MBME Group P.J.S.C.

Abu Dhabi, United Arab Emirates

Reports and financial statements
For the year ended 31 December 2023

MBME Group P.J.S.C.
Abu Dhabi - United Arab Emirates

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MBME Group P.J.S.C.
Abu Dhabi - United Arab Emirates

General information

Principal office address:	Office 3303 & 3304 Landmark Tower, Abu Dhabi, UAE P.O. Box: 26448 Abu Dhabi United Arab EmiratesT: +971 (2) 57 50 504
The Directors:	Ali Mohamed Saeed Albadi Saeed Mohamed Saeed Albadi Abdelhadi Mohamed
The Auditor:	Crowe Mak Dubai, United Arab Emirates
The Banks:	Abu Dhabi Commercial Bank Emirates Islamic Bank First Abu Dhabi Bank

MBME Group P.J.S.C.
Abu Dhabi - United Arab Emirates
Directors' report

The Directors have pleasure in presenting their report and the audited financial statements for the year ended 31 December 2023.

MBME Group P.J.S.C. is an investment Company which comprises a unique fintech ecosystem which includes MBME Pay Payment Services Provider LLC, MBME Neo Information Technology LLC, Wow Pay Payment Services Provider LLC and MBME Investment LLC (MBME Group).

The UAE has established itself as a business hub in the Middle East, attracting both global talent and regional corporate headquarters. Its strategic location, worldclass infrastructure, strong connectivity, business-friendly environment, and expanding cultural assets are key success factors. It is a Business Hub with a developed digital economy that imports the most cutting-edge digital technologies and innovations to meet the growing needs of the UAE's sophisticated consumers and businesses. By combining world-class infrastructure with digitally savvy and demanding users, the UAE has become a pioneer in smart city development.

Continuing the vision of the leader of the UAE, we have been inspired to focus on the urgent demands across the digital industry and emerging world economics underlines the robust versatility of MBME Group's P.J.S.C. Business Model despite the global economic situation.

We strongly believe that time has clear and valid implications in everything that an individual or organization does and MBME Group time is the value proposition that when effectively understood, harnessed, and utilized becomes the catalyst for change and the way forward for our movement to explore and achieve.

Through this concept, MBME Group looks back in time at its achievements and looks forward in time as time innovators and entrepreneurs.

Financial Review

	2023	2022
Other income	**724,750**	**-**
General and administrative expenses	**(15,676,714)**	**(4,257,549)**
Unrealized gain on financial assets at fair value through profit or loss	**533,746,450**	**480,575,490**
Net profit for the year	**518,794,486**	**476,317,941**

Our Vision

To be a leading domestic and regional technological advancement, providing unique, innovative, and high-quality products, services, and investment opportunities for our business partners.

Our Mission

To participate in the economic development of the UAE, GCC, and the MENA region, maximizing client and shareholder value by the principles of digitalization, contributing towards the growth of digital transformation, and providing a challenging environment for our members to be innovative and realize their professional objectives.

Our responsibility

We believe business has a responsibility to be a force for good in society, accountable not just to shareholders but to all stakeholders: staff, customers, communities, policymakers, regulators, and society at large. This is necessary for companies to maintain a social license to operate, but more importantly, it's crucial in maintaining the healthy societies on which we all depend.

Our future

The MBME Group will invest opportunistically in existing companies which are active in one or more of the core sectors on which MBME Group is focused and/or any international market which otherwise meet the MBME Group's investment criteria and international expansion. MBME Group is likely to partner through joint ventures and/or co- investment for its international expansion.

• The expanding of the scope of services and product portfolio will be executed by establishing joint ventures with leading global Fintech partners to be undertaken internationally and within the UAE market.

• Accelerate the on-boarding of new and existing international and local talents to support and enhance MBME Group performance and future growth.

• Provide the necessary financial strength to fund the execution of the MBME Group's key customers' contracts and enhance the consolidated financial position.

• .Identify, develop, and manage new projects or ventures as part of MBME Group's regional and international expansion (including Saudi Arabia, Egypt, Pakistan, Ethiopia, Malaysia, Indonesia and Thailand).

• Establish center of Excellence and Business Labs for young entrepreneurs in each of the seven UAE Emirates relating to the Fintech sector and digital economy.

• Invest opportunistically in companies that are active or intend to be active in one of MBME Group's key business segments and which meet the MBME Group's general investment criteria.

MBME PAY PAYMENT SERVICES PROVIDER LLC

The MBME VR-enabled kiosks will allow users to experience new products and services in virtual reality,accelerating their decision to adopt and acquire the services and products which is expected to diversify the MBME Group's revenue and enhance its profitability. Furthermore, MBME VR kiosks can be used in various applications such as e- learning, e-commerce, and much more.

We facilitate and process transactions for merchants, by obtaining authorization from digital payment networks and schemes. Once authorized by the relevant network and schemes, we settle the funds into the merchant's bank account following a consumer's transaction. Through time we made sure to be the pioneer in what we do so we created and developed our Middleware to serve the concept of fintech as a reliable product for the largest possible audience, faster, and efficient than the competition. The central concept of Middleware is the integration of various billing APIs from multiple different merchants. This enables online bill payments anytime and anywhere through real-time transaction processing.

WOW PAY PAYMENT SERVICES PROVIDER LLC

WoW Pay Payment Services Provider LLC offering proprietary financial services technology solution (white labelling of APIs, licensed to operate as a Bank-As-A Service, Merchant Payment Solutions). The primary target markets for technology services include the UAE, GCC countries and Africa.

MBME NEO INFORMATION TECHNOLOGY LLC

MBME Neo Information Technology LLC will seek to provide corporate banking services to start ups and small businesses, a segment that is "under-served" in the traditional banking system.

Digital banking can help take control of your financial life, providing tools and features that you may not have access to through traditional banking methods. But digital banking can also offer benefits beyond banking, connecting you to a community and banking opportunities specific to your wants and needs.

MBME INVESTMENT LLC

MBME Investment LLC is an investment firm with focus on high growth markets such as UAE, Egypt, Saudi Arabia, Malaysia, and Indonesia.

Auditor

M/s. Crowe Mak – Dubai, United Arab Emirates is willing to continue in office and a resolution to re-appoint them will be proposed in the Annual General Meeting.

Statement of Directors' responsibilities

The applicable requirements require the Directors to prepare the financial statements for each financial year which present fairly in all material respects the financial position of Company and its financial performance for the year then ended.

The audited financial statements for the year under review have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Directors confirm that sufficient care has been taken for the maintenance of proper and adequate accounting records that disclose with reasonable accuracy at any time, the

financial position of the Company and enables them to ensure that the financial statements comply with the requirements of the applicable statute. The Directors also confirm that appropriate accounting policies have been selected and applied consistently in order for the financial statements to reflect fairly, the form and substance of the transactions carried out during the year under review and reasonably present Company's financial conditions and results of its operations.



Chairman
29 February 2024

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Ref: 006/122023/003619

Independent auditor's report

To
The Shareholders
MBME Group P.J.S.C.
Abu Dhabi, United Arab Emirates

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of MBME Group P.J.S.C. (Company), Abu Dhabi, United Arab Emirates, which comprise the statement of financial position as at 31 December 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Company in accordance with the requirements of International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA code) together with ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent auditor's report (continued)

To the Shareholders of MBME Group P.J.S.C.
Report on the Audit of Financial Statements (continued)

Key Audit Matters	How the matter was addressed in our report
Valuation of investment in equity of unquoted entities Refer notes 4.1 and 6 to the financial statements. The Company has recorded its subsidiaries at fair value through profit and loss which is carried at AED 6,836 million (2022: 6,302 million). The Company measures its subsidiaries at fair value through profit or loss as per IFRS 9 "Financial Instruments" and has adopted IFRS 10 "Consolidated Financial Statements" exemption for consolidation. The Company has engaged an external expert to determine the fair value of its subsidiaries. The determination of the fair value of the majority of these investment is performed using the income base approach which includes discounted cash flow method and market comparable approach. The valuation of the investment involves significant estimation uncertainty and is based on number of assumptions. The existence of significant estimation uncertainty warrants specific audit focus in this area as any bias or error in determining the fair value could lead to a material misstatement in the financial statements. We identified this matter as a key audit matter due to the significance of the amount and due to inherent uncertainty involving significant judgement and challenges associated with corroboration of information used in estimation of fair values of underlying investments.	The following procedures were performed to address this matter: • obtained an understanding of and testing the design and operating effectiveness of controls established by the Company for valuation of underlying unquoted investment; • agreed the total valuation in the reports of third party expert to the amount reported in the statement of financial position; • evaluated the management specialist's competence, capabilities and objectivity; • reviewed estimate working which has been performed by management expert's and assessing reasonableness of all elements of the estimate; • performed retrospective review of assumptions used in estimating value last year with current period assumptions and inquired reasons for significant variances and assessed their reasonableness; and • assessed the disclosures made in relation to this matter to determine if they were in accordance with the requirements of IFRS.

Other information

The Directors are responsible for the other information. The other information comprises the director's report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent auditor's report (continued)

To the Shareholders of MBME Group P.J.S.C.
Report on the Audit of Financial Statements (continued)

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS and in compliance with the applicable provision of the article's of association of the Company and the U.A.E. Federal Law No. 32 of 2021 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to error or fraud, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

To the Shareholders of MBME Group P.J.S.C.
Report on the Audit of Financial Statements (continued)

Report on Other Legal and Regulatory Requirements

Further, as required by the UAE Federal Law No. 32 of 2021, we report that:

(a) We have obtained all the information we considered necessary for the purpose of our audit;

(b) The financial statements have been prepared and comply, in all material aspects, with the applicable provisions of the UAE Federal Law No. 32 of 2021 and Memorandum and Articles of Association of the Company;

(c) The Company maintained proper books of account;

(d) The financial information included in the Directors' report is consistent with the books of account of the Company;

(e) Note 6 to the financial statements reflects the investment in shares during the year during the year ended 31 December 2023.

(f) Based on the information that has been made available to us, nothing has come to our attention which causes us to believe that Company has contravened during the year ended 31 December 2023 any of the applicable provisions of the UAE Federal Law No. 32 of 2021, or its Memorandum and Articles of Association which would materially affect its activities or its financial position as at 31 December 2023.

(g) Note 8 to the financial statements reflects the disclosures relating to material related party transactions and the terms under which they were conducted.

Crowe Mak



Saad Maniar
Senior Partner
Registered Auditor Number:574
Dubai, United Arab Emirates

29 February 2024

MBME Group P.J.S.C.
Abu Dhabi - United Arab Emirates
Statement of financial position as at 31 December 2023

	Notes	2023 AED	2022 AED
ASSETS			
Non-current assets			
Right-of-use assets	16	**1,759,701**	515,756
Property and equipment	5	**1,122,736**	6,576
Investments at fair value through profit or loss	6	**6,836,476,000**	6,302,729,550
Total non-current assets		**6,839,358,437**	6,303,251,882
Current assets			
Other receivables	7	**10,973,803**	-
Due from related parties	8	**497,830,279**	-
Cash and bank balances	9	**69,838,693**	28,129,014
Total current assets		**578,642,775**	28,129,014
Total assets		**7,418,001,212**	6,331,380,896
EQUITY AND LIABILITIES			
Equity			
Share capital	10	**50,000,000**	5,000,000
Subscription against shares	19	**495,803,465**	-
Statutory reserves	20	**50,000,000**	47,631,794
Retained earnings		**944,618,360**	428,192,080
Additional contribution	11	**5,830,812,810**	5,759,736,060
Total equity		**7,371,234,635**	6,240,559,934
LIABILITIES			
Non-current liabilities			
Lease liabilities	17	**1,093,650**	-
Total non-current liabilities		**1,093,650**	-
Current liabilities			
Trade and other payables	12	**1,227,109**	37,940,147
Lease liabilities	17	**685,877**	323,591
Due to related parties	8	**43,759,941**	52,557,224
Total current liabilities		**45,672,927**	90,820,962
Total liabilities		**46,766,577**	90,820,962
Total equity and liabilities		**7,418,001,212**	6,331,380,896

These statutory financial statements were approved and authorised for issue on 29 February 2024.

The financial statements set out on pages 9 to 38, were approved by the Board of Directors on the date of these financial statements and signed on behalf of Company by:

Chairman | Chief Executive Officer | Chief Financial Officer

The accompanying notes and policies form an integral part of these financial statements.

The report of the auditor is set out on pages 5 to 8.

MBME Group P.J.S.C.
Abu Dhabi - United Arab Emirates
Statement of profit or loss and other comprehensive income for the year ended 31 December 2023

	Notes	2023 AED	2022 AED
Other income	13	**724,750**	**-**
General and administrative expenses	15	**(15,676,714)**	(4,257,549)
Unrealised gain on financial assets at fair value through profit or loss	14	**533,746,450**	480,575,490
Net profit for the year		**518,794,486**	476,317,941
Other comprehensive income for the year		**-**	**-**
Total comprehensive income for the year		**518,794,486**	476,317,941
Earnings per share-Basic	24	**0.275**	0.253
-Diluted	24	**0.0194**	0.0179

The accompanying notes and policies form an integral part of these financial statements.
The report of the auditor is set out on pages 5 to 8.

M B M E Group P.J.S.C.
Abu Dhabi - United Arab Emirates
Statement of changes in equity for the year ended 31 December 2023

	Share capital	Subscription against shares	Statutory reserves	Accumulated loss/ Retained earnings	Additional contribution	Total
	AED	AED	AED	AED	AED	AED
As at 1 January 2022	-	-	-	(494,067)	405,234,060	404,739,993
Issue of share capital / addition in additional contribution	5,000,000	-	-	-	5,354,502,000	5,359,502,000
Profit for the year	-	-	-	476,317,941	-	476,317,941
Total comprehensive income for the year	-	-	-	476,317,941	-	476,317,941
Transfer to/from retained earnings (Note 20)	-	-	47,631,794	(47,631,794)	-	(47,631,794)
As at 31 December 2023	5,000,000	-	47,631,794	428,192,080	5,759,736,060	6,240,559,934
As at 1 January 2023	5,000,000	-	47,631,794	428,192,080	5,759,736,060	6,240,559,934
Issue of share capital / addition in subscription against shares	45,000,000	495,803,465	-	-	-	540,803,465
Profit for the year	-	-	-	518,794,486	-	518,794,486
Total comprehensive income for the year	-	-	-	518,794,486	-	518,794,486
Transfer to/from retained earnings (Note 20)	-	-	2,368,206	(2,368,206)	-	-
Contribution during the year (Note 11)	-	-	-	-	71,076,750	71,076,750
As at 31 December 2023	**50,000,000**	**495,803,465**	**50,000,000**	**944,618,360**	**5,830,812,810**	**7,371,234,635**

The accompanying notes and policies form an integral part of these financial statements.

The report of the auditor is set out on pages 5 to 8.

MBME Group P.J.S.C.
Abu Dhabi - United Arab Emirates
Statement of cash flows for the year ended 31 December 2023

	Notes	2023 AED	2022 AED
Cash flows from operating activities			
Profit for the year		**518,794,486**	476,317,941
Adjustments for:			
Depreciation of property and equipment	5	**7,525**	**-**
Unrealised gain on measurement of investments	14	**(533,746,450)**	(480,575,490)
Depreciation of right-of-use assets	16	**224,323**	127,617
Operating cash flows before changes in operating assets and liabilities		**(14,720,116)**	(4,129,932)
Increase in due from related parties	8	**(497,830,279)**	**-**
Increase in other receivables	7	**(10,973,803)**	**-**
(Decrease)/increase in due to related parties	8	**(8,797,283)**	51,955,087
(Decrease)/increase in trade and other payables	12	**(36,713,038)**	37,721,859
Cash (used in)/generated from operating activities		**(569,034,519)**	85,547,014
Net cash (used in)/generated from operating activities		**(569,034,519)**	85,547,014
Cash flows from investing activities			
Purchase of property and equipment	5	**(1,123,685)**	**-**
Net cash (used in)/generated from investing activities		**(1,123,685)**	**-**
Cash flows from financing activities			
Proceeds from share capital	10	**45,000,000**	**-**
Additional loans from related parties		**-**	(57,418,000)
Additional contribution		**71,076,750**	**-**
Subscription against shares received		**495,803,465**	**-**
Repayment of lease liabilities and interest		**(12,332)**	**-**
Net cash generated from / (used in) financing activities		**611,867,883**	(57,418,000)
Net increase in cash and cash equivalents		**41,709,679**	28,129,014
Cash and cash equivalents at the beginning of the year		**28,129,014**	**-**
Cash and cash equivalents at the end of the year	9	**69,838,693**	28,129,014

The accompanying notes and policies form an integral part of these financial statements.
The report of the auditor is set out on pages 5 to 8.

1 General information

MBME Group P.J.S.C. (the "Company") was previously known as MBME Group which was operating as Establishment and was formed on 27 January 2010.

On 10 November 2022, the shareholders passed a special resolution to convert the Establishment into a Private Joint Stock Company and obtained the establishment certificate on 30 December 2022 for the Private Joint Stock Company. It operates in the United Arab Emirates under a license issued by Abu Dhabi Department of Economic Development under the license number CN-1827215.

The address of the registered office of the Company is Office 3303 & 3304 Landmark Tower, Abu Dhabi, UAE P.O. Box 26448.

The management and controls are vested with the Board of Directors.

These financial statements incorporate the operating results of the commercial license no. CN-1827215.

These financial statements are presented in Emirati Dirham (AED) and are rounded to the nearest AED. Foreign operations are included in accordance with the policies set out in Note 3.

2 Application of new and revised International Financial Reporting Standards (IFRSs)

2.1 New and amended IFRS Standards that are effective for the current year

New and revised IFRSs	***Effective for annual periods beginning on or after***
IFRS 17 Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17	1 January 2023
Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements - Disclosure of Accounting Policies	1 January 2023
Amendments to IAS 12 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to IAS 12 Income Taxes— International Tax Reform—Pillar Two Model Rules	1 January 2023
Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates	1 January 2023

Management has adopted the new and amended IFRS standards in the current period and believes that these standards do not have material impact on these financial statements unless mentioned above.

2.2 New and revised IFRS in issue but not yet effective

The Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

Amendments to IFRS 10 and IAS 28 – Sale or Contribution of assets between an Investor and its Associate or Joint Venture;	1 January 2024
Amendments to IAS 1 Presentation of Financial Statements - Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to IAS 1 Presentation of Financial Statements—Non-current Liabilities with Covenants;	1 January 2024
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures----Supplier Finance Arrangements	1 January 2024

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.2 New and revised IFRS in issue but not yet effective (continued)

New and revised IFRSs	*Effective for annual periods beginning on or after*
Amendments to IFRS 16 Leases: Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	1 January 2024
IFRS S1 - General Requirements for Disclosure of Sustainability-related Financial Information	1 January 2024
IFRS S2 - Climate-related Disclosures	1 January 2024

The actual effective date of IFRS S1 and IFRS S2 for entities will depend on when the ISSB standards become mandatory in the jurisdictions in which they operate unless those entities voluntarily apply the ISSB standards before they become mandatory in their jurisdictions.

Management anticipates that these standards will not have any significant impact on these financial statements.

3 Material accounting policies

3.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards.

3.2 Basis of preparation

The financial statements have been prepared on the historical cost basis except investments in subsidiaries which have been shown at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The principal accounting policies are set out below.

3.3 Functional currency

These financial statements are presented in Emirati Dirham, which is Company's functional and presentation currency. The comparative figures for the current year are converted into Emirati Dirham which was presented in USD.

3.4 Leases

The Company assesses whether a contract is or contains a lease, at inception of a contract.

The Company leases office premises and rental contracts are typically made for fixed periods but may have extension options.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, Company's incremental borrowing rate can be used.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The lease liability is presented as a separate line in the statement of financial position.

Right-of-use assets are measured at cost.

Right-of-use assets are initially measured at cost and subsequently measured at cost less accumulated depreciation and impairment losses, if any. The right-of-use assets are presented as a separate line in the statement of financial position.

3 Material accounting policies (continued)

3.4 Leases (continued)

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

3.5 Foreign currencies

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in profit or loss in the period in which they arise.

3.6 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment loss, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income when incurred.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The following useful lives are used in the calculation of depreciation:

	Useful lives
IT equipment	4 years

3.7 Investment in subsidiaries

The Company has adopted the investment entities exemption as per amendments of IFRS 10, IFRS 12 and IAS 27, to the principle that all subsidiaries shall not be consolidated. The amendments define an investment Company and require a parent that is an investment Company to measure its investment in particular subsidiaries at fair value through profit or loss as per IFRS 9.

3.8 Financial instruments

Financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the instruments.

3.9 Financial assets

Financial assets and financial liabilities are initially measured at fair value and subsequently measured at amortised cost other than the investment in subsidiaries which are stated at fair value. The Company's remaining financial assets comprise of due from related parties, cash and bank and other receivables which are measured at amortised cost.

On initial recognition, a financial asset is classified as measured at:
- Amortized cost;
- Fair value through other comprehensive income ("FVOCI") – debt investment;
- FVOCI – equity investment; or
- FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

3 Material accounting policies (continued)

3.9 Financial assets (continued)

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment- by investment basis.

All financial assets not classified as measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Classification of financial assets

The Company has designated its financial assets as follows:
- Investment in private equities carried at FVTPL;

Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice;
- These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Group's management;
- The risks that act the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are notconsidered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on fair value basis is measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable-rate features;
- Prepayment and extension features; and
- Terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

3 Material accounting policies (continued)

3.9 Financial assets (continued)

Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

3.10 Financial liabilities and equity instruments

Classification as debt or equity

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of a Company afterdeducting all of its liabilities. Equity instruments issued by Company are recognised at the proceeds received, netof direct issue costs.

Financial liabilities

The Company classifies its financial liabilities as measured at amortized cost. Amortized cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR Subsequent to initial recognition, financial liabilities are measured at amortized cost, unless they are required to be measured at fair value through profit or loss or a Company has opted to measure a liability at fair value through profit or loss.

Financial liabilities classified as FVTPL using fair value option, if any, after initial recognition, for such liabilities, changes in fair value related to changes in own credit risk are presented separately in OCI and all other fair value changes are presented in the profit and loss.

Derecognition of financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

3.11 Current / Non-Current Classification

The Company presents assets and liabilities in statement of financial position based on current/noncurrent classification. An asset is current when it is:

Expected to be realised or intended to sold or consumed in normal operating cycle or held primarily for the purpose of trading or expected to be realised within twelve months after the reporting year, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as non-current.

A liability is current when it is expected to be settled in normal operating cycle or it is held primarily for the purpose of trading or it is due to be settled within twelve months after the reporting year, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

The Company classifies all other liabilities as non-current.

4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, which are described in note 3 to these financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period,or in the period of the revision and future periods if the revision affects both current and future periods. The significant judgements and estimates made by management that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below:

4.1 Critical judgements in applying accounting policies

Judgements in classification of investments in subsidiaries

Management has used judgement in the classification of the subsidiary companies as at fair value based on the strategies of the Company that all the subsidiaries are to be measured at fair value as per IFRS 9 "Financial Instrument" and the Company will adopt the IFRS 10 "Consolidated Financial Statements" exemption for consolidation.

Judgement applied by the Company for exemption of consolidation under IFRS 10 "Consolidated Financial Statements"

In assessing whether it meets the definition of Investment Company as per IFRS 10 "Consolidated Financial Statements" ("IFRS 10"), The Company has considered whether it has the following typical characteristics of an investment Company:

i. it has more than one investment;
ii. it has more than one investor;
iii. it has investors that are not related parties of the Company; and
iv. it has ownership interests in the form of equity or similar interests.

Since, the only reason for establishing this company is to generate return for its investors, it qualifies the basic purpose of an investment Company i.e., to generate returns for its investors through investments, it does not have any other purpose, nor does it carry any activities of its own.

Although, a few of the investors of the Company may fall within the definition of Related Parties under IAS 24, however, merely a presence of related party relationships does not disqualify a Company from being classified as an investment Company as also elaborated in IFRS 10. Hence, the management concluded that MBME Group has applied the exemption for consolidation.

Valuation of investments at fair value

When the fair values of financial assets and financial liabilities are recorded in the statement of financial position and cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques such as Income Approach using the Discounted Cash Flows (DCF) model and Market Approach using the Guideline Public Companies Method. The Company engages external, independent, and qualified valuers to determine the fair value of the Company's investments in subsidiaries which have been carried at fair value through profit and loss. The subsidiaries have intangible assets which have licenses and source codes, payment gateways and digital banking among others. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, the discount rate, and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value of intangible assets.

4.2 Key sources of estimation uncertainty

Discounting of lease payments
The lease payments are discounted using Company's incremental borrowing rate ("IBR"). The weighted average lessee's incremental borrowing rate applied to lease liabilities recognised in the statement of financial position at the date of initial application is 5.00%.

Management has applied judgements and estimates to determine the IBR at the commencement of lease.

4 Critical accounting judgements and key sources of estimation uncertainty (continued)

4.2 Key sources of estimation uncertainty (continued)

Discount rate for future cash flows in valuation

The discount rate used is 13% to 30% for calculating the discounted cash flows for the valuation for the different companies. This rate has been calculated based on Capital Asset Pricing Model which implies determination of various assumptions such as long-term size premium, risk free rate, equity risk premium, country risk premium and award for investing in companies with IP portfolio and premium for specificrisk of IP being valued.

5 Property and equipment

	IT equipment	Work in progress	Total
	AED	AED	AED
Cost			
As at 1 January 2022	6,576	-	6,576
As at 31 December 2022	6,576	-	6,576
Additions	67,508	1,056,177	1,123,685
As at 31 December 2023	**74,084**	**1,056,177**	**1,130,261**
Depreciation expense during the year	7,525	-	7,525
Carrying amount			
As at 31 December 2022	6,576	-	6,576
As at 31 December 2023	**66,559**	**1,056,177**	**1,122,736**

6 Investments at fair value through profit or loss

Interests are held in the following associates:

Name of subsidiary	Principal activity	Country of incorporation	Carrying amount of investment	
			2023	2022
			AED	AED
Wow Pay Payment Services Provider LLC	Payment Service provider	United Arab Emirates	**425,720,000**	885,809,550
MBME Pay Payment Services Provider Sole Proprietorship LLC	Payment Service provider	United Arab Emirates	**5,665,746,000**	5,049,920,000
MBME Neo Information Technology LLC	Information Technology	United Arab Emirates	**249,560,000**	308,280,000
MBME Investment LLC	Investment Company	United Arab Emirates	**495,450,000**	58,720,000
			6,836,476,000	6,302,729,550

The Company has adopted the investment entities exemption as per amendments of IFRS 10, IFRS 12 and IAS 27, to the principle that all subsidiaries shall not be consolidated. The amendments define an investment Company and require a parent that is an investment Company to measure its investment in particular subsidiaries at fair value through profit or loss as per IFRS 9.

6 Investments at fair value through profit or loss (continued)

On 01 July 2021, the Company entered into an agreement (Sale Purchase Agreement - SPA) with a related company of the common shareholders i.e. Wow Pay Payment Services Provider LLC (the "Wow Pay") whereby the Company had purchased the shares of Wow Pay Payment Services Provider L.L.C. As a result of this SPA between the parties, the Company obtained the rights to use the intellectual properties of Wow Pay. These intellectual properties include the source codes, algorithmic concepts for web-portals, mobile application for customers, payments and bills, payment platform etc.

The purchase consideration was in kind and was a non-cash consideration which has been accounted as additional contribution being the residual interest of the shareholders (Note 11). Wow Pay has planned to build its revenues on license fees from distribution of software licenses and API licenses. The primary markets for these technology services include the UAE, GCC countries and Africa.

On 15 September 2022, the Company entered into SPA's with related parties of the common shareholders, MBME Pay Payment Services Provider (MBME Pay) and MBME Neo Information Technology LLC (MBME Neo). The purchase prices for both these were agreed based on the valuation of the external expert as on 31 August 2022. The purchase consideration for these investments was in kind and non-cash consideration being the residual interest of the shareholders (Note 11).

On 15 September 2022, the Company entered into a SPA with related parties of the common shareholders MBME Investments LLC (MBME Investment) which is an investment firm with focus on high growth markets such as UAE, Egypt, Saudi Arabia, Malaysia and Indonesia. As a result of this SPA the Company also assumed all the liabilities of MBME Investments (Note 8).

In May 2023, MBME Investment LLC entered into an SPA with another technology based company IT Corner LLC ('ITC') for the purchase of 20% shareholding in ITC in consideration for the shares to be issued (Note 19).

As at 31 December 2023, these companies are still in the early stages of development and have not yet fully commenced operations other than MBME Pay.

The Company engaged independent expert to carry out the fair valuation of its investments as at year end. The independent expert used a combination of Discounted Cash Flows and Market Approach Method to arrive at the fair values. Various assumptions were used in arriving at the final values including the future cash flows, discount rate, growth projections. Apart from these assumptions, the experts also used available data on comparable companies for the Market Approach Method such as their revenue, expenses, profit margins, EBITDA margins, enterprise value.

The Company has adopted the investment entities exemption as per amendments of IFRS 10, IFRS 12 and IAS 27, to the principle that all these companies shall not be consolidated. The amendments define an investment company and require a parent that is an investment company to measure its investments in particular subsidiaries at fair value through profit or loss as per IFRS 9.

7 Other receivables

	2023	2022
	AED	AED
Advances	**5,000**	**-**
Deposits	**10,039,500**	**-**
Prepayments	**698,205**	**-**
Other receivables	**231,098**	**-**
	10,973,803	**-**

Deposits include an amount paid to Al Ramz Capital LLC, a duly registered limited liability company, for the improvement of liquidity of shares.

8 Related party balances and transactions

Company enters into transactions with companies and entities that fall within the definition of a related party as contained in International Accounting Standard 24 Related Party Disclosures. Related parties comprise companies and entities under common ownership and/or common management and control, key management personnel and shareholders. The management decides on the terms and conditions of the transactions and services received/rendered from/to related parties as well as on other charges.

a) At the end of the reporting year, amounts due from related parties were as follows;

	2023	2022
	AED	AED
Due from related parties		
WOW Pay Payment Services Provider LLC	**368,097**	**-**
MBME Investments LLC	**497,462,182**	**-**
	497,830,279	**-**

Out of the above, an amount of AED 495.8 million is due from MBME Investment LLC against the acquisition of IT Corner LLC (Note 6). The management of MBME Investment LLC is under discussion to issue shares against the settlement of these receivables.

b) At the end of the reporting year, amounts due to related parties were as follows:

	2023	2022
	AED	AED
Due to related parties		
MBME Pay Payment Services Provider LLC	**1,323,941**	1,539,224
Other payables	**42,436,000**	51,018,000
	43,759,941	52,557,224

There are certain related party transactions carried out during the year which are disclosed in the relevant notes, please refer Note 6 and Note 11.

9 Cash and bank balances

	2023	2022
	AED	AED
Cash and bank balances	**9,838,693**	28,129,014
Term deposits with banks	**60,000,000**	-
	69,838,693	28,129,014

The expected profit rate on the term deposits with banks ranges from 5% to 7% per annum and due for maturity within 90 days from the year end.

10 Share capital

	2023	2022
	AED	AED
Authorised issued and paid up share capital:		
2,500,000,000 shares of AED - 0.02 each	**50,000,000**	5,000,000

11 Additional contribution

	2023	2022
	AED	AED
Balance at the beginning of the year	**5,759,736,060**	405,234,060
Addition during the year		5,354,502,000
Additional contribution	**71,076,750**	-
Balance at the end of the year	**5,830,812,810**	5,759,736,060

In the previous years, the additional contribution represents in kind consideration in lieu of acquisition of the Companies by the Company (Note 6). All of these acquisitions of the companies have been mutually agreed between the majority shareholders of the Company and no shares have been issued by the Company and no cash contribution paid to the Companies acquired through the sale purchase agreements.

An amount of AED 71.076 million is contribution received in cash as additional contributions from the founding shareholders.

12 Trade and other payables

	2023	2022
	AED	AED
Trade payables	**800,722**	-
Accrued expenses	**426,387**	1,240,147
Other payables	**-**	36,700,000
	1,227,109	37,940,147

Other payables represent the amounts received from the prospective investor but the shares have not been allocated and the reason being the Company has to complete the formalities with the relevant authorities.

13 Other income

	2023	2022
	AED	AED
Profit from fixed deposits	**724,750**	-
	724,750	-

14 Unrealised gain on financial assets at fair value through profit or loss

	2023	2022
	AED	AED
Unrealised gain on valuation of investments at FVTPL	**533,746,450**	480,575,490

The above gain on investments is recorded based on the fair valuation of the investments at fair value through profit or loss (Note 6).

The Company hired an independent expert to carry out the fair valuation of the all the investments in subsidiaries. The details of the valuation methods are mentioned in Note 22.

15 General and administrative expenses

	2023	2022
	AED	AED
Depreciation of property and equipment	**7,525**	**-**
Depreciation of right-of-use assets	**224,323**	127,617
Salaries and benefits	**3,909,042**	**-**
Placement fees	**5,904,400**	2,202,000
Listing fees	**1,344,131**	1,039,143
Office expenses	**90,460**	29,286
Professional and consultancy fees	**2,000,926**	847,082
Interest expense on lease	**42,886**	**-**
Other general and administrative expenses	**2,153,021**	12,421
	15,676,714	4,257,549

In 2022, the salaries were paid by another related company of the Group.

16 Leases (Company as Lessee)

Right-of-use assets

Movement of the recognised right-of-use assets during the year:

	Property	Total
	AED	**AED**
Cost		
As at 1 January 2022	643,373	643,373
As at 31 December 2022	643,373	643,373
Additions during the year	1,468,268	1,468,268
As at 31 December 2023	**2,111,641**	**2,111,641**
Accumulated depreciation		
As at 1 January 2022	**-**	**-**
Charge for the year	127,617	127,617
As at 31 December 2022	127,617	127,617
Charge for the year	224,323	224,323
As at 31 December 2023	**351,940**	**351,940**
Carrying amount		
As at 31 December 2023	**1,759,701**	**1,759,701**
As at 31 December 2022	515,756	515,756

16 Leases (Company as Lessee) (continued)

Amounts recognised in profit or loss;

	2023	2022
	AED	AED
Depreciation expense on right-of-use assets	**224,323**	127,617

17 Lease liabilities

Lease liabilities recognised and maturity analysis

	2023	2022
	AED	AED
Amount due for settlement within 12 months		
Not later than 1 year	**685,877**	323,591
Amount due for settlement after 12 months		
Later than 1 year and no late than 5 years	**1,093,650**	**-**

The movement in lease liabilities is as follows:

	2023	2022
	AED	AED
As at the beginning of the year	**323,591**	**-**
Additions during the year	**1,830,936**	643,373
Repayment of lease liabilities during the year	**(375,000)**	(319,782)
As at the end of the year	**1,779,527**	323,591

18 Events after the reporting period

There are no significant events after the reporting period which affect the financial statements or disclosures.

19 Subscription against shares

In May 2023, the Company entered into a tri party agreement with MBME Investments LLC and another technology-based company IT Corner LLC ("ITC"), where, MBME Investments had acquired 20% stake in ITC for AED 495 million (Note 6). The consideration for the acquisition was paid by the Company via providing their shares. to the previous shareholders of ITC. As at the reporting date, the shares are not yet issued.

20 Statutory reserve

In accordance with the UAE Federal Law no. (32) of 2021, the Company has allocated 10% of the annual net profit to the statutory reserve. The transfer to statutory reserves may be suspended when the reserves reach 50% of the paid-up capital. The management has agreed to suspend further transfer into the statutory reserve above the paid-up capital of AED 50 million.

21 Financial instruments and risk management

Material accounting policies

Details of material policies and methods adopted including the criteria for recognition for the basis of measurement in respect of each class of financial assets and financial liabilities are disclosed in Note 3 to the financial statements.

21 Financial instruments and risk management (continued)

Categories of financial instruments

31 December 2023

	Financial assets		Financial liabilities
	FVTP	Amortised cost	Amortised cost
	AED (000)	AED	AED
Cash and bank balances (Note 9)	-	69,838,693	-
Investments at fair value through profit or loss (Note 6)	6,836,476	-	-
Other receivables (Note 7)	-	10,270,598	-
Trade and other payables (Note 12)	-	-	1,227,109
Due from related parties (Note 8)	-	497,830,279	-
Due to related parties (Note 8)	-	-	43,759,941
Lease liabilities (Note 17)	-	-	1,779,527
	6,836,476	**577,939,570**	**46,766,577**

31 December 2022

	Financial assets		Financial liabilities
	FVTPL	Amortised cost	Amortised cost
	AED (000')	AED	AED
Cash and bank balances (Note 9)	-	28,129,014	-
Investments at fair value through profit or loss (Note 6)	6,302,730	-	-
Trade and other payables (Note 12)	-	-	37,940,147
Due to related party (Note 8)	-	-	52,557,224
Lease liabilities (Note 17)	-	-	323,591
	6,302,730	**28,129,014**	**90,820,962**

Financial risk management objectives

Company's financial risk management policies set out Company's overall business strategies and risk management philosophy. Company's overall financial risk management program seeks to minimise potential adverse effects to the financial performance of Company. The management carries out overall financial risk management covering specific areas, such as market risk (including foreign exchange risk and interest rate risk), credit risk, and liquidity risk.

Market risk

Company's activity expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Market risk exposures are measured using sensitivity analysis. There has been no change to Company's exposure to market risks or the manner in which it manages and measures the risk.

Interest risk

At the reporting date, there is no significant interest rate risk as there are no borrowings at year end.

21 Financial instruments and risk management (continued)

Foreign currency risk

As at the reporting date, the Company is not exposed to any foreign currency risk as all the operations of the Company are in United States Dollar (USD) or in Emirati Dirham (AED).

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument leading to a financial loss to the Company. As at 31 December 2023, the Company maximum exposure to credit risk, which will cause a financial loss to Company due to failure to discharge an obligation by the counterparties arises from the carrying amount of the financial assets as stated in the statement of financial position.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the management which has built an appropriate liquidity risk management framework for the management of Company's short, medium and long-term funding and liquidity management requirements. Company manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Capital risk management

Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the equity balance and complying with statutory requirements.

22 Fair value hierarchy

At year end, Company held the following financial and non-financial assets measured at fair value:

	Level 1	**Level 2**	**Level 3**	**Total**
	AED	**AED**	**AED**	AED
As at 31 December 2023				
Financial assets at fair value through profit or loss (000')	**-**	**-**	**6,836,476**	**6,836,476**

	Level 1	Level 2	Level 3	Total
	AED	AED	AED	AED
As at 31 December 2022				
Financial assets at fair value through profit or loss (000')	-	-	6,302,730	6,302,730

The Company has classified the investments in subsidiaries at level 3 since the fair value measurements are derived from valuation techniques that include inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The Company hired an independent expert to carry out the valuation of the subsidiaries. As a result of the valuation, the investments in subsidiaries have been revalued at approximately AED 6,836 million (Note 6).

The expert has used different methods to arrive at the fair values of the investments. 2 different approaches have been used i.e. Income approach (Discounted Cash Flow DCF) and Market approach (Guideline Public Companies Method to value the investments. The base discount rate has been arrived at by calculating the

22 Fair value hierarchy (continued)

weighted average cost of capital.

Description	Input / Method	Sensitivity (in %)	Effect on fair values
			(in AED)
MBME Pay Payment Services Provider LLC	Discount rate / Discounted Cash Flow	+-1	56,096,495
Wow Pay Payment Services Provider LLC	Discount rate / Discounted Cash Flow	+-1	4,215,049
MBME Investment LLC	Discount rate / Discounted Cash Flow	+-1	2,470,891
MBME Neo Information Technology LLC	Discount rate / Discounted Cash Flow	+-1	4,905,445

During the year, there were no transfers between the various levels of fair value measurements.

23 Segment reporting

For operating purpose, the Company's only operation is of holding company, so no segment reporting is presented.

24 Earnings per share

Basic earnings per share amounts are calculated by dividing profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

	2023	2022
Basic earnings per share		
Total earnings (In AED)	**518,794,486**	476,317,941
Weighted average number of shares	**1,884,794,521**	1,884,794,521
Basic earning per share	**0.275**	0.253
Diluted earnings per share		
Total earnings (In AED)	**518,794,486**	476,317,941
Dilutive weighted average number of shares	**26,674,967,771**	26,674,967,771
Diluted earnings per share	**0.0194**	0.018

As per the relevant IAS 33 “Earnings Per Share”, prior year earnings per share have been disclosed for the comparative purpose.

25 UAE Corporate tax

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal corporate tax regime in the UAE. The Law was previously gazetted on 10 October 2022, becoming law 15 days later. The Corporate Tax regime has become effective for accounting periods beginning on or after 1 June 2023. Following the publication of the Cabinet Decision on 16 January 2023, 9% corporate tax rate has become applicable for the reporting period of the Company for the financial year which commenced as of 1 January 2024. The Company is in the process of evaluating the possible impacts on the results of the Company.