumer stores.	100%	100%
<u>Below are the subsidiaries of Ghitha Manufacturing Holding LLC:</u>				
Al Ajban Poultry LLC	United Arab Emirates	Rearing, hatching, feed processing and sale of poultry products.	100%	100%
Abu Dhabi Vegetable Oil Company LLC	United Arab Emirates	Manufacturing and refining of vegetable oils, manufacturing of basic organic chemical acid, plastic bottles and similar containers and plastic closures articles.	70%	70%

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 and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Below are the subsidiaries of Ghitha Manufacturing Holding LLC:</u> continued				
Al Jaraf Fisheries LLC	United Arab Emirates	Wholesale of fresh fish and marine animal trading.	100%	100%
WAS Commercial Investment– Sole Proprietorship LLC (ii)	United Arab Emirates	Holding company.	100%	-
Al Ajban Fodders Factory LLC (i)	United Arab Emirates	Import, export and production of farm animals’ feeds, its concentrates and supplements manufacturing.	100%	
<u>Below is the subsidiary of Abu Dhabi Vegetable Oil Company LLC:</u>				
Cebag Middle East LLC	United Arab Emirates	Food and beverages trading.	98%	98%
<u>Below are the subsidiaries of Al Jaraf Fisheries LLC:</u>				
Pristine Caviar – Sole Proprietorship LLC	United Arab Emirates	Wholesale of fresh fish and marine animals trading.	100%	100%
Emirates Fish Farms – Sole Proprietorship LLC	United Arab Emirates	Wholesale of fresh fish and marine animals trading.	100%	100%
Pristine Fish Farm – Sole Proprietorship LLC	United Arab Emirates	Land based aquaculture.	100%	100%
Pristine Seafood Production LLC	United Arab Emirates	Fish and seafood processing and preserving.	100%	100%
<u>Below is the subsidiary of WAS Commercial Investment– Sole Proprietorship LLC:</u>				
Al Ain Farms for Livestock Production	United Arab Emirates	Dairy and livestock.	51%	-
<u>Below is the subsidiary of Ghitha Agriculture Holding LLC:</u>				
AGRINV SPV RSC	United Arab Emirates	Investment company.	100%	100%
<u>Below is the subsidiary of AGRINVSPV RSC:</u>				
Al-Hashemiya for Land Reclamation and Cultivation S.A.E.	Arab Republic of Egypt	Land cultivation, land-reclaimed farming, raising all kinds of livestock and sheep produced and providing other farming and livestock related services.	100%	100%
<u>Below are the subsidiaries of Tamween Group LLC:</u>				
Alliance Foods Co. LLC	United Arab Emirates	Trading, processing and packing of seafood products.	100%	100%
NRTC Food Holding LLC **	United Arab Emirates	Holding company.	41%	41%
NRTC International Investment – Sole Proprietorship LLC (viii)	United Arab Emirates	Holding company.	60%	-
<u>Below are the subsidiaries of NRTC Food Holding LLC:</u>				
NRTC Dubai International Vegetables & Fruits Trading LLC	United Arab Emirates	Fruits & vegetables, food & frozen trading.	100%	100%
Nassar Al Refaee Vegetables & Fruits Trading LLC	United Arab Emirates	Fruits & vegetables trading, food and beverage trading, frozen poultry trading.	100%	100%
Nassar Al Refaee Potatoes Trading LLC	United Arab Emirates	Potatoes trading.	100%	100%
Food Care LLC	United Arab Emirates	Fruits & vegetables trading, food and beverage trading.	100%	100%
Nasser Al Refaee Fruits & Vegetables & Legumes Canning & Packaging Co. LLC	United Arab Emirates	Fruits & vegetables canning and packaging.	100%	100%

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 and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Below are the subsidiaries of NRTC Food Holding LLC:</u> continued				
Al Rifai Sons Vegetables & Fruits Trading LLC	United Arab Emirates	Fruits & vegetables trading, food and beverage trading.	100%	100%
Wholes Sale Market Fruits & Vegetables Trading LLC	United Arab Emirates	Retail sale of fruits and vegetables, frozen foodstuff, fresh fish and meat, canned and preserved foodstuff.	100%	100%
NRTC International Fruits & Vegetables Trading LLC	United Arab Emirates	Retail sale of fruits and vegetables, frozen food, canned fresh meat.	100%	100%
NRTC Investment SP LLC	United Arab Emirates	Commercial agricultural enterprises investment, institution and management.	100%	100%
Mirak Royal Nature Fruit and Vegetables LLC	United Arab Emirates	Trading of baby food items, food and beverage, vegetable, and fruits.	100%	100%
<u>Below is the subsidiary of NRTC International Investment – Sole Proprietorship LLC:</u>				
NRTC Limited Company	Kingdom of Saudi Arabia	Agriculture, forestry and fishing for wholesale and retail trade of fresh produce and repair of motor vehicles and motorcycles	100%	-
<u>Below is the subsidiary of Tamween Companies Management LLC:</u>				
Apex Investment PSC	United Arab Emirates	Holding company.	51.50%	51.50%
<u>Below are the subsidiaries of Apex Investment PSC:</u>				
Apex Holding LLC	United Arab Emirates	Investment company.	100%	100%
Ras Al Khaimah Cement Co. LLC	United Arab Emirates	Clinkers and hydraulic cement manufacturers and wholesale of cement products trading.	100%	100%
<u>Below are the subsidiaries of Apex Holding LLC:</u>				
Apex Alwataniah Catering Service LLC	United Arab Emirates	Food catering.	100%	100%
Boudoir Interiors – Sole Proprietorship LLC	United Arab Emirates	Interior design implementation works.	100%	100%
The Central Tents Company – Sole Proprietorship LLC	United Arab Emirates	Sale and rental of tents.	100%	100%
Apex National Investment LLC – Sole Proprietorship LLC	United Arab Emirates	Commercial enterprises investments, institutions and management.	100%	100%
R R Facility Management - Sole Proprietorship LLC	United Arab Emirates	Facility management services.	100%	100%
Support Services and Catering – Sole Proprietorship LLC	United Arab Emirates	Building cleaning services.	100%	100%
Apex Companies Management LLC *	United Arab Emirates	Management services of companies and private institutions.	40%	40%
Apex Alwataniah Logistics – Sole Proprietorship LLC	United Arab Emirates	Land marine, air shipment and clearance services.	100%	100%
Apex Construction and Development – Sole Proprietorship LLC	United Arab Emirates	Real estate development construction.	100%	100%
Apex UL Investment LLC	United Arab Emirates	Commercial enterprises investment.	51%	51%
Apex Agro Investments – Sole Proprietorship LLC	United Arab Emirates	Agricultural crop trading and investments.	100%	100%

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 and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Below are the subsidiaries of Apex Holding LLC:</u> continued				
Apex Commercial Investments – Sole Proprietorship LLC (i)	United Arab Emirates	Commercial enterprises investment, institution and management.	100%	-
Apex AGRO Investments Morocco (i)	United Arab Emirates	Agricultural crop trading and investments.	100%	-
<u>Below are the subsidiaries of Multiply Group PJSC:</u>				
Multiply Companies Management – Sole Proprietorship LLC	United Arab Emirates	Management services of companies and institutions.	100%	100%
MG Communications Holding LLC	United Arab Emirates	Establishing, investing and managing technology projects.	100%	100%
MG Wellness Holding LLC	United Arab Emirates	Investment, institute and management of health services enterprises.	100%	100%
MG Digital Holding LLC	United Arab Emirates	Establishing, investing and managing technology projects.	100%	100%
MG Utilities Holding LLC	United Arab Emirates	Establishing, investing and managing infrastructure projects.	100%	100%
MG Ventures Holding LLC	United Arab Emirates	Establishing, investing and managing commercial projects.	100%	100%
MG Entertainment Holding LLC	United Arab Emirates	Entertainment enterprise investment, institution and management.	100%	100%
Viola Communications LLC	United Arab Emirates	Communication, marketing, media and events.	100%	100%
Spranza Commercial Investment – Sole Proprietorship LLC	United Arab Emirates	Establishing, investing and managing commercial projects.	100%	100%
Emirates Driving Company PJSC *	United Arab Emirates	Drivers training and road safety education.	48.01%	48.01%
Norm Commercial Investment – Sole Proprietorship LLC	United Arab Emirates	Investments holding.	100%	100%
PAL Cooling Holding LLC	United Arab Emirates	Installation of district cooling and air conditioning, repair district cooling and investment in infrastructure projects.	100%	100%
Omorfia Group LLC	United Arab Emirates	Women and men personal care and other grooming related services, including procuring beauty products and equipment.	51%	51%
Multiply Group International Holding Limited (i)	United Arab Emirates	Investments holding company.	100%	-
<u>Below is the subsidiary of MG Communications Holding LLC:</u>				
24 7 Media Holding Ltd. (ii)	United Arab Emirates	Investment holding company.	60%	-
<u>Below are the subsidiaries of 24 7 Media Holding Ltd.:</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%	-
<u>Below is the subsidiary of MG Wellness Holding LLC:</u>				
L.V.L Technology Holding (formerly “Switch Technology Holding”) ** (ii)	Cayman Islands	Operation of a wellbeing streaming service and marketplace via an online platform and in physical studios.	49.38%	-

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 and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Below is the subsidiary of LVL Technology Holding:</u>				
Healthier U Wellness Services LLC	United Arab Emirates	Health enterprise investment, institution and management.	100%	100%
<u>Below is the subsidiary of Emirates Driving Company PJSC:</u>				
Tabieah Property Investment – Sole Proprietorship LLC	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%
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%
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%
Fisio Therapy and Rehabilitation Centre LLC (ii)	United Arab Emirates	Physical medicine and rehabilitation centre and physiotherapy centre.	100%	-
<u>Below are the subsidiaries of Bedashing Holding Company LLC:</u>				
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%
<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%

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 and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Below are the subsidiaries of PAL Cooling Holding LLC:</u> continued				
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 MG Utilities Holding LLC:</u>				
PAL 4 Solar Energy LLC (ix)	United Arab Emirates	Installation and maintenance of alternative energy equipment.	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 enterprise investment.	100%	100%
<u>Below are the subsidiaries of Easy Lease Motorcycle Rentals PSC:</u>				
Uplift Delivery Services LLC	United Arab Emirates	Delivery services.	67%	67%
Yellow Technologies LLC	United Arab Emirates	Computer systems & communication equipment software trading.	80%	80%
1885 Delivery Services LLC	United Arab Emirates	Delivery services.	70%	70%
The Captain Boats and Ships Trading LLC	United Arab Emirates	Marine sports club and wholesale trading of ships and boats.	55%	55%
Easy Lease Vehicles Rental LLC	United Arab Emirates	Rental of vehicles and repairs and maintenance services.	100%	100%
Easy Lease Limousine Luxury Motor Vehicles Services LLC	United Arab Emirates	Rental of limousine and luxury vehicles.	100%	100%
Easy Lease Transport Services One Person Company LLC	Kingdom of Saudi Arabia	Mobility services.	100%	100%
Easy Lease Motorcycle Rental WLL	Kingdom of Bahrain	Motorcycle rental and trading of motor cycle and accessories including motorpeds.	100%	100%
Qube Car Park Management LLC	United Arab Emirates	Car park rental and management of valet parking services.	70%	70%
<u>Below is the subsidiary of Easy Lease Vehicles Rental LLC:</u>				
Sheel Vehicle Transport Towing LLC	United Arab Emirates	Recovery services.	100%	100%

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 and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Below is the subsidiary of 1885 Delivery Services LLC:</u>				
Infinity Logistics Transport LLC (i)	United Arab Emirates	Logistics services.	60%	-
<u>Below is the subsidiary of Uplift Delivery Services LLC:</u>				
Uplift Transport – SP LLC (i)	Kingdom of Saudi Arabia	Delivery services.	100%	-
<u>Below are the subsidiaries of The Captain Boats and Ships Trading LLC:</u>				
Nautica Marine Services Navy - Sole Proprietorship LLC	United Arab Emirates	Boats repairing and services to onshore and offshore oil and gas facilities	100%	100%
Delta Marine Equipment LLC	United Arab Emirates	Boats repairing and retail sale of marine equipment and machinery.	70%	70%
<u>Below is the subsidiary of Qube Car Park Management LLC:</u>				
Al Khaleej Cars Parking Management Sole Proprietorship LLC	United Arab Emirates	Car park rental and management valet parking services.	100%	100%
<u>Below are the subsidiaries of Palm Sports PJSC:</u>				
Direct Trading LLC	United Arab Emirates	Distribution company.	60%	60%
Palms Sports Events LLC	United Arab Emirates	Organisation and event management.	100%	100%
Securiguard Middle East LLC (ii)	United Arab Emirates	Provision of security guards and cleaning services.	100%	-
<u>Below are the subsidiaries of Al Seer Marine Supplies and Equipment Company PJSC:</u>				
Project Ceres One Limited	Cayman Islands	Commercial vessel management.	100%	100%
Al Seer Marine Boats Building – Sole Proprietorship LLC	United Arab Emirates	Onshore and offshore oil and gas fields and facilities services and building of motorboats.	100%	100%
Al Seer Marine Services Company LLC	United Arab Emirates	Sea shipping lines agents, customs clearance services, ships management and operation, onshore and offshore oil and gas fields and facilities services, yacht management and running.	100%	100%
Al Seer Marine Training Institute LLC	United Arab Emirates	Security and safety training, computer software training, technical training on electrical and electronic devices, training and rehabilitation of marine cadres, onshore and offshore oil and gas fields and facilities services.	100%	100%
ASM Chartering	Cayman Islands	Commercial vessel management, cargo management and freight services.	100%	100%
Alcor Marine Limited	Cayman Islands	Commercial vessel management.	100%	100%
Alkaid Limited	Cayman Islands	Commercial vessel management.	100%	100%
Castor Marine Limited	Cayman Islands	Commercial vessel management.	100%	100%
Pollux Marine Limited	Cayman Islands	Commercial vessel management.	100%	100%
Acrux Marine Limited	Cayman Islands	Commercial vessel management	100%	100%
Meissa Shipping Ltd	Cayman Islands	Commercial vessel management	100%	100%
Oriental Shipping Limited (i)	Cayman Islands	Commercial vessel management.	100%	

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 and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Below are the subsidiaries of Afkar Financial & Property Investments LLC:</u>				
2XL Furniture – UAE Sharjah	United Arab Emirates	Retail trade of household and office furniture, mats, curtain and upholstery materials and interior decoration materials.	100%	100%
2XL Home LLC	United Arab Emirates	Retail trade of household and office furniture, mats, curtain and upholstery materials and interior decoration materials.	100%	100%
2XL Furnishing LLC	United Arab Emirates	Retail trade of household and office furniture, mats, curtain and upholstery materials and interior decoration materials.	100%	100%
OC Home Furniture LLC	United Arab Emirates	Retail trade of household and office furniture, mats, curtain and upholstery materials and interior decoration materials.	100%	100%
<u>Below is the subsidiary of Theta Bidco LLC:</u>				
Arena Events Group Limited	United Kingdom	Integrated event solutions, designing and delivering temporary environments for a variety of sporting, commercial and cultural events.	100%	100%
<u>Below are the subsidiaries of Arena Events Group Limited:</u>				
AES Americas Ltd	United Kingdom	Holding company.	100%	100%
AES EMEA Ltd	United Kingdom	Holding company.	100%	100%
Arena Event Services Group Ltd	United Kingdom	Temporary infrastructure works.	100%	100%
AES MEA Ltd	United Kingdom	Holding company.	100%	100%
TGP Holdings Ltd	United Arab Emirates	Temporary infrastructure works.	100%	100%
AMEA Gulf Ltd	United Arab Emirates	Temporary infrastructure works.	100%	100%
Asia Tents Arena	Malaysia	Temporary infrastructure works.	100%	100%
Arena Hong Kong	Hong Kong	Temporary infrastructure works.	100%	100%
Ironmonger Limited	Hong Kong	Temporary infrastructure works.	100%	100%
Arena KSA	Kingdom of Saudi Arabia	Temporary infrastructure works.	100%	100%
AES Inc	United States of America	Temporary infrastructure works.	100%	100%
Arena Stuart Rentals Inc	United States of America	Temporary infrastructure works.	100%	100%
AAS Holdco LLC	United States of America	Holding company.	100%	100%
Arena Aztec Shaffer **	United States of America	Temporary infrastructure works.	50%	50%
<u>Below is the subsidiary of Shory Technology LLC:</u>				
Shory Insurance Brokers – SP LLC	United Arab Emirates	Insurance brokerage.	100%	100%
<u>Below is the subsidiary of Serenity Aviation Holding LLC:</u>				
NAS Airport Services LLC	United Arab Emirates	Organising airport ground operations and managing goods shipping stations in airports.	51%	51%
<u>Below is the subsidiary of Tamouh Healthcare Group LLC:</u>				
Sirius International Holding Limited	United Arab Emirates	Research and experimental development on natural sciences and engineering. Manufacture of pharmaceuticals, medicinal chemical and botanical products, medical care services.	80%	80%

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 and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Below are the subsidiaries of Sirius International Holding Limited :</u>				
Quant Lase Lab LLC	United Arab Emirates	Development and innovation in chemical solutions, innovation in creating test equipment and solutions for identifying SARS-COV2 infection and related infections.	100 %	100%
Oxinus Holding Limited (i)	United Arab Emirates	Information technology and computer services and programming activities.	80 %	
Quantum Solutions Limited (i)	United Arab Emirates	Applications development in addition to computer programming activities.	100 %	-
SSI Holding Limited (i)	United Arab Emirates	Holding company.	100 %	-
APEIRO Limited (i)	United Arab Emirates	Digitalisation of healthcare related platform.	100 %	-
<u>Below is the subsidiary of Oxinus Holding Limited:</u>				
Spotlightpos Limited (ii)	Cyprus	Information Technology related services.	100 %	-
<u>Below are the subsidiaries of Quantlase Lab LLC:</u>				
Quantlase International Holding SPV RSC Limited	United Arab Emirates	Special purpose vehicle – holding ownership of equity and non-equity assets, including shares, debentures, bonds, other forms of security. Holding ownership of real property, intellectual property, other tangible and intangible assets.	100 %	100%
Sanimed International Lab and Management LLC	United Arab Emirates	Pharmaceutical studies and research, development and innovation in chemical solutions, geological and geophysical consultancy, studies and researches.	80 %	80%
CMC Holding LLC	United Arab Emirates	Health services enterprises investment, institution and management.	60 %	60%
Atlas Medical LLC	United Arab Emirates	Sale, installation, repair and maintenance of scientific, practical and medical equipment.	60 %	60%
Cellpro International Manufacturing - Sole Proprietorship LLC (i)	United Arab Emirates	Manufacturing of medical consumables.	100 %	-
Esyasoft Holding Ltd	United Arab Emirates	Smart utilities and energy efficiency solutions.	74 %	51%
Cyber Gate Defense LLC	United Arab Emirates	Cyber security related services.	55 %	55%
<u>Below are the subsidiaries of Esyasoft Holding Ltd:</u>				
Esyasoft UK Limited (i)	United Kingdom	Professional consultancy services.	90 %	-
Esyasoft CIS LLC (i)	Republic of Azerbaijan	Product and solution using SaaS based technology.	90 %	-
Esyasoft Technologies FZE (i)	United Arab Emirates	Professional consultancy services.	100 %	-
Esyasoft Technologies Private Limited (i)	Republic of India	Professional consultancy services.	100 %	-
<u>Below are the subsidiaries of CMC Holding LLC:</u>				
CMC Healthcare Sole Proprietorship LLC	United Arab Emirates	Home health services, management of medical facilities, ambulance services, health consultancy and planning	100 %	100%
Canadian Medical Center – Sole Proprietorship LLC	United Arab Emirates	Home health services, medical complex.	100 %	100%
CMC First Aid Clinic – Sole Proprietorship L.L.C	United Arab Emirates	Ambulance services.	100 %	100%

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30 September 2023 (Unaudited)

2 BASIS OF PREPARATION continued

2.2 Basis for consolidation continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Below are the subsidiaries of CMC Holding LLC:</u> continued				
Canadian Medical First Aid Clinic Sole Proprietorship LLC	United Arab Emirates	Ambulance services.	100%	100%
Canadian Medical Center and Plastic Surgery LLC	United Arab Emirates	Medical spa center.	100%	100%
Canadian Pharmacy LLC	United Arab Emirates	Pharmacy.	100%	100%
Canadian Medical and Rehabilitation Center	United Arab Emirates	Home health services and medical complex.	68%	68%
Canadian Medical Center for Surgery and Cosmetic	United Arab Emirates	Performance of day surgery operations.	100%	100%
<u>Below is the subsidiary of Spotlightpos Limited:</u>				
Spotlightpos Hellas Single Member PC Software Services	Greece	Information technology related services.	100%	-
<u>Below is the subsidiary of International Tech Group – Sole Proprietorship LLC:</u>				
Emircom LLC	United Arab Emirates	Information and communication technology services.	54%	54%
<u>Below are the subsidiaries of Emircom LLC:</u>				
Telelogix IT Services – Sole Proprietorship LLC	United Arab Emirates	Information and communication technology services including installation and maintenance.	100%	100%
Emircom Trading Company – Sole Proprietorship LLC	Kingdom of Saudi Arabia	Trading of information technology products.	100%	100%
Emircom Saudi Arabia	Kingdom of Saudi Arabia	Supply, installation and maintenance of telecommunication systems.	100%	100%
Emircom Egypt	Republic of Egypt	Information and communication technology services.	100%	100%
Data Center Vault Industries – Sole Proprietorship LLC	United Arab Emirates	Electric power distribution control panels manufacturing.	100%	100%
<u>Below are the subsidiaries of Alpha Dhabi Holding PJSC:</u>				
Alpha Dhabi Industries Holding LLC	United Arab Emirates	Industrial and commercial enterprises investment, institution and management.	100%	100%
Trojan Construction Group – Sole Proprietorship LLC	United Arab Emirates	Real estate and construction services.	100%	100%
National Marine Dredging Company PJSC	United Arab Emirates	Dredging and associated land reclamation works, civil engineering, port contracting and marine construction.	68%	68%
Sogno Commercial Investment – Sole Proprietorship LLC	United Arab Emirates	Investment holding.	100%	100%
Sogno Two – Sole Proprietorship LLC	United Arab Emirates	Investment holding.	100%	100%
Sogno Three – Sole Proprietorship LLC	United Arab Emirates	Investment holding.	100%	100%
Sublime Two – Sole Proprietorship LLC	United Arab Emirates	Investment holding.	100%	100%
Was Two Commercial Investment Sole Proprietorship	United Arab Emirates	Investment holding.	100%	100%
Alpha Dhabi Health Holding LLC	United Arab Emirates	Health services and commercial enterprises investment, institution and management.	100%	100%

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 and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Below are the subsidiaries of Alpha Dhabi Holding PJSC:</u> continued				
Sublime Commercial Investment – Sole Proprietorship LLC	United Arab Emirates	Investment holding.	100%	100%
Alpha Dhabi Partners Holding LLC	United Arab Emirates	Commercial enterprises investment, institution and management.	100%	100%
Alpha Dhabi Construction Holding LLC	United Arab Emirates	Infrastructure and commercial enterprises investment, institution and management.	100%	100%
Alpha Dhabi Commercial Investment – Sole Proprietorship LLC	United Arab Emirates	Industrial and commercial enterprises investment, institution and management.	100%	100%
Pure Health Holding LLC and its subsidiaries (xii)	United Arab Emirates	Commercial service, real estate, industrial, contracting and other type of business.	-	46.12%
Alpha Dhabi Hospitality Holding LLC	United Arab Emirates	Entertainment and commercial enterprises investment, institution and management.	100%	100%
Mawarid Holding Investment LLC	United Arab Emirates	Forestry, tourism, and agriculture.	90%	90%
W Solar Investment LLC	United Arab Emirates	Clean energy business.	75%	75%
Murban Energy Limited	United Arab Emirates	Gas and oil transmission engineering consultancy and oil & gas production facilities operation and maintenance services and investment in other companies.	100%	100%
Aldar Properties PJSC *	United Arab Emirates	Development, sales, investment, construction, leasing, management and associated services for real estate, operation of hotels, schools, marinas, restaurants, beach clubs and golf courses.	33.63%	33.63%
Transcend Blocker, INC	United States of America	Power enterprise investment, institution and management.	100%	100%
Alpha Dhabi Investment Management LLC	United Arab Emirates	Investment holding.	100%	100%
Enigma Commercial Investment – Sole Proprietorship LLC	United Arab Emirates	Investment holding.	100%	100%
7E – Sole Proprietorship LLC	United Arab Emirates	Building, project management and self-owned property management services, design services and security systems consultancy.	100%	100%
Alpha Dhabi Energy Holding LLC	United Arab Emirates	Investment holding.	100%	100%
W solar Investments Single Member Societe Anonyme	Greece	Power, commercial & industrial enterprises investment.	100%	100%
ADH Investments RSC Ltd (i)	United Arab Emirates	Investment holding.	100%	-
ADH Green RSC LTD (i)	United Arab Emirates	Investment holding.	100%	-
ADH IFI RSC LTD (i)	United Arab Emirates	Investment holding.	100%	-
ADH Energy RSC LTD (i)	United Arab Emirates	Investment holding.	100%	-
ADH Hospitality RSC LTD (i)	United Arab Emirates	Investment holding.	100%	-
Alpha Dhabi Real Estate Holding LLC (i)	United Arab Emirates	Investment holding.	100%	-

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 and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Below are the subsidiaries of Alpha Dhabi Holding PJSC:</u> continued				
ADMO Lifestyle Holding Limited (ii)	United Arab Emirates	Investment holding.	51%	-
<u>Below are the subsidiaries of Trojan Construction Group – Sole Proprietorship LLC:</u>				
Trojan General Contracting LLC	United Arab Emirates	Building projects contracting.	100%	100%
Royal Advance Electromechanical Works	United Arab Emirates	Electromechanical services.	100%	100%
Al Maha Modular Industries LLC	United Arab Emirates	Ready-made building manufacturing.	100%	100%
Hi-Tech Concrete Products LLC	Kingdom of Saudi Arabia	Construction.	100%	100%
Trojan Developments LLC	United Arab Emirates	Real estate.	100%	100%
National Projects and Construction LLC	United Arab Emirates	Construction.	100%	100%
Reem Emirates Aluminium LLC	United Arab Emirates	Design, manufacture, sell and install unitised aluminium and glass curtain walls, windows, sliding doors and architectural finishes.	100%	100%
Trojan Property Investments LLC	United Arab Emirates	Real estate enterprises investment, institution and management.	100%	100%
Ersa General Contracting LLC	United Arab Emirates	Building projects contracting.	100%	100%
HI-Tech Concrete Products LLC	United Arab Emirates	Building and selling of properties and lands and general contracting.	100%	100%
HI-Tech Emirates for General Contracting	United Arab Emirates	Building projects contracting.	100%	100%
HI-Tech Line Building Construction	United Arab Emirates	Building projects contracting.	100%	100%
Phoenix Timber Factory LLC	United Arab Emirates	Timber products.	100%	100%
Reem Ready Mix LLC	United Arab Emirates	Building projects contracting.	80%	80%
Trojan Egypt Contracting	Republic of Egypt	Building projects contracting.	100%	100%
Reem Emirates General Contracting LLC- Dubai	United Arab Emirates	Design, manufacture, sell and install unitised aluminium and glass curtain walls, windows, sliding doors and architectural finishes.	100%	100%
Taj Dhabi Company Limited (i)	Kingdom of Saudi Arabia	Building projects contracting.	100%	-
Mais Interior Design LLC (ii)	United Arab Emirates	Interior design related works.	60%	-
<u>Below are the subsidiaries of Mawarid Holding Investment LLC:</u>				
Mawarid Centre for Research and Scientific Laboratories LLC	United Arab Emirates	Veterinarian hospital and research activities.	100%	100%
Aqua Power Technology LLC	United Arab Emirates	Trading in agricultural machinery, equipment and supplies.	100%	100%
Campaign Facilities Management Services LLC	United Arab Emirates	Facilities management services.	100%	100%
Dicon Investment LLC	United Arab Emirates	Investment in industrial, agricultural and commercial enterprises and management.	100%	100%

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30 September 2023 (Unaudited)

2 BASIS OF PREPARATION continued

2.2 Basis for consolidation continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Below are the subsidiaries of Mawarid Holding Investment LLC:</u> continued				
Mawarid Al Muthahida Investment owned by Mawarid Holding Investment – Sole Proprietorship LLC	United Arab Emirates	Investment, and management of tourist enterprises, commercial and industrial enterprises and agricultural enterprises.	100%	100%
Barari Natural Resources LLC	United Arab Emirates	Forest and park management, parks construction and maintenance and trading in agricultural machinery.	100%	100%
Best Twasol Government Services LLC	United Arab Emirates	Administrative services, businessmen services, transaction’s follow-up services, non-specialised facilities management, Typing and documents photocopying services.	100%	100%
Twasol Business Men Service LLC – Dubai	United Arab Emirates	Administrative services, businessmen services, transaction’s follow-up services, non-specialised facilities management, typing and documents photocopying services.	100%	100%
Twasol Business Men Service LLC – Abu Dhabi	United Arab Emirates	Administrative services, businessmen services, transaction’s follow-up services, non-specialised facilities management, typing and documents photocopying services.	100%	100%
Al Forsan Tadbeer Centre LLC – Dubai	United Arab Emirates	Administrative services, businessmen services, transaction’s follow-up services, non-specialised facilities management, typing and documents photocopying services.	100%	100%
Aafaq Enterprise LLC	United Arab Emirates	Management services.	100%	100%
Gulf Fire Nanotechnology LLC	United Arab Emirates	Fire fighting & safety equipment trading.	100%	100%
Mawarid International Investment LLC	United Arab Emirates	Commercial, agricultural, industrial enterprises investment, institution and management.	100%	100%
Al Ain Fodder Factory LLC	United Arab Emirates	Manufacture farm animal feeds, its concentrates and supplements.	100%	100%
Khattar Restaurant & Café – Sole Proprietorship LLC	United Arab Emirates	Restaurant and cafe.	100%	100%
Desert Gate Restaurant - Sole Proprietorship LLC	United Arab Emirates	Tourist restaurant.	100%	100%
Desertology Spa - Sole Proprietorship LLC	United Arab Emirates	Relaxation and massage centre.	100%	100%
Desertology - Sole Proprietorship LLC	United Arab Emirates	Women personal care and beauty, health club.	100%	100%
Barari International Limited Company	Kingdom of Saudi Arabia	Land preparation and irrigation systems works and maintenance.	100%	100%
Al Tawasol Al Mutamiz Guidance LLC	United Arab Emirates	Workers and employee’s guidance centre.	100%	100%
Emirates Safety Laboratory LLC	United Arab Emirates	Compliance certification for building construction products.	100%	100%
Mawarid Hotels and Hospitality LLC	United Arab Emirates	Management of hotels, tourist resorts and hotel apartments.	100%	100%

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30 September 2023 (Unaudited)

2 BASIS OF PREPARATION continued

2.2 Basis for consolidation continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Below are the subsidiaries of Mawarid Holding Investment LLC:</u> continued				
Al Forsan Tadbeer Centre LLC – Abu Dhabi	United Arab Emirates	Administrative and business services.	100%	100%
Mawarid International Development Company LLC	United Arab Emirates	Real estate development construction, consultancy project development and project management services. Investment, institution and management of tourist, entertainment, and real estate enterprises.	100%	100%
Mawarid Nurseries LLC	United Arab Emirates	Growers and importers of all kinds of ornamental plants with most species of palms, trees, shrubs, ground covers and fruit plants in its portfolio.	100%	100%
Mawarid Security Services LLC	United Arab Emirates	General security services and public security guarding services.	100%	100%
Mawarid Services Company LLC	United Arab Emirates	Facilities management services, commercial enterprises investment, land reclamation for agricultural purposes, wholesale of plants and trees saplings trading, fighting agricultural epidemics, agricultural enterprise investment, institution and management tourist enterprises investment.	100%	100%
Telal Resort LLC	United Arab Emirates	Management and development of hotels, resorts, and other tourist enterprises; operation of hunting preservations for sport purposes; and investment in, incorporation and management of tourist enterprises.	100%	100%
<u>Below is the subsidiary of Dicon Investment LLC:</u>				
Dicon Business LLC	United Arab Emirates	Administrative services for businessmen.	100%	100%
<u>Below are the subsidiaries of Murban Energy Limited:</u>				
Murban BVI Holding Inc (BVI)	British Virgin Islands	Holding company.	100%	100%
Sitax Investment Ltd (BVI)	British Virgin Islands	Holding company.	100%	100%
Sitax Holding Ltd (BVI)	British Virgin Islands	Holding company.	100%	100%
I & T Management Private Limited	Republic of Maldives	Tourist resort operation.	100%	100%
Hill View (Seychelles) Limited	Republic of Seychelles	Hotel resort.	100%	100%
Lindere Villa Limited	Republic of Seychelles	Management of presidential villas.	100%	100%
Murban Investment Limited – Sole Proprietorship LLC	British Virgin Islands	Investment holding.	100%	100%
Etihad International Hospitality LLC	United Arab Emirates	Hospitality services, indoor cleaning services, cleaning of interface building, onshore and offshore gas field and facilities services and foodstuff catering.	100%	100%
Int'l Fresh Harvest Fruits and Vegetables Trading – Sole Proprietorship LLC	United Arab Emirates	Trading of foodstuff.	100%	100%
Abu Dhabi United Hospitality-Sole Proprietorship LLC	United Arab Emirates	Tourist enterprise investment, institution and management, restaurants management, land and real estate purchase and sale, real estate lease and management services, foodstuff catering.	100%	100%
Le Noir Cafe – Sole Proprietorship LLC	United Arab Emirates	Foodstuff catering, hospitality services and restaurants.	100%	100%

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 and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Below are the subsidiaries of Murban Energy Limited:</u> continued				
St. Regis Saadiyat Island Resort Abu Dhabi	United Arab Emirates	Hotels.	100%	100%
Al Wathba A Luxury Collection Desert Resort & Spa – Sole Proprietorship LLC	United Arab Emirates	Fitness club, relaxation and massage centre.	100%	100%
Emirates Gateway Security Services LLC	United Arab Emirates	Public security guarding services, onshore and offshore oil and gas fields and facilities services.	95%	95%
Sandstorm Motor Vehicles Manufacturing LLC	United Arab Emirates	Motor vehicles manufacturing.	65%	65%
Branch of” Trojan General Contracting LLC”	Chechnya, Russia	Hotel.	100%	100%
LLC "Churcill"	Chechnya, Russia	Retail sale of beverages.	100%	100%
C D Properties – Sole Proprietorship LLC	United Arab Emirates	Investment holding.	100%	100%
<u>Below are the subsidiaries of National Marine Dredging Company PJSC:</u>				
National Petroleum Construction Company PJSC	United Arab Emirates	Engineering procurement and construction.	100%	100%
Emarat Europe Fast Building Technology System Factory LLC	United Arab Emirates	Manufacturing and supply of precast concrete.	100%	100%
National Marine Dredging Company (Industrial)	United Arab Emirates	Manufacturing of steel pipes and steel pipe fittings.	100%	100%
ADEC Engineering Consultancy LLC	United Arab Emirates	Consultancy services in the fields of civil, architectural, drilling and marine engineering along with related laboratory services.	100%	100%
Abu Dhabi Marine Dredging S.P.C.	Kingdom of Bahrain	Offshore reclamation contracts, services for fixing water installation for marine facilities and excavation contracts.	100%	100%
National Marine and Infrastructure India Private Limited	Republic of India	Dredging and associated land reclamation works, civil engineering, port contracting and marine construction.	100%	100%
<u>Below are the subsidiaries of National Petroleum Construction Company PJSC:</u>				
National Petroleum Construction Company (Saudi) Ltd.	Kingdom of Saudi Arabia	Engineering procurement and construction.	100%	100%
NPCC Engineering Limited	Republic of India	Engineering.	100%	100%
ANEWA Engineering Pvt. Ltd.	Republic of India	Engineering.	80%	80%
NPCC Services Malaysia SDN	Malaysia	Engineering, procurement and construction.	100%	100%
Abu Dhabi for Construction Projects	Republic of Iraq	Engineering, procurement and construction.	100%	100%
<u>Below are the subsidiaries of Aldar Properties PJSC:</u>				
Aldar Education - Sole Proprietorship LLC	United Arab Emirates	Investment in, and management of entities providing educational services.	100%	100%
Aldar Hotels and Hospitality LLC	United Arab Emirates	Investment in, and management of, entities providing hotels and hospitality services.	100%	100%

International Holding Company 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 and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<i>Below are the subsidiaries of Aldar Properties PJSC:</i> continued				
Aldar Marinas LLC	United Arab Emirates	Managing and operating marinas, sports clubs and marine machinery.	100%	100%
Yas Links LLC	United Arab Emirates	Ownership and management of golf courses and golf clubs.	100%	100%
Pivot Engineering & General Contracting Co. (WLL)	United Arab Emirates	Engineering and general construction works.	65.2%	65.2%
Aldar Investment Properties LLC	United Arab Emirates	Investment, management and associated services for real estate assets and the operation of hotels.	88.1%	88.1%
Aldar Investment Holding Restricted Limited	United Arab Emirates	Special purpose vehicle, proprietary asset management company.	88.1%	88.1%
Aldar Logistics Holding Limited	United Arab Emirates	Holding company.	100%	100%
Twafq Projects Development Property – Sole Proprietorship LLC	United Arab Emirates	Real estate lease and management services.	70%	70%
Aldar Lifestyle - Sole Proprietorship LLC	United Arab Emirates	Hospitality services.	100%	100%
TDIC Education – Sole Proprietorship LLC	United Arab Emirates	Educational activities.	100%	100%
Saadiyat Accommodation Village LLC	United Arab Emirates	Accommodation village.	100%	100%
Aldar Sukuk (No. 1) Ltd.	Cayman Island	Funding company.	100%	100%
Aldar Sukuk (No. 2) Ltd.	Cayman Island	Funding company.	100%	100%
Aldar Investment Properties Sukuk Limited <i>(Formerly “Aldar Sukuk (No. 3) Ltd.”)</i>	Cayman Island	Funding company.	100%	100%
Cloud Spaces - Sole Proprietorship LLC	United Arab Emirates	Real estate lease and management services.	100%	100%
Eastern Mangroves Marina – Sole Proprietorship LLC	United Arab Emirates	Managing and operating marinas.	100%	100%
Marsa Al Bateen - Sole Proprietorship LLC	United Arab Emirates	Managing and operating marinas.	100%	100%
Aldar Investments Limited	United Arab Emirates	Holding company.	100%	100%
Aldar Ventures International Holding RSC Limited	United Arab Emirates	Investment holding company.	100%	100%
Aldar Projects LLC	United Arab Emirates	Project management services.	100%	100%
Six October for Development and Investment Co. S.A.E.	Republic of Egypt	Real estate development.	59.9%	59.9%
Tasareeh Engineer Services - Sole Proprietorship LLC	United Arab Emirates	Development consultancy.	100%	100%
Aldar Investment Management Limited	United Arab Emirates	Assets management.	100%	100%

International Holding Company 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 and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<i>Below are the subsidiaries of Aldar Properties PJSC:</i> continued				
Advanced Real Estate Services – Sole Proprietorship LLC	United Arab Emirates	Real estate services.	100%	100%
Aldar Logistics - Sole Proprietorship LLC	United Arab Emirates	Real estate lease and management services.	100%	100%
The Gateway Engineering Services – Sole Proprietorship LLC	United Arab Emirates	Development consultancy.	100%	100%
Al Seih Real Estate Management LLC	United Arab Emirates	Management and leasing of real estate; real estate projects investment.	91.4%	91.4%
Seih Sdeirah Real Estate LLC	United Arab Emirates	Property rental and management; real estate projects investment.	91.4%	91.4%
Saadiyat Grove - Sole Proprietorship LLC	United Arab Emirates	Real estate development.	100%	100%
Al Shohub Private School – Sole Proprietorship LLC	United Arab Emirates	Providing educational services.	100%	100%
Abu Dhabi Business Hub – Sole Proprietorship LLC	Unites Arab Emirates	Real estate lease and management services.	70%	70%
Confluence Partners (HQ) RSC LTD	United Arab Emirates	Special purpose company.	100%	100%
Aldar Hansel SPV Restricted LTD	United Arab Emirates	Real estate development.	51%	51%
Al Maryah Property Holding Limited	United Arab Emirates	Real estate holding.	60%	60%
Double Tree by Hilton Resort & SPA Marjan Island	United Arab Emirates	Hospitality services.	100%	100%
Aldar Island Hotel – Sole Proprietorship LLC	United Arab Emirates	Hospitality services.	100%	100%
Bab Resorts LLC	United Arab Emirates	Hospitality services.	100%	100%
Mustard and Linen Interior Design Holdings Limited (ii)	United Arab Emirates	Interior design related works.	75%	-
Aldar Estates Holding Limited (i) (x)	United Arab Emirates	Special purpose vehicle.	82.55%	-
AURORA Holding Company Limited (i)	United Arab Emirates	Special purposes vehicles.	51%	-
AURORA SPV 1 LLC (i)	United Arab Emirates	Real estate trading and development.	51%	-
AURORA SPV 2 LLC (i)	United Arab Emirates	Real estate trading and development.	51%	-
AURORA SPV 3 LLC (i)	United Arab Emirates	Real estate trading and development.	51%	-
Kent College LLC – FZ (ii)	United Arab Emirates	Providing education related services.	100%	-
Kent Nursery LLC – FZ (ii)	United Arab Emirates	Education and nursery related services.	100%	-
Virgina International Private School - Sole Proprietorship LLC (ii)	United Arab Emirates	Providing education related services	100%	-

International Holding Company 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 and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Below are the subsidiaries of Aldar Estates Holding Limited:</u>				
Aldar Estates Investment - Sole Proprietorship LLC (i)	United Arab Emirates	Real estate enterprises investment and development.	100%	-
Basatin Holding SPV Ltd. (ii)	United Arab Emirates	Education related services.	75%	-
Eltizam Asset Management Estate - Sole Proprietorship LLC (ii)	United Arab Emirates	Real estate lease and management services.	100%	-
Provis Real Estate Management – Sole Proprietorship LLC	United Arab Emirates	Management and leasing of real estate.	100%	100%
Provis Real Estate Brokers LLC	United Arab Emirates	Real estate brokerage.	100%	100%
Khidmah - Sole Proprietorship LLC	United Arab Emirates	Management and leasing of real estate.	100%	100%
Asteco Property Management LLC	United Arab Emirates	Property management services.	100%	100%
Spark Securities Services – Sole Proprietorship LLC	United Arab Emirates	Security solutions.	100%	100%
Spark Securities Services LLC	United Arab Emirates	Security solutions.	100%	100%
Mace Macro Technical Services LLC	United Arab Emirates	Facilities management services.	100%	100%
Pactive Sustainable Solutions LLC	United Arab Emirates	Green building consultant, building energy efficiency services.	100%	100%
Saga International Owners Association Management Services LLC	United Arab Emirates	Property management services.	100%	100%
Saga OA DMCC	United Arab Emirates	Property management services.	100%	100%
Pacific Owners Association Management Services LLC	United Arab Emirates	Management of real estate.	100%	100%
<u>Below are the subsidiaries of ADMO Lifestyle Holding Limited:</u>				
ADMO One Holding Limited	United Arab Emirates	Holding company.	100%	-
Nammos Holding STA Ltd	Cyprus	Holding company.	62%	-
MRINLON2SUB Ltd	Cyprus	Holding company.	62%	-
Nammos Restaurant London Limited	United Kingdom	Restaurant.	62%	-
Nammos Restaurant LLC	United Arab Emirates	Restaurant.	62%	-
ADMO Hospitality Holding Limited	United Arab Emirates	Holding company.	100%	-
Mystic Quartz Resorts Ltd	Cyprus	Holding company.	100%	-
Monte London Limited	United Kingdom	Hospitality.	100%	-
Damesin LTD	Cyprus	Holding company.	100%	-
Benestar SA	Greece	Hospitality.	100%	-
ADMO Hotel Management Holding Limited	United Arab Emirates	Hotels management.	100%	-

2 BASIS OF PREPARATION continued

2.2 Basis for consolidation continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Below are the subsidiaries of ADMO Lifestyle Holding Limited:</u> continued				
Monterock Investments Nedafushi Maldives (xi)	Maldives	Hospitality.	95%	-
<u>Below are the subsidiaries of Q Holding PSC:</u>				
Al Qudra Real Estate LLC	United Arab Emirates	Real estate management.	100%	100%
Al Qudra Trading LLC	United Arab Emirates	Commercial project investment.	100%	100%
Q Investment RCS Ltd.	United Arab Emirates	Real estate investment.	100%	100%
Q Malls– Sole Proprietorship LLC	United Arab Emirates	Real estate lease & management services.	100%	100%
Ain Al Fayda Real Estate LLC	United Arab Emirates	Real estate management.	100%	100%
Manarah Bay Real Estate	United Arab Emirates	Real estate management.	100%	100%
Q International Limited	Cayman Island	General investment.	100%	100%
Al Qudra for Agriculture and Development LLC	United Arab Emirates	Agricultural development.	100%	100%
Emirates Simulation Academy LLC	United Arab Emirates	Construction, operation management and development of training centre.	60%	60%
Q For Commercial Markets Management	United Arab Emirates	Setup, ownership and development of commercial market, parks and entertainment facilities.	60%	60%
Q Active for Technologies LLC	United Arab Emirates	Telecommunication system installation and maintenance.	51%	51%
ABNIA for Industrial Holding LLC **	United Arab Emirates	Activities of cement, glass, iron, wood, and electromechanical industries.	50%	50%
Al Qudra Industrial LLC	United Arab Emirates	Consultancy in alternative power and industrial projects.	100%	100%
Q Construction LLC	United Arab Emirates	General contracting.	100%	100%
QP International LLC	United Arab Emirates	Project management.	60%	60%
Island Villas LLC	United Arab Emirates	Real estate management.	100%	100%
Marina Square Community Real Estate LLC	United Arab Emirates	Real estate management.	100%	100%
Team Builders LLC	United Arab Emirates	Real estate management.	51%	51%
Q Properties LLC	United Arab Emirates	Real estate management.	100%	100%
Q Companies Management LLC	United Arab Emirates	Real estate management.	100%	100%
Q Hospitality LLC	United Arab Emirates	Real estate management.	100%	100%
Reem Investments Sole Proprietorship PJSC	United Arab Emirates	Real estate management.	100%	100%
Q Parks Establishment	United Arab Emirates	Touristic resort management & entertainment investment.	100%	100%
Barary Ain Al Fayda Development LLC	United Arab Emirates	Real estate management.	100%	100%

2 BASIS OF PREPARATION continued

2.2 Basis for consolidation continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Below are the subsidiaries of Q Holding PSC:</u> continued				
Buhyarat Ain Al Fayda Real Estate LLC	United Arab Emirates	Real estate management.	100%	100%
Al Qudra Healthcare LLC	United Arab Emirates	Health care & hospitality.	100%	100%
Al Rayan Investment PSC	United Arab Emirates	Develop, manage and invest in real estate enterprises.	99.97%	99.97%
Construction Workers Residential City LLC	United Arab Emirates	Real estate investment.	65%	65%
Moon Flower Real Estate Development LLC	United Arab Emirates	Real estate investment.	100%	100%
Green Precast Systems Technology LLC	United Arab Emirates	General contracting.	60%	60%
Al Rayan Global Real Estate LLC	United Arab Emirates	Real estate investment.	100%	100%
Radiant & Moonflower Real Estate Development LLC	United Arab Emirates	Real estate investment.	65%	65%
Al Qudra Holding – Morocco	Kingdom of Morocco	General investment.	100%	100%
Smart Hotel Management	Kingdom of Morocco	Hotel management.	100%	100%
Smart Hotel Properties	Kingdom of Morocco	Hotel management.	100%	100%
Al Qudra Holding International LLC	United Arab Emirates	Industrial enterprises and financial management.	100%	100%
Kasr Al Bahar	Kingdom of Morocco	Hospitality.	100%	100%
Atlantic Coast Hospitality	Kingdom of Morocco	General investment.	100%	100%
Al Qudra Holding Offshore	Kingdom of Morocco	Holding company.	100%	100%
Q General Investment Ltd.	British Virgin Islands	General investment.	100%	100%
Al Qudra Holding - Syria	Syrian Arab Republic	General investment	100%	100%
Al Qudra Real Estate	Syrian Arab Republic	Real estate management.	100%	100%
Al Qudra Holding – Algeria	Democratic Republic of Algeria	General investment.	100%	100%
Al Qudra Belarus Ltd.	Republic of Belarus	General investment.	100%	100%
Al Qudra Holding - Yemen	Republic of Yemen	General investment.	100%	100%
Apex Residential LLC	United Arab Emirates	Real estate investment.	100%	100%
Winds Laundry-Sole Proprietorship LLC	United Arab Emirates	Laundry services.	100%	100%
Al Tamouh Investments Company LLC	United Arab Emirates	Development, management and sale of real estate properties.	100%	100%
Q & Elevate LLC	United Arab Emirates	Hospitality services.	70%	70%
Insignia One Investment Sole Proprietorship LLC (i)	United Arab Emirates	Commercial enterprises investment, institution and management, industrial enterprises investment, institution and management.	100%	-

International Holding Company 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 and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Below are the subsidiaries of Q Holding PSC:</u> continued				
Viva Tourism Investment LLC (i)	United Arab Emirates	Tourist enterprise investment.	100%	-
<u>Below are the subsidiaries of Reem Investments Sole Proprietorship PJSC:</u>				
Reem Developers – Sole Proprietorship LLC	United Arab Emirates	Real estate management.	100%	100%
Reem for Energy Investment Services – Sole proprietorship LLC	United Arab Emirates	Oil and gas projects.	100%	100%
<u>Below are the subsidiaries of Al Tamouh Investments Company LLC:</u>				
TSL Properties LLC	United Arab Emirates	Real estate management.	100%	100%
Al Ain Adventures LLC	United Arab Emirates	Adventure park.	100%	100%
Green Mubazzarah Chalets LLC	United Arab Emirates	Resort and furnished residences leasing.	100%	100%
Tamouh National Contracting LLC	United Arab Emirates	Building projects contracting.	51%	51%
Arch Models Abu Dhabi LLC	United Arab Emirates	Designing and constructing architectural models.	60%	60%
Reem Hills -Sole Proprietorship LLC	United Arab Emirates	Real estate management.	100%	100%
<u>Below are the subsidiaries of Reach Global Services Holding 1 SPV Limited:</u>				
Reach Employment Services LLC – Abu Dhabi	United Arab Emirates	Outsourcing of human resources.	100%	-
Reach Employment Services LLC – Dubai	United Arab Emirates	Outsourcing of human resources.	100%	-
Experts Computer Consultants – Sole Proprietorship LLC	United Arab Emirates	Information technology consultancy and computer repair and maintenance.	100%	-
Reach Three C for Call Centers Services LLC	United Arab Emirates	Provision of call center services.	100%	-
WFC Holding LLC	United Arab Emirates	Commercial enterprises investment, institution and management.	100%	70%
<u>Below are the subsidiaries of WFC Holding LLC:</u>				
Reach BPO LLC OPC (formerly known as “Workforce Connexion – Sole Proprietorship LLC”)	United Arab Emirates	Supply of on-demand labors, human service delivery of medical cadres and onshore and offshore oil and gas fields and facilities services.	100%	100%
Corporate Solutions Consultants – Sole Proprietorship LLC	United Arab Emirates	Human resources and administrative consultancy, onshore and offshore oil and gas fields and facilities services.	100%	100%
Multi Serve Typing and Transactions Follow Up – Sole Proprietorship LLC	United Arab Emirates	Typing, documents photocopying and transactions follow up services.	100%	100%
Tamouh Integrated Business Services – Sole Proprietorship LLC	United Arab Emirates	Resort and furnished residences leasing.	100%	100%
Reach Energy LLC OPC (formerly known as “Connect Outsourcing Temporary Employment – Sole Proprietorship LLC”)	United Arab Emirates	Employees provision services and onshore and offshore oil and gas fields and facilities services.	100%	100%
<u>Discontinued operations:</u>				
Paragon Malls LLC	United Arab Emirates	Ownership and leasing of retail property.	100%	100%

International Holding Company 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 and operation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
<u>Discontinued operations:</u> continued				
Dana Hospitality LLC / Holiday Inn Hotel	United Arab Emirates	Hotel management.	100%	100%
Reem Investment Overseas Limited (iii)	Republic of Mauritius	Investment holding.	100%	100%
Mega Mart Establishment UAE (iii)	United Arab Emirates	Retail trading of fast-moving consumer products.	100%	100%
Q Link Transport (iii)	United Arab Emirates	Transportation.	85%	85%
Abu Dhabi Mountain Gate LLC (iii)	United Arab Emirates	Real estate enterprise investment, development, institution and management.	70%	70%
M Commodities – Sole Proprietorship LLC (v)	United Arab Emirates	General trading.	-	100%
Riva Marine General Marine Services – Sole Proprietorship LLC (v)	United Arab Emirates	Marine machines and equipment repairing and maintenance.	-	100%
Apex Padel Sport LLC – Sole Proprietorship PJSC (v)	United Arab Emirates	Padel club.	-	100%
Danat Facility Management LLC (v)	United Arab Emirates	Facilities management service.	-	100%
Earth Care Agricultural Products LLC (v)	United Arab Emirates	Agriculture business.	-	100%
Al Qudra General Trading Establishment (v)	United Arab Emirates	Commercial project investment.	-	100%
Project Ceres Two Limited (iv)	Cayman Islands	Commercial vessel management.	-	100%
Project Ceres Three Limited (iv)	Cayman Islands	Commercial vessel management.	-	100%
Q Car Park LLC (iv)	United Arab Emirates	Developing, operating, renting and equipping of car parking.	-	50%
Q Energy LLC (iv)	United Arab Emirates	Oil & gas equipment installation and maintenance services.	-	60%

* Subsidiaries consolidated based on de-facto control.

** Subsidiaries consolidated by virtue of contractual arrangements between the shareholders.

- (i) These are subsidiaries of the Group, incorporated during the period.
- (ii) Subsidiaries acquired during the period (note 12.1 and 12.2).
- (iii) Subsidiaries under liquidation.
- (iv) Subsidiaries liquidated during the period
- (v) Dormant subsidiaries that had their trade licenses cancelled during the period.
- (vi) Century Real Estate Investment LLC is a 87% subsidiary of ESG Capital Holding LLC, with the remaining 13% being held by National Projects and Construction LLC.
- (vii) Century Village Real Estate Investment LLC is a 70% subsidiary of ESG Capital Holding LLC, with the remaining 30% being held by Al Tamouh Investments Company LLC.
- (viii) NRTC International Investment – Sole Proprietorship LLC, a shell company acquired during the period, is a 60% subsidiary of Ghitha Holding PJSC by virtue of an assignment agreement.
- (ix) PAL 4 Solar Energy LLC is a 80% subsidiary of MG Utilities Holding LLC, with the remaining 20% being held by Alpha Dhabi Industries Holding LLC.
- (x) Aldar Estates Holding Limited is a 65.1% subsidiary of Aldar Properties PJSC, with an additional 17.45% being held directly by the Company.
- (xi) Subsidiaries acquired during the period, that was accounted for as acquisition of assets (note 12.3).
- (xii) Subsidiary derecognised during the period (note 12.6).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 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 followed in the preparation of the Group's annual consolidated financial statements 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
- Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies
- Amendments to IAS 8 – Definition of Accounting Estimates
- Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to IAS 12 – International Tax Reform – Pillar Two Model Rules
- Amendments to IFRS 4 – Extension of the Temporary Exemption from Applying IFRS 9

The Group has applied, IFRS 17 *Insurance Contracts* for the first time. As required by IAS 34, the nature and effect of these changes are described below. The other amendments and interpretations apply for the first time in 2023, but do not have an impact on the interim condensed consolidated financial statements.

Impact on the adoption of IFRS 17

IFRS 17 replaces IFRS 4 *Insurance Contracts* for annual periods on or after 1 January 2023. The adoption of IFRS 17 did not change the classification of the Group's insurance contracts. The Group was previously permitted under IFRS 4 to continue accounting using its previous accounting policies.

However, IFRS 17 establishes specific principles for the recognition and measurement of insurance contracts issued and reinsurance contracts held by the Group.

Measurement principles

Under IFRS 17, the Group's insurance contracts issued and reinsurance contracts held are all eligible to be measured by applying the Premium Allocation Approach ('PAA'). The PAA simplifies the measurement of insurance contracts in comparison with the general model in IFRS 17.

The key changes in measurement principles under PAA include:

- The liability for remaining coverage reflects premiums received less deferred insurance acquisition cash flows and less amounts recognised in revenue for insurance services provided;
- There is no requirement to discount the liabilities for remaining coverage as all premiums written by the Group are received within 12 months from the policy start date, hence no significant financing component or credit facilities;
- The measurement of the liability for remaining coverage involves an explicit evaluation of risk adjustment for non-financial risk for onerous contracts;
- The measurement of the asset for remaining coverage reflects reinsurance premiums paid for reinsurance held and is adjusted to include a loss-recovery component for expected recovery of onerous contract losses;
- The liability for incurred claims is determined on an expected value basis and includes an explicit risk adjustment for non-financial risk. The liability also includes the Group's obligation to pay other incurred insurance expenses. There is no requirement to discount the liability for incurred claims as most claims are settled within 12 months from the date of incurrence; and
- The Group capitalises insurance acquisition cash flows for all product lines and allocates them to groups of insurance contracts issued or expected to be issued using a systematic and rational basis. When contracts are recognised, the related portion of the asset for insurance acquisition cash flows is derecognised and subsumed into the measurement of the insurance liability.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

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

Impact on the adoption of IFRS 17 continued

Transition

During the transition on 1 January 2023, the Group identified, recognised, and measured each group of insurance contracts and assets for insurance acquisition cash flows as if IFRS 17 had always applied. Existing balances that would not exist under IFRS 17 were derecognised.

The impact from the adoption of IFRS 17 was not material to the prior years' consolidated financial statements and accordingly it was posted to the interim condensed consolidated financial statements for the period ended 30 September 2023.

UAE Corporate Tax law disclosures

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 the 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 substantially 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 interim consolidated statement of financial position, deferred tax liability of AED 616,218 thousand has been recorded as at 30 September 2023.

	<i>(Unaudited)</i> 30 September 2023 AED'000	<i>(Audited)</i> 31 December 2022 AED'000
<i>Interim consolidated statement of financial position - Deferred tax liabilities:</i>		
Relating to business combinations prior to enactment of UAE CT Law	575,745	-
Relating to business combinations subsequent to enactment of UAE CT Law	<u>40,473</u>	<u>-</u>
	<u>616,218</u>	<u>-</u>
	Three months ended 30 September	Nine months ended 30 September
	<i>(Unaudited)</i> 2023 AED '000	<i>(Unaudited)</i> 2023 AED '000
	<i>(Unaudited)</i> 2022 AED '000	<i>(Unaudited)</i> 2022 AED '000
<i>Interim consolidated statement of profit or loss:</i>		
Relating to enactment of UAE corporate income tax	<u>574,546</u>	<u>574,546</u>
	<u>-</u>	<u>-</u>

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 combinations of certain UAE based entities prior to the enactment of UAE CT law.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

3.2 Significant accounting estimates and judgements

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

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

In preparing these interim condensed consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2022 except as given below:

Judgment related to derecognition of Pure Health Holding LLC

As disclosed in note 12.6, due to loss of control, the Group derecognised the carrying value of assets and liabilities in Pure Health Holding LLC ("Pure Health"). The results of Pure Health's operations were not segregated on the face of the interim consolidated statement of profit or loss, considering there were no disposal of shares, the absolute holding remained the same before and after loss of control, and the Group will be able to recover the investment principally through continuing use. Accordingly, the transaction was not considered as a discontinued operation under IFRS 5 *Non-Current Assets Held for Sale and Discontinued Operations*.

4 PROPERTY, PLANT AND EQUIPMENT

	<i>(Unaudited)</i> 30 September 2023 <i>AED '000</i>	<i>(Audited)</i> 31 December 2022 <i>AED '000</i>
Balance at the beginning of the period / year	19,502,124	9,333,751
Acquired through business combination (note 12.1 & 12.2)	990,934	6,921,386
Additions during the period / year	2,618,346	5,360,766
Transfer from development work-in-progress	6,906	-
Transfer from intangible assets	-	248
Transfer to intangible assets	(3,986)	(463)
Transfer to investment properties (note 5)	-	(116,217)
Transfer to investments in associates (note 6)	-	(23,637)
Transfer to inventories	-	(6,009)
Transfer to assets held for sale (note 9.1)	-	(137,215)
Reclassification	-	(2,962)
Disposals during the period / year	(29,864)	(107,749)
Write-off during the period / year	-	(23,677)
Depreciation charge for the period / year	(1,273,016)	(1,465,499)
Impairment loss	(23)	(394,465)
Reversal of impairment	161	312,362
Derecognition of subsidiaries (note 12.6)	(1,779,997)	(3,310)
Foreign exchange translation	<u>(68,135)</u>	<u>(145,186)</u>
Balance at the end of the period / year	<u>19,963,450</u>	<u>19,502,124</u>

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5 INVESTMENT PROPERTIES

	<i>(Unaudited)</i> 30 September 2023 <i>AED '000</i>	<i>(Audited)</i> 31 December 2022 <i>AED '000</i>
Balance at the beginning of the period / year	29,602,126	7,926,902
Acquired through business combination	-	20,324,958
Additions during the period / year	1,084,354	5,200,853
Transfer from property, plant and equipment (note 4)	-	116,217
Transfer from development work in progress ⁽ⁱ⁾	316,166	24,949
Transfer to assets held for sale (note 9.1)	-	(734,090)
Transfer to inventories	-	(141,944)
Transfer to development work in progress	-	(1,393,699)
Disposals during the period / year	(107,372)	(154,492)
Depreciation charge for the period / year	(674,327)	(687,205)
Impairment loss	-	(765,540)
Derecognition of a subsidiary (note 12.6)	(3,145)	-
Foreign exchange translation	(70,158)	(114,783)
Balance at the end of the period / year	<u>30,147,644</u>	<u>29,602,126</u>

(i) Represents transfer due to change in use, as these properties are under development for lease and managements intent is to lease these properties on completion.

6 INVESTMENT IN ASSOCIATES AND JOINT VENTURES

Details of the Group's associates and joint ventures are as follows:

Name of entity	Principal activities	Place of incorporation and operation	Ownership interest	
			2023	2022
Associates:				
Emirates Refreshments P.S.C	Bottling and selling mineral water, carbonated soft drinks and evaporated milk, as well as manufacturing plastic bottles and containers.	UAE	21%	21%
Canal Sugar S.A.E	Sugar farming and production.	Egypt	33%	33%
Principia SAS	Engineering and consultancy services.	France	33%	33%
Al Jazira Technical Solutions & Consulting LLC	Consulting in computer devices and equipment.	UAE	35%	35%
Response Plus Holding PJSC	Healthcare services and medical facilities.	UAE	36.15%	36.15%
Sawaeed Holding PJSC	Manpower and investment solutions.	UAE	36.69%	36.69%
BGI for Commercial Investment LLC (formerly “Al Bustan Farms Limited”)	Agriculture enterprise investment.	Mozambique	30%	30%
Lynx Technology Group Ltd.	Custom software application development services and IT consulting services.	British Virgin Islands	25%	25%
Iskandar Holdings Limited	Real estate enterprise.	Cayman Islands	19%	19%
Al Sdeirah Real Estate Investment	Real estate enterprise.	UAE	30%	30%

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30 September 2023 (Unaudited)

6 INVESTMENT IN ASSOCIATES AND JOINT VENTURES continued

Name of entity	Principal activities	Place of incorporation and operation	Ownership interest	
			2023	2022
Associates: continued				
Abu Dhabi Finance PJSC	Finance company.	UAE	32%	32%
Invictus Investment Company PLC	Holding company.	UAE	22.96%	22.96%
Royal Gardens for Investment Property Co.	Real estate development.	Egypt	20%	20%
Deco Vision Company – WLL	Interior design implementation works (decor), retail sale of wallpaper, decor and partitions material and importing.	UAE	45%	45%
Burjeel Holdings PLC	Medical related services.	UAE	14.49%	14.55%
Bayanat AI PLC*	Data collection, analysis, storing and recovering, survey planning and information and maps management systems.	UAE	15.03%	15.03%
Lulo Bank S.A*	Online banking services.	Columbia	46.16%	46.16%
Gordon Technologies LLC	Sale of drilling equipment, downhole tools, technology and related services.	United States of America	25%	25%
Kizad Communities Development and Services Company LLC (i)	Real estate lease and management services.	UAE	23.91%	-
NICC Infrastructure Construction LLC (ii)	Construction and infrastructure activities.	UAE	49%	-
Presight AI Holding PLC* (iii)	Artificial intelligence research and information technology related services.	UAE	15.37%	-
Safeen Survey and Subsea Services LLC (iv)	Survey and diving business.	UAE	49%	49%
WISY Holding Cyprus Ltd**	Holding company.	Cyprus	44.4%	-
Nammos World SARL**	Hospitality management.	Monaco	44.4%	-
WISY Management Cyprus Ltd**	Hospitality management.	Cyprus	44.4%	-
Anina Culinary Art Ltd. (v)	Food and beverage related products and services.	Israel	45%	-
National Corporation for Tourism and Hotels PJSC (v)	Own, manage and invest in hotels and leisure complexes and to undertake other related business.	UAE	36.39%	-
ORA Developers Investment Holding Limited (ii)	Develop, finance, own and operate, lease or sell directly or indirectly, the Plots or any of its components.	UAE	30%	-
Yas Projects LLC (v)	Construction.	UAE	49%	-
Joint ventures:				
Lazio Real Estate Investment LLC	Real estate enterprise investment, development, institution and management.	UAE	65%	65%
Progressive Real Estate Development LLC (vi)	Real estate enterprise investment, development, institution and management.	UAE	-	70%
China Railway Construction	Construction.	UAE	49%	49%
The Challenge Egyptian Emirates Marine Dredging Company	Dredging and associated land reclamation works, civil engineering, port contracting and marine construction.	Egypt	49%	49%
Eltizam Asset Management LLC (viii)	Services management holding company.	UAE	-	50%
EHC Investment LLC	Holding company.	UAE	50%	50%

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30 September 2023 (Unaudited)

6 INVESTMENT IN ASSOCIATES AND JOINT VENTURES continued

Name of entity	Principal activities	Place of incorporation and operation	Ownership interest	
			2023	2022
Joint ventures: continued				
EDE Research Institute LLC	Diagnostics, imaging & IT, information systems consultancy & workflow & solutions.	UAE	50%	50%
Emirates International Gas LLC	Production bottling and storage of compressed natural gas, liquified petroleum gas, propane, butane, and aerosol propellant.	UAE	50%	50%
Al Qudra Sports Management LLC	Facilities management and sports services.	UAE	50%	50%
Al Qudra Addoha pour L'Investissement Immobilier	Import and export and trading of oil and gas related material.	UAE	50%	50%
ABGC DMCC (iv)	Activities related to shipping lines of freight and passenger transportation, ship charter, sea freight and passenger charters, sea cargo services, ship management and operation and freight broker.	UAE	51%	51%
WIO Holding Restricted Ltd.	Digital banking services.	UAE	51%	51%
Exceed Holding for Sports LLC	Sport enterprises investment, institution and management.	UAE	50%	50%
Al Raha International Integrated Facilities Management LLC	Facilities management.	UAE	50%	50%
Royal House LLC	Hotel operations.	UAE	50%	50%
Palmyra SODIC Real Estate Development	Real estate development.	Syria	50%	50%
Deyafah Holding Limited	Special purpose vehicle.	UAE	50%	50%
Kalyon Enerjij Yatirimlari A.S	Clean and renewable energy related projects.	Turkey	50%	50%
Sky Go Transport of Goods LLC	Engaged in air transportation for goods using unmanned aerial vehicles (Drones).	UAE	50%	50%
Munich Health Daman Holding Limited***	Investing and consulting.	UAE	-	49%
MW Energy	Development and renewal of energy related projects.	UAE	50%	50%
Mawarid Desert Control LLC	Agriculture and landscaping services.	UAE	50%	50%
Pure Health Holding LLC (vii)	Hospitals and other healthcare related services, including health insurance.	UAE	46.12%	-
Micad Credit JV RSC LTD (ii)	Special purpose vehicle	UAE	20%	-
Impact Nation Research Institute Limited (ii)	Carbon management, control and mitigation of emissions and energy generation.	UAE	50%	-
DTEC Industries Limited (v)	Providing independent and specialist industrial participation and offset services for the global defense and security market primarily in the maritime industry.	UAE	57.50%	-
Mawarid Intelligent Irrigation Technologies LLC (ii)	Land preparation and irrigation systems works and maintenance.	UAE	50%	-
Avobar Holding Limited (ii)	Special purpose vehicle.	UAE	30%	-
Royal Luxury Hotel Management LLC (ii)	Hospitality management and tourism.	UAE	50%	-
Royal Dunes Real Estate Investment LLC (ii)	Real estate development and enterprises.	UAE	50%	-

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30 September 2023 (Unaudited)

6 INVESTMENT IN ASSOCIATES AND JOINT VENTURES continued

- * These investments are accounted for based on provisional fair values / net asset values, which will be finalised within 12 months from the date of acquisition.
- ** These became associates of the Group during the period as a result of business combinations.
- *** Derecognised as a result of derecognition of a subsidiary (note 12.6).

(i) Kizad Communities Development and Services Company LLC (“KIZAD”)

On 1 January 2023, the Group acquired a 50% shareholding in Al Eskan Al Jamae LLC, which was accounted for as an asset acquisition from an entity under common control (note 12.3). Accordingly, the acquisition was recorded at its predecessor (i.e. the previous owner) equity - accounted carrying value on the date of acquisition of AED 762,313 thousand.

Subsequently, with effect from 1 April 2023, the Group acquired a 23.91% shareholding in Kizad Communities Development and Services Company LLC for in-kind consideration, being the 50% ownership in Al Eskan Al Jamae LLC. Accordingly, the investment in KIZAD was recognised at the fair value of the in-kind consideration of AED 1,171,439 thousand, and the investment in Al Eskan Al Jamae LLC was derecognised, resulting in a gain of AED 409,126 thousand.

(ii) NICC Infrastructure Construction LLC (“NICC”), ORA Developers Investment Holding Limited (“ORA”), Micad Credit JV RSC LTD (“Micad”), Impact Nation Research Institute Limited (“Impact Nation”), Mawarid Intelligent Irrigation Technologies LLC (“Mawarid Intelligent”), Avobar Holding Limited (“Avobar”), Royal Luxury Hotel Management LLC (“RLHM”) and Royal Dunes Real Estate Investment LLC (“RDREI”)

NICC, ORA, Micad, Impact Nation, Mawarid Intelligent, Avobar, RLHM and RDREI were incorporated by the Group during the period by injecting cash against the share of capital of AED 17,983 thousand, AED 1,103 thousand, USD 20, AED 500 thousand, AED 150 thousand, AED 650 thousand, AED 75 thousand and AED 75 thousand, respectively. Further, an additional contribution was paid to Micad and ORA amounting to AED 96,586 thousand and AED 9,919 thousand respectively.

(iii) Presight AI Holding PLC (“Presight”)

During the period, the Group acquired a 15.52% shareholding in Presight for a consideration of AED 1,170,410 thousand. Although the Group holds less than 20% of the voting power in Presight, significant influence exists due to having representation on the Board of Directors and participation in decisions over the relevant activities.

(iv) Safeen Survey and Subsea Services LLC (“Safeen”) and ABGC DMCC

The Group injected additional cash in Safeen and ABGC DMCC amounting to AED 49,000 thousand and AED 112,294 thousand respectively.

(v) Anina Culinary Art Ltd. (“Anina”), National Corporation for Tourism and Hotels PJSC (“NCTH”), Yas Projects LLC (“YAS”) and DTEC Industries Limited (“DTEC”)

During the period, the Group acquired a 45%, 36.39%, 49% and 57.5% shareholding in Anina, NCTH, YAS and DTEC respectively for a consideration of AED 36,735 thousand, AED 730,000 thousand, AED 10,790 thousand and AED 129 thousand respectively. The acquisition of NCTH resulted in a gain of AED 100,080 thousand.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

6 INVESTMENT IN ASSOCIATES AND JOINT VENTURES continued

(vi) Progressive Real Estate Development LLC

Effective 1 January 2023, the Group obtained control over Progressive Real Estate Development LLC and accordingly, the investment in joint venture was derecognised and the fair value of the previously held interest was transferred to investment in subsidiaries as follows:

	<i>AED'000</i>
Fair value of previously held equity interest (note 12.2)	5,781
Carrying value of previously held equity interest	<u>(5,571)</u>
Fair value gain on revaluation of previously held equity interest	<u><u>210</u></u>

(vii) Pure Health Holding LLC

During the period, Pure Health Holding LLC, previously a subsidiary, became a joint venture of the Group due to loss of control (note 12.6).

(viii) Eltizam Asset Management LLC

Effective 1 July 2023, the Group obtained control over Eltizam Asset Management LLC (note 12.2) and accordingly, the investment in joint venture was derecognised and the fair value of the previously held interest was transferred to investment in subsidiaries as follows:

	<i>AED'000</i>
Fair value of previously held equity interest (note 12.2)	506,500
Carrying value of previously held equity interest	<u>(189,779)</u>
Fair value gain on revaluation of previously held equity interest	<u><u>316,721</u></u>

Movements in investment in associates and joint ventures are 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	7,654,312	12,103,106
Acquired in business combination (note 12.2)	309,569	155,726
Additions during the period / year ⁽ⁱ⁾	18,329,285	7,624,954
Disposals during the period / year ⁽ⁱⁱ⁾	(880,355)	(920,652)
Derecognition of a subsidiary (note 12.6)	(46,273)	-
Transferred to investment in subsidiaries	(195,350)	(10,891,279)
Share of profit for the period / year	768,763	423,551
Gain on acquisition of an associate	100,080	-
Share of other comprehensive loss for the period / year	(53,424)	(23,587)
Foreign exchange translation	(24,407)	(113,383)
Reversal of impairment (impairment loss), net	37,581	(177,731)
Dividend received during the period / year	<u>(235,467)</u>	<u>(526,393)</u>
At the end of the period / year	<u><u>25,764,314</u></u>	<u><u>7,654,312</u></u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

6 INVESTMENT IN ASSOCIATES AND JOINT VENTURES continued

(i) Included in additions during the period / year are:

30 September 2023:

- AED 14,159,134 thousand, being the fair value of the retained interest in Pure Health Holding LLC at the date on which the Group lost control (note 12.6).
- AED 762,313 thousand relating to Al Eskan Al Jamae LLC, which became an associate of the Group due to the acquisition of Trie Star Investment LLC, an entity treated as an acquisition of assets (note 12.3).
- AED 1,171,439 thousand, being the fair value of the non-monetary contribution to acquire Kizad Communities Development and Services Company LLC (note 6 (i)).
- AED 129 thousand advance paid during 2022 to acquire DTEC Industries Limited, which was previously included in trade and other receivables.

31 December 2022:

- AED 9,188 thousand, being the fair value of the previously held interest in Esyssoft Holding Ltd. at the date on which the Group obtained significant influence. The previously held interest was recorded as an investment in financial assets (note 7.2).
- AED 61,496 thousand advance paid during 2021 to acquire ABGC, which was previously included in trade and other receivables.
- AED 140,067 thousand, being the fair value of the non-monetary assets contributed to Safeen, by transferring its diving and subsea division property, plant and equipment with a carrying value of AED 23,637 thousand (note 4), employees and revenue contracts.
- AED 28,544 thousand and AED 754,820 thousand relating to Deco Vision and Aldar respectively, that were transferred from related parties under common control.
- AED 920,587 thousand, being the second tranche of Kalyon consideration, which was recorded in the prior period under due to related parties.

(ii) Included in disposals during the period / year are:

30 September 2023:

- AED 762,313 thousand, being the carrying value of Al Eskan Al Jamae LLC derecognised to acquire Kizad Communities Development and Services Company LLC.
- AED 85,240 thousand received by the Group from EDE Research Institute LLC ("EDE"), being the reduction in the additional capital contributed, as per the shareholders resolution passed on 14 April 2023.
- AED 13,905 thousand received by the Group as a further capital reduction in Abu Dhabi Finance PJSC. The Group's carrying value of the investment as of 30 September 2023 is nil.

31 December 2022:

- AED 800,000 thousand received by the Group from EDE, being the reduction in the additional capital contributed. As per the resolution passed in the General Assembly meeting held on 26 August 2022, an amount of AED 800,000 thousand recorded by EDE as additional capital contribution, is to be repaid to the Group in four equal monthly instalments starting from September 2022. As of 31 December 2022, the full amount was recovered by the Group.
- AED 32,000 thousand received by the Group as a capital reduction in Abu Dhabi Finance PJSC.

Included in the interim consolidated statement of profit or loss as of 30 September 2023 is as follows:

	<i>AED'000</i>
Gain on disposal of Al Eskan Al Jamae LLC (note 6(i))	409,126
Gain on partial disposals of investment in associates	<u>19,892</u>
Total gain on disposal of investment in associates	429,018
Share of profit for the period	768,763
Gain on acquisition of an associate	100,080
Reversal of impairment	37,581
Fair value gain on revaluation of previously held equity interest (note 6(vi & viii))	<u>316,931</u>
	<u>1,652,373</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

7 INVESTMENTS IN FINANCIAL ASSETS

		<i>(Unaudited)</i> 30 September 2023 AED'000	<i>(Audited)</i> 31 December 2022 AED'000
	<i>Notes</i>		
Investments carried at fair value through other comprehensive income	7.1	1,352,759	1,788,035
Investments carried at fair value through profit or loss	7.2	55,590,626	56,774,667
Investments carried at amortised cost	7.3	<u>171,838</u>	<u>229,509</u>
		<u>57,115,223</u>	<u>58,792,211</u>

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

	<i>(Unaudited)</i> 30 September 2023 AED'000	<i>(Audited)</i> 31 December 2022 AED'000
Current	35,656,865	32,176,907
Non-current	<u>21,458,358</u>	<u>26,615,304</u>
	<u>57,115,223</u>	<u>58,792,211</u>

The investments are recorded at fair value using the valuation techniques as disclosed in note 21.

7.1 Investments carried at fair value through other comprehensive income

	<i>(Unaudited)</i> 30 September 2023 AED'000	<i>(Audited)</i> 31 December 2022 AED'000
Quoted equity investments	169,484	355,657
Unquoted equity investments	1,183,275	1,343,237
Debt instruments	<u>-</u>	<u>89,141</u>
	<u>1,352,759</u>	<u>1,788,035</u>

The geographical distribution of the investments is as follows:

	<i>(Unaudited)</i> 30 September 2023 AED'000	<i>(Audited)</i> 31 December 2022 AED'000
Inside the UAE	461,010	542,011
Outside the UAE	<u>891,749</u>	<u>1,246,024</u>
	<u>1,352,759</u>	<u>1,788,035</u>

As of 30 September 2023, investment in shares with a fair value of AED 989 thousand (31 December 2022: AED 1,152 thousand) were held in the name of a related party under common control, for the beneficial interest of the Group.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

7 INVESTMENTS IN FINANCIAL ASSETS continued

7.1 Investments carried at fair value through other comprehensive income continued

Movement in investments in financial assets carried at fair value through other comprehensive income is as follows:

	<u>30 September 2023 (Unaudited)</u>			<u>31 December 2022 (Audited)</u>		
	<i>Debt</i>	<i>Equity</i>		<i>Debt</i>	<i>Equity</i>	
	<i>instruments</i>	<i>securities</i>	<i>Total</i>	<i>instruments</i>	<i>securities</i>	<i>Total</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>
At the beginning of the period / year	89,141	1,698,894	1,788,035	-	1,143,972	1,143,972
Additions ⁽ⁱ⁾	2,040	390,265	392,305	3,435	1,030,157	1,033,592
Acquired in business combinations	-	-	-	82,114	348,532	430,646
Disposals	(1,778)	(1,958)	(3,736)	-	(56,085)	(56,085)
Derecognition of a subsidiary (note 12.6)	(90,504)	(147,929)	(238,433)	-	-	-
Transfer to investment in subsidiaries (note 12.2)	-	(13,025)	(13,025)	-	(283,234)	(283,234)
Foreign exchange loss	-	-	-	-	(586)	(586)
Changes in fair value	<u>1,101</u>	<u>(573,488)</u>	<u>(572,387)</u>	<u>3,592</u>	<u>(483,862)</u>	<u>(480,270)</u>
At the end of the period / year	<u>-</u>	<u>1,352,759</u>	<u>1,352,759</u>	<u>89,141</u>	<u>1,698,894</u>	<u>1,788,035</u>

(i) Included in additions are:

- AED 1,718 thousand, being an investment acquired as part of an acquisition of an entity treated as an asset acquisition during the period (note 12.3).
- AED 209 thousand, being an investment acquired by Palms Sports PJSC, a subsidiary of the Group, from the Ultimate Parent for nil consideration. The investment was recorded at its fair value of AED 209 thousand, and the excess of the fair value over the consideration was recognised within equity under merger, acquisition and other reserves.

7.2 Investments carried at fair value through profit or loss

	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>30 September</i>	<i>31 December</i>
	<i>2023</i>	<i>2022</i>
	<i>AED'000</i>	<i>AED'000</i>
Quoted equity investments	43,434,285	46,264,412
Unquoted equity investments	<u>12,156,341</u>	<u>10,510,255</u>
	<u>55,590,626</u>	<u>56,774,667</u>

The geographical distribution of the investments is as follows:

	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>30 September</i>	<i>31 December</i>
	<i>2023</i>	<i>2022</i>
	<i>AED'000</i>	<i>AED'000</i>
Inside the UAE	36,990,544	35,468,464
Outside the UAE	<u>18,600,082</u>	<u>21,306,203</u>
	<u>55,590,626</u>	<u>56,774,667</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

7 INVESTMENTS IN FINANCIAL ASSETS continued

7.2 Investments carried at fair value through profit or loss continued

Movement in investments in financial assets carried at fair value through profit or loss is as follows:

	(Unaudited) 30 September 2023 AED '000	(Audited) 31 December 2022 AED '000
At the beginning of the period / year	56,774,667	9,096,931
Additions	4,659,124	24,638,141
Acquired in business combinations	-	3,699,827
Derecognition of a subsidiary (note 12.6)	(343,085)	-
Disposals	(4,345,428)	(1,531,809)
Transferred to investment in subsidiaries	-	(332,495)
Transferred to investment in associates (note 6)	-	(9,188)
Foreign exchange loss	(36,996)	(816,516)
Changes in fair value (note 18)	<u>(1,117,656)</u>	<u>22,029,776</u>
At the end of the period / year	<u>55,590,626</u>	<u>56,774,667</u>

7.3 Investments carried at amortised cost

	(Unaudited) 30 September 2023 AED '000	(Audited) 31 December 2022 AED '000
Debt instruments	<u>171,838</u>	<u>229,509</u>

Debt instruments are stated at amortised cost using the effective profit rate method.

The geographical distribution of the investments is as follows:

Inside the UAE	35,420	19,389
Outside the UAE	<u>136,418</u>	<u>210,120</u>
	<u>171,838</u>	<u>229,509</u>

Movement in investments in financial assets carried at amortised cost is as follows:

	(Unaudited) 30 September 2023 AED '000	(Audited) 31 December 2022 AED '000
At the beginning of the period / year	229,509	-
Acquired in business combinations	-	192,115
Additions	493,343	454,532
Disposals	(512,182)	(375,799)
Reversal of allowance for expected credit losses	84	20
Foreign exchange loss	<u>(38,916)</u>	<u>(41,359)</u>
At the end of the period / year	<u>171,838</u>	<u>229,509</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

8 INVENTORIES

	<i>(Unaudited)</i> 30 September 2023 <i>AED'000</i>	<i>(Audited)</i> 31 December 2022 <i>AED'000</i>
Land plots held for sale ⁽ⁱ⁾	11,728,242	8,163,029
Real estate properties	2,590,831	2,992,350
Spares and consumables	804,221	676,730
Other finished goods	293,140	152,820
Packing and raw material	265,158	188,559
Household furniture	128,513	151,750
Food and its related non-food items	97,270	75,753
Fish and fish products	33,477	33,176
Animal feed	28,084	-
Medical supplies	14,687	1,011,159
Poultry products	<u>503</u>	<u>3,324</u>
	15,984,126	13,448,650
Goods in transit	126	17,561
Work in progress	69,889	22,287
Less: allowance for slow moving inventories	<u>(104,736)</u>	<u>(487,127)</u>
	<u>15,949,405</u>	<u>13,001,371</u>

- (i) During the period, Aldar Properties PJSC, a subsidiary, acquired 3.4 million square meters of land plots on Al Fahid Island and 3 parcels of land in Dubai, for a consideration of AED 2.5 billion and AED 2.08 billion respectively, which are payable over a period of 5 years. These lands are recognised at the present value of the consideration payable amounting to AED 3.86 billion.

Movement in allowance for slow moving inventories 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	487,127	281,658
Acquired in business combinations	4,100	215,575
Charge for the period / year	50,708	21,117
Write-off during the period / year	(41,603)	(31,223)
Derecognition of a subsidiary	<u>(395,596)</u>	<u>-</u>
At the end of the period / year	<u>104,736</u>	<u>487,127</u>

9 DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

	<i>(Unaudited)</i> 30 September 2023 <i>AED'000</i>	<i>(Audited)</i> 31 December 2022 <i>AED'000</i>
Assets held for sale – buildings (note 9.1)	385,119	1,256,424
Discontinued operations (note 9.2)	<u>683,327</u>	<u>683,327</u>
	<u>1,068,446</u>	<u>1,939,751</u>
Liabilities directly associated with discontinued operations (note 9.2)	<u>7,682</u>	<u>8,015</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

9 DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE continued

9.1 Assets held for sale – buildings

Buildings

The buyer and a subsidiary of the Group, Al Tamouh Investments Company LLC, entered into a sale and purchase agreement in respect of one of its assets, having a net book value of AED 385,119 thousand. As at 30 September 2023, the sale was not completed.

Property, plant and equipment and investment properties

During 2022, Q Holding PSC, a subsidiary, committed based on a sale and purchase agreement to sell its property, plant and equipment and investment properties relating to the Traditional Souq project with carrying value of AED 137,215 thousand (note 4) and AED 734,090 thousand (note 5) respectively. As at 30 September 2023, the sale was finalised resulting in a gain on sale of AED 182,361 thousand (note 18).

9.2 Discontinued operations

Paragon Malls LLC

On 31 October 2020, the Group signed a sale and purchase agreement to sell a subsidiary, Paragon Mall LLC. During 2021, a loan amounting to AED 242,422 thousand was settled, in order to meet one of the conditions precedent in the sale and purchase agreement. As at 30 September 2023, the sale was not completed.

Holiday Inn Abu Dhabi (“Holiday Inn”)

Holiday Inn Abu Dhabi, a subsidiary classified as held for sale, became part of the Group as a result of the acquisition of Q Holding PSC in 2021. Prior to acquisition, the buyer and Q Holding entered into a sale and purchase agreement for the sale of Holiday Inn and accordingly, the subsidiary was classified under discontinued operations. The sale of Holiday Inn was not completed as at 30 September 2023.

The results of the operations of the discontinued subsidiaries were not segregated on the face of the interim consolidated statement of profit or loss, as the amounts are insignificant.

10 CONTRACT ASSETS

Amounts relating to contract assets are balances due from customers under contracts that arise when the Group receives payments from customers in line with a series of performance related milestones. The Group will previously have recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer.

	<i>(Unaudited)</i> 30 September 2023 AED'000	<i>(Audited)</i> 31 December 2022 AED'000
Contract assets	8,966,546	6,115,434
Contract costs	977,397	1,708,665
Reinsurance contract assets	-	394,127
	9,943,943	8,218,226
Less: allowance for expected credit losses	<u>(171,232)</u>	<u>(89,970)</u>
	<u>9,772,711</u>	<u>8,128,256</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

10 CONTRACT ASSETS continued

The movement in the allowance for expected credit loss against contract assets during the period / year 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	89,970	103,478
Allowance (reversal of allowance) for expected credit losses	81,262	(14,285)
Transfer from amounts due from related parties	<u>-</u>	<u>777</u>
At the end of the period / year	<u>171,232</u>	<u>89,970</u>

11 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	32,010	28,281
<i>Bank balances:</i>		
Current and call accounts	16,591,449	18,963,877
Group's bank accounts for clients' deposits ⁽ⁱ⁾	2,202,865	4,741,008
Term deposits	10,250,232	13,287,836
Margin accounts	153,734	16,380
Wakala deposits with Islamic financial institutions	153,820	223,816
Less: allowance for expected credit loss	<u>(31,031)</u>	<u>(31,056)</u>
Cash and bank balances	29,353,079	37,230,142
Less: term deposits and margin accounts with an original maturity of more than three months	(3,418,146)	(4,097,079)
Less: restricted cash ⁽ⁱⁱ⁾	(7,632,509)	(5,540,613)
Less: Wakala deposits with Islamic financial institutions	(49,000)	(171,617)
Less: Group's bank accounts for clients' deposits	(2,202,865)	(4,741,008)
Less: bank overdrafts	<u>(406,571)</u>	<u>(38,688)</u>
	15,643,988	22,641,137
Add: cash and bank balances attributable to a subsidiary held for sale	<u>2,048</u>	<u>2,048</u>
Cash and cash equivalents	<u>15,646,036</u>	<u>22,643,185</u>

- (i) In accordance with the regulations issued by the Emirates Securities and Commodities Authority ("ESCA"), a subsidiary of the Group maintains separate bank accounts for advances received from its customers ("clients' deposits"). The clients' deposits are not available to the Group other than to settle transactions executed on behalf of the customers. Although the use of the clients' deposits by the Group is restricted, they have been presented on the interim consolidated statement of financial position as notified by ESCA.
- (ii) Restricted cash mainly includes an amount of AED 5,387,106 thousand (31 December 2022: AED 2,970,712 thousand), which are deposited into escrow accounts representing cash received from customers against the sale of development properties. The remaining balance of restricted cash mainly represent balances designated against government projects and dividends payable for which separate bank accounts are maintained.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

12 BUSINESS COMBINATIONS

12.1 Business combination under common control

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

WAS Commercial Investment – Sole Proprietorship LLC

Effective 1 April 2023, Tamween Group LLC, a subsidiary, acquired a 100% equity interest in WAS Commercial Investment – Sole Proprietorship LLC ("WAS"), an entity solely holding a 51% equity interest in Al Ain Farms for Livestock Production ("Al Ain Farms"), for nil consideration. Al Ain Farms is incorporated in Abu Dhabi, United Arab Emirates, and is involved managing the production and sale of dairy and poultry products. From the date of acquisition, Al Ain Farms contributed revenue and profit to the Group amounting to AED 494,543 thousand and AED 15,293 thousand respectively. If the acquisition had taken place at the beginning of the period, Al Ain Farms would have contributed revenue and profit to the Group amounting to AED 714,165 thousand and AED 21,356 thousand respectively.

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

	AED'000
Assets	
Property, plant and equipment	621,198
Right-of-use assets	15,550
Goodwill	12,624
Biological assets	109,536
Inventories	144,708
Trade and other receivables	204,518
Cash and bank balances	<u>54,288</u>
	1,162,422
Liabilities	
Employees' end of service benefits	35,568
Lease liabilities	13,284
Borrowings	168,909
Loan from a related party	92,857
Due to related parties	3,503
Trade and other payables	<u>259,384</u>
	573,505
Net assets	588,917
Less: non-controlling interest	<u>(329,026)</u>
Merger reserve	<u>259,891</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

12 BUSINESS COMBINATIONS continued

12.2 Acquisitions under IFRS 3 Business Combination

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

Reach Global Services Holding 1 SPV Limited

Effective 1 January 2023, the Company acquired a 55% equity interest in Reach Global Services Holding 1 SPV Limited ("Reach") for consideration of AED 315,100 thousand. Reach is registered in Abu Dhabi and is engaged in manpower services. From the date of acquisition, Reach contributed revenue and profit to the Group amounting to AED 651,732 thousand and AED 42,348 thousand respectively.

Progressive Real Estate Development LLC

Effective 1 January 2023, ESG Capital Holding LLC, a subsidiary, acquired an additional 10% equity interest in Progressive Real Estate Development LLC ("PRED"), previously a jointly controlled entity, for nil consideration, increasing the Group's ownership to 80%. On the same day, as a result of amendments to the Memorandum of Association, the Group obtained control over PRED. The fair value of the previously held interest on the date of obtaining control, amounted to AED 5,781 thousand. PRED is a limited liability company, registered in Abu Dhabi, and is engaged in real estate lease and management services. From the date of acquisition, PRED contributed revenue and loss to the Group amounting to AED 2,781 thousand and AED 708 thousand respectively.

Mustard and Linen Interior Design Holdings Limited

Effective 14 February 2023, Aldar Properties PJSC, a subsidiary, acquired a 75% equity interest in Mustard and Linen Interior Design Holdings Limited ("Mustard and Linen") for consideration of AED 25,000 thousand. Mustard and Linen is a limited company, registered in Abu Dhabi, and is engaged in interior design related works. From the date of acquisition, Mustard and Linen contributed revenue and profit to the Group amounting to AED 14,142 thousand and AED 8,992 thousand respectively. If the acquisition had taken place at the beginning of the period, Mustard and Linen would have contributed revenue and profit to the Group amounting to AED 14,737 thousand and AED 9,215 thousand respectively.

Spotlightpos Limited

Effective 1 March 2023, Oxinus Holding Limited, a subsidiary, acquired a 100% equity interest in Spotlightpos Limited ("Spotlight") for consideration of AED 8,355 thousand. Spotlight is a limited company, registered in Cyprus, and is engaged in information technology and software related services. From the date of acquisition, Spotlight contributed revenue and loss to the Group amounting to AED 1,167 thousand and AED 493 thousand respectively. If the acquisition had taken place at the beginning of the period, Spotlight would have contributed revenue and loss to the Group amounting to AED 1,467 thousand and AED 463 thousand respectively.

Fisio Therapy and Rehabilitation Centre LLC

Effective 2 March 2023, Omorfia Group LLC, a subsidiary, acquired a 100% equity interest in Fisio Therapy and Rehabilitation Center LLC ("Fisio") for consideration of AED 1 thousand. Fisio is a limited liability company, registered in Dubai, and is a physical medicine and rehabilitation center 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 period, Fisio would have contributed revenue and loss to the Group amounting to AED 1,191 thousand and AED 690 thousand respectively.

Basatin Holding SPV Ltd.

Effective 28 May 2023, Aldar Properties PJSC, a subsidiary, acquired a 75% equity interest in Basatin Holding SPV Ltd. ("Basatin") for consideration of AED 138,822 thousand. Basatin is a limited liability company, registered in Abu Dhabi, and is engaged in provision of landscaping related services. From the date of acquisition, Basatin contributed revenue and profit to the Group amounting to AED 119,748 thousand and AED 9,718 thousand respectively. If the acquisition had taken place at the beginning of the period, Basatin would have contributed revenue and profit to the Group amounting to AED 224,402 thousand and AED 18,328 thousand respectively.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

12 BUSINESS COMBINATIONS continued

12.2 Acquisitions under IFRS 3 Business Combination continued

ADMO Lifestyle Holding Limited

Effective 1 May 2023, Alpha Dhabi Hospitality LLC, a subsidiary, acquired a 51% equity interest in ADMO Lifestyle Holding Limited ("ADMO") for consideration of AED 716,466 thousand. ADMO is a limited liability company, registered in Abu Dhabi, and is engaged in hotel and restaurant management. From the date of acquisition, ADMO contributed revenue and profit to the Group amounting to AED 59,026 thousand and AED 20,463 thousand respectively. If the acquisition had taken place at the beginning of the period, ADMO would have contributed revenue and profit to the Group amounting to AED 99,143 thousand and AED 31,400 thousand respectively.

Eltizam Asset Management Estate - Sole Proprietorship LLC

Effective 1 July 2023, Aldar Estates Holding Limited ("Aldar Estates"), a subsidiary, acquired a 100% equity interest in Eltizam Asset Management Estate - Sole Proprietorship LLC ("Eltizam"), for consideration of AED 1,013,000 thousand, being the fair value of 4,854 new shares of Aldar Estates issued equally to the Company and to a third party (i.e. 2,427 shares each). The shares allocated to the Company, are in return of contributing the Company's 50% previously held equity interest in Eltizam with a fair value of AED 506,500 thousand on the transaction date. Eltizam is a limited liability company, registered in Abu Dhabi and is engaged in real estate lease and management services. From the date of acquisition, Eltizam contributed revenue and profit to the Group amounting to AED 160,831 thousand and AED 6,877 thousand respectively. If the acquisition had taken place at the beginning of the period, Eltizam would have contributed revenue and profit to the Group amounting to AED 505,837 thousand and AED 32,055 thousand respectively.

Media 247 Holding Ltd

Effective 1 July 2023, MG Communications Holding LLC, a subsidiary, acquired a 60% equity interest in Media 247 Holding Ltd. ("Media 247") for consideration of AED 252,163 thousand. Media247 is a private company limited by shares 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 period, 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")

Effective 1 July 2023, MG Wellness Holding LLC, a subsidiary, acquired control over LVL Technology Holding ("LVL"), previously recognised as an investment in financial asset, through the acquisition of an additional ownership interest of 33% in LVL (cumulative ownership of 49.38%) for 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 period, LVL would have contributed revenue and loss to the Group amounting to AED 1,583 thousand and AED 10,020 thousand respectively.

Securiguard Middle East LLC

Effective 1 August 2023, Palms Sports PJSC, a subsidiary, acquired 100% equity interest in Securiguard Middle East LLC ("Securiguard") for a consideration of AED 300,000 thousand. Securiguard is a limited liability company, registered in Abu Dhabi, and is engaged in provision of security guards and cleaning services. From the date of acquisition, Securiguard contributed revenue and profit to the Group amounting to AED 88,754 thousand and AED 8,719 thousand respectively. If the acquisition had taken place at the beginning of the period, Securiguard would have contributed revenue and profit to the Group amounting to AED 410,672 thousand and AED 22,533 thousand respectively.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2023 (Unaudited)**12 BUSINESS COMBINATIONS continued****12.2 Acquisitions under IFRS 3 Business Combination continued****Virginia International Private School - Sole Proprietorship LLC**

Effective 2 August 2023, Aldar Education Sole Proprietorship LLC, a subsidiary, acquired a 100% equity interest in Virginia International Private School - Sole Proprietorship LLC. ("Virginia"), for a consideration of AED 210,509 thousand. Virginia is a limited liability company, registered in Abu Dhabi and is engaged in providing educational services. From the date of acquisition, Virginia contributed revenue and profit to the Group amounting to AED 7,389 thousand and AED 2,145 thousand respectively. If the acquisition had taken place at the beginning of the period, Virginia would have contributed revenue and profit to the Group amounting to AED 34,806 thousand and AED 10,405 thousand respectively.

Mais Interior Design LLC

Effective 15 August 2023, Trojan Construction Group Sole Proprietorship LLC, a subsidiary, acquired a 60% equity interest in Mais Interior Design LLC ("Mais"), for a consideration of AED 24,000 thousand. Mais is a limited liability company, registered in Abu Dhabi and is engaged in hotel and restaurant management services. From the date of acquisition, Mais contributed revenue and profit to the Group amounting to AED 5,118 and AED 375 thousand respectively. If the acquisition had taken place at the beginning of the period, Mais would have contributed revenue and profit to the Group amounting to AED 50,472 thousand and AED 6,930 thousand respectively.

Kent College LLC – FZ and Kent Nursery LLC - FZ

Effective 1 September 2023, Aldar Education Sole Proprietorship LLC, a subsidiary, acquired a 100% equity interest in Kent College LLC – FZ and Kent Nursery LLC - FZ ("Kent"), for a consideration of AED 120,000 thousand. Kent is a limited liability company, registered with Meydan Freezone Authority in Dubai and is engaged in providing educational services. From the date of acquisition, Kent contributed revenue and loss to the Group amounting to AED 6,363 thousand and AED 482 thousand respectively. If the acquisition had taken place at the beginning of the period, Kent would have contributed revenue and loss to the Group amounting to AED 52,474 thousand and AED 2,644 thousand respectively.

International Holding Company PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

12 BUSINESS COMBINATIONS continued

12.2 Acquisitions under IFRS 3 Business Combination continued

Assets acquired and liabilities assumed

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

	Reach AED'000	PRED AED'000	Mustard and Linen AED'000	Spotlight AED'000	Fisio AED'000	Basatin AED'000	ADMO AED'000	Eltizam AED'000	Media 247 AED'000	LVL AED'000	Securiguard AED'000	Virginia AED'000	Mais AED'000	Kent AED'000	Total AED'000
Assets															
Property, plant and equipment	390	1,174	137	115	1,674	8,337	143,371	12,625	1,977	8	49,296	147,106	2,656	870	369,736
Intangible assets	303,283	-	-	7,169	-	38,276	947	167,810	195,542	-	62,957	13,244	-	39,904	829,132
Right-of-use assets	823	-	-	-	-	-	67,093	3,057	-	-	845	4,901	-	410,174	486,893
Investment in associates	-	-	-	-	-	-	309,569	-	-	-	-	-	-	-	309,569
Inventories	-	-	-	3	20	1,376	4,818	5,813	-	-	-	1,003	1,011	-	14,044
Deferred tax assets	-	-	-	-	-	-	552	-	-	-	-	-	-	-	552
Due from related parties	124,971	-	1	-	-	-	243,953	-	-	530	-	-	-	-	369,455
Trade and other receivables	148,716	6,177	771	369	1,485	65,197	93,131	383,658	54,340	521	274,983	10,609	32,272	12,500	1,084,729
Contract assets	-	-	-	-	-	20,638	-	12,700	-	-	-	-	19,002	-	52,340
Cash and bank balances	35,951	1,954	1,781	68	192	36,960	115,864	75,075	19,576	23,582	67,050	4,991	3,604	5,037	391,685
Total assets	614,134	9,305	2,690	7,724	3,371	170,784	979,298	660,738	271,435	24,641	455,131	181,854	58,545	468,485	3,908,135
Liabilities															
Employees' end of service benefits	52,554	61	701	-	39	5,245	-	28,096	1,308	613	65,872	1,142	1,921	3,474	161,026
Borrowings	104,633	-	-	-	-	-	445	-	-	-	375	-	752	-	106,205
Loan from a related party	-	-	-	-	-	-	-	-	-	6,015	-	-	-	-	6,015
Lease liabilities	868	-	-	-	-	-	67,093	3,860	-	-	849	5,314	-	411,006	488,990
Due to related parties	-	-	-	-	-	-	22,204	-	-	45	-	-	-	-	22,249
Deferred tax liabilities	-	-	-	627	-	-	1,284	11,800	17,599	-	5,576	1,195	-	3,591	41,672
Contract liabilities	-	-	-	-	-	1,842	-	552	-	-	-	10,897	-	14,650	27,941
Trade and other payables	52,018	987	1,673	409	4,514	73,225	57,916	236,887	43,207	6,872	95,217	1,721	21,715	4,881	601,242
Total liabilities	210,073	1,048	2,374	1,036	4,553	80,312	148,942	281,195	62,114	13,545	167,889	20,269	24,388	437,602	1,455,340
Net assets (liabilities)	404,061	8,257	316	6,688	(1,182)	90,472	830,356	379,543	209,321	11,096	287,242	161,585	34,157	30,883	2,452,795
Less: non-controlling interests	-	-	-	-	-	-	(31,638)	(4,230)	-	-	-	-	-	-	(35,868)
Total identifiable net assets (liabilities) at fair value	404,061	8,257	316	6,688	(1,182)	90,472	798,718	375,313	209,321	11,096	287,242	161,585	34,157	30,883	2,416,927
Proportionate share of identifiable net assets (liabilities) acquired	222,234	6,606	237	6,688	(1,182)	67,854	407,346	375,313	125,593	5,479	287,242	161,585	20,494	30,883	1,716,372
Goodwill arising on acquisition	92,866	-	24,763	1,667	1,183	70,968	309,120	637,687	126,570	34,470	12,758	48,924	3,506	89,117	1,453,599
Gain on bargain purchase	-	(825)	-	-	-	-	-	-	-	-	-	-	-	-	(825)
Purchase consideration	315,100	5,781	25,000	8,355	1	138,822	716,466	1,013,000	252,163	39,949	300,000	210,509	24,000	120,000	3,169,146
Non-controlling interest on acquisition	181,827	1,651	79	-	-	22,618	423,010	4,230	83,728	5,617	-	-	13,663	-	736,423

The net assets recognised, other than ADMO and Virginia, are based on a provisional assessment of their fair values as at the acquisition date. The Group will finalise the purchase price allocation before the end of 2023.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

12 BUSINESS COMBINATIONS continued

12.2 Acquisitions under IFRS 3 Business Combination continued

Details of purchase consideration on acquisitions is as follows:

	Reach AED'000	PRED AED'000	Mustard and Linen AED'000	Spotlight AED'000	Fisio AED'000	Basatin AED'000	ADMO AED'000	Eltizam AED'000	Media 247 AED'000	LVL AED'000	Securiguard AED'000	Virginia AED'000	Mais AED'000	Kent AED'000	Total AED'000
Cash paid for the acquisition	315,100	-	25,000	8,355	1	138,822	551,408	-	174,738	22,050	300,000	188,586	24,000	117,782	1,865,842
Consideration payable	-	-	-	-	-	-	165,058	-	37,425	-	-	21,923	-	2,218	226,624
Contingent consideration ⁽ⁱ⁾	-	-	-	-	-	-	-	-	40,000	-	-	-	-	-	40,000
Fair value of previously held equity interest transferred from investment in financial assets (note 7.1)	-	-	-	-	-	-	-	-	-	13,025	-	-	-	-	13,025
Fair value of previously held equity interest transferred from investment in joint venture (note 6)	-	5,781	-	-	-	-	-	506,500	-	-	-	-	-	-	512,281
Fair value of shares in a subsidiary ⁽ⁱⁱ⁾	-	-	-	-	-	-	-	-	-	4,874	-	-	-	-	4,874
Fair value of consideration transferred ⁽ⁱⁱⁱ⁾	-	-	-	-	-	-	-	506,500	-	-	-	-	-	-	506,500
Total purchase consideration	315,100	5,781	25,000	8,355	1	138,822	716,466	1,013,000	252,163	39,949	300,000	210,509	24,000	120,000	3,169,146

(i) As per the purchase agreement of Media 247, an additional cash consideration of AED 40,000 thousand is to be paid to the previous owner, subject to Media 247 achieving a minimum net profit of AED 60,000 thousand for the year ending 31 December 2023. As at the acquisition date, the contingent consideration with an estimated fair value of AED 40,000 thousand was recorded, as it is highly probable that the targeted profit will be achieved.

(ii) Represents the fair value of 50.62% ownership interest in HealthierU, a subsidiary, which was granted to a third party as part of the agreement to acquire LVL.

(iii) Aldar Estates Holding Limited, a subsidiary, issued 4,854 new shares at a fair value of 1,013,000 thousand of which, 2,427 shares with a fair value of AED 506,500 thousand were issued to a third party as consideration for 50% ownership interest in Eltizam Asset Management LLC. The non-controlling interest share of the newly issued shares amounted to AED 176,769 thousand.

Analysis of cashflows on acquisitions is as follows:

	Reach AED'000	PRED AED'000	Mustard and Linen AED'000	Spotlight AED'000	Fisio AED'000	Basatin AED'000	ADMO AED'000	Eltizam AED'000	Media 247 AED'000	LVL AED'000	Securiguard AED'000	Virginia AED'000	Mais AED'000	Kent AED'000	Total AED'000
Cash paid for the acquisition	315,100	-	25,000	8,355	1	138,822	551,408	-	174,738	22,050	300,000	188,586	24,000	117,782	1,865,842
Net cash acquired on business combination	(35,951)	(1,954)	(1,781)	(68)	(192)	(36,960)	(115,864)	(75,075)	(19,576)	(23,582)	(67,050)	(4,991)	(3,604)	(5,037)	(391,685)
Acquisition of operating business – net of cash paid (acquired) (included in cash flows from investing activities)	279,149	(1,954)	23,219	8,287	(191)	101,862	435,544	(75,075)	155,162	(1,532)	232,950	183,595	20,396	112,745	1,474,157
Transaction costs of the acquisition (included in cash flows from operating activities)	50	50	-	237	-	3,017	2,083	2,257	32	-	-	923	-	1,668	10,317
Net cash paid (acquired) on acquisition	279,199	(1,904)	23,219	8,524	(191)	104,879	437,627	(72,818)	155,194	(1,532)	232,950	184,518	20,396	114,413	1,484,474

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

12 BUSINESS COMBINATIONS continued

12.3 Acquisitions of assets

During the period, ESG Companies Management – Sole Proprietorship LLC, a subsidiary acquired 100% shares in Trie Star Investment L.L.C for a consideration of AED 250,000 thousand. The transaction is not an acquisition of a business and therefore, it was treated as acquisition of assets from an entity under common control, given that the Company and the acquired entity are ultimately controlled by the same party before and after the acquisition. The details of the assets acquired are as follows:

	AED'000
Assets	
Investment in an associate (note 6(i))	762,313
Investments carried at fair value through other comprehensive income (note 7.1)	<u>1,718</u>
Assets acquired	764,031
Less: consideration paid	<u>(250,000)</u>
Merger, acquisition and other reserves	<u>514,031</u>

Further, during the period, ADMO Lifestyle Holding Limited, a subsidiary, acquired from a third party a 95% equity interest in Monterock Investments Nedafushi Maldives (“MINM”), for a consideration of AED 26,353 thousand. The transaction is accounted for as an asset acquisition, since substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset. The details of the assets acquired are as follows:

	AED'000
Right-of-use assets	56,578
Lease liabilities	<u>(29,207)</u>
Net assets acquired	27,371
Less: non-controlling interests	<u>(1,018)</u>
Proportionate share of assets acquired	26,353
Less: consideration paid	<u>(26,353)</u>
Net of consideration	<u>=</u>

12.4 Reduction in shareholding of subsidiaries without a loss of control

(A) Partial disposal of shareholding in subsidiaries due to reorganisation

During the period, the Group's shareholding in the following subsidiaries decreased as a result of reorganisation. Following is a summary of the reduction in shareholding, with corresponding increase in non-controlling interests:

	Cyber Gate Defense LLC⁽ⁱ⁾	Esyasoft Holding Limited⁽ⁱ⁾	WFC Holding LLC⁽ⁱⁱ⁾	Total
Reduction in effective shareholding (%)	11%	10.2%	21%	
Carrying value of the shareholding disposed-off (AED '000)	8,279	1,340	41,767	51,386
Less: consideration (AED '000)	<u>—</u>	<u>—</u>	<u>(82,824)</u>	<u>(82,824)</u>
Difference recognised directly in merger, acquisition and other reserves (AED '000)	<u>8,279</u>	<u>1,340</u>	<u>(41,057)</u>	<u>(31,438)</u>

- (i) Shareholding in Cyber Gate Defense LLC and Esyasoft Holding Limited decreased as a result of transferring the entire ownership to Sirius International Holding Limited, an 80% owned subsidiary.
- (ii) Shareholding in WFC Holding LLC decreased as a result of transferring the entire ownership to Reach Global Services Holding 1 SPV Limited, a 55% owned subsidiary.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

12 BUSINESS COMBINATIONS continued

12.4 Reduction in shareholding of subsidiaries without a loss of control continued

(B) Partial disposal of shareholding in a subsidiary against cash consideration

During the period, the Group decreased its shareholding in Q Holding PSC for a consideration of AED 378 thousand. Following is a summary of the reduction in shareholding:

	Q Holding PSC
Reduction in shareholding (%)	0.001%
Carrying value of the shareholding disposed-off (AED '000)	99
Less: cash consideration received (AED '000)	<u>(378)</u>
Difference recognised directly in merger, acquisition and other reserves (AED '000)	<u>(279)</u>

(C) Partial disposal of shareholding in a subsidiary against consideration

During the period, the Group transferred a portion of its shareholding in the following subsidiaries as a form of consideration against the acquisition of new subsidiaries. Following is a summary of the reduction in shareholding:

	Healthier U Wellness Services LLC	Aldar Estates Holding Ltd	Total
Reduction in shareholding (%)	50.62%	34.90%	
Carrying value of the shareholding disposed-off (AED '000)	2,027	556,889	558,916
Less: consideration received (AED '000)	<u>(4,874)</u>	<u>(836,232)</u>	<u>(841,106)</u>
Difference recognised directly in merger, acquisition and other reserves (AED '000)	<u>(2,847)</u>	<u>(279,343)</u>	<u>(282,190)</u>

The decrease in shareholding of the above subsidiaries resulted in an increase in non-controlling interest by AED 527,577 thousand. The amount also includes the non-controlling interest share of consideration received for the acquisition of shareholding in WFC Holding LLC (note 12.4(A)).

12.5 Increase in shareholding of subsidiaries (acquisition of NCI)

(A) Increase of shareholding in subsidiaries against cash consideration

During the period, the Group increased its shareholding in the following subsidiaries for a total consideration of AED 204,268 thousand. Following is the summary of the increase in shareholding:

	Esyasoft Holding Ltd	WFC Holding LLC	Q Holding PSC	Total
Increase in shareholding (%)	23%	30%	0.003%	
Carrying value of the shareholding acquired (AED '000)	20,077	86,061	413	106,551
Less: cash consideration paid (AED '000)	<u>(84,468)</u>	<u>(118,320)</u>	<u>(1,480)</u>	<u>(204,268)</u>
Difference recognised directly in merger, acquisition and other reserves (AED '000)	<u>(64,391)</u>	<u>(32,259)</u>	<u>(1,067)</u>	<u>(97,717)</u>

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

12 BUSINESS COMBINATIONS continued

12.5 Increase in shareholding of subsidiaries (acquisition of NCI) continued

(B) Increase of shareholding in subsidiaries against consideration

During the period, the Group increased its shareholding in Aldar Estates Holding Limited by 17.45% as a result of transferring its 50% shareholding in Eltizam Asset Management LLC. Following is the summary of the increase in shareholding:

	<i>Aldar Estates Holding Ltd</i>
Increase in shareholding (%)	17.45%
Carrying value of the shareholding acquired (<i>AED '000</i>)	160,869
Less: consideration (<i>AED '000</i>)	<u>(506,500)</u>
Difference recognised directly in merger, acquisition and other reserves (<i>AED '000</i>)	<u>(345,631)</u>

(C) Increase of shareholding in subsidiaries without consideration

During the period, a related party under common control transferred to the Group a 20% shareholding in Acutus Investment – Sole Proprietorship LLC (formerly named “Matrix International Solutions LLC”). Following is the summary of increase in shareholding:

	<i>Acutus Investment - Sole Proprietorship LLC</i>
Increase in shareholding (%)	20%
Carrying value of the shareholding acquired (<i>AED '000</i>)	2,216
Less: consideration (<i>AED '000</i>)	<u>-</u>
Difference recognised directly in merger, acquisition and other reserves (<i>AED '000</i>)	<u>2,216</u>

The increase in shareholding of the above subsidiaries resulted in a decrease in non-controlling interest by AED 269,636 thousand.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

12 BUSINESS COMBINATIONS continued

12.6 Derecognition of a subsidiary

Effective 30 March 2023, as a result of amendments in certain clauses to the shareholders agreement, the Group lost control over Pure Health Holding LLC and its subsidiaries ("Pure Health"). As per the amended shareholders agreement, resolutions that were previously passed by simple majority are now required to have at least one vote from the Group's board members and another from a member of a third party shareholder. Accordingly, Pure Health was deconsolidated and recorded as an investment in a joint venture at its fair value on the date of loss of control (note 6).

The carrying value of the identifiable assets and liabilities on the date of loss of control are as follows:

	<i>AED'000</i>
Assets	
Property, plant and equipment	1,779,997
Intangible assets and goodwill	4,476,546
Right-of-use assets	1,425,275
Investment in joint ventures	46,273
Investment properties	3,145
Investments carried at fair value through other comprehensive income	238,433
Inventories	544,640
Due from related parties	172,439
Trade and other receivables	7,949,193
Investments carried at fair value through profit or loss	343,085
Contract assets	1,986,334
Cash and bank balances	<u>5,497,768</u>
Total assets	<u>24,463,128</u>
Liabilities	
Employees' end of service benefits	1,541,480
Lease liabilities	1,554,339
Borrowings	293,131
Trade and other payables	6,236,353
Contract liabilities	2,269,070
Due to related parties	<u>1,008,357</u>
Total liabilities	<u>12,902,730</u>
Net assets	11,560,398
Less: non-controlling interest	<u>(6,231,391)</u>
Net assets attributable to the owners	5,329,007
Fair value of 46.12% retained interest ⁽ⁱ⁾	<u>14,159,134</u>
Gain on derecognition	<u>8,830,127</u>

(i) The fair value of the retained interest was determined by an independent valuer, using the income and discounted cashflows approach for each cash-generating unit. The significant assumptions used include a discount rate of 9.5% to 15.2%, a growth rate of 3%, and a discount for lack of marketability in the range of 10% to 15%.

Analysis of cash flow from the derecognition of Pure Health is as follows:

	<i>AED'000</i>
Cash received from derecognition	-
Cash given up on derecognition	<u>(5,497,768)</u>
Net cash outflow on date of derecognition	<u>(5,497,768)</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

13 SHARE CAPITAL

	<i>(Unaudited)</i> 30 September 2023 <i>AED'000</i>	<i>(Audited)</i> 31 December 2022 <i>AED'000</i>
Authorised, issued and fully paid		
2,193,540 thousand shares of AED 1 each		
(31 December 2022: 2,193,540 thousand shares of AED 1 each)	<u>2,193,540</u>	<u>2,193,540</u>

In the Annual General Meeting held on 19 April 2023, the shareholders approved the transfer of AED 127,639,366 thousand from share premium to merger, acquisition and other reserves and the transfer of AED 23,549,461 thousand from share premium to retained earnings.

14 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*. These represent transactions with related parties, i.e. shareholders, associates, affiliates, directors and key management personnel of the Group, and entities controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

14.1 Balances

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

	<i>(Unaudited)</i> 30 September 2023 <i>AED '000</i>	<i>(Audited)</i> 31 December 2022 <i>AED '000</i>
Due from related parties:		
Current:		
Entities under common control	598,730	481,888
Joint ventures	261,916	235,363
Joint operations	-	234
Associates	30,916	44,851
Entities managed by key management personnel	670,533	1,375,248
Ultimate Parent	5,044	2,025
Other related parties	<u>425,243</u>	<u>314,334</u>
	1,992,382	2,453,943
Less: allowance for expected credit losses on current portion	<u>(854,226)</u>	<u>(465,611)</u>
	<u>1,138,156</u>	<u>1,988,332</u>
Non-current:		
Joint ventures	210,999	210,918
Entities under common control ⁽ⁱ⁾	<u>951</u>	<u>951</u>
	211,950	211,869
Less: allowance for expected credit losses on non-current portion	<u>(210,999)</u>	<u>(210,918)</u>
	<u>951</u>	<u>951</u>
Total due from related parties, net	<u>1,139,107</u>	<u>1,989,283</u>

- (i) Non-current portion of balance due from related parties, pertains to retention receivables on contracts signed with related parties.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

14 RELATED PARTY BALANCES AND TRANSACTIONS continued

14.1 Balances continued

		(Unaudited) 30 September 2023 AED '000	(Audited) 31 December 2022 AED '000
Loans to related parties:	Nature of relationship		
Related party loan 1	Key management personnel	-	1,200
Related party loan 2 ⁽ⁱ⁾	Joint venture	<u>368,646</u>	<u>-</u>
		<u>368,646</u>	<u>1,200</u>

- (i) During the period, a subsidiary of the Group, signed a loan agreement with one of its joint venture's, Kalyon Enerji Yatirimlari A.S amounting to AED 357,563 thousand (USD 58 million and EUR 36 million), in order to support their working capital requirements. The loan carries an interest of 10.5% per annum payable on a quarterly basis starting from 31 December 2023. The principle is repayable in full after 10 years from the date of the first drawdown (i.e. April 2033), being the maturity date.

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

	(Unaudited) 30 September 2023 AED '000	(Audited) 31 December 2022 AED '000
Non-current	353,025	-
Current	<u>15,621</u>	<u>1,200</u>
	<u>368,646</u>	<u>1,200</u>

	(Unaudited) 30 September 2023 AED '000	(Audited) 31 December 2022 AED '000
Due to related parties:		
Current:		
Entities under common control	631,028	723,265
Joint ventures	64,589	1,312,798
Associates	23,362	3,650
Entities managed by key management personnel	155,735	1,882,625
Ultimate Parent	2,001	4,183
Other related parties	<u>440,125</u>	<u>413,996</u>
	<u>1,316,840</u>	<u>4,340,517</u>
Non-current:		
Ultimate Parent	2,520	2,520
Entities under common control	<u>-</u>	<u>613</u>
	<u>2,520</u>	<u>3,133</u>
Total due to related parties	<u>1,319,360</u>	<u>4,343,650</u>

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

14 RELATED PARTY BALANCES AND TRANSACTIONS continued

14.1 Balances continued

		<i>(Unaudited)</i> 30 September 2023 AED '000	<i>(Audited)</i> 31 December 2022 AED '000
<i>Loans from related parties:</i>	<i>Nature of relationship</i>		
Related party loan 1 ⁽ⁱ⁾	Ultimate Parent	42,549	40,995
Related party loan 2 ⁽ⁱⁱ⁾	Other related party	35,512	39,178
Related party loan 3 ⁽ⁱⁱⁱ⁾	Entity under common control	13,300	13,300
Related party loan 4 ^(iv)	Other related party	85,714	-
Related party loan 5 ^(v)	Other related party	<u>3,680</u>	<u>-</u>
		<u>180,755</u>	<u>93,473</u>

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

	<i>(Unaudited)</i> 30 September 2023 AED '000	<i>(Audited)</i> 31 December 2022 AED '000
Non-current	142,809	76,899
Current	<u>37,946</u>	<u>16,574</u>
	<u>180,755</u>	<u>93,473</u>

- (i) A subsidiary of the Group obtained a loan from Royal Group Holding LLC, to finance 20% of the total cost of a district cooling plant project in Abu Dhabi, carrying an interest of 5%. Principal portion of the loan is repayable in 4 equal annual instalments starting from 31 December 2023 and the interest portion is repayable in 12 annual instalments starting 31 December 2018. The loan is secured by a mortgage over the Musataha rights granted to the subsidiary in respect of district cooling plot, pledge over the equipment.
- (ii) A subsidiary of the Group obtained a loan from Aafaq Islamic Finance PSC, to finance the purchase of sharia compliant commodities. The loan carries interest of 2.5% per annum and is repayable on monthly instalments up until 2026. The loan is secured by a corporate guarantee.
- (iii) A subsidiary of the Group obtained a loan from RG Treasury Holding LLC, to support the working capital requirements. The loan is repayable in 2025. The loan does not carry any interest.
- (iv) Prior to its acquisition by the Group, Al Ain Farms for Livestock Production, obtained a loan from one of its existing shareholders, Abu Dhabi Fund for Development. The loan carries interest of 2.5% per annum and is payable semi-annually over a period of ten years.
- (v) Prior to its acquisition by the Group, LVL Technology Holding, obtained a loan from one of its existing shareholders, Switch Life Style. The loan carries interest of 10% per annum and is repayable on monthly instalments, with the last instalment being in December 2023.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

14 RELATED PARTY BALANCES AND TRANSACTIONS continued

14.2 Transactions

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

	<i>Three months ended</i> <i>30 September</i>		<i>Nine months ended</i> <i>30 September</i>	
	<i>(Unaudited)</i> <i>2023</i> <i>AED '000</i>	<i>(Unaudited)</i> <i>2022</i> <i>AED '000</i>	<i>(Unaudited)</i> <i>2023</i> <i>AED '000</i>	<i>(Unaudited)</i> <i>2022</i> <i>AED '000</i>
Revenue:				
Entities under common control	113,963	226,556	317,133	1,511,665
Joint ventures	155,889	301,997	459,659	868,939
Associates	8,726	12,994	24,778	31,795
Entities managed by key management personnel	55,431	5,407	73,784	7,311
Other related parties	<u>137,191</u>	<u>116,374</u>	<u>415,911</u>	<u>335,890</u>
	<u>471,200</u>	<u>663,328</u>	<u>1,291,265</u>	<u>2,755,600</u>
Cost of revenue				
Entities under common control	5,506	353,605	11,024	1,367,164
Joint ventures	19,382	2,845	25,486	50,580
Associates	1,359	1,501	16,767	3,767
Entities managed by key management personnel	115,284	10,704	131,714	12,072
Other related parties	<u>8,668</u>	<u>17,981</u>	<u>38,402</u>	<u>26,280</u>
	<u>150,199</u>	<u>386,636</u>	<u>223,393</u>	<u>1,459,863</u>
General and administrative expenses				
Entities under common control	1,442	1,984	4,977	35,415
Associates	52	2,858	252	3,522
Joint ventures	2,058	1,597	4,940	1,281
Entities managed by key management personnel	604	-	1,197	-
Other related parties	<u>787</u>	<u>-</u>	<u>4,745</u>	<u>-</u>
	<u>4,943</u>	<u>6,439</u>	<u>16,111</u>	<u>40,218</u>
Investment and other income (interest income)				
Joint ventures	<u>9,204</u>	<u>-</u>	<u>15,628</u>	<u>-</u>
Disposal of investment in a joint venture to a related party	<u>-</u>	<u>-</u>	<u>-</u>	<u>101,000</u>
Disposal of investment in a subsidiary to a related party	<u>-</u>	<u>-</u>	<u>-</u>	<u>114,300</u>
Key management remuneration:				
Salaries and other benefits – short term	<u>11,200</u>	<u>4,553</u>	<u>27,565</u>	<u>17,037</u>
End of service benefits – long term	<u>182</u>	<u>353</u>	<u>634</u>	<u>644</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

14 RELATED PARTY BALANCES AND TRANSACTIONS continued

Balances and transactions with a financial institution (other related party):

Balances:

	<i>(Unaudited)</i> 30 September 2023 AED '000	<i>(Audited)</i> 31 December 2022 AED '000
Balances with a financial institution	<u>13,476,051</u>	<u>15,618,285</u>
Borrowings	<u>32,122,424</u>	<u>27,139,091</u>

Transactions:

	<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>(Unaudited)</i> 2023 AED '000	<i>(Unaudited)</i> 2022 AED '000
Interest expense	<u>344,630</u>	<u>212,815</u>	<u>952,863</u>	<u>322,109</u>
Interest income	<u>102,527</u>	<u>23,156</u>	<u>233,689</u>	<u>29,376</u>
Drawdowns of borrowings	<u>1,371,494</u>	<u>7,973,249</u>	<u>6,192,983</u>	<u>24,439,343</u>
Repayment of borrowings	<u>633,680</u>	<u>2,354,899</u>	<u>1,120,556</u>	<u>3,167,886</u>

15 BORROWINGS

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

	<i>(Unaudited)</i> 30 September 2023 AED '000	<i>(Audited)</i> 31 December 2022 AED '000
Balance at the beginning of the period / year	36,319,442	8,421,423
Acquired in business combinations (note 12.1 & 12.2)	275,114	5,654,889
Drawdowns during the period / year	13,994,786	33,572,235
Derecognition of subsidiaries (note 12.6)	(293,131)	(3,429)
Adjustment from modification of a loan*	(10,540)	-
Foreign exchange difference	(97,886)	(174,229)
Repayments during the period / year	<u>(9,815,565)</u>	<u>(11,151,447)</u>
	40,372,220	36,319,442
Less: unamortised transaction cost	<u>(55,771)</u>	<u>(52,725)</u>
Balance at the end of the period / year	<u>40,316,449</u>	<u>36,266,717</u>

* During the period, a subsidiary of the Group modified an existing loan facility, where the interest rate was revised from EIBOR +3% to EIBOR +1.3%. The modification resulted in a gain of AED 10,540 thousand.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

15 BORROWINGS continued

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 portion	35,321,221	33,829,725
Current portion	<u>4,995,228</u>	<u>2,436,992</u>
	<u>40,316,449</u>	<u>36,266,717</u>

Major updates during the period:

- Norm Commercial Investment – Sole Proprietorship LLC, a subsidiary, signed an amendment to its loan facility on 28 July 2022, increasing the facility limit from AED 7 billion to AED 9 billion. During the period a drawdown of AED 1,500,000 thousand was taken from the increased limit, of which AED 1 billion was utilised to finance the final instalment of the consideration of Kalyon Enerji Yatirimlari A.S, a joint venture acquired during 2022.
- On 7 February 2023, the Company signed an amendment to an existing loan facility with a limit of AED 7.9 billion, which was initially entered into on 3 October 2022. The purpose of the amendment was to grant the Company the ability to utilise the facility for general investment use that is acceptable by the bank, opposed to specific use. During the period, a drawdown of AED 375,000 thousand was utilised from the facility.
- During the period, Aldar Investment Properties LLC, a subsidiary, signed and utilised an Islamic revolving credit facility of AED 500,000 thousand with a repayment period extendable up to a maximum of 6 years. Further, another new sustainability target linked term loan of AED 500,000 thousand was signed during the period with an initial repayment period of 5 years, extendable up to a maximum of 7 years, which was unutilised as of 30 September 2023.
- During the period, Sirius International Holding Limited, a subsidiary, entered into a loan agreement amounting to AED 2,775,000 thousand for the purpose of general investment use. The loan was repayable over a period of six years, with the first instalment of AED 937,500 thousand being on or before 31 December 2023 and the remaining 5 instalments of AED 367,500 thousand each, repayable on an annual basis. On 28 September 2023, the loan was early settled and paid in full.
- On 25 May 2023, Al Seer Marine Supplies and Equipment Company PJSC, a subsidiary, signed amendments to its existing loan facilities, which were initially entered into on 28 January 2022 and 10 May 2022. The purpose of the amendment was to grant them the ability to utilise AED 210,000 thousand and AED 110,000 thousand from each facility in order to finance the acquisition of an investment in financial assets carried at fair value through profit or loss.
- During the period, Alpha Dhabi Partners Holding LLC, a subsidiary, signed a loan facility of AED 5,670,000 thousand for investment related purposes. As of 30 September 2023, an amount of AED 730,000 thousand was utilised to fund the acquisition of an associate.
- During the period, Palms Sports PJSC, a subsidiary, entered into a loan facility amounting to AED 150,000 thousand to fund the acquisition of a subsidiary. The loan is repayable on annual basis over a period of five years starting on 30 September 2024.
- During the period, Reach Group SPV Limited, a subsidiary, entered into a loan facility amounting to AED 355,000 thousand to fund the acquisition of a subsidiary. The loan is repayable on monthly instalments over a period of seven years starting on February 2024.
- During the period, International Securities LLC, a subsidiary, entered into credit revolving facility amounting to AED 1,500,000 thousand, of which AED 340,000 thousand was utilised as at 30 September 2023.
- The remaining movement represents drawdowns and repayments of existing facilities.

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

16 NON-CONVERTIBLE SUKUK

	<i>(Unaudited)</i> 30 September 2023 AED'000	<i>(Audited)</i> 31 December 2022 AED'000
Balance at the beginning of the period / year	3,681,916	-
Acquired in business combinations	-	3,732,381
Issued during the period / year ⁽ⁱ⁾	1,836,250	-
Accrued profit	123,731	99,682
Amortisation of issue costs	8,300	4,860
Other movement	(35,070)	(59,541)
Less: settled during the period / year	<u>(97,102)</u>	<u>(95,466)</u>
Balance at the end of the period / year	<u>5,518,025</u>	<u>3,681,916</u>

- (i) During the period, Aldar Investment Properties Sukuk 3 Limited, a subsidiary of the Group, issued non-convertible sukuk for a total value of AED 1,836,250 thousand (USD 500,000 thousand), carrying a profit rate 4.875% per annum payable semi-annually and due for repayment in May 2033.

Non-convertible sukuk are disclosed in the interim consolidated statement of financial position as follows:

	<i>(Unaudited)</i> 30 September 2023 AED'000	<i>(Audited)</i> 31 December 2022 AED'000
Non-current portion	5,454,292	3,644,812
Current portion	<u>63,733</u>	<u>37,104</u>
	<u>5,518,025</u>	<u>3,681,916</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

17 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>
<i>Type of goods or services</i>				
Marine and dredging revenue	4,611,704	2,845,229	11,940,714	6,858,208
Construction and related services revenue	2,508,815	2,162,710	7,207,600	6,214,565
Developing of properties	1,513,005	989,744	4,560,965	2,124,545
Healthcare and other medical supplies	84,177	2,711,727	3,015,147	10,023,183
Food and related non-consumables items	1,102,370	482,137	2,897,657	1,684,379
Rental income	975,728	899,687	2,861,086	1,817,642
Management of properties, facilities and development projects	915,745	418,382	2,248,433	1,462,838
Premiums and other insurance related revenue	-	-	1,466,282	-
Manpower and consultancy services	554,689	177,697	1,340,483	482,358
Information technology related revenue	505,565	51,000	1,336,535	108,552
Hospitality and leisure revenue	293,213	264,449	1,008,645	650,079
Coaching and training services	173,250	173,042	502,337	463,353
Education and related services	175,732	155,212	487,894	297,367
Sale of furniture	86,233	71,165	288,998	209,593
Sale of properties and land	122,210	498,270	287,353	657,870
Sale of cosmetics and related personal care services	86,834	89,029	274,916	263,874
Sale of cement and other related products	101,217	75,837	228,038	174,782
Revenue from brokerage services	77,660	37,543	206,882	143,017
District cooling services	74,867	70,431	198,773	198,689
Media and marketing services	72,848	17,779	122,161	59,321
Delivery services	39,868	28,259	118,182	73,394
Others	78,147	167,208	224,309	344,553
	<u>14,153,877</u>	<u>12,386,537</u>	<u>42,823,390</u>	<u>34,312,162</u>
<i>Timing of revenue recognition</i>				
Revenue at a point in time	3,726,916	4,246,645	12,340,840	14,009,511
Revenue over time	<u>10,426,961</u>	<u>8,139,892</u>	<u>30,482,550</u>	<u>20,302,651</u>
	<u>14,153,877</u>	<u>12,386,537</u>	<u>42,823,390</u>	<u>34,312,162</u>
<i>Geographical markets</i>				
UAE	12,090,043	10,401,289	37,406,197	29,832,118
Outside the UAE	<u>2,063,834</u>	<u>1,985,248</u>	<u>5,417,193</u>	<u>4,480,044</u>
	<u>14,153,877</u>	<u>12,386,537</u>	<u>42,823,390</u>	<u>34,312,162</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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18 INVESTMENT AND OTHER INCOME

Investment and other income mainly comprises of interest and dividends income of AED 1,376,997 thousand (30 September 2022: AED 617,589 thousand), reversal of provisions of AED 1,070,000 thousand (30 September 2022: nil), income from government grants of AED 330,767 thousand (30 September 2022: nil) and gain from disposal of a assets held for sale of AED 182,361 (note 9.1) (30 September 2022: nil), netted off by fair value losses from financial assets carried at fair value through profit or loss of AED 1,117,656 thousand (note 7.2) (30 September 2022: fair value gain of AED 13,620,935 thousand).

19 BASIC AND DILUTED 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.

Diluted earnings per share is 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, adjusted for the effects of dilutive instruments.

	<i>Three months ended</i> <i>30 September</i>		<i>Nine months ended</i> <i>30 September</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 (AED'000)	<u>4,137,374</u>	<u>6,419,465</u>	<u>11,315,259</u>	<u>10,829,944</u>
Weighted average number of shares (shares in '000)	<u>2,193,540</u>	<u>1,821,429</u>	<u>2,193,540</u>	<u>1,821,429</u>
Basic and diluted earnings per share for the period (AED)	<u>1.89</u>	<u>3.52</u>	<u>5.16</u>	<u>5.95</u>

As of 30 September 2023 and 30 September 2022, the Company has not issued any instruments that have a dilutive impact on earnings per share when exercised.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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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>25,460,937</u>	<u>19,567,353</u>
Letters of credit	<u>1,191,791</u>	<u>1,176,744</u>
Capital commitments	<u>71,207,100</u>	<u>46,514,089</u>

21 FAIR VALUE MEASUREMENT

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

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

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

	<i>Fair value as at</i> 30 September 2023 <i>(Unaudited)</i> AED '000	31 December 2022 <i>(Audited)</i> AED '000				
			<i>Fair value hierarchy</i>	<i>Valuation techniques and key inputs</i>	<i>Significant unobservable input</i>	<i>Relationship of unobservable inputs to fair value</i>
Financial assets						
Quoted equity investments – investment in financial assets	43,603,769	46,620,069	Level 1	Quoted bid prices in an active market.	None	Not applicable
Unquoted equity investments – investment in financial assets	13,339,616	11,853,492	Level 3	Discounted cash flow method and latest transaction price.	Net assets value	Higher the net assets value of the investees, higher the fair value.
Unquoted debt investments – investment in financial assets	-	89,141	Level 3	Discounted cash flow method and latest transaction price.	Net assets value	Higher the net assets value of the investees, higher the fair value.
Derivative financial assets	34,865	248,792	Level 2	Significant observable inputs	None	Not applicable
Derivative financial liabilities	29,497	50,171	Level 2	Significant observable inputs	None	Not applicable
Non-financial assets						
Biological assets	178,816	84,921	Level 2	Significant observable inputs	None	Not applicable

There were no transfers between each of levels during the period. The fair values of all other financial assets and liabilities are not materially different from their carrying values at the reporting date.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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22 SEGMENTAL ANALYSIS

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

Real estate and construction includes construction, development and management of real estate, contracting services, landscaping design and execution, labour camp management and sale of properties.

Food includes freezing fish and seafood, preparing and packing food products, trading in general trading of foodstuff. It also includes sourcing, processing and sales of forage and animal feed to securing the food from milk, meat and poultry industry.

Asset management includes investments in financial assets and financing activities related to the investment.

Financial services includes brokerage services provided with respect to securities, in addition to health insurance solutions provided in UAE.

Marine and dredging includes the maintaining and trading of marine machinery and equipment, retail sale of ships and boats and sale of spare parts. Also included are dredging and its associated land reclamation works.

Healthcare includes healthcare and other medical supplies, rental of medical equipment income and sale of medical equipment.

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

Services and other segments mainly comprise of technology, education, leisure & hospitality, communication and entertainment segments as well as a variety of smaller ancillary activities. This includes retail trade of household and office furniture, Islamic financing and other head office expenses.

International Holding Company PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2023 (Unaudited)

22 SEGMENTAL ANALYSIS continued

For the nine-month period ended:

	<i>Real estate and construction</i>		<i>Food</i>		<i>Asset management</i>		<i>Financial services</i>		<i>Marine and dredging</i>		<i>Healthcare</i>		<i>Utilities</i>		<i>Services and other segments</i>		<i>Total</i>	
	30 September 2023 AED '000	30 September 2022 AED '000	30 September 2023 AED '000	30 September 2022 AED '000	30 September 2023 AED '000	30 September 2022 AED '000	30 September 2023 AED '000	30 September 2022 AED '000	30 September 2023 AED '000	30 September 2022 AED '000	30 September 2023 AED '000	30 September 2022 AED '000	30 September 2023 AED '000	30 September 2022 AED '000	30 September 2023 AED '000	30 September 2022 AED '000	30 September 2023 AED '000	30 September 2022 AED '000
Revenue	14,250,610	10,038,555	2,892,400	1,599,545	-	-	1,704,758	137,275	11,969,537	6,949,046	3,093,958	10,004,024	206,568	198,689	8,705,559	5,385,028	42,823,390	34,312,162
Cost of sales	(11,243,913)	(7,606,981)	(2,526,533)	(1,344,751)	-	-	(1,307,099)	-	(10,365,845)	(6,461,119)	(2,269,098)	(5,705,774)	(113,840)	(115,581)	(5,865,173)	(3,836,728)	(33,691,501)	(25,070,934)
Gross profit	3,006,697	2,431,574	365,867	254,794	-	-	397,659	137,275	1,603,692	487,927	824,860	4,298,250	92,728	83,108	2,840,386	1,548,300	9,131,889	9,241,228
Selling and distribution expenses	(382)	(4,957)	(112,506)	(41,052)	-	-	-	-	-	-	(64)	-	-	-	(67,768)	(75,159)	(180,720)	(121,168)
General and administrative expenses	(1,119,121)	(1,332,473)	(259,056)	(95,836)	(49,472)	(53,922)	(59,936)	(33,938)	(221,668)	(144,050)	(1,061,199)	(619,953)	(22,068)	(40,619)	(2,047,826)	(1,407,393)	(4,840,346)	(3,728,184)
Investment and other income (loss)	649,461	(36,465)	21,697	38,617	(589,194)	13,282,502	271,477	54,740	765,989	1,454,377	461,947	83,441	20,736	-	1,391,762	130,729	2,993,875	15,007,941
Share of profit (loss) from investment in associates and joint ventures	37,414	(9,685)	43,063	12,610	170,156	2,322	-	-	42,863	4,207	366,143	505,696	2,226	2	106,898	8,153	768,763	523,305
Gain on acquisition of subsidiaries	825	1,231,810	-	-	-	-	-	-	-	-	-	249	-	-	-	32,494	825	1,264,553
Fair value gain on revaluation of previously held equity interest	316,931	2,742,265	-	-	-	-	-	-	-	-	-	-	-	-	-	16,414	316,931	2,758,679
Gain on disposal of investment in associates and joint ventures	409,126	-	-	39,378	-	-	-	-	-	-	-	-	-	-	19,892	-	429,018	39,378
(Loss) gain on derecognitions of a subsidiary	-	(16,779)	-	-	-	-	-	-	-	-	8,830,127	123,115	-	-	-	457	8,830,127	106,793
Share of other comprehensive loss of a joint venture reclassified to profit or loss on disposal	-	-	-	(7,077)	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,077)
Finance costs	(428,512)	(338,860)	(48,709)	(6,425)	(473,890)	(164,644)	(3,526)	(384)	(182,354)	(144,998)	(58,262)	(16,390)	(14,931)	(5,173)	(405,318)	(77,761)	(1,615,502)	(754,635)
Taxation	(425,118)	(14,018)	(32,925)	1,163	(4,586)	(185)	-	-	(16,888)	(34,231)	(15,414)	-	-	-	(118,217)	(10,362)	(613,148)	(57,633)
Profit (loss) for the period	2,447,321	4,652,412	(22,569)	196,172	(946,986)	13,066,073	605,674	157,693	1,991,634	1,623,232	9,348,138	4,374,408	78,691	37,318	1,719,809	165,872	15,221,712	24,273,180
	(Unaudited) 30 September 2023 AED '000	(Audited) 31 December 2022 AED '000	(Unaudited) 30 September 2023 AED '000	(Audited) 31 December 2022 AED '000	(Unaudited) 30 September 2023 AED '000	(Audited) 31 December 2022 AED '000	(Unaudited) 30 September 2023 AED '000	(Audited) 31 December 2022 AED '000	(Unaudited) 30 September 2023 AED '000	(Audited) 31 December 2022 AED '000	(Unaudited) 30 September 2023 AED '000	(Audited) 31 December 2022 AED '000	(Unaudited) 30 September 2023 AED '000	(Audited) 31 December 2022 AED '000	(Unaudited) 30 September 2023 AED '000	(Audited) 31 December 2022 AED '000	(Unaudited) 30 September 2023 AED '000	(Audited) 31 December 2022 AED '000
Segment assets	100,840,362	91,171,639	37,831	4,420,310	59,754,766	49,902,069	4,833,395	14,803,098	23,852,612	20,546,319	16,020,915	16,106,954	2,092,002	3,270,481	28,141,284	27,813,624	235,573,167	228,034,494
Segment liabilities	43,511,116	34,689,105	626,900	1,232,737	20,398,279	16,878,770	3,700,241	10,465,075	13,496,910	12,284,235	1,006,611	3,691,883	1,093,263	1,539,216	13,520,462	17,889,364	97,353,782	98,670,385

International Holding Company PJSC

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22 SEGMENTAL ANALYSIS continued

For the three-month period ended:

	<i>Real estate and construction</i>		<i>Food</i>		<i>Asset management</i>		<i>Financial services</i>		<i>Marine and dredging</i>		<i>Healthcare</i>		<i>Utilities</i>		<i>Services and other segments</i>		<i>Total</i>	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022	30 September 2023	30 September 2022	30 September 2023	30 September 2022	30 September 2023	30 September 2022	30 September 2023	30 September 2022	30 September 2023	30 September 2022	30 September 2023	30 September 2022	30 September 2023	30 September 2022
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Revenue	4,424,804	3,909,165	1,034,445	422,819	-	-	65,589	50,726	4,612,041	2,872,424	126,246	2,692,700	82,662	72,615	3,808,090	2,366,088	14,153,877	12,386,537
Cost of sales	(3,827,452)	(3,081,168)	(920,805)	(400,630)	-	-	-	-	(3,952,719)	(2,555,291)	(61,313)	(1,689,391)	(51,058)	(44,076)	(2,346,085)	(1,774,672)	(11,159,432)	(9,545,228)
Gross profit	597,352	827,997	113,640	22,189	-	-	65,589	50,726	659,322	317,133	64,933	1,003,309	31,604	28,539	1,462,005	591,416	2,994,445	2,841,309
Selling and distribution expenses	(382)	(3,274)	(48,987)	(14,591)	-	-	-	-	-	-	(56)	-	-	-	(20,984)	(26,831)	(70,409)	(44,696)
General and administrative expenses	(266,917)	(220,653)	(107,458)	(31,955)	(37,732)	(39,012)	(15,081)	(9,806)	(66,966)	(13,673)	(23,562)	(135,995)	(6,930)	(11,365)	(617,903)	(658,439)	(1,142,549)	(1,120,898)
Investment and other income (loss)	191,804	37,871	(203,625)	2,317	2,618,862	12,514,735	38,711	24,595	62,387	(25,836)	6,222	77,023	7,298	-	996,420	(189,711)	3,718,079	12,440,994
Share of profit (loss) from investment in associates and joint ventures	17,941	(28,784)	12,938	22,690	180,671	(121,838)	(402)	-	8,219	1,967	(151,750)	170,862	17,387	5	74,429	148,061	159,433	192,963
Gain on acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,150	-	20,150
Gain on derecognitions of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	457	-	457
Fair value gain on revaluation of previously held equity interest	316,721	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	316,721	-
Gain on disposal of investment in associates and joint ventures	-	-	-	1,999	-	-	-	-	-	-	-	-	-	-	15,980	-	15,980	1,999
Finance costs	(52,795)	(175,065)	(19,126)	(1,836)	(167,975)	(113,816)	(1,929)	(219)	(64,500)	(104,791)	919	(2,491)	(5,045)	(2,227)	(258,151)	17,174	(568,602)	(383,271)
Taxation	(412,620)	(11,698)	(32,925)	(1,163)	(4,399)	(185)	-	-	(17,446)	(18,840)	(15,413)	-	-	-	(114,987)	(1,194)	(597,790)	(30,754)
Profit (loss) for the period	391,104	426,394	(285,543)	1,976	2,589,427	12,239,884	86,888	65,296	581,016	155,960	(118,707)	1,112,708	44,314	14,952	1,536,809	(98,917)	4,825,308	13,918,253

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23 SUBSEQUENT EVENTS

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

- L Capital KDT LTD (“L Capital”) – 99.10% equity interest
(L Capital is involved in hospitality business)
- FAB Properties LLC - 100% equity interest
(FAB Properties is engaged in facility management)
- NTS Middle East FZCO (“NTS”) – 51% equity interest
(NTS is involved in cutting-edge manufacturing, repair and rental solutions in oil & gas)
- Em Sherif Holding LTD (“Em Sherif”) – 35.10% equity interest
(Em Sherif is involved in the hospitality business)
- Phoenix Group PLC (“Phoenix”) – 10% equity interest
(Phoenix provides cryptocurrency mining equipment, distribution and hosting services)

In addition to the above, the Group signed a definitive agreement with ADQ to acquire 49% stake in Modon Properties PJSC (“Modon”), which is subject to relevant regulatory approvals. Modon is a project manager mandated by Abu Dhabi Government to build vibrant and sustainable communities and develop strategic mixed used projects in Abu Dhabi.