ALPHA DATA LLC

Reports and consolidated financial statements for the year ended 31 December 2024

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for the year ended 31 December 2024

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Directors' report
for the year ended 31 December 2024

The Directors present their annual report, together with the audited consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2024.

Principal activity

The principal activities of the Group are the provision of infrastructure solutions and services involving computers, networks, intelligent cabling, telecom equipment and audio-visual systems, software development and installations thereof. The Group also provides offering and services such as alpha public cloud, mobility, big data, and security solutions.

Results

Revenue for the year was AED 2,323.11 million compared to AED 2,006.62 million for the preceding year. Total comprehensive income for the year was AED 126.83 million compared to AED 133.09 million for the preceding year.

The proposed appropriation of profits is as follow:

	AED
Retained earnings at 1 January 2024	543,038,456
Total comprehensive income for the year	126,834,248
Dividends paid	(434,886,982)
Zakat paid	(10,861,000)
Increase in share capital	(27,000,000)
Increase in statutory reserve	(13,500,000)
Retained earnings at 31 December 2024	**183,624,722**

Release

The Directors release from liability the management and the external auditor in connection with their duties for the year ended 31 December 2024.

Auditors

The Directors propose the reappointment of Deloitte & Touche (M.E.) as external auditor of the Group for the year ending 31 December 2025.

For the Board of Directors

.....
Fayez Saeed Ibbini

.....
Faraj Ali Bin Hamoodah

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ALPHA DATA LLC

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated financial statements of Alpha Data LLC (the "Company") and its subsidiaries (together referred to as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year, and notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We have 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Codes of Ethics for Professional Accountants (IESBA Code) together with the other ethical requirements that are relevant to our audit of the Group's consolidated 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.

Other Information

Management is responsible for the other information. The other information comprises the Directors' report**,** which we obtained prior to the date of this auditors' report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and the applicable provisions of the articles of association of the Company and the UAE Federal Law No. (32) of 2021, and for such internal control as management determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 the Group or to cease operations, or have no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement, whether due to fraud or error, 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 in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omission, 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 the 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 the 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 the Group'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 consolidated 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 the Group to cease to continue as a going concern.

Deloitte.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

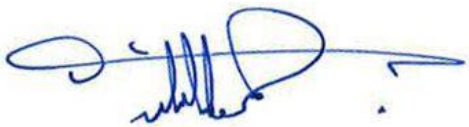
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

- We have obtained all the information we considered necessary for the purposes of our audit;
- The consolidated financial statements of the Group have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Decree-Law No. (32) of 2021;
- The Group has maintained proper books of account;
- the financial information included in the Directors' report is consistent with the Group's books of account;
- As disclosed in note 1 to the consolidated financial statements, the Company has not purchased or invested any in shares during the financial year ended 31 December 2024;
- Note 23 to the consolidated financial statements of the Group discloses material related party transactions, the terms under which they were conducted; and
- Based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Group has contravened during the financial year ended 31 December 2024 any of the applicable provisions of the UAE Federal Decree-Law No. (32) of 2021 or of its Articles of Association which would materially affect its activities or its financial position as at 31 December 2024.

Deloitte & Touche (M.E.)



Mohammad Khamees Al Tah
Registration No. 717
3 February 2025
Abu Dhabi
United Arab Emirates

Consolidated statement of financial position at 31 December 2024

	Notes	2024 AED	2023 AED
ASSETS			
Non-current assets			
Property and equipment	5	**16,627,310**	46,991,740
Investment properties	7	**15,945,000**	176,743,193
Total non-current assets		**32,572,310**	223,734,933
Current assets			
Inventories and work in progress	8	**170,952,168**	269,053,279
Contract assets	9	**352,795,707**	242,799,350
Trade and other receivables	10	**368,880,765**	379,367,524
Cash and bank balances	11	**35,367,079**	103,076,793
Total current assets		**927,995,719**	994,296,946
Total assets		**960,568,029**	1,218,031,879
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	12	**30,000,000**	3,000,000
Statutory reserve	13	**15,000,000**	1,500,000
Retained earnings		**183,624,722**	543,038,456
Total equity		**228,624,722**	547,538,456
Non-current liabilities			
Trade finance	16	**2,118,810**	2,979,080
Provision for employees' end of service benefit	14	**44,322,201**	39,613,382
Total non-current liabilities		**46,441,011**	42,592,462
Current liabilities			
Bank borrowings	15	**12,451,182**	-
Trade and other payables	16	**660,387,067**	627,900,961
Income tax payable	17	**12,664,047**	-
Total current liabilities		**685,502,296**	627,900,961
Total liabilities		**731,943,307**	670,493,423
Total equity and liabilities		**960,568,029**	1,218,031,879

Fayez Saeed Ibbini **Faraj Ali Bin Hamoodah**

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

Consolidated statement of profit or loss for the year ended 31 December 2024

	Notes	2024 AED	2023 AED
Revenue	**18**	**2,323,114,646**	2,006,617,742
Cost of sales	**19**	**(2,032,066,756)**	(1,738,269,158)
Gross profit		**291,047,890**	268,348,584
General and administrative expenses	**20**	**(161,387,950)**	(146,055,201)
Finance (costs)/income, net		**(3,420,027)**	1,277,057
Net fair value gain on investment properties	**7**	**1,947,600**	-
Other income	**21**	**11,310,782**	9,515,995
Profit before tax		**139,498,295**	133,086,435
Income tax expense	**17**	**(12,664,047)**	-
Profit after tax		**126,834,248**	133,086,435
Basic and diluted earnings per share (AED)	**22**	**0.24**	4,436,214

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

Consolidated statement of comprehensive income for the year ended 31 December 2024

	Notes	**2024 AED**	2023 AED
Profit after tax		**126,834,248**	133,086,435
Other comprehensive income		**-**	-
Total comprehensive income for the year		**126,834,248**	133,086,435

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

Consolidated statement of changes in equity for the year ended 31 December 2024

	Share capital AED	Statutory reserve AED	Retained earnings AED	Total Equity AED
Balance at 1 January 2023	3,000,000	1,500,000	509,712,021	514,212,021
Dividends paid (note 26)	-	-	(90,000,000)	(90,000,000)
Zakat paid (note 27)	-	-	(9,760,000)	(9,760,000)
Total comprehensive income for the year	-	-	133,086,435	133,086,435
Balance at 1 January 2024	3,000,000	1,500,000	543,038,456	547,538,456
Total comprehensive income for the year	-	-	126,834,248	126,834,248
Dividends (note 26)	-	-	(434,886,982)	(434,886,982)
Zakat paid (note 27)	-	-	(10,861,000)	(10,861,000)
Increase in share capital (note 12)	27,000,000	-	(27,000,000)	-
Increase in statutory reserve (note 13)	-	13,500,000	(13,500,000)	-
Balance at 31 December 2024	**30,000,000**	**15,000,000**	**183,624,722**	**228,624,722**

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

Consolidated statement of cash flows for the year ended 31 December 2024

	Notes	2024 AED	2023 AED
Cash flows from operating activities			
Profit before tax		**139,498,295**	133,086,435
Adjustments for:			
Depreciation of property and equipment	**5**	**5,035,588**	6,297,188
Allowance for expected credit losses	**10**	**7,613,208**	7,100,952
Employees' end of service benefit charge	**14**	**9,613,465**	8,990,830
Allowance for inventory obsolescence	**8**	**3,292,400**	3,242,400
Finance costs/(income), net		**3,420,027**	(1,277,057)
Gain on disposal of property and equipment	**21**	**(42,081)**	(84,917)
Gain on fair valuation of investment properties	**7**	**(1,947,600)**	-
Loss on disposal of investment properties	**21**	**396,000**	-
Operating cash flows before changing in working capital		**166,879,302**	157,355,831
Movements in working capital:			
Decrease/(increase) in inventories		**94,808,711**	(27,984,434)
Decrease/(increase) in trade and other receivables		**4,653,700**	(92,138,300)
(Increase)/decrease in contract assets		**(109,996,359)**	18,045,520
Increase in trade and other payables		**31,625,839**	72,095,699
Increase in deferred revenues		**-**	206,095
Cash generated by operating activities		**187,971,193**	127,580,411
Employees' end of service benefit paid	**14**	**(4,904,646)**	(4,454,911)
Net cash generated by operating activities		**183,066,547**	123,125,500
Cash flows used in investing activities			
Payments for advances paid on purchases of investment properties	**6**	**-**	(381,412)
Payments for additions in property and equipment	**5**	**(1,466,918)**	(2,726,700)
Payments for additions in investment properties	**7**	**-**	(210,793)
Proceeds from disposal of property and equipment		**45,502**	231,563
Proceeds from sale of investment properties		**3,500,000**	-
Net cash generated by (used in) investing activities		**2,078,584**	(3,087,342)
Cash flow used in financing activities			
Dividends and zakat paid		**(261,886,000)**	(99,760,000)
Finance (cost paid)/income received, net		**(3,420,027)**	1,277,057
Net cash used in financing activities		**(265,306,027)**	(98,482,943)
Net (decrease)/increase in cash and bank balances		**(80,160,896)**	21,555,215
Cash and bank balances at the beginning of the year		**103,076,793**	81,521,578
Cash and bank balances at the end of the year	**11**	**22,915,897**	103,076,793

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

Consolidated statement of cash flows for the year ended 31 December 2024 (continued)

Non-cash transactions:		**2024 AED**	2023 AED
Increase in share capital from retained earnings	**12**	**27,000,000**	-
Increase in statutory reserve from retained earnings	**13**	**13,500,000**	-
Dividends in kind declared – property and equipment	**5 & 26**	**25,012,189**	-
Dividends in kind declared – investment properties	**7 & 26**	**158,849,793**	-

Notes to the consolidated financial statements for the year ended 31 December 2024

1 General information

Alpha Data LLC ("the Group") and its subsidiaries (together "the Group") is a limited liability Company registered in Abu Dhabi, United Arab Emirates ("UAE"). The registered office is P.O. Box 45384, Abu Dhabi, UAE.

The principal activities of the Group are the provision of infrastructure solutions and services involving computers, networks, intelligent cabling, telecom equipment and audio-visual systems, software development and installations thereof. The Group also provides offering and services like alpha public cloud, mobility, big data and security solutions.

The Group has not purchased or invested in any shares during the financial year ended 31 December 2024.

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

2.1 New and revised IFRSs applied with no material effect on the consolidated financial statements

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2024, have been adopted in these consolidated financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior periods but may affect the accounting for future transactions or arrangements.

- Amendments to IAS 1 Presentation of Financial Statements - Classification of Liabilities as Current or Non-current
- Amendments to IAS 1 Presentation of Financial Statements - Non-current Liabilities with Covenants
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements
- Amendment to IFRS 16 Leases - Lease Liability in a Sale and Leaseback

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

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

2.2 New and revised IFRS in issue but not yet effective

New and revised IFRSs	Effective for annual periods beginning on or after
Amendment to IAS 21 - Lack of Exchangeability	1 January 2025
Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments	1 January 2026
Annual Improvements to IFRS Accounting Standards — Volume 11.	1 January 2026

The pronouncement comprises the following amendments:

- IFRS 1: Hedge accounting by a first-time adopter
- IFRS 7: Gain or loss on derecognition
- IFRS 7: Disclosure of deferred difference between fair value and transaction price
- IFRS 7: Introduction and credit risk disclosures
- IFRS 9: Lessee derecognition of lease liabilities
- IFRS 9: Transaction price
- IFRS 10: Determination of a 'de facto agent'
- IAS 7: Cost method

IFRS 18 Presentation and Disclosures in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date not yet decided
IFRS Accounting Taxonomy 2023 - Update 2 Common Practice for Financial Instruments, General Improvements and Technology Update	Effective date not yet decided
IFRS Accounting Taxonomy 2023—Update 1 International Tax Reform—Pillar Two Model Rules, Supplier Finance Arrangements and Lack of Exchangeability	Effective date not yet decided
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	Effective date not yet decided by the regulator in the United Arab Emirates)
IFRS S2 Climate-related Disclosures	Effective date not yet decided by the regulator in the United Arab Emirates)

The above stated new standards and amendments are not expected to have any significant impact on these consolidated financial statements of the Group.

There are no other applicable new standards and amendments to published standards or IFRIC interpretations that have been issued that would be expected to have a material impact on these consolidated financial statements of the Group.

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

3 Summary of material accounting policy information

Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and applicable requirements of the UAE Federal Law No. (32) of 2021.

Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for the investment properties which are recognized at fair value. The principal accounting policies adopted are set out below:

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved when the Company:

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

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company 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.

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

3 Summary of material accounting policy information (continued)

Basis of consolidation (continued)

Details of the Group's subsidiaries are as follows:

Name of subsidiary	Place of incorporation and operation	Legal status	Proportion of ownership interest		Principal activities
			2024	2023	
Tuqnia LLC OPC	UAE	Limited Liability Company	100%	100%	Computer trading, network maintenance and wireless system equipment trading and installation.
Foresight Technology LLC OPC	UAE	Limited Liability Company	100%	100%	Ready software trading, computer network maintenance and computer system and software design.
Alpha Data Recruitment LLC OPC	UAE	Limited Liability Company	100%	100%	Supply of labors on demand.
Alpha Data Technology	Qatar	Limited Liability Company	100%	100%	IT installation, data processing and equipment's, maintenance services, set up/develop computer programs and systems.
Alpha Data Information Technology L.L.C.	Qatar	Limited Liability Company	100%	-	IT installation, data processing and equipment's, maintenance services, set up/develop computer programs and systems.
Alpha Data Information Technology (Single Person Limited Liability Company)	KSA	Sole proprietorship	100%	100%	Construction Information and Communication Other service activities

Tuqnia LLC was registered in the name of Bin Hamoodah Company and Mr. Fayez Saeed Ibbini, Chief Executive Officer, and was assigned to the Company, and held in trust for the benefit of the Company as at 31 December 2022. The shareholders transferred the legal ownership on 13 November 2023 and the name was changed to Tuqnia LLC OPC.

Foresight Technology LLC was registered in the name of Mr. Faraj Ali Bin Hamoodah, chairman, and was assigned to the Company and held in trust for the benefit of the Company as at 31 December 2022. The shareholders transferred the legal ownership on 10 November 2023 and the name was changed to Foresight Technology LLC OPC.

Alpha Data Recruitment LLC, was registered in the name of Khaled Ghamem Ali Binhamouda Aldhaheri, director, and was assigned to the Company and held in trust for the benefit of the Company as 31 December 2022. The shareholders transferred the legal ownership on 13 November 2023 and the name was changed to Alpha Data Recruitment LLC OPC.

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

3 Summary of material accounting policy information (continued)

Basis of consolidation (continued)

Alpha Data Technology, registered in the name of Alpha Data LLC and Naser Jasim Hasan Ahmed Al Khalf (Sponsor), is assigned to the Company, and is held in trust for the benefit of the Company.

Alpha Data Information Technology L.L.C. is established in 24 October 2024.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group.

All intra-group transactions, balances, income, and expenses are eliminated on consolidation.

Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation and accumulated impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the asset.

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 Group and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the profit or loss in the period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the assets' cost to their residual values over their estimated useful lives as follows:

	Years
Buildings	20
Leasehold improvement	4 - 8
Computer equipment	4 - 5
Motor vehicles	3 - 6
Furniture and office equipment	4

Land is not depreciated.

The estimated useful lives, residual values and depreciation method are reviewed at each year-end, with the effect of any changes in estimate accounted for on a prospective basis.

The 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.

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

3 Summary of material accounting policy information (continued)

Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties and are measured using the fair value model. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Investment properties are stated at fair value as at the reporting date. Gains or losses arising from changes in the fair values are included in the consolidated statement of profit or loss in the year in which they arise. The fair values of investment properties are determined by an independent professional valuer.

The determination of the fair value of investment properties requires the use of estimates such as projected annual net operating income based on expected lease and capitalizing it in perpetuity. These estimates are based on local market conditions existing at the consolidated statement of financial position date. In arriving at their estimates of fair values as at 31 December 2024 and 2023, the valuers have used their market knowledge and professional judgment and have not only relied solely on historic transactional comparables. The valuations were prepared in accordance with the Royal Institution of Chartered Surveyors "RICS" valuation standards.

Direct comparison approach

The direct comparison approach was used in determining the fair value of the investment properties. The direct comparison approach involves making adjustments to the sale price of comparable properties to account for differences in location, plot area and shape, potential built-up area allowance, height allowance, date of sale, potential views and other individual characteristics.

Inventories and work in progress

Inventories are valued at the lower of cost and net realisable value. Cost is determined on the weighted average cost basis and comprises invoiced cost, related freight charges and import duties. Net realisable value represents the estimated selling price less all estimated costs to be incurred in marketing, selling and distribution.

Work in progress includes cost and expenses incurred directly relating to projects, which are yet to be completed and invoiced.

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

3 Summary of material accounting policy information (continued)

Impairment of tangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Employee benefits

An accrual is made for the estimated liability for employees' entitlement to annual leave and as a result of services rendered by eligible employees up to the end of reporting year.

A provision is made for the full amount of end of service benefits due to non-UAE national employees in accordance with UAE Federal Labour Law, for their year of service up to the reporting date. The accrual relating to annual leave is disclosed as a current liability, while the provision relating to end of service benefit is disclosed as a non-current liability.

Monthly pension contributions are made in respect of UAE National employees, who are covered by the Law No. 2 of 2000. The contribution made by the Group is charged to profit or loss. The pension fund is administered by the Government of Abu Dhabi, Finance Department, represented by the Abu Dhabi Retirement Pensions and Benefits Fund.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

3 Summary of material accounting policy information (continued)

Revenue recognition

Revenue is measured at an amount that reflects the considerations, to which an entity expects to be entitled in exchange for transferring goods or services to customer, excluding amounts collected on behalf of third parties. Revenue is adjusted for expected discounts and volume discounts, which are estimated based on the historical data or forecast and projections. The Group recognises revenue when it transfers control over goods or services to its customers.

The stand-alone selling prices are determined based on the observable price at which the Group sells the products and services on a standalone basis. For items that are not sold separately the Group estimates standalone selling prices using other methods (i.e., adjusted market assessment approach, cost plus margin approach or residual approach).

Management considers recognising revenue over time, if one of the following criteria is met, otherwise revenue will be recognised at a point in time:

a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
b) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
c) the Group's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

The Group recognizes revenue from the following segments:

- Solutions segment, which provides integration of IT technologies which includes a complete range of service such as supply of servers, storage solutions, printing solutions, security solutions and services to a variety of customers. This segment is to deliver a successful integration of complex systems which requires both specialized skills and the right level of experience.

  There are contracts in this segment which provides one complete solution including supply of hardware, software, installation and maintenance and support for specialized business operations, which can be short-term or long-term in nature. Such services are recognized as performance obligation satisfied over time based on stage of completion based on actual cost to estimated cost to complete. The transaction price is fixed in accordance with the contract.

  In some contracts in this segment which include delivery software to its customers, of which revenue is recognized as the performance obligation is satisfied at a point in time based on deliveries. For licenses, the Group satisfies its performance obligation at the point in time when the right to use is granted to the customer, as the related software have significant stand-alone functionality and a substantial portion of the benefit is derived from this functionality. The customer can direct the use of, and obtain substantially all of the remaining benefits from, the license at the point in time at which the license transfers. The transaction price is fixed in accordance with the contract.

  In some contracts in this segment, the customer may require the Company to source specific hardware that will be needed for the customer's use. Revenue for procurement of hardware is recognised at a point in time as these are delivered at a specific point in time, i.e. when the hardware is delivered and transferred to the customer. The transaction price is determined according to the contract.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

3 Summary of material accounting policy information (continued)

Revenue recognition (continued)

- Service segment, which involves hardware support through to proactive 24/7 infrastructure and applications management. Services help shape our customers develop and run their operations and include a range of services that deliver solutions and transition services, on time, on budget and within your agreed criteria. Revenue is recognized from these contracts when the related services are provided to the customer over a period of time based on term of the contract. The transaction price is fixed in accordance with the contract.

- Talent segment, which involves outsourcing resources to customers who are looking for excellent people who are able to contribute to the organizations where they work. Revenue is recognized from these contracts when the related services are provided to the customer over a period of time based on term of the contract. The transaction price is fixed in accordance with the contract.

Contract assets and liabilities

The Group has determined that contract assets and liabilities are to be recognised at the performance obligation level and not at the contract level and both contract assets and liabilities are to be presented separately in the financial statements. The Group classifies its contract assets and liabilities as current and non-current based on the timing and pattern of flow of economic benefits.

Foreign currencies

For the purpose of these consolidated financial statements, the UAE Dirhams (AED) is the functional and the presentation currency of the Group.

Transactions in currencies other than AED (foreign currencies) are recorded 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 the reporting 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 are recognised in profit or loss in the period in which they arise.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

3 Summary of material accounting policy information (continued)

Financial instruments

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial assets

Classification of financial assets

(i) Debt instruments designated at amortised cost

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

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

(ii) Debt instrument designated at other comprehensive income

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

For financial instruments other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

3 Summary of material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Amortised cost and effective interest rate method

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

Classification of financial assets (continued)

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit impaired.

Interest income is recognised in profit or loss and is included in the "finance income - interest income" line item.

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

3 Summary of material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on, trade receivables, contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

3 Summary of material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(i) Significant increase in credit risk (continued)

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

(1) The financial instrument has a low risk of default,
(2) The borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and
(3) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

(ii) Definition of default

The Group employs statistical models to analyse the data collected and generate estimates of probability of default ("PD") of exposures with the passage of time. This analysis includes the identification for any changes in default rates and changes in key macro-economic factors across various geographies of the Group.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;
(b) a breach of contract, such as a default or past due event (see (ii) above);
(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
(e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

**Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)**

3 Summary of material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

3 Summary of material accounting policy information (continued)

Financial instruments (continued)

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on changes in fair value recognised in the consolidated statement of profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in the consolidated statement profit or loss incorporates any interest paid on the financial liability.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in statement of other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch statement of in profit or loss. The remaining amount of change in the fair value of liability is recognised in statement of profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in statement of other comprehensive income are not subsequently reclassified to statement of profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Gains or losses on financial guarantee contracts issued by the Group that are designated by the Group as at FVTPL are recognised in profit or loss.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not designated as FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

3 Summary of material accounting policy information (continued)

Current and deferred tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates enacted or substantively enacted by the end of the reporting period.

Deferred tax
Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the consolidated statement of financial position and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the condensed statement of financial position and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in condensed statement of profit or loss and other comprehensive income, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

4 Critical accounting judgments and key sources of estimation uncertainty

While applying the accounting policies as stated in note 3, management has made certain judgments, estimates and assumptions 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. Revision to accounting estimates are recognised in the period of the revision 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 judgments and estimate made by management are summarised as follows:

Critical judgments in applying the Group's accounting policies

In the process of applying Group's accounting policies, management is of the opinion that there is no instance of application of judgements which is expected to have a significant effect on the amounts recognised in the Consolidated financial statements, apart from those involving estimations described below.

Classification of properties

In the process of classifying properties, management has made various judgments. Judgment is needed to determine whether a property qualifies as an investment property, property, plant and equipment and/or property held for resale. The Group develops criteria so that it can exercise that judgment consistently in accordance with the definitions of investment property, property, plant and equipment and property held for resale. In making its judgment, management considered the detailed criteria and related guidance for the classification of properties as set out in IAS 2, IAS 16 and IAS 40, in particular, the intended usage of the property as determined by management.

Significant increase in credit risk

As explained in note 3, ECL are measured as an allowance equal to lifetime ECL for assets. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward-looking information.

Revenue recognition

Management considers recognising revenue over time, if one of the following criteria is met, otherwise revenue will be recognised at a point in time:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

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

Judgements in determining the timing of satisfaction of performance obligations

The Group generally recognise revenue over time as it performs continuous transfer of control of goods or services to the customers. Because customers simultaneously receives and consumes the benefits provided and the control transfer takes place over time, revenue is also recognised based on the extent of transfer/completion of transfer of each performance obligation. In determining the method for measuring progress for these POs, we have considered the nature of these goods and services as well as the nature of its performance.

For performance obligations satisfied at a point in time, the Group considers the general requirements of control (i.e. direct the use of asset and obtain substantially all benefits) and the following non-exhaustive list of indicators of transfer of control:

- Entity has present right to payment
- Customer has legal title
- Entity has transferred legal possession
- Customer has significant risk and rewards
- Customer has accepted the asset

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

Calculation of loss allowance

When measuring ECL the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. As at 31 December 2024, the Group’s allowance for impairment of trade receivables amounted to AED 28.57 million (2023: AED 46.75 million).

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

5 Property and equipment

	Land AED	Buildings AED	Leasehold improvement AED	Computer equipment AED	Motor vehicles AED	Furniture and office equipment AED	Total AED
Cost							
At 1 January 2023	1,780,150	68,785,461	7,716,497	24,282,752	5,026,039	10,862,599	118,453,498
Additions	-	959,357	-	874,572	457,747	435,024	2,726,700
Disposals	-	-	-	-	(683,543)	-	(683,543)
At 1 January 2024	1,780,150	69,744,818	7,716,497	25,157,324	4,800,243	11,297,623	120,496,655
Additions	-	1,034	-	1,183,845	223,818	58,221	1,466,918
Disposals	-	-	(1,700,778)	(8,266,003)	(174,000)	(3,818,080)	(13,958,861)
Transfer	(1,780,150)	-	-	-	-	-	(1,780,150)
Transferred as dividend in kind (note 26)	-	(41,385,666)	-	-	-	-	(41,385,666)
At 31 December 2024	**-**	**28,360,186**	**6,015,719**	**18,075,166**	**4,850,061**	**7,537,764**	**64,838,896**
Accumulated depreciation							
At 1 January 2023	-	26,515,633	4,899,018	22,471,217	3,874,836	9,983,920	67,744,624
Charge for the year	-	4,355,487	-	1,065,397	450,179	426,125	6,297,188
Elimination on disposal	-	-	-	-	(536,897)	-	(536,897)
At 1 January 2024	-	30,871,120	4,899,018	23,536,614	3,788,118	10,410,045	73,504,915
Charge for the year	-	3,251,544	336,405	786,069	513,920	147,650	5,035,588
Elimination on disposal	-	-	(1,700,510)	(8,263,267)	(173,998)	(3,817,665)	(13,955,440)
Transferred as dividend in kind (note 26)	-	(16,373,477)	-	-	-	-	(16,373,477)
At 31 December 2024	**-**	**17,749,187**	**3,534,913**	**16,059,416**	**4,128,040**	**6,740,030**	**48,211,586**
Carrying amount							
At 31 December 2024	**-**	**10,610,999**	**2,480,806**	**2,015,750**	**722,021**	**797,734**	**16,627,310**
At 31 December 2023	1,780,150	38,873,698	2,817,479	1,620,710	1,012,125	887,578	46,991,740

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

6 Advances paid on purchases of properties

	2024 AED	2023 AED
At 1 January	**-**	5,485,988
Addition during the year	**-**	381,412
Transfer to investment property (note 7)	**-**	(5,867,400)
At 31 December	**-**	-

Advances paid represents amounts paid to purchase of properties in Dubai. During the prior year, the construction was completed, and the property was handed over to the Group. The related cost of AED 5.87 million was transferred to investment properties, based on the determined use of such properties, i.e., internal use and rental purposes.

7 Investment properties

	2024 AED	2023 AED
At 1 January	**176,743,193**	170,664,999
Transfer to asset held for distribution (note 26)	**(158,849,793)**	-
Addition during the year	**-**	210,794
Transfer from advances paid on purchases of properties (note 6)	**-**	5,867,400
Sold during the year	**(3,896,000)**	-
Fair value gain	**1,947,600**	-
At 31 December	**15,945,000**	176,743,193

The investment properties are situated in Dubai and Abu Dhabi, UAE.

The Group's investment properties are stated at fair value at reporting period and at 31 December 2024 based on the following:

	2024 AED	2023 AED
Valued by independent external valuer	**15,945,000**	153,000,000
Internal management valuation	**-**	23,743,193
At 31 December	**15,945,000**	176,743,193

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

7 Investment properties (continued)

As at 31 December 2024, investment property with fair value of AED 15.95 million was valued by an independent external professionally qualified valuer, who holds a recognized relevant professional qualification and has recent experience in the locations and categories of the investment property valued. The valuation was determined by reference to direct comparison approach which involves adjusting the sale price of comparable properties to account for differences in location, plot area and shape, potential built-up area allowance, height allowance, date of sale, potential views and other individual characteristics (2023: AED 153.0 million).

As at 31 December 2023, investment properties with fair value of AED 23.74 million was determined internally by the management based on discounted cash flow (DCF) method, fair value is estimated based on significant unobservable inputs. These inputs include: future rental cash inflows based on the actual location, type and quality of the properties and supported by the terms of any existing lease, other contracts or external evidence such as current market rents for similar properties; discount rates reflecting current market assessments of the uncertainty in the amount and timing of cash flows; estimated vacancy rates based on current and expected future market conditions after expiry of any current lease; and terminal value taking into account assumptions regarding maintenance costs, vacancy rates and market rents.

For disclosure purposes these investment properties are being considered as Level 3.

During the year, rental income earned from investment properties amounted to AED 5.08 million (2023: AED 6.77 million) and direct cost incurred was AED 3.77 million (2023: AED 3.56 million).

8 Inventories and work in progress

	2024	2023
	AED	AED
Goods for resale	**56,026,820**	71,872,280
Work in progress	**118,512,918**	218,492,220
	174,539,738	290,364,500
Less: allowance for inventory obsolescence	**(3,587,570)**	(21,311,221)
	170,952,168	269,053,279

The cost of inventories included in cost of sales amounted to AED 1.83 billion (2023: AED 1.54 billion).

The movement in the allowance for inventory obsolescence during the year is as follows:

	2024	2023
	AED	AED
At 1 January	**21,311,221**	18,578,235
Charge for the year	**3,292,400**	3,242,400
Inventory written off	**(21,016,051)**	(509,414)
At 31 December	**3,587,570**	21,311,221

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

9 Contract assets

	2024 AED	2023 AED
Current	**352,795,707**	242,799,350

Contract assets balances relate to the Group's right on consideration for goods and services provided but not billed at the reporting date. Contract assets are 32ecognized for any work performed in line with a series of performance related milestones under software development, installation and support service contracts in excess of amounts billed to the customer.

Any amount previously 32ecognized as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. Payments that are not due from the customer until the services are complete and therefore a contract asset is 32ecognized over the period in which the services are performed to represent the Group's right to consideration for the services transferred to date. All the contract assets are expected to be realized within one year hence classified under current assets.

There were no significant changes in the contract liability balances during the reporting period. The expected credit loss ("ECL") was assessed to be immaterial as at 31 December 2024 (31 December 2023: nil).

10 Trade and other receivables

	2024 AED	2023 AED
Trade receivables:		
Local and federal government entities	**178,953,514**	177,194,017
Non-government entities	**161,928,887**	198,917,764
	340,882,401	376,111,781
Less: Allowance for expected credit loss	**(28,573,703)**	(46,750,610)
Net trade receivables	**312,308,698**	329,361,171
Prepayments and other receivables	**48,659,868**	35,561,552
Advances to suppliers	**7,000,145**	12,939,821
Retention receivables	**2,073**	383,669
Due from related parties (note 23)	**909,981**	1,121,311
	368,880,765	379,367,524

The average credit period on sale of goods and rendering of services is 60 to 90 days (2023: 60 to 90 days). No interest is charged on past due trade receivable balances.

Before accepting any new customer, the Group assesses the potential credit quality of the customer. The Group measures the provision for impairment for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

10 Trade and other receivables (continued)

The Group has adopted a policy of dealing with only creditworthy counterparties. Adequate credit assessment is made before accepting an order from counterparty. Trade receivable balances at the end of the year of AED 103.20 million (2023: AED 134.01 million) is due from the Group's 10 major customers representing 30% (2023: 36%) of trade receivables.

The following table shows the movement in lifetime ECL that has been recognised for trade and other receivables in accordance with the simplified approach set out in IFRS 9.

	Individually assessed AED	**Collectively assessed AED**	**Total AED**
At 31 December 2022	22,255,572	17,394,086	39,649,658
Net re-measurement of loss allowance	354,069	6,746,883	7,100,952
At 31 December 2023	**22,609,641**	**24,140,969**	**46,750,610**
Net re-measurement of loss allowance	**20,187,919**	**(12,574,711)**	**7,613,208**
Write-off	**(25,790,115)**	**-**	**(25,790,115)**
At 31 December 2024	**17,007,445**	**11,566,258**	**28,573,703**

The following table details the risk profile of trade receivables based on the Group's provision matrix:

	Past due					
	<30 AED	**31-90 AED**	**91-365 AED**	**>365 AED**	**Specific provision AED**	**Total AED**
31 December 2024						
Expected credit loss rate	**1.74%**	**6.76%**	**13.42%**	**12.15%**	**60.99%**	**8.38%**
Estimated total gross carrying amount at default	**254,193,691**	**4,624,057**	**15,017,923**	**39,647,659**	**27,399,071**	**340,882,401**
Lifetime ECL	**4,422,970**	**312,586**	**2,015,405**	**4,815,296**	**17,007,446**	**28,573,703**
31 December 2023						
Expected credit loss rate	1.74%	6.76%	13.42%	20.75%	100.00%	12.43%
Estimated total gross carrying amount at default	224,948,000	27,953,341	34,523,142	66,077,657	22,609,641	376,111,781
Lifetime ECL	3,906,828	1,888,286	4,631,583	13,714,272	22,609,641	46,750,610

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

11 Cash and cash equivalents

	2024 **AED**	2023 AED
Cash in hand	**404,556**	259,679
Cash at bank	**34,962,523**	102,817,114
Cash and cash equivalents	**35,367,079**	103,076,793

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	2024 **AED**	2023 AED
Cash and cash equivalents	**35,367,079**	103,076,793
Bank overdrafts (note 15)	**(12,451,182)**	**-**
Cash and cash equivalents	**22,915,897**	103,076,793

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the respective countries. Accordingly, management of the Group estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL. None of the balances with banks at the end of the reporting period are past due and taking into account the historical default experience and the current credit ratings of the bank, the management of the Group has assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

12 Share capital

The authorised, issued and fully paid share capital of the Company comprises of 1 billion shares of AED 0.03 each. (31 December 2023: 30 shares of AED 100,000 each). On 3 June 2024, the board of directors agreed to increase the Company's share capital as transfer from retained earnings amounting to AED 27.0 million, from AED 3.0 million to AED 30.0 million.

The shareholders and their respective interests are as follows:

	31 December 2024		
	Number of shares	**%**	**AED**
Bin Hamoodah Company L.L.C	**666,666,667**	**66.67%**	**20,000,000**
Ibbini Investment Company L.L.C	**333,333,333**	**33.33%**	**10,000,000**
	1,000,000,000	**100%**	**30,000,000**

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

12 Share capital (continued)

	31 December 2023		
	Number of shares	**%**	**AED**
Bin Hamoodah Company L.L.C	**20**	**66.67%**	**2,000,000**
Ibbini Investment Company L.L.C	**10**	**33.33%**	**1,000,000**
	30	**100%**	**3,000,000**

13 Statutory reserve

In accordance with the UAE Federal Law No. (32) of 2021, and the Company's Articles of Association, 5% of the annual profits should be transferred to a non-distributable statutory reserve. Transfers to this reserve are required to be made until such time as it equals at least 50% of the paid-up share capital of the Company.

On 3 June 2024, the board of directors agreed to increase the Company's statutory reserve to AED 15 million, in line with the increase in the share capital through a transfer from retained earnings.

14 Provision for employees' end of service benefit

	2024	2023
	AED	AED
At 1 January	**39,613,382**	35,077,463
Charge for the year	**9,613,465**	8,990,830
Paid during the year	**(4,904,646)**	(4,454,911)
At 31 December	**44,322,201**	39,613,382

15 Bank borrowing

	2024	2023
	AED	AED
Bank overdraft	**12,451,182**	-

Bank overdrafts are obtained from local banks with an annual interest ranging from of one month EIBOR plus 2% per annum and are secured by personal and corporate guarantee of shareholders.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

16 Trade and other payables

	2024	2023
	AED	AED
Current		
Advances from customers	**269,781,533**	250,304,177
Trade payables	**254,126,074**	233,955,791
Accrued expenses	**122,273,535**	122,513,150
VAT payable	**9,695,722**	8,273,213
Deferred revenue	**3,569,846**	2,499,178
Trade finance – current portion	**940,357**	10,355,452
	660,387,067	627,900,961
Non-current		
Trade finance	**2,118,810**	2,979,080
	662,505,877	630,880,041

The average credit period taken is 90 days (2023: 90 days). The Group has financial risk management policies in place to ensure that all payables are paid within the credit frame. No interest is charged on trade and other payables.

Trade finance pertains to outstanding balances payable in relation to the financing arrangements entered into by the Company to finance its purchase of goods and services from authorised suppliers. The financing arrangement have a tenure of 36 to 48 months and subject to interest rate of 2% per annum.

17 Income tax

On 9 December 2022, the United Arab Emirates (UAE) Ministry of Finance ("MoF") released Federal Decree-Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law") to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023. As the Group's accounting year ends on 31 December, the first tax period will be the period from 1 January 2024 to 31 December 2024, with the respective tax return to be filed on or before 30 September 2025. The taxable income of the entities that are in scope for UAE CT purposes is subject to the rate of 9% corporate tax.

The tax charge for year ended 31 December 2024 is AED 12.7 million (31 December 2023: AED nil million), representing an Effective Tax Rate ("ETR") of 9% (31 December 2023: 0%). The ETR incorporates tax rates of the UAE.

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

17 Income tax (continued)

The average rate of income tax applied on taxable profit of 9%. The charge for the year reconciled to profit before tax as at 31 December 2024 is as follows:

	2024 AED
Profit before tax	**139,498,295**
Loss not subject to tax	**310,285**
Expenses not deductible for tax purposes	**380,800**
Profit subject to tax	**140,189,380**
Current tax charge	**12,664,047**

There were no deferred tax as at 31 December 2024 (31 December 2023: nil).

18 Revenue

	2024 AED	2023 AED
Solution	**1,834,733,357**	1,500,293,928
Services	**361,776,821**	367,544,510
Talent	**126,604,468**	138,779,304
	2,323,114,646	2,006,617,742

Geographical markets:

	2024 AED	2023 AED
UAE	**2,294,579,240**	2,005,388,604
Outside the UAE	**28,535,406**	1,229,138
	2,323,114,646	2,006,617,742

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

19 Cost of sales

	2024 **AED**	2023 AED
Direct materials	**1,825,561,400**	1,538,662,652
Staff costs	**206,505,356**	199,606,506
	2,032,066,756	1,738,269,158

20 General and administrative expenses

	2024 **AED**	2023 AED
Staff costs	**97,485,261**	87,641,540
Insurance	**14,114,524**	11,999,731
Commission	**14,174,803**	14,062,678
Provision for expected credit loss	**7,613,208**	7,100,952
Depreciation	**4,948,669**	6,184,447
Repairs and maintenance	**3,284,127**	1,571,434
Provision for inventory obsolescence	**3,292,400**	3,242,400
Transportation	**2,708,512**	2,366,615
Rent	**1,256,832**	1,238,987
Professional fees	**3,418,386**	606,562
Other costs	**9,091,228**	10,039,855
	161,387,950	146,055,201

21 Other income

	2024 **AED**	2023 AED
Rental income, net (note 7)	**5,077,599**	6,765,446
Gain on disposal of property and equipment	**42,081**	84,917
Loss on disposal of investment properties	**(396,000)**	-
Miscellaneous income	**6,587,102**	2,665,632
	11,310,782	9,515,995

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

22 Basic and diluted earnings per share

Basic earnings per share amounts is calculated by dividing the earnings for the period by the weighted average number of shares outstanding during the period.

There are no dilutive securities, therefore diluted earnings per share is the same as basic earnings per share. The following reflects the earnings and share data used in the earnings per share computations:

	2024	2023
	AED	AED
Profit for the period (AED)	**126,834,248**	133,086,435
Weighted average number of shares in issue	**519,125,697**	30
Basic and diluted earnings per share (AED)	**0.24**	4,436,214

23 Related party transactions

The Group, in its ordinary course of business, enters a variety of transactions at agreed terms and conditions, with companies, entities or individuals that fall within the definition of "related parties" as defined in IAS 24: *Related Party Disclosures*. Related parties mainly comprise the major shareholders, directors and entities related to them, companies under common ownership and/or common management and control, their partners and key management personnel.

Balances with related parties at the end of the reporting period are as follows:

	2024	2023
	AED	AED
Due from related parties (note 9)		
Al Geemi and Partners Contracting Company L.L.C.	**253,384**	179,412
Bin Hamoodah Trading and General Services L.L.C.	**1,859**	-
Bin Hamoodah Company L.L.C.	**-**	34,829
Bin Hamoodah Properties Company L.L.C	**3,155**	-
Gulf Industrial Services Company (GISCO) L.L.C.	**643,216**	752,681
Gulf Commercial Agency L.L.C.	**-**	127,614
Gulf Automatic Services and Oilfield Supplies (GASOS) L.L.C.	**8,367**	-
United Metal Works Establishment L.L.C.	**-**	26,775
	909,981	1,121,311

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

23 Related party transactions (continued)

Transactions with related parties during the year are as follows:

	2024	2023
	AED	AED
Revenue	**2,556,512**	3,187,339
Dividends distributed (note 26)	**434,886,982**	90,000,000

Compensation of key management personnel

The remuneration of key management during the year was as follows:

	2024	2023
	AED	AED
Short term benefits	**6,042,574**	5,514,556
Long term benefits	**78,664**	83,860
	6,121,238	5,598,416

24 Contingencies and commitments

	2024	2023
	AED	AED
Bank guarantees	**506,599,573**	494,667,765

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

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

25 Financial instruments

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 3 of the consolidated financial statements.

Financial risk management

The Group's management monitors and manages financial risks based on its internal company policies. The Group seeks to minimise the effects of financial risks by using appropriate risk management techniques which are reviewed by management on a continuous basis.

The Group does not enter or trade in financial instruments, including derivative financial instruments, for speculative purposes. The Group analyses financial risks under the following captions:

Capital risk management

The Group manages its capital to ensure it will be able to continue as a going concern while maximising the return on equity. The Group's overall strategy remains unchanged from 2023

The Group monitors and adjusts its capital structure with a view to promote the long-term success of the business while maintaining sustainable returns for shareholders. This is achieved through a combination of risk management actions including monitoring solvency, minimising financing costs, and maintaining high standards of business conduct.

Credit risk in relation to the Group refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group.

Key areas where the Group is exposed to credit risk are trade and other receivables, contract assets and bank and cash balances.

The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group attempts to control credit risk by monitoring credit exposures, limiting transactions with specific non-related counterparties, and continually assessing the creditworthiness of such non-related counterparties.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group, and arises principally from the Group's trade and other receivables and bank balances. The Group has adopted a policy of only dealing with creditworthy counterparties, however significant revenue is generated by dealing with high profile customers, for whom the credit risk is assessed to be low. The Group attempts to control credit risk by monitoring credit exposures, limiting transactions with specific non-related counter-parties, and continually assessing the creditworthiness of such non-related counter-parties. Bank balances are assessed to have low credit risk of default since these banks are highly regulated by the UAE Central Bank.

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

25 Financial instruments (continued)

Credit risk management (continued)

The amount that best represents maximum credit risk exposure on financial assets at the end of the reporting period, in the event counter parties fail to perform their obligations generally approximates their carrying value. Trade and other receivables and balances with banks are not secured by any collateral.

As at 31 December 2024, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position. In order to minimise credit risk, the Group has tasked its Management to develop and maintain the Group's credit risk grading to categorise exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, the Management uses other publicly available financial information and the Group's own trading records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The tables below detail the credit quality of the Group's financial assets, contract assets and financial guarantee contracts, as well as the Group's maximum exposure to credit risk by credit risk rating grades.

	Notes	External credit ratings	Internal credit ratings	12 month or lifetime ECL	Gross carrying amount AED	Loss allowance AED	Net carrying amount AED
31 December 2024							
Trade receivables	10	N/A	i	Lifetime ECL	**340,882,401**	**(28,573,703)**	**312,308,698**
Due from related parties	23	N/A	i	Lifetime ECL	**909,981**	-	**909,981**
Cash and cash equivalents	11	AA	N/A	12-month ECL	**35,367,079**	-	**35,367,079**
Contract assets	9	N/A	i	Lifetime ECL	**352,795,707**		**352,795,707**
31 December 2023							
Trade receivables	10	N/A	i	Lifetime ECL	376,111,781	(46,750,610)	329,361,171
Due from related parties	23	N/A	i	Lifetime ECL	1,121,311	-	1,121,311
Cash and bank balances	11	AA	N/A	12-month ECL	103,076,793	-	103,076,793
Contract assets	9	N/A	i	Lifetime ECL	242,799,350		242,799,350

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

25 Financial instruments (continued)

Credit risk management (continued)

i. For trade receivables, contract assets, refundable deposits and due from related parties, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items by using a loss rate, estimated based on historical credit loss experience based on the past due status of each debtor, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

Liquidity risk management

The Group manages liquidity risk by maintaining adequate reserves and banking facilities and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The table below summaries the maturity profile of the Group's non-derivative financial instruments. The contractual maturities of the financial instruments have been determined based on the remaining period at the end of the reporting period to the contractual maturity date. The maturity profile is monitored by management to ensure adequate liquidity is maintained.

The liquidity profile of the financial liabilities at the end of the reporting period was as follows:

	Less than 3 months AED	**3 to 12 months AED**	**1 to 5 years AED**	**More than 5 years AED**	**Total AED**
31 December 2024					
Trade and other payables (other than advances from customers)	**-**	**389,665,177**	**-**	**-**	**389,665,177**
Trade finance	**-**	**940,357**	**2,118,810**	**-**	**3,059,167**
Bank borrowing	**12,451,182**	**-**	**-**	**-**	**12,451,182**
	12,451,182	**390,605,534**	**2,118,810**	**-**	**405,175,526**
31 December 2023					
Trade and other payables (other than advances from customers)	-	367,241,332	-	-	367,241,332
Trade finance	-	10,355,452	2,979,080	-	13,334,532
	-	377,596,784	2,979,080		380,575,864

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

25 Financial instruments (continued)

Currency risk management

Assets are typically funded in the same currency as that of the business being transacted to eliminate exchange exposure. Management believes that there is a minimal risk of significant losses due to exchange rate fluctuation and consequently the Group does not hedge foreign currency exposure.

Fair value of financial assets and liabilities

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Management considers that the fair values of financial assets, investment properties and financial liabilities approximate their carrying amounts as stated in the consolidated financial statements.

Fair value measurement of non-financial assets

Fair value of investment properties has been determined by an independent valuer (the "Valuer") using market value approach, based on the current property market condition in the UAE. The market has been assessed by the Valuer and certain internal data has been provided by the management, therefore, the fair valuation falls under level 3. The following are the valuation technique and fair value hierarchy as at 31 December 2024 and 2023:

	Fair value AED	Fair value hierarchy	Valuation technique
Investment properties	**15,945,000** (2023: 176,743,193)	Level 3	Direct comparison approach

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

26 Dividends

The Board of directors declared cash dividends as follows:

- AED 30.00 million on 2 January 2024
- AED 60.00 million on 20 March 2024
- AED 60.00 million on 2 July 2024
- AED 60.00 million on 6 August 2024
- AED 22.53 million on 1 October 2024
- AED 3.45 million on 19 November 2024
- AED 15.00 million on 31 December 2024

All cash dividends were paid during the year-ended 31 December 2024 (2023: AED 90.0 million).

Dividend in kind
On 19 August 2024, the Board of directors also declared dividends in the form of transfer of items of investment properties and property and equipment amounting to AED 158.85 million and AED 25.01 million, respectively. As of the reporting date, the legal ownership of assets is transferred to the shareholders.

27 Zakat paid

Zakat is calculated and paid at the discretion of the shareholders.

28 Operating segment information

The Group has three reportable segments, as described below, which are aligned with the Group's strategic business units. The strategic business units offer different products and services and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Board of Directors review internal management reports on at least a quarterly basis.

The following summary describes the operations in each of the Group's reportable segment:

- Solutions segment, which provides integration of IT technologies which includes a complete range of service such as supply of servers, storage solutions, printing solutions, security solutions and services to a variety of customers. This segment is to deliver a successful integration of complex systems which requires both specialized skills and the right level of experience;
- Service segment, which involves hardware support through to proactive 24/7 infrastructure and applications management. Services help shape our customers develop and run their operations and include a range of services that deliver solutions and transition services, on time, on budget and within your agreed criteria; and
- Talent segment, which involves outsourcing resources to customers who are looking for excellent people who are able to contribute to the organizations where they work.

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

28 Operating segment information (continued)

Information regarding the results of each reportable segment is included below. Performance is measured based on segment gross profit, as included in the internal management reports data reviewed by the Group's executive management. Segment gross profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Information reported to the Board of Directors focuses on the financial performance of each business segment only. No information that includes the segments' assets and liabilities are reported to the Board of Directors.

Consolidated statement of profit or loss for the year ended 31 December 2024:

	Solutions	Services	Talent	Total
	AED	AED	AED	AED
Revenue from external customers	**1,834,733,357**	**361,776,821**	**126,604,468**	**2,323,114,646**
Cost of sales	**(1,658,216,559)**	**(272,337,679)**	**(101,512,518)**	**(2,032,066,756)**
Gross profit	**176,516,798**	**89,439,142**	**25,091,950**	**291,047,890**

Consolidated statement of profit or loss for the year ended 31 December 2023:

	Solutions	Services	Talent	Total
	AED	AED	AED	AED
Revenue from external customers	**1,500,293,928**	**367,544,510**	**138,779,304**	**2,006,617,742**
Cost of sales	**(1,339,091,365)**	**(287,525,024)**	**(111,652,769)**	**(1,738,269,158)**
Gross profit	**161,202,563**	**80,019,486**	**27,126,535**	**268,348,584**

Additional information required by IFRS 8 Segment Reporting, is disclosed below:

Information about geographical segments

Consolidated statement of profit or loss for the year ended 31 December 2024:

	UAE	KSA	Qatar	Total
	AED	AED	AED	AED
Revenue from external customers	**2,294,579,240**	**24,257,609**	**4,277,797**	**2,323,114,646**
Cost of sales	**(2,007,480,316)**	**(20,747,226)**	**(3,839,214)**	**(2,032,066,756)**
Gross profit	**287,098,924**	**3,510,383**	**438,583**	**291,047,890**

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

28 Operating segment information (continued)

Consolidated statement of profit or loss for the year ended 31 December 2023:

	UAE	KSA	Qatar	Total
	AED	AED	AED	AED
Revenue from external customers	2,005,388,605	158,637	1,070,500	2,006,617,742
Cost of sales	(1,736,808,150)	(309,460)	(1,151,548)	(1,738,269,158)
Gross profit	268,580,455	(150,822)	(81,048)	268,348,584

29 Approval of consolidated financial statements

The consolidated financial statements were approved by management and authorised for issue on 3 February 2025.