ESG Emirates Stallions Group PJSC

REVIEW REPORT AND INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NINE MONTH PERIOD ENDED 30 SEPTEMBER 2024

Building a better working world

Ernst & Young Middle East
(Abu Dhabi Branch)
P.O. Box 136
Nation Towers, Tower 2, Floor 27
Corniche Road West
Emirate of Abu Dhabi
United Arab Emirates

Tel: +971 2 417 4400
+971 2 627 7522
Fax: +971 2 627 3383
abudhabi@ae.ey.com
ey.com

CL No. 1001276

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF

ESG EMIRATES STALLIONS GROUP PJSC

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of ESG Emirates Stallions Group PJSC (the "Company") and its subsidiaries (together referred to as the "Group") as at 30 September 2024, comprising of the interim condensed consolidated statement of financial position as at 30 September 2024, and the related interim condensed consolidated statements of profit or loss and comprehensive income for the three and nine month periods then ended and the interim condensed consolidated statements of changes in equity and cash flows for the nine month period then ended and explanatory notes. Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

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

Conclusion

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

For Ernst & Young

Ahmad Al Dali
Registration No 5548

28 October 2024
Abu Dhabi, United Arab Emirates

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2024

	Notes	*(Unaudited) 30 September 2024 AED'000*	*(Audited) 31 December 2023 AED'000*
ASSETS			
Non-current assets			
Property and equipment	5	**347,365**	295,572
Investment properties	6	**136,860**	83,539
Intangible assets and goodwill		**98,269**	40,498
Right-of-use assets		**164,427**	70,294
Investments in associates and joint ventures	7	**1,206,728**	1,223,777
Financial assets at fair value through other comprehensive income	8.1	**51,829**	62,604
Deferred tax assets	22	**4,881**	401
Trade and other receivables	9	**30,075**	30,075
Due from related parties	10	**950**	950
		2,041,384	1,807,710
Current assets			
Inventories		**103,875**	116,797
Development work in progress		**112,240**	79,073
Biological assets -plants		**978**	-
Financial assets at fair value through profit or loss	8.2	**22,523**	45,864
Due from related parties	10	**132,091**	86,319
Trade and other receivables	9	**657,246**	346,799
Cash and bank balances	11	**384,659**	577,939
		1,413,612	1,252,791
TOTAL ASSETS		**3,454,996**	3,060,501
EQUITY AND LIABILITIES			
Equity			
Share capital	13	**250,000**	250,000
Statutory reserve	14	**90,846**	90,846
Merger, acquisition and other reserves		**789,117**	834,657
Currency translation reserve		**(191)**	(251)
Cumulative changes in fair value reserve		**3,304**	26,112
Fair value of cashflow hedges		**(6,179)**	(3,471)
Retained earnings		**993,282**	805,095
Equity attributable to the equity holders of the parent		**2,120,179**	2,002,988
Non-controlling interests		**314,375**	284,952
Total equity		**2,434,554**	2,287,940
Non-current liabilities			
Employees' end of service benefits		**64,102**	41,198
Deferred tax liabilities	22	**3,327**	593
Lease liabilities		**120,377**	46,804
Trade and other payables		**2,792**	2,792
Bank borrowings	15	**26,394**	49,338
Due to related parties	10	**2,520**	2,520
		219,512	143,245

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION continued

At 30 September 2024

	Notes	*(Unaudited) 30 September 2024 AED'000*	*(Audited) 31 December 2023 AED'000*
EQUITY AND LIABILITIES continued			
Current liabilities			
Due to related parties	10	**24,751**	16,426
Lease liabilities		**41,290**	32,353
Bank borrowings	15	**28,522**	32,502
Income tax payable	22	**15,821**	-
Trade and other payables		**690,546**	548,035
		800,930	629,316
Total liabilities		**1,020,442**	772,561
TOTAL EQUITY AND LIABILITIES		**3,454,996**	3,060,501

Chairman

Chief Executive Officer

Chief Financial Officer

The attached notes 1 to 24 form part of these interim condensed consolidated financial statements.

ESG Emirates Stallions Group PJSC

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three and nine month periods ended 30 September 2024

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2024 AED '000	2023 AED '000	2024 AED '000	2023 AED '000
Continuing operations					
Revenue	16	**260,974**	133,790	**900,520**	400,218
Direct costs		**(183,633)**	(99,443)	**(596,505)**	(305,553)
GROSS PROFIT		**77,341**	34,347	**304,015**	94,665
General and administrative expenses		**(26,345)**	(13,991)	**(91,955)**	(39,930)
Selling and distribution expenses		**(29,296)**	-	**(92,376)**	-
Share of profit from investment in associates and joint ventures	7	**9,385**	10,699	**24,796**	23,373
Gain from changes in fair value of biological assets		**-**	70	**-**	308
(Loss) gain from changes in fair value of financial assets carried at fair value through profit or loss	8.2	**1,426**	5,809	**(8,056)**	2,338
Other income		**6,124**	1,961	**16,785**	4,668
Fair value gain on previously held equity interest	7	**-**		**29,917**	210
Gain on disposal of a subsidiary		**-**	-	**-**	136,857
Gain on disposal of an associate		**-**	-	**-**	409,126
Finance costs		**(4,337)**	(142)	**(9,484)**	(604)
PROFIT BEFORE TAX FOR THE PERIOD FROM CONTINUING OPERATIONS		**34,298**	38,753	**173,642**	631,011
Corporate income tax for the period	22	**(2,390)**	-	**(10,742)**	-
Profit for the period from continuing operations		**31,908**	38,753	**162,900**	631,011
Discontinued operations					
Profit for the period from discontinued operations	21	**-**	-	**-**	4,880
PROFIT FOR THE PERIOD		**31,908**	38,753	**162,900**	635,891
Attributable to :					
Equity holders of the parent company:					
Continuing operations		**34,002**	36,838	**162,007**	626,028
Discontinued operations		**-**	-	**-**	3,416
		34,002	36,838	**162,007**	629,444
Non-controlling interest:					
Continuing operations		**(2,094)**	1,915	**893**	4,983
Discontinued operations		**-**	-	**-**	1,464
		(2,094)	1,915	**893**	6,447
Basic earnings per share (AED)	17	**0.14**	0.15	**0.65**	2.52
Basic earnings per share (AED) – continuing operations	17	**0.14**	0.15	**0.65**	2.50

The attached notes 1 to 24 form part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the three and nine month periods ended 30 September 2024

	Notes	*Three months ended 30 September*		*Nine months ended 30 September*	
		2024	*2023*	***2024***	*2023*
		AED '000	*AED '000*	***AED '000***	*AED '000*
Profit for the period		**31,908**	38,753	**162,900**	635,891
Other comprehensive income (loss):					
Items that may be reclassified subsequently to profit or loss:					
Foreign exchange difference on translation of foreign operations		**115**	(66)	**60**	(28)
Share of fair value (loss) gain on cash flow hedges of an associate	7	**(2,879)**	-	**(2,708)**	-
		(2,764)	(66)	**(2,648)**	(28)
Items that will not be reclassified subsequently to profit or loss (net of tax):					
Change in fair value of financial assets carried at fair value through other comprehensive income		**5,430**	2,278	**3,372**	(28)
Total other comprehensive income (loss) for the period		**2,666**	2,212	**724**	(56)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**34,574**	40,965	**163,624**	635,835
Attributable to:					
Equity holders of the parent		**36,668**	39,050	**162,731**	629,388
Non-controlling interests		**(2,094)**	1,915	**893**	6,447
		34,574	40,965	**163,624**	635,835

The attached notes 1 to 24 form part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the nine month period ended 30 September 2024

	Attributable to equity holders of the parent									
	Share capital AED'000	*Statutory reserve AED'000*	*Merger, acquisition and other reserves AED'000*	*Currency translation reserve AED'000*	*Cumulative changes in fair value reserve AED'000*	*Fair value of cash flow hedges AED'000*	*Retained earnings AED'000*	*Equity attributable to the equity holders of the parent AED'000*	*Non-controlling interests AED'000*	*Total AED'000*
Balance at 1 January 2023 (audited)	250,000	23,705	181,358	(300)	28,262	-	200,820	683,845	74,057	757,902
Profit for the period	-	-	-	-	-	-	629,444	629,444	6,447	635,891
Other comprehensive loss for the period	-	-	-	(28)	(28)	-	-	(56)	-	(56)
Total comprehensive (loss) income for the period	-	-	-	(28)	(28)	-	629,444	629,388	6,447	635,835
Dividend payment to non-controlling interest	-	-	-	-	-	-	-	-	(4,000)	(4,000)
Capital injection by non-controlling interest	-	-	-	-	-	-	-	-	79,486	79,486
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	1,652	1,652
Disposal of a subsidiary	-	-	-	-	-	-	-	-	(59,667)	(59,667)
Acquisition of assets from entity under common control	-	-	514,031	-	-	-	-	514,031	-	514,031
Balance at 30 September 2023 (unaudited)	250,000	23,705	695,389	(328)	28,234	-	830,264	1,827,264	97,975	1,925,239
Balance at 1 January 2024 (audited)	250,000	90,846	834,657	(251)	26,112	(3,471)	805,095	2,002,988	284,952	2,287,940
Profit for the period	-	-	-	-	-	-	162,007	162,007	893	162,900
Other comprehensive income (loss) for the period	-	-	-	60	3,372	(2,708)	-	724	-	724
Total comprehensive income (loss) for the period	-	-	-	60	3,372	(2,708)	162,007	162,731	893	163,624
Dividend payment to non-controlling interest	-	-	-	-	-	-	-	-	(3,750)	(3,750)
Capital injection by non-controlling interest	-	-	-	-	-	-	-	-	20,187	20,187
Acquisition of a subsidiary (note 12.1)	-	-	-	-	-	-	-	-	17,594	17,594
Acquisition of non-controlling interest (note 12.2)	-	-	(20,047)	-	-	-	-	(20,047)	(17,572)	(37,619)
Acquisition of non-controlling interest (note 12.2)	-	-	1,423	-	-	-	-	1,423	(1,423)	-
Change in shareholding of subsidiaries without loss of control (note 12.2)	-	-	(13,494)	-	-	-	-	(13,494)	13,494	-
Disposal of investments carried at fair value through other comprehensive income	-	-	-	-	(82)	-	82	-	-	-
Derecognition of investments carried at fair value through other comprehensive income	-	-	-	-	(26,098)	-	26,098	-	-	-
Business combination of entity under common control (note 12.3)	-	-	(13,422)	-	-	-	-	(13,422)	-	(13,422)
Balance at 30 September 2024	**250,000**	**90,846**	**789,117**	**(191)**	**3,304**	**(6,179)**	**993,282**	**2,120,179**	**314,375**	**2,434,554**

The attached notes 1 to 24 form part of these interim condensed consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the nine month period ended 30 September 2024

	Notes	*(Unaudited) 30 September 2024 AED'000*	*(Unaudited) 30 September 2023 AED'000*
OPERATING ACTIVITIES			
Profit before tax for the period – continuing operations		**173,642**	631,011
Profit before tax for the period – discontinued operations		**-**	4,880
Profit before tax for the period		**173,642**	635,891
Adjustments for:			
Depreciation of property and equipment	5	**16,596**	4,929
Loss (gain) on disposal of property and equipment		**3,769**	(78)
Depreciation on investment properties	6	**3,499**	-
Amortisation on intangible assets		**6,681**	27
Depreciation of right-of-use assets		**38,624**	1,253
Gain on termination of lease		**(235)**	-
Share of profit from associates and joint ventures	7	**(24,796)**	(23,373)
Gain on changes in fair value of biological assets		**-**	(308)
Loss (gain) on changes in fair value of financial assets carried at fair value through profit or loss	8.2	**8,056**	(3,724)
Dividend income		**(287)**	-
Provision for employees' end of service benefits		**11,245**	5,739
Provision for expected credit losses – trade and other receivables	9	**341**	4,251
Provision for expected credit losses - due from related parties		**8,592**	671
Fair value gain on previously held equity interest	7	**(29,917)**	(210)
Gain on bargain purchase		**-**	(825)
Gain on disposal of a subsidiary		**-**	(136,857)
Gain on disposal of an associate		**-**	(409,126)
Finance costs		**9,484**	604
		225,294	78,864
Working capital adjustments:			
Inventories		**12,922**	(1,133)
Trade and other receivables		**(86,564)**	(146,660)
Development work in progress		**(33,167)**	-
Due from related parties		**(7,334)**	61,788
Biological assets – plants		**(978)**	463
Trade and other payables		**(30,220)**	30,260
Due to related parties		**(20,236)**	(9,187)
Cash from operations		**59,717**	14,395
Employees' end of service benefits paid		**(5,842)**	(4,999)
Finance costs paid		**(4,531)**	(405)
Net cash from operating activities		**49,344**	8,991

CONSOLIDATED STATEMENT OF CASH FLOWS UNAUDITED continued

For the nine month period ended 30 September 2024

	Notes	*(Unaudited) 30 September 2024 AED'000*	*(Unaudited) 30 September 2023 AED'000*
INVESTING ACTIVITIES			
Net cash acquired on business combinations		**45,082**	1,954
Cash paid for acquisition of non-controlling interest		**(37,619)**	-
Net cash paid on acquisition of entity under common control		**(151,145)**	-
Cash paid for acquisition of assets		**-**	(250,000)
Cash paid for joint ventures		**-**	(150)
Purchase of property and equipment	5	**(55,436)**	(9,228)
Purchase of intangible assets		**(288)**	(60)
Cash and bank balances pertaining to disposal of a subsidiary		**-**	209,620
Proceeds from sale of property and equipment		**1,031**	771
Dividend income received		**287**	-
Purchase of financial assets carried at fair value through profit or loss	8	**(2,327)**	(6,182)
Dividends received from associates and joint ventures		**-**	7,320
Proceed from disposal of financial assets carried at fair value through profit or loss	8	**17,612**	3,269
Proceed from disposal of financial assets carried at fair value through other comprehensive income	8	**742**	-
Movement in restricted cash		**(27,237)**	-
Movement in fixed deposits with original maturity more than three months		**170,521**	(174,900)
Net cash used in investing activities		**(38,777)**	(217,586)
FINANCING ACTIVITIES			
Dividend paid to non-controlling interest		**(3,750)**	(4,000)
Principal paid on lease liabilities		**(50,073)**	(339)
Repayment of bank borrowings	15	**(26,924)**	-
Capital injection by non-controlling interest		**20,187**	-
Net cash used in financing activities		**(60,560)**	(4,339)
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(49,993)**	(212,934)
Cash and cash equivalents at beginning of the period		**180,136**	349,085
Effect of foreign exchange rate changes		**(3)**	(5)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	11	**130,140**	136,146
Significant non-cash transactions:			
Capital injection by non-controlling interest		**-**	79,486

The attached notes 1 to 24 form part of these interim condensed consolidated financial statements.

1 GENERAL INFORMATION

ESG Emirates Stallions Group PJSC ("the Company") is a private joint stock company incorporated under UAE Federal Law. The registered office address of the Company is P.O. Box 32619, Abu Dhabi, United Arab Emirates.

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

These interim condensed consolidated financial statements include the results of operations and financial position of the Company and its subsidiaries, associate and joint ventures (together referred to as the "Group"). The main activities of the Group are:

- buying, selling, and dividing plots;
- management services of companies and private institutions;
- land and real estate purchase and sale;
- all kinds of building projects contracting including metal construction contracting, afforestation contracting, bridges contracting, rainwater drainage contracting, electrical and mechanical contracting, main roads, streets and other associated business;
- Interior design engineering consultancy, design services, architectural, construction and feasibility studies consultancy services;
- Real estate enterprises investment, development institution and management;
- Contracting transmission networks and distribution of water;
- Onshore and offshore oil and gas fields and facilities services;
- Landscape and gardening services;
- Wholesale of plants and trees saplings trading;
- Camps, labour accommodation management and facilities management services;
- Importing and exporting, retail sale of fodder, chemical fertilizers, fresh fruits and vegetables, natural fertilizers, reclamation materials, agricultural and veterinary pesticides and seeds and cereals;
- Hospitality services including hotel accommodation and management;
- House and office furniture manufacturing;
- Manufacturing of wooden doors, windows, shutters, fire proof wooden doors and their frames;
- Private buses passengers transport service;
- Upon request employees provision services;
- Domestic workers mediation and temporary employment services;
- On Demand Labors Supply (Temporary Employment);
- Trading of decoration materials, blankets, towels, wallpapers, metal blinds carpet, pictures, painting, curtains and upholstery;
- Buildings cleaning services, water fitting maintenance, electrical fitting and fixture services and cleaning the outside interface buildings;
- Consultancy services related to administrative, marketing, economic feasibility, human resources, and logistics;
- Marketing of real estate and institutions; and
- Importing, exporting and commercial brokerage.

The interim condensed consolidated financial statements were approved by the Board of Directors and authorised for issuance on 28 October 2024.

2.1 BASIS OF PREPARATION

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting.

The interim condensed consolidated financial statements do not include all information and disclosures required in the annual consolidated financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2023. In addition, results for the nine month period ended 30 September 2024 are not necessarily indicative of the results for the year ending 31 December 2024.

2.1 BASIS OF PREPARATION continued

These interim condensed consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that have been measured at fair value.

The interim condensed consolidated financial statements are presented in United Arab Emirates Dirhams (AED'000) except when otherwise indicated, being the presentation currency of the Group.

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.

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.

2.2 BASIS FOR CONSOLIDATION continued

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 are as follows:

Nos.	*Name of subsidiaries*	*Ownership percentage*		*Place of incorporation*	*Principal activities*
		2024	*2023*		
1	ESG Holding-Sole Proprietorship LLC	**100%**	100%	UAE	Management services of companies and private institutions, land and real estate purchase and sale.
2	Abu Dhabi Land General Contracting LLC	**100%**	100%	UAE	Technical, building construction & maintenance contracting, general contracting, and associated business.
3	Royal Architect Project Management LLC	**100%**	100%	UAE	Architectural engineering consultancy, construction projects management consultancy.
4	Royal Development Company LLC	**100%**	100%	UAE	Real estate development construction, real estate enterprise investment, development, institution and management, lease management, marketing, economic feasibility, and real estate consultancy.
5	ESG Companies Management-Sole Proprietorship LLC	**100%**	100%	UAE	Management services of the companies and private institutions, commercial enterprises investment, institution, and management.
6	Gulf Dunes Landscaping and Agricultural Services Company LLC	**100%**	100%	UAE	Landscaping, gardening designing and execution, irrigation works, main roads, streets and related works contracting.
7	Century Real Estate Investment LLC	**87%**	87%	UAE	Real estate management
8	Royal Development Company d.o.o Beograd-Vracar	**100%**	100%	Serbia	Hotel accommodation.
9	ESG Capital Holding LLC	**100%**	100%	UAE	Commercial enterprises investment, institution, and management
10	Century Village Real Estate Investment L.L.C	**70%**	70%	UAE	Real estate lease and management services, development construction, facilities management services. Commercial enterprises investment, institution, and management. Real Estate enterprise investment, development, institution, and management.
11	ESG Agro LLC	**100%**	100%	UAE	Agricultural Enterprises Investment, Institution and Management
12	ESG Hospitality Sole Proprietorship LLC	**100%**	100%	UAE	Hospitality Services

2.2 BASIS FOR CONSOLIDATION continued

Nos.	*Name of subsidiaries*	*Ownership percentage*		*Place of incorporation*	*Principal activities*
		2024	*2023*		
13	Vision Furniture & Decoration Factory L.L.C	**100%**	60%	UAE	House & office furniture manufacturing, Fireproof wooden doors manufacturing, Onshore & offshore oil & gas fields and facilities.
14	Progressive Real Estate Development LLC -S.P.C ("PRED") (v)	**100%**	80%	UAE	Real estate enterprise investment, development, institution and management
15	Tri Star Investment LLC	**100%**	100%	UAE	Commercial Brokers, Commercial enterprises investment, institution, and management Real estate investment, development, institution and management
16	ESG Commercial International Investments – Sole Proprietorship L.L.C.	**100%**	100%	UAE	Commercial Enterprises Investment, Institution and Management, Tourist Enterprises Investment, Institution and Management
17	Century human resources and logistics – L.L.C. - O.P.C	**100%**	100%	UAE	Human Resources Consultancy, Logistics Consultancy
18	United International Group for Manpower Services LLC – S.P.C (v)	**100%**	51%	UAE	'Domestic workers mediation and temporary employment services, onshore and offshore oil and gas fields and facilities services, and upon request employees provision services.
19	Howdra Employment Services LLC (iii)	**100%**	100%	UAE	On Demand Labors Supply Temporary Employment
20	Career Line For Employment – Sole Proprietorship LLC (iii)	**100%**	100%	UAE	Upon Request Employees Provision Services and Onshore and Offshore Oil and Gas Fields and Facilities Services
21	Alpha Hub Domestic Workers Services Center LLC (iii)	**100%**	100%	UAE	Domestic Workers Mediation Temporary Employment and Services.
22	Royal Dunes Real Estate Development LLC	**51%**	51%	UAE	Real Estate Development
23	Afkar Financial & Property Investments LLC	**60%**	60%	UAE	Retail trade of household and office furniture, mats, curtain and upholstery materials and interior decoration materials, and companies representation, commercial enterprises investment institution and management, real estate enterprises investment, development, institution and management.
24	OC Home Furniture LLC (iv)	**100%**	100%	UAE	Retail trade of household and office furniture, mats, wall paper, curtain and upholstery materials and interior decoration materials
25	2XL Home LLC - SPC (iv)	**100%**	100%	UAE	Retail trade of household and office furniture, mats, wall paper, curtain and upholstery materials and interior decoration materials

2.2 BASIS FOR CONSOLIDATION continued

Nos.	*Name of subsidiaries*	*Ownership percentage*		*Place of incorporation*	*Principal activities*
		2024	*2023*		
26	2XL Furnishings LLC (iv)	**100%**	100%	UAE	Retail trade of household and office furniture, mats, wall paper, curtain and upholstery materials and interior decoration materials
27	Deco Vision Company WLL (ii)	**85%**	-	UAE	Interior design implementation works (décor), retail sale of wall paper, décor and partitions material and importing
28	Vision for Interior LLC Decoration Limited – One Person Company (ii)	**100%**	-	KSA	Decoration works and its installation.
29	Cedar Gate Industrial Company Sole Proprietorship (ii)	**100%**	-	KSA	Decoration works and its installation.
30	Royal Luxury Hotel management LLC	**51%**	51%	UAE	Hotel management
31	Sawaeed Holding PJSC (ii)	**89.35%**	-	UAE	Management services of Companies and private institution, commercial enterprise investment, institution and management and real estate enterprises investment
32	Sawaeed Employment – Sole Proprietorship LLC (v)	**100%**	-	UAE	Providing upon request employee provision services
33	Sawaeed Investment – Sole Proprietorship LLC (v)	**100%**	-	UAE	Real estate enterprises investment development, institution and management and camps and labour accommodation management
34	Sawaeed Facilities Management – Sole Proprietorship LLC (v)	**100%**	-	UAE	Facilities management services, interior cleaning services for building and dwellings, and cleaning the outside (interface) building
35	Sawaeed Training Centre – Sole Proprietorship LLC (v)	**100%**	-	UAE	Training of construction workers
36	Takatof Employment Co. LLC (v)	**49%**	-	UAE	Providing employees services upon request (temporary employment) and labor and employment supply.
37	Sawaeed General Project – Sole Proprietorship LLC (v)	**100%**	-	UAE	Building projects contracting, project management services, building demolition and other constructions and debris cleaning

2.2 BASIS FOR CONSOLIDATION continued

Nos.	*Name of subsidiaries*	*Ownership percentage*		*Place of incorporation*	*Principal activities*
		2024	*2023*		
38	WFC Holding LLC	-	70%	UAE	Commercial enterprises Investment, Institution and Management.
39	Reach B P O - L.L.C - O.P.C (formerly "Workforce Connexion LLC - Sole Proprietorship LLC") (i)	-	100%	UAE	Supply of on-demand labours, human service delivery of medical cadres and onshore and offshore oil and gas fields and facilities services.
40	Multi Serve Typing and Transactions Follow Up - Sole Proprietorship LLC (i)	-	100%	UAE	Typing, documents photocopying, and transactions follow up services.
41	Tamouh Integrated Business Services - Sole Proprietorship LLC (i)	-	100%	UAE	Marketing, Procurement, Human Resources, Administrative, Legal & Information Technology Consultancy, Call Centers Services.
42	Corporate Solutions Consultants - Sole Proprietorship LLC (i)	-	100%	UAE	Human resources and administrative consultancy, onshore and offshore oil and gas fields and facilities services.
43	Reach Energy - L.L.C - O.P.C (formerly "Connect Outsourcing Temporary Employment – Sole Proprietorship LLC") (i)	-	100%	UAE	Upon Request Employees Provision Services & Onshore & Offshore Oil & Gas Fields and Facilities Services

(i) WFC Holding LLC and its subsidiaries disposed in the prior period.
(ii) Subsidiaries acquired or established during the period
(iii) Subsidiaries of United International Group for Manpower Services LLC - SPC
(iv) Subsidiaries of Afkar Financial & Property Investments LLC
(v) Subsidiaries of Sawaeed Holding PJSC

3 CHANGES IN ACCOUNTING POLICIES

New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those applied by the Group in the preparation of the consolidated financial statements as at and for the year ended 31 December 2023, except for the adoption of the following new standards, interpretations and amendments effective as of 1 January 2024. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

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

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

4 SIGNIFICANT ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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 2023.

5 PROPERTY AND EQUIPMENT

During the period, additions to property and equipment amounted to AED 55,436 thousand (nine month period ended 30 September 2023: AED 88,714 thousand), and depreciation charge for the nine month period ended 30 September 2024 amounted to AED 16,596 thousand (nine month period ended 30 September 2023: AED 4,929 thousand). Property and equipment acquired through business combinations amounted to AED 17,565 thousand (nine month period ended 30 September 2023: AED 1,175 thousand) is excluded from the addition of AED 55,436 thousand.

During the period, property and equipment of AED 4,800 thousand (2023: AED 61,944 thousand) were disposed off.

6 INVESTMENT PROPERTIES

During the period, depreciation charge for the nine month period ended 30 September 2024 amounted to AED 3,499 thousand (nine month period ended 30 September 2023: AED nil). Investment property acquired through business combinations amounted to AED 56,820 thousand (nine month period ended 30 September 2023: AED nil).

7 INVESTMENTS 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 percentage*	
			30 September 2024	*31 December 2023*
Associates				
Deco Vision Company – WLL ("Deco Vision")	Interior design implementation works (decor), retail sale of wallpaper, decor and partitions material and importing.	UAE	-	45%
KIZAD Communities Development & Services Company LLC ("Kizad")	Real Estate Lease And Management Services, Commercial Enterprises Investment, Institution and Management	UAE	**23.91%**	23.91%
Joint ventures				
Lazio Real Estate Investment LLC ("Lazio") (i)	Real estate enterprise investment, development, institution, and management	UAE	**65%**	65%
Deyafah Holding Limited	SPV Special Purpose Vehicle	UAE	**50%**	50%

7 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES continued

(i) In 2018, the Directors of Lazio Real Estate Investment LLC had elected to liquidate the company. As of 30 September 2024, the liquidation process is still on going.

On 1 January 2024, the Group obtained control over Deco Vision and accordingly, the investment in the associate was derecognised and the fair value of the previously held interest was transferred to investment in subsidiaries as follows:

	(Unaudited) 30 September 2024 AED'000
Fair value of previously held equity interest	**69,054**
Carrying value of previously held equity interest	**(39,137)**
Fair value gain on revaluation of previously held equity interest	**29,917**

Movement in investment in associates and joint ventures was as follows:

	(Unaudited) 30 September 2024 AED'000	*(Audited) 31 December 2023 AED'000*
Balance at the beginning of the period / year	**1,223,777**	46,124
Share of the Group's profit for the period / year	**24,796**	28,004
Share of other comprehensive loss for the period / year	**(2,708)**	(3,471)
Addition during the period / year	-	1,171,439
Impairment of investment in associates and joint ventures	-	(5,339)
Dividend received during the period / year	-	(7,409)
Transfer to subsidiary during the period / year	**(39,137)**	(5,571)
At the end of the period / year	**1,206,728**	1,223,777

Summarised financial information in respect of the Group's associates and joint ventures is set out below:

	(Unaudited) 30 September 2024 AED'000	*(Audited) 31 December 2023 AED'000*
Total assets	**5,707,808**	5,874,887
Total liabilities	**(1,147,537)**	(1,363,287)
Net assets	**4,560,271**	4,511,600
Group's carrying amount of the investments, net	**1,206,728**	1,223,777
Total revenue for the period / year	**396,095**	628,635
Total profit for the period / year	**103,706**	94,914
Group's share in profit for the period / year	**24,796**	28,004
Total other comprehensive loss for the period / year	**(11,325)**	(14,518)
Group's share of OCI for the period / year	**(2,708)**	(3,471)
Dividend received during the period / year	**-**	7,409

8 INVESTMENTS IN FINANCIAL ASSETS

	Note	*(Unaudited) 30 September 2024 AED'000*	*(Audited) 31 December 2023 AED'000*
Investments carried at fair value through other comprehensive income	8.1	**51,829**	62,604
Investments carried at fair value through profit or loss	8.2	**22,523**	45,864
		74,352	108,468

8.1 Financial assets at fair value through other comprehensive income

	(Unaudited) 30 September 2024 AED'000	*(Audited) 31 December 2023 AED'000*
Quoted	**51,455**	62,230
Unquoted	**374**	374
	51,829	62,604

Fair values of the quoted investments are determined by reference to published price quotations in an active market. The fair value measurement has been categorised as a level 1 and level 3 fair value respectively.

These investments in equity instruments are not held for trading. Instead, they are held for long-term strategic purposes. Accordingly, the management of the Group have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

Movement in investments at FVTOCI are as follows:

	(Unaudited) 30 September 2024 AED'000	*(Audited) 31 December 2023 AED'000*
Balance at the beginning of the period / year	**62,604**	62,399
Acquired in business combinations (note 12)	**42,089**	2,707
Disposal during the period / year	**(742)**	(352)
Transferred to investment in subsidiary during the period (note 12.3)	**(55,827)**	-
Net fair value gain (loss) on investments at FVTOCI during the period / year	**3,705**	(2,150)
	51,829	62,604
Dividend received during the period / year	**169**	823

8 INVESTMENTS IN FINANCIAL ASSETS continued

8.2 Financial assets at fair value through profit or loss

As of 30 September 2024, all investments were categorised as level 1 fair value.

	(Unaudited) 30 September 2024 AED'000	*(Audited) 31 December 2023 AED'000*
Quoted	**22,523**	45,864

These investments in equity instruments are held for trading with an intention of recognising short-term fluctuations in these investments. Fair values of the quoted investments are determined by reference to published price quotations in an active market.

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

	(Unaudited) 30 September 2024 AED'000	*(Audited) 31 December 2023 AED'000*
Balance at the beginning of the period / year	**45,864**	38,552
Acquired during the period / year	**2,327**	16,554
Changes in fair value during the period / year	**(8,056)**	3,944
Changes in fair value during the period relating to discontinued operations	**-**	1,386
Disposals during the period / year	**(17,612)**	(4,418)
Derecognition on disposal of a subsidiary	**-**	(10,154)
	22,523	45,864
Dividend received during the period / year	**118**	71

9 TRADE AND OTHER RECEIVABLES

	(Unaudited) 30 September 2024 AED'000	*(Audited) 31 December 2023 AED'000*
Trade receivables	**524,819**	194,852
Less: provision for expected credit losses	**(217,094)**	(85,701)
	307,725	109,151
Retention receivables	**50,508**	33,012
Contract assets from customers, net	**161,792**	107,768
Advances to suppliers	**55,738**	23,656
Prepaid expenses, accrued and other receivables	**111,558**	103,287
	687,321	376,874

9 TRADE AND OTHER RECEIVABLES continued

Trade and other receivables are disclosed in the interim condensed consolidated statement of financial position as:

	(Unaudited) 30 September 2024 AED'000	*(Audited) 31 December 2023 AED'000*
Non-current	**30,075**	30,075
Current	**657,246**	346,799
	687,321	376,874

Provisions for expected credit losses
Movement in the provision for expected credit losses of trade receivables, retention receivables, advances to suppliers and contract assets is as follows:

	(Unaudited) 30 September 2024	*(Audited) 31 December 2023*
At 1 January	**91,636**	44,793
Charge (reversal) for the period / year, net	**341**	(1,038)
Acquired in business combinations	**151,011**	51,142
Derecognition in disposal of subsidiaries	**-**	(2,831)
Transfers	**1,295**	2,987
Written off during the period / year	**(1,812)**	(3,417)
At the end of the period / year	**242,471**	91,636

	1 January AED '000	*Additional provisions / (reversal) AED '000*	*Write off during the period/year AED '000*	*Reclassification /Transfer AED '000*	*Acquired through business combinations AED '000*	*At reporting date AED '000*
At 30 September 2024						
Trade receivables	**85,701**	**(593)**	**(1,812)**	**1,295**	**132,503**	**217,094**
Contract assets	**5,541**	**2,089**	**-**	**-**	**9,540**	**17,170**
Retention receivables	**1**	**(1,155)**	**-**	**-**	**8,275**	**7,121**
Advances to suppliers	**393**	**-**	**-**	**-**	**693**	**1,086**
Total	**91,636**	**341**	**(1,812)**	**1,295**	**151,011**	**242,471**
At 31 December 2023						
Trade receivables	36,300	(1,097)	(800)	156	51,142	85,701
Contract assets	8,096	62	(2,617)	-	-	5,541
Retention receivables	4	(3)	-	-	-	1
Advances to suppliers	393	-	-	-	-	393
Total	44,793	(1,038)	(3,417)	156	51,142	91,636

9 TRADE AND OTHER RECEIVABLES continued

Details of contract assets of AED 161,792 thousand (31 December 2023: AED 107,768 thousand) are as follows:

	(Unaudited) 30 September 2024 AED'000	*(Audited) 31 December 2023 AED'000*
Contract assets	**178,962**	113,309
Less: provision for expected credit losses	**(17,170)**	(5,541)
	161,792	107,768
Contracts costs incurred plus recognised profits less recognised losses to date	**1,403,268**	1,233,082
Progress billings to date	**(1,323,244)**	(1,154,812)
	80,024	78,270

The contract work in progress is presented as follows:

	(Unaudited) 30 September 2024 AED'000	*(Audited) 31 December 2023 AED'000*
Contracts assets, net	**161,792**	107,768
Billing in excess of value of work in progress (contract liabilities)	**(81,768)**	(29,498)
	80,024	78,270

10 RELATED PARTIES

Related parties represent associated companies, shareholders, and key management personnel of the Group and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

10 RELATED PARTIES continued

Name	*Nature of relationship*	*(Unaudited) 30 September 2024 AED'000*	*(Audited) 31 December 2023 AED'000*
Due from related parties			
Current			
Trojan General Contracting LLC	Entity under common control	**41,947**	11,365
Reem Hills - Sole Proprietorship L.L.C.	Entity under common control	**25,488**	11,155
National Projects and Construction LLC	Entity under common control	**14,910**	31
ATGC Transport & General Contracting LLC	Other related party	**14,405**	386
RG Procurement RSC LTD	Entity under common control	**12,543**	17,888
Office of H.H. Sheikh Tahnoon – CMIS	Other related parties	**10,087**	3,031
Sinyar Property Management LLC	Entity under common control	**5,259**	1,150
Royal Group Companies Management LLC	Entity under common control	**5,209**	5,209
Deco Vision Properties LLC	Other related parties	**4,356**	-
Malaih Investment & Projects Development LLC	Other related parties	**4,248**	649
Tafseer Contracting & General Maint. Co LLC	Other related parties	**3,660**	-
International Holding Company PJSC	Parent Entity	**3,207**	259
Royal Group Holdings LLC	Ultimate Parent	**2,830**	2,830
Kintsugi Ladies Spa L.L.C	Other related parties	**1,744**	-
Colnago Holding LLC	Entity under common control	**1,706**	1,185
Office of H.H Sheikh Tahnoon Bin Zayed Al Nahyan	Other related parties	**1,562**	316
Royal Health Investments LLC	Entity under common control	**1,180**	2,703
Hydra Village Properties LLC	Entity under common control	**1,079**	1,079
Al Ain Farms for Livestock Production	Entity under common control	**1,071**	-
Tafawuq Facilities Management Co LLC	Entity under common control	**1,063**	-
Yosh Hospitality LLC	Other related parties	**939**	-
Fabulous Abu Dhabi Hotel Management LLC	Entity under common control	**569**	569
H.H. Sheikh Mansoor Bin Zayed Al Nahyan Eng. Office	Other related parties	**465**	3,499
Pivot Asset Holding RSC Ltd.	Other related parties	**408**	816
International Securities L.L.C.	Entity under common control	**356**	9,852
Inspire Integrated Facilities Management LLC	Entity under common control	**243**	2,481
The Private Affairs Department of Sheikha Fatima	Other related parties	**196**	3,525
Citadel Properties Décor LLC	Other related parties	-	1,434
Q Properties L.L.C.	Entity under common control	-	1,598
Deco Vision Company WLL	Entity under common control *(until 31 December 2023)*	-	13,949
Mauqah Technology L.L.C.	Entity under common control	-	822
Others		**6,005**	3,027
		166,735	100,808
Less: provision for expected credit losses		**(34,644)**	(14,489)
		132,091	86,319
Due from related parties			
Non-current			
Royal Group Companies Management LLC	Entity under common control	**950**	950

* Non-current portion of balances due from related parties, pertains to retention receivables on contract signed with related parties.

10 RELATED PARTIES continued

Name	*Nature of relationship*	***(Unaudited) 30 September 2024 AED'000***	*(Audited) 31 December 2023 AED'000*
Due to related parties			
Current			
IHC Industrial Holding LLC	Entity under common control	**8,019**	8,019
RG Procurement RSC LTD	Entity under common control	**3,267**	3,071
Citadel Properties Décor LLC	Entity under common control	**2,575**	-
International Holding Company PJSC	Parent Entity	**1,747**	-
ATGC Transport & General Contracting LLC	Other related party	**1,654**	-
Vision Hotel Apartments LLC	Other related party	**1,170**	-
Multi Serve Typing & Transactions Follow Up LLC	Entity under common control	**914**	914
Royal Group Holdings LLC	Ultimate Parent	**453**	870
Others		**4,952**	3,552
		24,751	16,426
Non-current			
Royal Group Holdings LLC	Ultimate Parent	**2,520**	2,520

Other balances with related parties disclosed in the interim condensed consolidated statement of financial position:

	(Unaudited) 30 September 2024 AED'000	*(Audited) 31 December 2023 AED'000*
Financial assets carried at fair value through profit or loss	**11,915**	22,358
Financial assets carried at fair value through other comprehensive income	**34,495**	7,377
Bank balances with a financial institution	**258,467**	518,827
Bank borrowings with a financial institution	**10,740**	21,344
Dividend received from associates	**-**	7,409
Dividend received from investments	**21**	-

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

	Three months ended 30 September		***Nine months ended 30 September***	
	(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
	2024 AED '000	*2023 AED '000*	***2024 AED '000***	*2023 AED '000*
Revenue	**38,417**	50,808	**147,162**	180,811
Cost of revenue	**2,033**	799	**4,301**	3,321
Interest income on deposits with financial institution	**1,488**	869	**6,044**	1,642
Finance cost on borrowings with financial institution	**137**	-	**916**	-

10 RELATED PARTIES continued

Compensation of key management personnel

	Three months ended 30 September		*Nine months ended 30 September*	
	(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
	2024	*2023*	***2024***	*2023*
	AED '000	*AED '000*	***AED '000***	*AED '000*
Salaries and employee benefits	**817**	797	**2,427**	2,389
Number of key management personnel	**2**	2	**2**	2

11 CASH AND BANK BALANCES

	(Unaudited) 30 September 2024	*(Audited) 31 December 2023*
	AED'000	*AED'000*
Cash on hand	**1,461**	620
Bank balances	**216,764**	143,206
Margin deposits	**10,010**	9,039
Term deposits*	**156,480**	425,127
	384,715	577,992
Less: provision for expected credit losses	**(56)**	(53)
	384,659	577,939
Less: restricted cash**	**(99,450)**	(72,213)
Less: term deposits with original maturity of more than three months	**(155,069)**	(325,590)
Cash and cash equivalents	**130,140**	180,136

*The term deposits' carry interest rate that ranges between 3% to 6% (2023: 0.05 % to 5.35%) per annum. These deposits are held in a local bank and are denominated in UAE Dirhams and these deposits have original maturity between 1 to 12 months.

** Restricted cash represents funds received in advance against sale of properties in the Dubai Hills project.

12 BUSINESS COMBINATIONS

12.1 Acquisitions under IFRS 3 business combination

Acquisitions during the period

Deco Vision Company WLL ("Deco Vision")
Effective 1 January 2024, ESG Capital Holding LLC, a subsidiary, acquired an additional 40% interest in Deco Vision Company WLL ("Deco Vision"), previously accounted for an investment in associate, thereby increasing the Group's ownership to 85%. The fair value of the previously held interest on the date of obtaining control, amounted to AED 69,054 thousand. Deco Vision is a limited liability company, registered in Abu Dhabi, and is engaged in retail sale of wallpaper, décor and partitions material, importing and interior design implementation works and real estate lease and management services. From the date of acquisition Deco Vision contributed revenue and profit to the Group amounting to AED 174,152 thousand and AED 19,166 respectively.

The following table summarizes the recognized fair values of assets acquired and liabilities assumed in respect of acquisition:

	Deco Vision AED'000
Assets	
Property and equipment	250
Right of use assets	7,102
Intangible assets	33,319
Trade and other receivables	121,681
Due from related parties	20,467
Cash and bank balances	106,463
	289,282
Liabilities	
Employees' end of service benefits	3,886
Trade and other payables	136,551
Deferred tax liabilities	2,999
Due to related parties	28,555
	171,991
Total identifiable net assets	117,291
Provisional fair value of net assets acquired @ 85%	(99,697)
Purchase consideration	130,435
Goodwill on acquisition	**30,738**
Purchase consideration:	
Amount paid to acquire additional 45% interest	61,381
Fair value of previously held equity interest	69,054
Total purchase consideration	**130,435**
Non-controlling interest @ 15%	**17,594**

The net assets recognized are based on a provisional assessment of their fair values as at the acquisition date. The Group will finalize the purchase price allocation exercise of the acquisition within one year from the acquisition date.

Intangible assets of AED 33,319 thousand have been recognised as a result of aforementioned acquisition, which comprises customer relationships.

12 BUSINESS COMBINATIONS continued

12.2 Increase in shareholding (acquisition of NCI)

Vision Furniture & Decoration Factory L.L.C ("Vision Factory")
Effective 1 January 2024, ESG Capital Holding LLC, a subsidiary, acquired additional shares in Vision Furniture & Decoration Factory L.L.C ("Vision Factory") for AED 37,619 thousand. This resulted in the Group's effective shareholding in Vision Factory to increase by 40% and a total ownership of 100%.

	Vision Factory AED'000
Assets	
Property and equipment	9,231
Intangible assets	1,712
Inventories	2,413
Trade and other receivables	20,178
Due from related parties	13,651
Cash and bank balances	39,597
	86,782
Liabilities	
Employees' end of service benefits	6,146
Lease liabilities	3,872
Trade and other payables	31,691
Due to related parties	1,142
	42,851
Total identifiable net assets at carrying value	**43,931**
Carrying value of the shareholding acquired	17,572
Less: Consideration paid	(37,619)
Difference recognized directly in merger, acquisition and other reserves	**(20,047)**

12 BUSINESS COMBINATIONS continued

12.2 Increase in shareholding (acquisition of NCI) continued

Progressive Real Estate Development L.L.C - SPC ("PRED")
Effective 1 July 2024, Sawaeed Holding PJSC, a subsidiary, acquired additional shares in Progressive Real Estate Development LLC - SPC ("PRED") for AED nil consideration. This resulted in the Group's effective shareholding in PRED to increase by 20% and a total ownership of 100%.

	PRED AED'000
Assets	
Property and equipment	1,907
Trade and other receivables	340
Due from related parties	27
Cash and bank balances	5,445
Total assets	**7,719**
Employees' end of service benefits	3
Trade and other payable	575
Due to related parties	25
Total liabilities	**603**
Total identifiable net assets at carrying value	**7,116**
Carrying value of the shareholding acquired	1,423
Less: Consideration paid	-
Difference recognized directly in merger, acquisition and other reserves	**1,423**

12 BUSINESS COMBINATIONS continued

12.2 Increase/reduction in shareholding

United International Group for Manpower Services L.L.C - SPC ("UIG")/Sawaeed Holding PJSC ("Sawaeed")
Effective 1 July 2024, Abu Dhabi Land General Contracting LLC, a subsidiary, acquired additional shares in UIG for a consideration of 10.65% shares in Sawaeed. This resulted in the Group's effective shareholding in UIG to increase by 49% for a total ownership of 100% whereas effective shareholding in Sawaeed reduced to 89.35%. An amount of AED 38,572 thousand was transferred to non-controlling interest representing the net assets value attributable to the shareholding of Sawaeed sold as on 1 July 2024.

The above transaction did not result in any loss of control and hence it is accounted for as an equity transaction. Following is the summary of increase/reduction in shareholding with corresponding impact in non-controlling interest:

	UIG AED'000
Assets	
Property and equipment	1,518
Intangible assets	5,491
Trade and other receivables	75,287
Due from related parties	7,138
Cash and bank balances	28,108
Total assets	**117,542**
Employees' end of service benefits	10,397
Borrowings	540
Trade and other payable	52,022
Due to related parties	2,909
Deferred tax liabilities	494
Total liabilities	**66,362**
Total identifiable net assets at carrying value	**51,180**
Carrying value of the shareholding acquired	25,078
Less: Consideration paid (net assets of Sawaeed as at 1 July 2024)	(38,572)
Difference recognized directly in merger, acquisition and other reserves	**(13,494)**

12.3 Business combination under common control

Acquisitions during the period
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" as this is a business combination of entities under common control, 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 acquired entity from the date of acquisition.

12 BUSINESS COMBINATIONS continued

12.3 Business combination under common control continued

Sawaeed Holding PJSC and its subsidiaries ("SAWAEED")

Effective 30 April 2024, ESG Capital Holding LLC, a subsidiary, acquired an additional 83.89% interest in Sawaeed Holding PJSC ("Sawaeed"), previously accounted as a financial asset as fair value through other comprehensive income, thereby increasing the Group's ownership to 100%. The fair value of the previously held interest on the date of obtaining control, amounted to AED 55,287 thousand. Sawaeed is registered as a private joint stock company, registered in Abu Dhabi, and is engaged in manpower recruitment and outsourcing, real estate investment, development and management, labour accommodation management, facilities management services, catering services and provision of skills training. From the date of acquisition Sawaeed contributed revenue and profit to the Group amounting to AED 85,854 thousand and AED 13,448 thousand respectively. If the acquisition had taken place at the beginning of the year, Sawaeed would have contributed revenue and loss to the Group amounting to AED 143,890 thousand and AED 22,575 thousand, respectively.

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

	2024 SAWAEED AED'000
Assets	
Property and equipment	17,315
Investment properties	56,820
Financial assets carried at fair value through other comprehensive income (note 8.1)	42,089
Intangible assets	107
Right of use assets	30,037
Due from related parties	26,563
Trade and other receivables	102,667
Cash and bank balances	75,359
	350,957
Liabilities	
Employees' end of service benefits	13,621
Lease liabilities	32,247
Trade and other payables	36,180
	82,048
Total identifiable net assets	**268,909**
Less: Purchase consideration	(282,331)
Merger reserve	**(13,422)**
Purchase consideration:	
Amount paid to acquire additional 83.89% interest	226,504
Fair value of previously held equity interest (note 8.1)	55,827
Total purchase consideration	**282,331**
Analysis of cashflow on acquisition of Sawaeed is as follows:	
Amount paid to acquire additional 83.89% interest	(226,504)
Cash acquired in business combination	75,359
Acquisition of operating business – net of cash acquired (included in cash flows from investing activities)	**(151,145)**

12 BUSINESS COMBINATIONS continued

Acquisitions during the year ended 31 December 2023

AFKAR Financial & Property Investments LLC and its subsidiaries ("AFKAR")
Effective 1 October 2023, ESG Capital Holding LLC, a subsidiary, acquired 60% of the shares in AFKAR Financial & Property Investment LLC ("AFKAR") and its subsidiaries for a consideration of AED 48,000 thousand. AFKAR is based in Abu Dhabi, United Arab Emirates, and is involved in commercial enterprise investment, institution and management, companies' representation, and real estate enterprise investment and development. From the date of acquisition to 31 December 2023, AFKAR contributed revenue and profit to the Group amounting to AED 76,367 thousand and AED 11,341 thousand respectively. If the acquisition had taken place at the beginning of 2023 AFKAR would have contributed revenue and profit to the Group amounting to AED 298,342 thousand and AED 18,606 thousand respectively.

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

	2023 AFKAR AED'000
Assets	
Property and equipment	185,562
Investment properties	79,534
Financial assets carried at fair value through other comprehensive income	989
Right of use assets	69,697
Due from related parties	4,198
Trade and other receivables	51,781
Inventories	124,556
Cash and bank balances	11,095
	527,412
Liabilities	
Employees' end of service benefits	7,763
Lease liability	81,215
Borrowings	82,593
Trade and other payables	43,726
	215,297
Total identifiable net assets	**312,115**
Less: non-controlling interest	(124,847)
Proportionate share of identifiable net assets acquired	**187,268**
Consideration paid	(48,000)
Difference recognized directly in merger, acquisition and other reserves	**139,268**

12 BUSINESS COMBINATIONS continued

12.4 Acquisitions under IFRS 3 business combination

Acquisitions during the year ended 31 December 2023
During the prior year, the Group acquired the following entities, which were accounted for using the acquisition method under IFRS 3 Business Combination:

Progressive Real Estate Development LLC ("PRED")
Effective 1 January 2023, ESG Capital Holding LLC, a subsidiary of the Group, acquired an additional 10% 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 company, registered in Abu Dhabi, and is engaged in real estate lease and management services. From the date of acquisition to 31 December 2023, PRED contributed revenue and loss to the Group amounting to AED 2,552 thousand and AED 1,204 thousand respectively.

United International Group For Manpower Services LLC – S.P.C ("UIG")
Effective 1 October 2023, Century Human Resources And Logistics-LLC-OPC, a subsidiary of the Group, acquired 51% shares in United International Group For Manpower Services LLC ("UIG") and its subsidiaries for a consideration of AED 43,413 thousand. UIG is a limited liability company incorporated in the Emirate of Abu Dhabi, United Arab Emirates and is involved domestic workers mediation and temporary employment services, onshore and offshore oil and gas fields and facilities services, and upon request employees provision services. From the date of acquisition to 31 December 2023, UIG contributed revenue and profit to the Group amounting to AED 36,806 thousand and AED 6,862 thousand, respectively. If the acquisition had taken place at the beginning of the year, UIG would have contributed revenue and profit to the Group amounting to AED 136,676 thousand and AED 15,400 thousand, respectively.

The following table summarizes the recognized fair values of assets acquired and liabilities assumed in respect of acquisition:

	PRED AED'000	*UIG AED'000*	***Total AED'000***
Assets			
Property and equipment	1,175	1,726	2,901
Intangible assets	-	7,139	7,139
Right of use asset	-	386	386
Trade and other receivables	6,177	86,371	92,548
Due from related parties	-	816	816
Cash and bank balances	1,954	8,686	10,640
Total assets	**9,306**	**105,124**	**114,430**
Employees' end of service benefits	61	9,489	9,550
Borrowings	-	4,392	4,392
Trade and other payables	987	63,531	64,518
Lease liabilities	-	299	299
Due to related parties	-	8,008	8,008
Deferred tax liabilities	-	642	642
Total liabilities	**1,048**	**86,361**	**87,409**
Net assets	**8,258**	**18,763**	**27,021**
Less: non-controlling interest	(1,652)	(9,194)	(10,846)
Total identifiable net assets at fair value	**6,606**	**9,569**	**16,175**
Proportionate share of identifiable net assets acquired	6,606	9,569	16,175
Goodwill arising on acquisition	-	33,844	33,844
Gain on bargain purchase	(825)	-	(825)
Purchase Consideration	**5,781**	**43,413**	**49,194**

12 BUSINESS COMBINATIONS continued

12.4 Acquisitions under IFRS 3 business combination continued

Acquisitions during the year ended 31 December 2023 continued
Intangible assets of AED 7,193 thousand have been recognised as a result of aforementioned acquisition, which comprises customer relationships.

Goodwill of AED 33,844 thousand arising from the acquisitions comprises largely the value of expected synergies arising from the acquisitions, which are not separately recognised.

	PRED AED'000	*UIG AED'000*	***Total AED'000***
Consideration payable	-	43,413	**43,413**
Fair value of previously held equity interest	5,781	-	**5,781**
Total purchase consideration	**5,781**	**43,413**	**49,194**

12 BUSINESS COMBINATIONS continued

12.5 Disposal of subsidiary during the period ended 30 September 2023

During the prior period, the Group disposed of its 70% ownership interest in WFC Holding LLC to a related party for consideration of AED 276,080 thousand. The carrying value of the identifiable assets and liabilities disposed on the date of sale are as follows

	WFC Holding LLC AED'000
ASSETS	
Non-current assets	
Property and equipment	61,944
Intangible assets	171
Trade and other receivables	7,715
	69,830
Current assets	
Financial assets at fair value through profit or loss	10,154
Due from related parties	37,918
Trade and other receivables	74,210
Cash and bank balances	66,460
	188,742
TOTAL ASSETS	**258,572**
LIABILITIES	
Non-current liabilities	
Employees' end of service benefits	**11,983**
Current liabilities	
Due to related parties	17,226
Trade and other payables	30,473
	47,699
Total liabilities	**59,682**
Total identified net assets	198,890
Less: non-controlling interest	(59,667)
Net assets attributable to the owners	**139,223**
Consideration received on disposal	276,080
Gain on disposal	**136,857**

The net cash flows generated from the sale of subsidiary are, as follows:

	AED'000
Cash received from sale	276,080
Cash sold as part of the sale	(66,460)
Net cash inflow on date of disposal	**209,620**

13 SHARE CAPITAL

	(Unaudited) 30 September 2024 AED'000	*(Audited) 31 December 2023 AED'000*
Authorised, issued and fully paid shares		
250,000,000 ordinary shares (31 December 2023: 250,000,000 ordinary shares) of AED 1 each (31 December 2023: AED 1 each)	**250,000**	250,000

14 STATUTORY RESERVE

In accordance with UAE Commercial Companies Law No. (32) of 2021 and the Company's articles of association, 10% of the profit for the year is to be transferred to a statutory reserve until such reserve balance equals 50% of the Company's share capital. This reserve is not available for distribution except as stipulated by the Law.

15 BANK BORROWINGS

Bank borrowings comprises of the following:

	(Unaudited) 30 September 2024 AED'000	*(Audited) 31 December 2023 AED'000*
Term loans	**54,490**	80,834
Vehicle loans	**426**	1,006
	54,916	81,840

Movement in borrowings during the year is as follows:

	(Unaudited) 30 September 2024 AED'000	*(Audited) 31 December 2023 AED'000*
At 1 January	**81,840**	-
Acquired in business combination	-	86,985
Transferred	-	(730)
Additions during the period / year	-	141
Repayments during the period / year	**(26,924)**	(4,556)
At end of the period / year	**54,916**	81,840

15 BANK BORROWINGS continued

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

	(Unaudited) 30 September 2024 AED'000	*(Audited) 31 December 2023 AED'000*
Current liabilities	**28,522**	32,502
Non-current liabilities	**26,394**	49,338
	54,916	81,840

	Security	*Interest rates*	*Maturity*	*(Unaudited) 30 September 2024 AED '000*	*(Audited) 31 December 2023 AED '000*	*Purpose*
Term Loan - 1	Secured	2% +6M EIBOR	September 2025	**10,740**	21,344	To finance the construction of commercial centers
Term Loan - 2	Secured	2% + 6M EIBOR	February 2027	**43,750**	56,874	To finance the construction of warehouse
Term Loan - 3	Secured	5%	January 2025	-	2,370	To finance the operations of the Group
Term Loan - 4	Secured	6.5%	April 2024	-	246	To finance the operations of the Group
				54,490	80,834	
Other vehicle loans	Secured	3.00%-5.51%	2024-2027	**426**	1,006	To finance the purchase of vehicles
				54,916	81,840	

Term loan 1
The facility is secured by corporate guarantees of related parties, mortgage over certain investment properties, assignment of contractor's all risk insurance policy of mortgaged properties in favour of the bank, assignment of rental proceeds, generated from the mortgaged properties in favour of the bank. The loan is repayable in half year instalments.

Term loan 2
The facility is subject to certain restrictive covenants. The facility is secured by mortgage over property, assignment of contractor's all risk insurance policy of mortgaged properties in favour of the bank, agreement of pledge and hypothecation of inventories and movables over stocks, deed of assignment of receivables, undated security cheque drawn on Bank covering the total facility in favour of the bank. The loan is repayable in quarterly instalments.

Term loan 3
The facility is secured by assignment of contractor's vehicle insurance policy in favour of the bank, mortgage of vehicle favoring the bank and a security cheque drawn in favour of the bank. The loan is repayable in monthly instalments. During the period, the loan was early settled by the subsidiary.

Term loan 4
The facility is secured against a security covering the total loan amount. The loan is repayable in monthly instalments. During the period, the loan was early settled by the subsidiary

16 REVENUE

	Three months ended 30 September		*Nine months ended 30 September*	
	(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
	2024	*2023*	***2024***	*2023*
	AED '000	*AED '000*	***AED '000***	*AED '000*
Type of revenue				
Furniture manufacturing, retail revenues and interior fit out	**121,620**	21,105	**447,145**	67,458
Landscaping, agriculture and maintenance revenue	**25,414**	84,133	**207,441**	246,925
Manpower and management solutions revenue	**89,942**	-	**180,439**	-
Construction contracts revenue	**22,179**	27,957	**59,436**	83,946
Staff accommodation	**1,231**	522	**4,838**	1,672
Labour camp management and other related revenue	**588**	73	**1,221**	217
	260,974	133,790	**900,520**	400,218
Timing of revenue recognition				
Services transferred over the period of time	**181,371**	102,220	**627,095**	308,669
Services transferred at point of time	**79,603**	31,570	**273,425**	91,549
	260,974	133,790	**900,520**	400,218
Geographical markets				
Revenue generated within UAE	**246,896**	122,854	**860,771**	360,336
Revenue generated outside UAE	**14,078**	10,936	**39,749**	39,882
	260,974	133,790	**900,520**	400,218

17 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period attributed to the equity holders of the parent 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 equity holders of the parent by the weighted average number of shares in issue throughout the period, adjusted for the effects of dilutive instruments.

	Three months ended 30 September		*Nine months ended 30 September*	
	(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
	2024 AED '000	*2023 AED '000*	***2024 AED '000***	*2023 AED '000*
Profit for the period attributable to equity holders of the parent (AED'000)	**34,002**	36,838	**162,007**	629,444
Profit from continuing operations attributable to equity holders of the parent (AED'000)	**34,002**	36,838	**162,007**	626,028
Weighted average number of shares ('000)	**250,000**	250,000	**250,000**	250,000
Basic earnings per share for the period (AED)	**0.14**	0.15	**0.65**	2.52
Basic earnings per share for the period (AED) – continuing operations	**0.14**	0.15	**0.65**	2.50

As of 30 September 2024 and 30 September 2023, the Company has not issued any instruments that have a dilutive impact on earnings per share when exercised.

18 CONTINGENT LIABILITIES AND COMMITMENTS

	(Unaudited) 30 September 2024 AED'000	*(Audited) 31 December 2023 AED'000*
Letters of guarantee	**164,003**	47,191
Letters of credit	**7,042**	6,079

Bank guarantees are issued in the normal course of business.

The Group in the normal course of business is involved from time to time in litigations and claims from third parties. The Group undertakes periodic review of its potential exposure to litigations and claims made against it. The Group believes that no material liability will result from those litigations and claims that requires to be accrued for as of 30 September 2024.

19 FAIR VALUES

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: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The Group held the following financial instrument measured at fair value:

	Level 1 *AED*	*Level 2* *AED*	*Level 3* *AED*	*Total* *AED*
30 September 2024				
Financial assets carried at fair value through other comprehensive income	**51,455**	-	**374**	**51,829**
Financial assets carried at fair value through profit or loss	**22,523**	-	-	**22,523**
	73,978	-	**374**	**74,352**
31 December 2023				
Financial assets at fair value through other comprehensive income	62,230	-	374	62,604
Financial assets at fair value through profit or loss	45,864	-	-	45,864
	108,094	-	374	108,468

There were no transfers between each of the levels during the period. There are no financial liabilities which should be measured at fair value and accordingly no disclosure is made in the above table.

Fair value of the Group's assets that are measured at historical cost
The following table shows the analysis of the fair value of assets measured and disclosed at historical cost:

	Fair value as at		***Fair value hierarchy***	***Valuation techniques and key inputs***	***Significant unobservable input***	***Relationship of unobservable inputs to fair value***
	30 September 2024 AED'000	*31 December 2023 AED'000*				
Investment properties	**101,300**	101,300	Level 3	Discounted cash flow method.	Rental values	Higher rental income assumed, higher the fair value.

20 SEGMENT ANALYSIS

For operating purposes, the Group is organised into business segments based on its products and services as follows:

Contracting and consultancy	includes the real estate development construction and technical consultancy and design services.
Landscaping and maintenance	includes landscaping design, execution and maintenance.
Business process / manpower Outsourcing & labour supply	includes providing services with respect to human service delivery of medical cadres, human resources and administrative consultancy, mediation of domestic workers and temporary employment services.
Staff Accommodation	includes real estate enterprise development, training institution management, camps and labour accommodation management
Furniture manufacturing, Retail and interior fit out	includes retail trading of household, office furniture and interior decoration material.
Others (unallocated)	includes Company expenses and income not allocated to any segment.

20 SEGMENT ANALYSIS continued

	Contracting and consultancy 30 September 2024 AED'000	*Landscaping and maintenance 30 September 2024 AED'000*	*Business process / manpower outsourcing 30 September 2024 AED'000*	*Furniture manufacturing, retails and interior fit out 30 September 2024 AED'000*	*Staff accommodation 30 September 2024 AED'000*	*Others / Unallocated 30 September 2024 AED'000*	*Total segments 30 September 2024 AED'000*	*Elimination 30 September 2024 AED'000*	*Consolidated 30 September 2024 AED'000*
Revenue from contract with customers									
External customers	59,436	207,441	180,439	447,145	4,838	1,221	900,520	-	900,520
Inter-Segment	28,449	3,946	33,235	46	4,048	-	69,724	(69,724)	-
Total	87,885	211,387	213,674	447,191	8,886	1,221	970,244	(69,724)	900,520
Less: Expenses									
Direct costs	(63,515)	(120,955)	(170,506)	(286,067)	(5,335)	(332)	(646,710)	50,205	(596,505)
General and administrative expenses	(7,455)	(17,097)	(14,266)	(45,466)	(2,211)	(15,774)	(102,269)	10,314	(91,955)
Selling and distribution expenses	-	-	-	(92,376)	-	-	(92,376)	-	(92,376)
Loss from changes in fair value of financial asset carried at fair value through profit or loss	-	-	-	(513)	-	(7,543)	(8,056)	-	(8,056)
Share of profit from investment in associate and joint ventures	-	-	-	-	-	24,796	24,796	-	24,796
Fair value of previously held equity interest	-	-	-	-	-	29,917	29,917	-	29,917
Other income	3,513	830	1,328	6,642	548	30,583	43,444	(26,659)	16,785
Finance costs	(51)	(455)	(350)	(7,762)	(535)	(331)	(9,484)	-	(9,484)
Profit before tax	20,377	73,710	29,880	21,649	1,353	62,537	209,506	(35,864)	173,642
Corporate income tax	(1,928)	(5,920)	(2,599)	(1,932)	(126)	1,763	(10,742)	-	(10,742)
Profit after tax	18,449	67,790	27,281	19,717	1,227	64,300	198,764	(35,864)	162,900
Total assets	215,911	235,537	381,348	962,392	1,358,621	1,832,934	4,986,743	(1,531,747)	3,454,996
Total liabilities	155,453	189,857	178,688	512,865	31,068	892,110	1,960,041	(939,599)	1,020,442

20 SEGMENT ANALYSIS continued

	Contracting and consultancy 30 September 2023 AED'000	*Landscaping and maintenance 30 September 2023 AED'000*	*Business process / manpower outsourcing 30 September 2023 AED'000*	*Furniture manufacturing and Retails 30 September 2023 AED'000*	*Staff accommodation 30 September 2023 AED'000*	*Others / Unallocated 30 September 2023 AED'000*	*Total segments 30 September 2023 AED'000*	*Elimination 30 September 2023 AED'000*	*Consolidated 30 September 2023 AED'000*
Revenue from contract with customers									
External customers	83,946	246,925	-	67,458	1,672	217	400,218	-	400,218
Inter-Segment	13,575	-	-	270	1,110	-	14,955	(14,955)	-
Total	97,521	246,925	-	67,728	2,782	217	415,173	(14,955)	400,218
Less: Expenses									
Direct costs	(61,226)	(206,821)	-	(47,273)	(2,572)	(233)	(318,125)	12,572	(305,553)
General and administrative expense	(4,468)	(15,251)	-	(8,587)	(1,209)	(16,074)	(45,589)	5,659	(39,930)
Share of profit from investment in associate and joint ventures	-	-	-	-	-	23,373	23,373	-	23,373
Other income	2,308	274	-	1,069	-	12,530	16,181	(11,513)	4,668
Gain from changes in fair value of financial asset carried at fair value through profit or loss	-	-	-	-	-	2,338	2,338	-	2,338
Fair value of previously held equity interest	-	-	-	-	-	210	210	-	210
Gain from change in fair value of biological assets	-	308	-	-	-	-	308	-	308
Gain on disposal of a subsidiary	-	-	-	-	-	136,857	136,857	-	136,857
Gain on disposal of an associate	-	-	-	-	-	409,126	409,126	-	409,126
Finance costs	(70)	(270)	-	(180)	(6)	(78)	(604)	-	(604)
Profit for the period from discontinued operations	-	-	-	-	-	4,880	4,880	-	4,880
Profit for the period	34,065	25,165	-	12,757	(1,005)	573,146	644,128	(8,237)	635,891
Total assets 31 December 2023	345,157	260,275	103,007	673,497	1,200,541	1,520,393	4,102,870	(1,042,369)	3,060,501
Total liabilities 31 December 2023	167,045	182,633	83,878	305,705	1,119	952,445	1,692,825	(920,264)	772,561

21 DISCONTINUED OPERATIONS

The shareholders of the Group approved the sale of WFC Holding LLC ("WFC"), a 70% owned subsidiary to a related party for a total consideration of AED 276,080 thousand. The sale was completed on 1 April 2023. Accordingly, the subsidiary was classified as discontinued operations. The results of operations of WFC classified as discontinued operations are presented below:

	Nine month period ended 30 September	
	(Unaudited) 2024	*(Unaudited) 2023*
Revenue	-	99,666
Direct costs	-	(92,903)
Gross profit	-	6,763
General and administrative expenses	-	(3,558)
Gain from changes in fair value of financial assets carried at fair value through profit or loss	-	1,386
Other income	-	314
Finance costs	-	(25)
PROFIT FOR THE PERIOD	-	4,880

22 INCOME TAX

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the interim condensed consolidated statement of profit or loss are:

	Three months ended 30 September		*Nine months ended 30 September*	
	(Unaudited) 2024 AED '000	*(Unaudited) 2023 AED '000*	***(Unaudited) 2024 AED '000***	*(Unaudited) 2023 AED '000*
Income tax charge	**(3,895)**	-	**(15,821)**	-
Deferred tax income, net	**1,505**	-	**5,079**	-
Income tax expense recognized in the interim condensed consolidated statement of profit or loss	**(2,390)**	-	**(10,742)**	-

22 INCOME TAX continued

Current income tax
The movement in the current taxation account is as follows:

	(Unaudited) 30 September 2024 AED'000	*(Audited) 31 December 2023 AED'000*
Balance at the beginning of the period / year	-	-
Tax expense	(15,821)	-
At end of the period / year	(15,821)	-

Deferred tax
Deferred tax liability presented in the interim condensed consolidated statement of financial position is as follows:

	(Unaudited) 30 September 2024 AED'000	*(Audited) 31 December 2023 AED'000*
Deferred tax assets	4,881	401
Deferred tax liabilities	(3,327)	(593)
Deferred tax assets (liabilities), net	1,554	(192)

Deferred tax related to items recognised in OCI during the period:

	Three months ended 30 September		*Nine months ended 30 September*	
	(Unaudited) 2024 AED '000	*(Unaudited) 2023 AED '000*	*(Unaudited) 2024 AED '000*	*(Unaudited) 2023 AED '000*
Change in fair value of financial assets carried at fair value through other comprehensive income	(537)	-	(334)	-
Deferred tax charge to OCI	(537)	-	(334)	-

23 SEASONALITY OF RESULTS

The nature of Group's business is such that the income and expenditure are incurred in a manner, which is not impacted by any forms of seasonality. These interim condensed consolidated financial statements were prepared based upon accrual concept, which requires income and expenses to be recorded as earned or incurred and not as received or paid throughout the period.

24 COMPARATIVE FIGURES

Certain comparatives figures have been reclassified, wherever necessary, to conform to the presentation adopted in the current year's interim condensed consolidated financial statements. These reclassifications were not significant and have no impact on the total assets, total liabilities, total equity and profit of the Group.