MAIR Group P.J.S.C.
(Formerly known as Abu Dhabi Co-operative Society)

Independent auditor's reports and consolidated financial statements
for the year ended 31 December 2024

Principal business address:
P O Box 833
Abu Dhabi
UAE

MAIR Group P.J.S.C.
(formerly Abu Dhabi Co-operative Society)

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

Contents ***Pages***

Board of Directors' report	1 - 3
Independent auditors' report	4 - 8
Consolidated statement of profit or loss	9
Consolidated statement of other comprehensive income	10
Consolidated statement of financial position	11 - 12
Consolidated statement of changes in equity	13
Consolidated statement of cash flows	14 - 15
Notes to the consolidated financial statements	16 - 90

MAIR Group P.J.S.C.
(formerly Abu Dhabi Co-operative Society)

Board of Directors' Report
for the year ended 31 December 2024

The Board of Directors of MAIR Group P.J.S.C. ("MAIR" or the "Company") has the pleasure of submitting their report, together with the audited consolidated financial statements of MAIR and its subsidiaries (together, referred to as, the "Group") for the fiscal year ended 31 December 2024.

The Principal Business Activities of MAIR Group

MAIR Group is a public joint stock company listed on the First Market of Abu Dhabi Securities Exchange ("ADX") as of 9 December 2024. The Company emerged as a result of the conversion of the Abu Dhabi Cooperative Society ("ADCOOP") from a cooperative society into a public joint stock company.

The Group manages a portfolio of strategic investments based in Abu Dhabi with the objective of supporting the sustainable growth of the Emirate of Abu Dhabi, side by side with the economic development and achievement of community welfare. MAIR manages a group of businesses residing in its investment portfolio including SPAR and ADCOOP that is considered as one of the top five retail brands in the UAE, additionally, MAKANI, the real estate arm of MAIR, plays a key role in driving strategic growth in commercial real estate and food retail shops. Through the development of shopping and community malls, MAKANI directly contributes to the economic growth of Abu Dhabi.

The principal activities of the Company, as stated in its Articles of Association, include the import and sale of foodstuffs, household equipment and general retail items. In addition, the Company has a portfolio of real estate investments which are leased to third parties to generate rental income.

The Development of MAIR Group

Abu Dhabi Cooperative Society was registered in the records of the Co-operative Department under the Ministry of Labor and Social Affairs Decree No. 21/1 of 1980, dated 6 May 1980.

On 9 November 2023, the Department of Economic Development in Abu Dhabi ("DED") issued Administrative Resolution no. 59 (Resolution 59) to merge three cooperative societies – Al Ain Cooperative Society ("AACS"), Delma Cooperative Society ("DCS"), and the Al Dhafra Cooperative Society ("ADCS") (together, the "Subject Entities") into ADCOOP.

As per Resolution 59, the Subject Entities were dissolved, by cancelling their licenses and having their assets and liabilities merged to ADCOOP. The Subject Entities will cease to exist, and their operations will form part of ADCOOP.

Transformation into a Public Joint Stock Company

Pursuant to the resolution issued by the Department of Economic Development on 6 February 2024, the legal structure of ADCOOP has been changed to a Public Joint Stock Company ("P.J.S.C."). Its name is changed to MAIR Group P.J.S.C. and UAE Federal Decree Law No. (32) of 2021 applied to the Company starting from 6 February 2024.

Financial Performance in 2024

Revenue from contracts with customers

Revenues from contracts with customers during the year 2024 amounted to AED 1,792 million compared to AED 1,190 million during 2023, an increase of AED 602 million.

Revenues from investment property rentals

Revenues from property activity during the year 2024 amounted to AED 211 million compared to AED 162 million during 2023, an increase of AED 49 million.

Net Profit

Net profit during the current year 2024 amounted to AED 171 million compared to year 2023 of AED 26 million, with an increase of AED 145 million.

Dividends for the Fiscal Year 2024

Based on the above, the Board of Directors proposes a dividend for the year ended 31 December 2024 of AED 135 million, which is subject to the approval of the shareholders at the Annual General Meeting in 2025.

Outlook for 2025

In 2025, we will focus on unlocking further benefits of scale, optimizing operations, and advancing strategic initiatives across food retail, commercial real estate, and food production. We are confident that Mair Group is strategically positioned for sustained growth and will remain a key contributor to economic progress of the UAE.

Accounts

The Directors have reviewed and approved the consolidated financial statements of the Group for the year ended 31 December 2024.

Release

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

Transactions with Related Parties

The consolidated financial statements disclose related party transactions and balances in note 31. All transactions are carried out as part of our normal course of business and in compliance with applicable laws and regulations.

Auditors

KPMG Lower Gulf Limited ("KPMG") was appointed as external auditors for the Group for the year ended 31 December 2024. KPMG has expressed their readiness to continue in this role. A recommendation for KPMG reappointment for the subsequent financial year will be presented at the Annual General Meeting.

Statement of Disclosure to Auditors

The Directors of MAIR Group hereby certify, to the best of their knowledge and belief, that there is no relevant audit information of which the Group's auditor is unaware. Furthermore, the Directors confirm that they have taken all necessary and reasonable steps to ascertain any relevant audit information and to ensure that the Group's auditor has been duly informed of such information, in compliance with applicable legal and regulatory requirements.

Board of Directors

The Board of Directors in its current tenure consists of nine members as follows, their memberships are valid for three years from the date of appointment *(9 November 2023).*

	Director	Capacity	Date of Appointment
1	Captain Mohamed Juma Alshamsi	Chairman	9 November 2023
2	Mr. Nehayan Hamad Alameri	Board Member, Managing Director and Group CEO	9 November 2023
3	H.E. Mansoor Mohamed Alhamed	Board Member	9 November 2023
4	H.E. Mohamed Haji Alkhoori	Board Member	9 November 2023
5	Mr. Ali Rashed Alrashdi	Board Member	9 November 2023
6	Mrs. Futoon Hamdan Al Mazrouei	Board Member	9 November 2023
7	Mr. Majed Ateeq Almheiri	Board Member	9 November 2023
8	Mr. Musabah Alkendi Almarar	Board Member	9 November 2023
9	H.E. Abubaker Alkhoori	Board Member	11 December 2024
10	Mr. Mohamed Saeed AlGhfeli*	Board Member	9 November 2023

** Resigned on 9 December 2024*

We would like also to thank all those who contributed to the success of our business over the past year especially our customers who have given us their trust, as well as our staff for their sincere efforts, their hard work, their matchless loyalty and their success in developing and improving their performance. We have confidence that the same spirit will remain during 2025 to achieve more successes.

On behalf of MAIR Group



Mr. Mohamed Juma Alshamsi
Chairman

KPMG Lower Gulf Limited
Level 19, Nation Tower 2
Corniche Road, P.O. Box 7613
Abu Dhabi, United Arab Emirates
Tel. +971 (2) 401 4800, www.kpmg.com/ae

Independent auditors' report

To the Shareholders of MAIR Group P.J.S.C.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of MAIR Group P.J.S.C. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory 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 consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards)

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the 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.

Key Audit Matters

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

©2025 KPMG Lower Gulf Limited, licensed in the United Arab Emirates and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. KPMG Lower Gulf Limited is registered and licensed under the laws of the United Arab Emirates.

Key Audit Matters (continued)

Impairment testing of goodwill

See Note 19 to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
As at 31st December 2024, the carrying value of goodwill amounts to, AED 930,014 thousand (2023: AED 1,009,204 thousand). Goodwill represents approximately 16% of the Group's total assets in the consolidated statement of financial position as of 31 December 2024. The goodwill has been fully allocated to the retail CGU which consist of various stores, branches, super markets, hypermarkets and brands. The annual impairment testing of goodwill is considered to be a key audit matter due to the complexity of the accounting requirements and the significant judgement required in determining the assumptions to be used to estimate the recoverable amount. The recoverable amount of the CGUs is determined as the higher of value in use or fair value less costs of disposal. Since value in use is higher, it has been calculated using discounted forecast cash flow models. These models use several key assumptions with high degree of estimation uncertainty, cash flow projections, including forecasted revenue, operating cost, capital expenditure, gross margin, terminal value growth rate and determination of the weighted-average cost of capital (discount rate). Accordingly, this was identified as a key audit matter.	Our audit procedures in this area included, among others: • Obtaining an understanding of the management process of identifying CGU, including identification of impairment triggers, allocation of goodwill and determining carrying amount of CGU; • Evaluating the qualification and independence of the external valuer involved by management and read the terms of engagement of the valuer with the Group to determine whether there were any matters that might have affected their objectivity or limited the scope of their work; • Obtaining valuation report prepared by management specialist and involving KPMG valuation specialist to assist in evaluating the appropriateness of the assumptions applied to key inputs such as terminal value growth rate, discount rates applied, which included comparing the weighted-average cost of capital with sector averages for the relevant markets in which the CGUs operate; • Evaluating the appropriateness of the assumptions applied to key inputs such as revenue growth, gross margin and operating cost, and reconciled the cashflows used in valuation workings to with strategic five year business plan approved by Board of Directors and our own assessment based on knowledge of the Group's business; • Checking the mathematical accuracy of the working provided by the management; • Performing our own sensitivity analysis, which included assessing the effect of reasonably possible changes in growth rates, discount rates and forecast cash flows to evaluate the impact on the currently estimated headroom for the retail CGU: and • Assessed the adequacy of the financial statement disclosures, including disclosures of key assumptions and judgements in accordance with applicable financial reporting framework.

©2025 KPMG Lower Gulf Limited, licensed in the United Arab Emirates and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. KPMG Lower Gulf Limited is registered and licensed under the laws of the United Arab Emirates.

Key Audit Matters (continued)

Valuation of investment property

See Note 17 to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
The Group's investment properties as at 31 December 2024 amounted to AED 1,922,525 thousand (2023: AED 1,770,487 thousand). Investment properties represents approximately 34% of the Group's total assets in the consolidated statement of financial position as of 31 December 2024. Investment properties are currently measured at fair value in accordance with IAS 40 as per the fair value measurement requirements of IFRS 13. The investment properties are stated at fair value which have been derived based on valuations conducted by independent external valuer appointed by management as of 31 December 2024. Valuation technique used in determining fair value included mainly income approach and market comparable approach. The valuation of investment properties involves significant estimation uncertainty due to the reliance on key assumptions such as future rental income, capitalization rates, and market trends. Small changes in these assumptions could lead to material fluctuations in fair value, directly impacting the financial statements. Accordingly, this was identified as a key audit matter.	As part of our audit procedures, we; • Obtaining an understanding of the process implemented by the Group and evaluated the design and implementation of relevant controls over valuation of investment properties. • On a sample basis, we have evaluated the qualification, experience and independence of the external real estate valuer involved by management and read the terms of engagement of the valuers with the Group to determine whether there were any matters that might have affected their objectivity or limited the scope of their work; • Involving KPMG real estate valuation specialist, who on a sample basis, to assess valuation methodologies used in the valuation process and challenged assumptions for key estimates of discount rates and capitalisation rate used in the valuation by comparing them with available industry data, taking into consideration comparability and market factors. • Assessed on a sample basis the accuracy of observable inputs used in the valuations, such as property details, rental income, occupancy rates, rent rates and lease lengths back to lease agreements for a sample of properties. • Performing sensitivity analysis on the significant assumptions to evaluate the extent of the impact of changes in the key assumptions to the conclusions reached by the management. • Assessed the adequacy of the disclosure in the consolidated financial statements in accordance with applicable financial reporting framework.

Other Information

The Board of Directors are responsible for the other information. The other information comprises the information contained in the Annual Report, but does not include the consolidated financial statements and our auditors' report thereon. We obtained the Board of Directors' report section prior to the date of our Auditors' Report, and we expect to obtain the remaining sections of the Annual Report after the date of the auditors' report

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

©2025 KPMG Lower Gulf Limited, licensed in the United Arab Emirates and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. KPMG Lower Gulf Limited is registered and licensed under the laws of the United Arab Emirates.

Other Information (continued)

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 obtained prior to the date of this auditors' 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 and their preparation in compliance with the applicable provisions of the UAE Federal Decree Law No. 32 of 2021 and for such internal control as management determines 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 has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism 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 risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of 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 auditors' 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 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.

©2025 KPMG Lower Gulf Limited, licensed in the United Arab Emirates and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. KPMG Lower Gulf Limited is registered and licensed under the laws of the United Arab Emirates.

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

— 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.

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

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

Report on Other Legal and Regulatory Requirements

Further, as required by the UAE Federal Decree Law No. 32 of 2021 we report that for the period from 6 February 2024 to 31 December 2024:

i) we have obtained all the information and explanations we considered necessary for the purposes of our audit;

ii) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Decree Law No. 32 of 2021;

iii) the Group has maintained proper books of account;

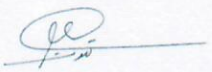
iv) the financial information included in the Directors' report is consistent with the books of account of the Group;

v) as disclosed in note 22 to the consolidated financial statements, the Group has not purchased any shares during the year ended 31 December 2024;

vi) note 31 to the consolidated financial statements discloses material related party transactions and the terms under which they were conducted; and

vii) 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 in respect of the Company, its Articles of Association, which would materially affect its activities or its consolidated financial position as at 31 December 2024.

KPMG Lower Gulf Limited



Maher AlKatout
Registration No.: 5453
Abu Dhabi, United Arab Emirates

Date: 20 March 2025

©2025 KPMG Lower Gulf Limited, licensed in the United Arab Emirates and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. KPMG Lower Gulf Limited is registered and licensed under the laws of the United Arab Emirates.

MAIR Group P.J.S.C.
(formerly Abu Dhabi Co-operative Society)

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

	Notes	**2024 AED'000**	2023 AED'000 *(Reclassified)*
Continuing operations			
Revenue from contracts with customers (retail)		**1,792,400**	1,189,702
Rental revenue		**211,172**	162,400
Other revenue		**3,453**	1,079
Total revenues	*6*	**2,007,025**	1,353,181
Cost of retail goods sold		**(1,352,661)**	(881,152)
Gross profit		**654,364**	472,029
General, administrative and selling expenses	*9*	**(238,699)**	(132,784)
Employee benefits expense	*10*	**(203,282)**	(146,242)
Depreciation and amortisation	*11*	**(124,071)**	(75,486)
Impairment loss on trade and other receivables	*24*	**(22,237)**	(25,628)
Impairment loss on non-current assets	*16,21*	**(31,392)**	-
Other operating income / (expenses)	*12*	**175,700**	(2,849)
Operating profit		**210,383**	89,040
Share of profit/(loss) of equity accounted investees, *net of tax*	*21*	**9,552**	(467)
Other income		**3,533**	2,149
Finance costs	*13*	**(83,950)**	(64,335)
Finance income	*13*	**26,371**	4,690
Profit before tax from continuing operations		**165,889**	31,077
Income tax expense	*35*	**(12,675)**	-
Profit from continuing operations		**153,214**	31,077
Discontinued operations			
Profit/(loss) from discontinued operations *(net of tax)*	*14*	**17,935**	(5,215)
Profit for the year		**171,149**	25,862
Basic and diluted earnings per share in dirhams	*15*	**0.08**	0.03
Basic and diluted earnings per share for profit from continuing operations in dirhams	*15*	**0.07**	0.03

The comparative information has been re-presented due to a discontinued operations and a change in classification, refer to Note 14 and 38 respectively.

The notes on pages 16 to 90 are an integral part of these consolidated financial statements.

The independent auditors' report is set out on pages 4 to 8.

MAIR Group P.J.S.C.
(formerly Abu Dhabi Co-operative Society)

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

	Note	**2024 AED'000**	2023 AED'000
Profit for the year		**171,149**	25,862
Other comprehensive income:			
Items that may be subsequently reclassified to profit or loss:			
Fair value gains on debt investments at fair value through other comprehensive income (FVTOCI)	*22*	**2,112**	524
Items that will not be subsequently reclassified to profit or loss:			
Fair value gains on equity investments at FVTOCI	*22*	**3,980**	6,214
Gain from revaluation of property and equipment	*16*	**55,866**	1,255
Related tax	*35*	**(4,242)**	-
Other comprehensive income for the year		**57,716**	7,993
Total comprehensive income for the year		**228,865**	33,855

The notes on pages 16 to 90 are an integral part of these consolidated financial statements.

The independent auditors' report is set out on pages 4 to 8.

MAIR Group P.J.S.C.
(formerly Abu Dhabi Co-operative Society)

Consolidated statement of financial position
as at 31 December 2024

	Notes	**2024 AED'000**	2023 AED'000 *(Reclassified)*
ASSETS			
Non-current assets			
Property and equipment	*16*	**825,307**	821,732
Investment properties	*17*	**1,856,846**	1,770,487
Right-of-use assets	*20*	**619,011**	538,385
Intangible assets	*18*	**28,979**	77,553
Goodwill	*19*	**930,014**	1,009,204
Investment in equity-accounted investees	*21*	**181,245**	29,684
Investments at fair value through other comprehensive income	*22*	**65,199**	280,842
Total non-current assets		**4,506,601**	4,527,887
Current assets			
Inventories	*23*	**204,426**	247,576
Investments at fair value through profit or loss	*22*	**65,627**	89,135
Trade and other receivables	*24*	**293,928**	238,331
Cash and cash equivalents	*25*	**504,303**	776,618
Assets classified as held for sale	*14*	**98,207**	223,749
Total current assets		**1,166,491**	1,575,409
Total assets		**5,673,092**	6,103,296

MAIR Group P.J.S.C.
(formerly Abu Dhabi Co-operative Society)

Consolidated statement of financial position *(continued)*
as at 31 December 2024

	Notes	2024 AED'000	2023 AED'000 (Reclassified)
EQUITY AND LIABILITIES			
Equity			
Share capital	*29*	**1,115,362**	899,190
Share premium	*29*	**2,299,960**	1,593,136
Shares to be issued	*29*	**-**	922,996
Statutory reserve	*30*	**556,808**	539,693
Investments fair value reserve		**(11,470)**	(148,529)
Revaluation reserve		**80,067**	29,229
Retained earnings		**213,222**	327,779
Total equity		**4,253,949**	4,163,494
Non-current liabilities			
Employees' end of service benefits	*28*	**27,471**	33,500
Lease liabilities	*20*	**608,528**	560,379
Borrowings	*27*	**157,790**	723,049
Total non-current liabilities		**793,789**	1,316,928
Current liabilities			
Trade and other payables	*26*	**524,777**	504,139
Lease liabilities	*20*	**86,372**	65,563
Bank overdraft	*25*	**-**	43,425
Borrowings	*27*	**13,000**	2,050
Liabilities directly associated with assets classified as held for sale	*14*	**1,205**	7,697
Total current liabilities		**625,354**	622,874
Total liabilities		**1,419,143**	1,939,802
Total equity and liabilities		**5,673,092**	6,103,296

The comparative information has been re-presented due to a change in classification, refer to Note 38.

To the best of our knowledge, the consolidated financial statements fairly present, in all material respects, the financial position, results of operation and cash flows of the Group as of, and for, the year ended 31 December 2024.

These consolidated financial statements were approved for issue by the Board of Directors on 19 March 2025, and signed on their behalf by:

Mr. Mohamed Juma Alshamsi
Chairman

Mr. Nehayan Hamad Alameri
Managing Director & Group CEO

The notes on pages 16 to 90 are an integral part of these consolidated financial statements.

The independent auditors' report is set out on pages 4 to 8.

MAIR Group P.J.S.C.
(formerly Abu Dhabi Co-operative Society)

Consolidated statement of changes in equity

for the year ended 31 December 2024

	Share capital AED'000	Share premium AED'000	Shares to be issued AED'000	Statutory reserve AED'000	Investment fair value reserve AED'000	Revaluation reserve AED'000	Retained earnings AED'000	Total AED'000
Balance at 1 January 2023	381,403	289,500	-	533,418	(155,267)	27,974	366,615	1,443,643
Profit for the year	-	-	-	-	-	-	25,862	25,862
Other comprehensive income for the year	-	-	-	-	6,738	1,255	-	7,993
Total comprehensive income for the year	-	-	-	-	6,738	1,255	25,862	33,855
Issue of ordinary shares *(note 29)*	517,787	1,692,630	-	-	-	-	-	2,210,417
Dividends for the year ended 31 December 2022	-	-	-	-	-	-	(57,210)	(57,210)
Transfer to statutory reserve *(note 30)*	-	-	-	6,275	-	-	(6,275)	-
Write off of equity instruments at FVOCI (note 22)	-	-	-	-	-	-	(1,213)	(1,213)
Shares to be issued as a result of the merger (note 29)	-	(388,994)	922,996	-	-	-	-	534,002
Balance at 31 December 2023	899,190	1,593,136	922,996	539,693	(148,529)	29,229	327,779	4,163,494
Balance at 1 January 2024	899,190	1,593,136	922,996	539,693	(148,529)	29,229	327,779	4,163,494
Profit for the year	-	-	-	-	-	-	171,149	171,149
Other comprehensive income for the year	-	-	-	-	6,878	50,838	-	57,716
Total comprehensive income for the year					6,878	50,838	171,149	228,865
Issue of ordinary shares *(note 29)*	216,172	706,824	(922,996)	-	-	-	-	-
Dividends for the year ended 31 December 2023	-	-	-	-	-	-	(135,070)	(135,070)
Transfer to statutory reserve *(note 30)*	-	-	-	17,115	-	-	(17,115)	-
Disposal of equity investments designated at FVOCI	-	-	-	-	133,521	-	(133,521)	-
Disposal of debt investments designated at FVOCI	-	-	-	-	(3,340)	-	-	(3,340)
Balance at 31 December 2024	**1,115,362**	**2,299,960**	**-**	**556,808**	**(11,470)**	**80,067**	**213,222**	**4,253,949**

The notes on pages 16 to 90 are an integral part of these consolidated financial statements.

MAIR Group P.J.S.C.
(formerly Abu Dhabi Co-operative Society)

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

	Notes	**2024 AED'000**	2023 AED'000 *(Reclassified)*
Cash flows from operating activities			
Profit for the year		**171,149**	25,862
Adjustments for:			
Changes in fair value of investments at FVTPL	*22*	**2,571**	(1,683)
Share of (profit)/loss of equity accounted investees	*21*	**(9,552)**	467
Finance costs	*13*	**48,558**	45,012
Finance income	*13*	**(26,371)**	(4,690)
Dividend income	*12*	**(13,146)**	(3,360)
Depreciation of property and equipment	*16*	**55,048**	26,653
Amortisation of intangible assets	*18*	**6,510**	988
Changes in fair value of investment properties	*17*	**(9,332)**	(8,293)
Gain on disposal of investment properties	*12*	**(45,420)**	-
(Gain)/ loss on disposal of property and equipment	*12*	**(67)**	5,800
Net gain on disposal of investments at FVTOCI	*12*	**(9,892)**	-
Gain on disposal of investments at FVTPL	*12*	**(21)**	(977)
Gain on disposal of assets and liabilities held for sale	*12*	**(49,241)**	-
Gain on disposal of discontinued operation, net of tax	*14*	**(17,840)**	-
Provision for employees' end of service benefits	*28*	**6,270**	7,569
Depreciation of right-of-use assets	*20*	**70,051**	49,074
Interest expense on lease liabilities	*20*	**35,392**	19,323
Gain from derecognition of lease contracts	*12*	**(560)**	(863)
Impairment loss on trade and other receivables	*24*	**22,237**	25,628
Impairment loss on slow moving inventories	*23*	**3,272**	1,159
Impairment loss on equity accounted investees	*21*	**9,438**	-
Impairment loss on property and equipment	*16*	**21,954**	-
Write-off of property and equipment	*12*	**1,673**	12,418
Write-off of intangible assets	*18*	**-**	35
Loss on revaluation of property and equipment		**-**	498
Fair value reserve recycled from OCI to profit and loss on disposal of debt investments carried at FVTOCI	*12*	**(3,340)**	-
Income tax expense	*35*	**12,675**	-
		282,016	200,620
Changes in:			
Inventories		**39,878**	28,036
Trade and other receivables		**(68,896)**	75,722
Trade and other payables		**(3,849)**	(46,868)
Cash generated from operations		**249,149**	257,510
Employees' end of service benefits paid	*28*	**(11,607)**	(7,467)
Net cash generated from operating activities		**237,542**	250,043

MAIR Group P.J.S.C.
(formerly Abu Dhabi Co-operative Society)

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

	Notes	**2024 AED'000**	2023 AED'000 *(Reclassified)*
Cash flows from investing activities			
Acquisition of property and equipment	*16*	**(138,625)**	(120,941)
Acquisition of investment properties	*17*	**-**	(15,998)
Acquisition of intangible assets	*18*	**(295)**	(1,308)
Acquisition of investments at FVTPL	*22*	**-**	(11,991)
Acquisition of investments at FVTOCI	*22*	**-**	(265)
Proceeds from disposal of property and equipment		**2,494**	502
Proceeds from disposal of intangible assets		**19**	-
Proceeds from disposal of investment properties		**78,750**	-
Proceeds from disposal of held for sale assets and liabilities		**150,000**	-
Proceeds from disposal of investments at FVTPL		**20,958**	9,260
Proceeds from disposal of investments at FVTOCI		**230,286**	-
Dividends received from investments	*12*	**13,146**	3,360
Interest received	*13*	**26,371**	4,690
Net cash acquired from the acquisition of businesses	*5*	**-**	575,175
Net cash from investing activities		**383,104**	442,484
Cash flows from financing activities			
Dividends paid		**(116,548)**	(41,253)
Payment of lease liabilities		**(79,568)**	(49,077)
Interest paid on lease liabilities	*20*	**(35,392)**	(19,323)
Interest paid on borrowings		**(63,719)**	(34,752)
Repayment of borrowings	*27*	**(554,309)**	(13,726)
Cash transferred to asset held for sale	*14*	**-**	(1,592)
Share issuance cost		**-**	(400)
Net cash used in financing activities		**(849,536)**	(160,123)
Net (decrease) / increase in cash and cash equivalents		**(228,890)**	532,404
Cash and cash equivalents at 1 January	*25*	**733,193**	200,789
Cash and cash equivalents at 31 December	*25*	**504,303**	733,193

The comparative information has been re-presented due to a discontinued operations and a change in classification, refer to Note 14 and 38 respectively.

The notes on pages 16 to 90 are an integral part of these consolidated financial statements.

The independent auditors' report is set out on pages 4 to 8.

Notes to the consolidated financial statements

1 General information

MAIR Group P.J.S.C. (formerly known as "Abu Dhabi Co-operative Society" or "ADCOOP"), was established under the Ministry of Labour and Social Affairs (the "Ministry") Decree No. 21/1 of 1980, dated 6 May 1980, and is registered in the records of the Co-operative Department at the Ministry under the name Abu Dhabi Co-operative Society.

Pursuant to the resolution issued by Department of Economic Development on 6 February 2024, the legal structure of ADCOOP has been changed to a Public Joint Stock Company ("P.J.S.C."), its legal name was then changed to MAIR Group P.J.S.C. ("MAIR Group").

MAIR Group's registered address is P.O. Box 833, Abu Dhabi, United Arab Emirates.

The principal activities of the Group are the import and sale of food stuff, household equipment, general retail items, real estate lease and management services.

These consolidated financial statements include the results of operations and the financial position of Mair Group and its subsidiaries (together referred to as the "Group"), as shown below:

Name of the subsidiary	**Country of Incorporation**	**Principal activities**	**% interest held 2024**	% interest held 2023
Makani Real Estate Sole Proprietorship	United Arab Emirates	Real estate lease and management services, real estate enterprise investment, development, institution and management	100	100
Earth Super Market Sole Proprietorship LLC	United Arab Emirates	Supermarket, retail sale of fresh fish and marine animals and retail sale of fresh meat	100	100
ADCOOP - L.L.C - O.P.C*	United Arab Emirates	Supermarket, retail sale of fresh fish and marine animals and retail sale of fresh meat	100	-
Makani Al Ain Mall – Sole Proprietorship LLC*	United Arab Emirates	Real estate lease and management services, real estate enterprise investment, development, institution and management	100	100
Megamart LLC*	United Arab Emirates	Supermarket	100	100
Coops Super Market – Sole Proprietorship LLC*	United Arab Emirates	Supermarket, importing and exporting	100	100
Al Dhafra Express – Sole Proprietorship LLC*	United Arab Emirates	Supermarket and grocery	100	100

Notes to the consolidated financial statements *(continued)*

1 General information *(continued)*

Name of the subsidiary	Country of Incorporation	Principal activities	% interest held 2024	% interest held 2023
Delma Cooperative Society Heavy Rental Equipment – Sole Proprietorship LLC*	United Arab Emirates	Heavy Machines and Equipment Renting	100	100
Delma Motel – Sole Proprietorship LLC*	United Arab Emirates	Hotel	100	100
Wahat al Masa Trading Company**	United Arab Emirates	General trading, wholesale of animal, poultry food, and fodder trading, exporting, and importing	40	100
Al Masa Flour Mill**	United Arab Emirates	Grain and crops milling and trading	40	100

* Due to the merger of Abu Dhabi Co-operative Society with other societies (for more details refer to note 5), the Group has restructured numerous entities across the organization to ensure smoother and more efficient operations. As part of this structure certain entities which were owned by the dissolved merged societies have transferred to MAIR Group and a new entity was established which is "ADCOOP - L.L.C - O.P.C" on 17 May 2024.

** On 10 January 2024, The Group has signed an SPA with Emirates Farm for Livestock & Agriculture Production – Sole Proprietorship LLC ("Emirates Farm") to sell the controlling interest in two subsidiaries; 60% of the Group's shares in Wahat Al Masa and 60% in Al Masa Flour Mill. Accordingly, the remaining 40% interest in each of the two companies are accounted for as investment in associate and equity method is applied. Refer to note 21 for more details.

2 Basis of preparation

(a) Compliance statement

The consolidated financial statements of MAIR GROUP have been prepared in accordance with IFRS Accounting Standards and the applicable provisions of the UAE Federal Law No. 32 of 2021. IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards,
- IAS Standards, and
- Interpretations developed by the IFRS Interpretations Committee (IFRIC interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations).

The consolidated financial statements were authorised for issue by the Board of Directors on 19 March 2025.

2 Basis of preparation *(continued)*

(b) Going concern

These consolidated financial statements have been prepared on a going-concern basis as management believes that the Group has adequate resources to continue in operational existence for the foreseeable future.

(c) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the parent company and entities controlled by the parent company (its subsidiaries) made up to 31 December each year.

Control is achieved when the parent 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 parent company 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 parent company has less than a majority of the voting rights of an investee, it considers that 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 parent company considers all relevant facts and circumstances in assessing whether or not the parent company's voting rights in an investee are sufficient to give it power, including:

- The size of the parent 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 parent company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the parent 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.

Consolidation of a subsidiary begins when the parent company obtains control over the subsidiary and ceases when the parent company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the parent company gains control until the date when the parent company ceases to control the subsidiary.

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

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

2 Basis of preparation *(continued)*

(c) Basis of consolidation (continued)

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

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

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the parent company.

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

Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity accounted investees, until the date on which significant influence or joint control ceases. Under equity method, distributions received from equity-accounted investees will be treated as a reduction to the carrying amount of the investment.

2 Basis of preparation *(continued)*

(d) Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired include inputs and processes applied to those inputs that have the ability to contribute to the creation of outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

Goodwill or bargain purchase gain

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

(e) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items, which are measured at fair value on each reporting date:

2 Basis of preparation *(continued)*

(e) Basis of measurement (continued)

- Investments at fair value through other comprehensive income;
- Investments at fair value through profit and loss;
- Land and buildings under property and equipment; and
- Investment properties.

(f) Functional and presentation currency

These consolidated financial statements are presented in United Arab Emirates Dirhams ("AED"), which is the Parent company's functional currency. Except as indicated, financial information has been presented in AED.

(g) Use of estimates and judgments

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in these consolidated financial statements are described in note 36.

3 Material accounting policy information

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclose accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the consolidated financial statements.

(a) Revenue recognition

Revenue recognition under IFRS 15 Revenue from Contracts with Customer:

The Group recognises revenue from contracts with customers based on the five-step model set out in IFRS 15:

Step 1: Identify the contract(s) with a customer

A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify the performance obligations in the contract

3 Material accounting policy information *(continued)*

(a) Revenue recognition (continued)

A performance obligation is a unit of account and a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price

The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract

For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as and when the Group performs; or
- 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 Group and the Group has an enforceable right to payment for performance completed to date.

For performance obligations where none of the above conditions are met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is measured at an amount that reflects the considerations, to which an entity expects to be entitled in exchange for selling of goods or rendering services to the customers, excluding amounts collected on behalf of third parties. Revenue is adjusted for expected sales discounts and volume discounts, which are estimated based on the historical data or forecast and projections. The Group recognises revenue after the services are rendered to its customers and on the basis of contractual rates agreed with the customers.

The stand-alone selling prices are determined based on the observable price at which the Group sells the goods or services. For items that are not sold separately the Group estimates standalone selling prices using other methods.

Sale of goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and discounts. Revenue comprises amounts derived from the sale of goods falling within the ordinary activities of the Group and are recognised at the time of point of sales when persuasive evidence exists that the control passes from the Group to the customer satisfying the performance obligation, and the amount of revenue can be measured reliably. Discounts are recognised as a reduction of revenue as the sales are recognised.

3 Material accounting policy information *(continued)*

(a) Revenue recognition (continued)

Other operating revenue

Other operating revenue comprises amounts receivable by the Group towards display income, marketing and advertisement income, listing fees and supplier rebates.

i) Display income

Income from space management is the charge to suppliers for displaying goods for sale in branches.

ii) Marketing and advertisement income

Marketing and advertisement income include the income generated from various suppliers for the additional services like additional space for charts and banners and advertising on the Group`s screens provided to the suppliers for promotions and advertisement of their goods in the malls.

iii) Loyalty programme

The Group operates two loyalty programmes, *Shuruka* and *Hayyak.* Under *Shuruka,* the points earned by the customers expire within 12 months. For *Hayyak,* all points earned during the year expire every December 31. Accordingly, a provision is made relating to these programmes at the end of the year.

Revenue is recognised as the points are redeemed by the customer. Revenue related to breakage is recognised in line with redemptions, subject to the variable consideration constraint (i.e., provided it is highly probable not to result in a significant reversal of the cumulative revenue recognised), with the remainder recognised on expiry of the points.

iv) Listing fee

Income from listing fees is generated from suppliers at a point in time based on the occurrence.

(b) Finance income and costs

Finance income comprises of interest income on fixed deposits with banks. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance expenses comprise of interest expense on borrowing, interest on lease obligations and bank charges. Finance costs are recognised in profit or loss. General and specific finance costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

(c) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

3 Material accounting policy information *(continued)*

(c) Government grants (continued)

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets (including property, plant and equipment) are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

Government grants that take the form of a non-monetary asset, such as lands, are measured at a nominal amount when there is reasonable assurance that the grant will be received and any condition attached to them have been fulfilled.

(d) Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into AED at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

(e) Property and equipment

Recognition and measurement

Except for land and buildings, items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Land and buildings under property and equipment are initially recognised at cost. Subsequent to initial recognition, these are stated at their revalued amounts, being the fair value at the date of revaluation.

3 Material accounting policy information *(continued)*

(e) Property and equipment (continued)

***Recognition and measurement** (continued)*

Any revaluation increase arising on the revaluation of such land and buildings is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in carrying amount arising on the revaluation of such land and buildings is charged as an expense to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is recognised in profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the revaluation reserve is transferred directly to retained earnings.

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

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Land is not depreciated.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

	Years
Leasehold improvements	3 – 25
Motor vehicles	4
Furniture and equipment	5 – 10

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Capital work in progress

Properties in the course of construction for supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when assets are ready for their intended use.

3 Material accounting policy information *(continued)*

(f) Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation (including property under construction for such purposes), is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value, which reflects market conditions at the reporting date.

Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. When investment property that was previously classified as property, plant and equipment is sold, any related amount included in the investment fair value reserve is transferred to retained earnings.

Rental income from investment property is recognised as revenue on a straight-line basis over the term of the lease.

Properties with dual use
Properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes and are "dual use properties". In such cases, if these portions (with dual use) could be sold separately (or leased out separately), the Group accounts for the portions separately. However, if the portions could not be sold separately, the property is considered as property and equipment if a significant portion is held for use in the production or supply of goods or services or for administrative purposes, otherwise it is considered as an investment property.

(g) Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful life of the asset. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

The estimated useful lives for the current and comparative years of significant items of intangible assets are as follows:

	Years
Computer software	5
Customer relationship	26
Concession agreement	31
Brand	5-15

3 Material accounting policy information *(continued)*

***(g) Intangible assets** (continued)*

***Intangible assets acquired in a business combination** (continued)*

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

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.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(h) Assets classified as held for sale and discontinued operations

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

3 Material accounting policy information *(continued)*

(h) Assets classified as held for sale and discontinued operations (continued)

When the Group is committed to a sale plan involving disposal of an investment in an associate or, a portion of an investment in an associate, the investment, or the portion of the investment in the associate, that will be disposed of is classified as held for sale when the criteria described above are met. The Group then ceases to apply the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate that has not been classified as held for sale (and for which significant influence continues to be exercised) will continue to be accounted for using the equity method.

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

(i) Impairment of non-financial assets excluding goodwill

At each reporting date, the Group reviews the carrying amounts of its non-financial 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). For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. 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.

If the recoverable amount of an asset (cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (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 (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 (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.

(j) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

3 Material accounting policy information *(continued)*

(j) Leases (continued)

I. As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

3 Material accounting policy information *(continued)*

(j) Leases (continued)

I. As a lessee (continued)

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to nil.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'General and administrative expenses' in the consolidated statement of profit or loss.

The Group presents right-of-use assets that do not meet the definition of investment property in 'Right-of-use assets' and lease liabilities in 'Lease liabilities' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

II. As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for a major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

When an arrangement contains lease and non-lease components, the Group applies IFRS 15 to allocate the consideration in the contract to the lease and non-lease components.

The Group applies the derecognition and impairment requirements to the net investment in the lease and regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

3 Material accounting policy information *(continued)*

***(j) Leases** (continued)*

II. As a lessor (continued)

Rental income from operating leases

Rental income from operating leases is recognised on a straight-line basis over the lease term unless another systematic basis is more representative of the time patterns in which the economic benefits from the leased assets are derived. The Group has recognized this rental income as part of "Revenue from Investment properties rentals".

(k) Financial instruments

Recognition and initial measurement

Trade receivables and debt securities are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a contract receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A contract receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as subsequently measured at: amortised cost; fair value through other comprehensive income (FVTOCI) – debt instrument; FVTOCI – equity instrument; or FVTPL.

A financial asset that meets the following conditions and is not designated as at FVTPL, is measured at amortised cost:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument that meets the following conditions and is not designated as at FVTPL, is measured at FVTOCI:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3 Material accounting policy information *(continued)*

(k) Financial instruments (continued)

***Classification and subsequent measurement** (continued)*

Financial assets *(continued)*

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is a contingent consideration recognised in a business combination.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

Financial assets – Business model assessment

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

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

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

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

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

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

3 Material accounting policy information *(continued)*

(k) Financial instruments (continued)

***Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest** (continued)*

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

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

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3 Material accounting policy information *(continued)*

(k) Financial instruments (continued)

Derecognition

Financial assets

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

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

Financial liabilities

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

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

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(l) Cash and cash equivalents

In the statement of financial position, cash and cash equivalents comprise cash (i.e., cash on hand and demand deposits) and bank balances. Bank balances are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. These are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and bank balances as defined above, net of outstanding bank overdrafts which are repayable on demand and form an integral part of the Group's cash management. Such overdrafts are presented as short-term borrowings in the statement of financial position.

3 Material accounting policy information *(continued)*

(m) Trade receivables and other financial assets – Impairment

Non-derivative financial assets

Financial instruments

Impairments on financial assets are accounted for using a three-stage forward-looking expected credit loss (ECL) approach in line with IFRS 9. The Group recognises loss allowances for ECLs on:

- financial assets measured at amortised cost; and
- debt securities measured at fair value through other comprehensive income

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and tenant receivables are measured at an amount equal to lifetime ECLs. 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. In addition to that a specific provision is recorded for some cases where there is a probability of default for these receivable balances.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 60 days past due.

The Group considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held) or the financial asset is more than 90 days past due.

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

3 Material accounting policy information *(continued)*

(m) Trade receivables and other financial assets – Impairment *(continued)*

Financial instruments and contract assets

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

3 Material accounting policy information *(continued)*

(n) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is determined on an average cost basis and includes invoiced cost, transport and handling costs. Net realisable value represents the estimated selling price less further costs to be incurred in marketing, selling and distribution.

Rebates

The Group has agreements with suppliers whereby volume-related rebates and various other supplier benefits and discounts are received in connection with the purchase of goods. This income received from suppliers relates to adjustments to the core cost price of a product and is considered part of the purchase price for that product. Income is recognised on an accrual basis when earned by the Group and the income can be measured reliably based on the terms of the contract.

Where the income earned relates to inventories which are held by the Group at the end of a period, the income is included within the cost of those inventories, and recognised in cost of sales upon sale of those inventories.

(o) 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 discounted at pre-tax rate. 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.

(p) Employee benefits

The Group provides end of service benefits to its employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

Pension contributions are made in respect of UAE national employees to the UAE General Pension and Social Security Authority in accordance with the UAE Federal Law No. (2), 2000 for Pension and Social Security. Such contributions are charged to the profit or loss during the employees' period of service.

(q) Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

3 Material accounting policy information *(continued)*

(q) Fair value measurement (continued)

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

There is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e., the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

(r) Dividend income

Dividend income from investments is recognised when the shareholders' right to receive payment has been established provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

(s) Taxes

Income tax expense comprises current and deferred tax. It's recognized in statement of profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or other comprehensive items.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

3 Material accounting policy information *(continued)*

***(s) Taxes** (continued)*

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that:

  a) is not a business combination; and

  b) at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences;

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Value added tax (VAT)

Expenses and assets are recognised net of the amount of VAT, except:

– when the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; or

– when receivables and payables are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

3 Material accounting policy information *(continued)*

(t) Current vs non-current classification

The Group presents assets and liabilities in statement of financial position based on current/non-current classification. An asset as current when it is:

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

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other assets and liabilities as non-current.

(u) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of shares are recognized as deduction from equity.

(v) Gross profit

This represents gross profits from revenue from retail business customers, rental income and other revenues after deducting the cost of goods sold for retail business only without deducting any other costs associated with the rental income and other revenues.

(w) Support service

The Group recognizes support service fees as income in accordance with the terms of the support services agreement entered into with other entities. Expenses directly attributable to the provision of these services are recorded as incurred.

4 New standards or amendments

Several amendments may apply for the first time in 2024 but do not have any material impact on the Group's consolidated financial statements. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

4 New standards or amendments *(continued)*

a) New and amended standards that are effective for the current period

In the current period, the Group has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2024. Their adoption has not had any material impact on the amounts or the disclosures reported in these consolidated financial statements.

- Amendments to "IAS 1 Presentation of Financial Statements" – Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants.
- Amendments to "IFRS 16 Leases" – Lease liability in a sale and leaseback
- Amendments to "IAS 7 Statement of Cash Flows" and "IFRS 7 Financial Instruments" – Disclosures relating to Supplier Finance Arrangements

b) New standards and amendments in issue but not yet effective

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the group.

- Amendments to "IAS 21" – Lack of exchangeability *(effective 1 January 2025).*
- Amendments to "IFRS 9" and "IFRS 7" – Classification and measurement of financial instruments *(effective 1 January 2026).*
- "IFRS 18 Presentation and Disclosure in Financial Statements" – *(effective 1 January 2027).*
- "IFRS 19 Subsidiaries without public accountability: Disclosure" – *(effective 1 January 2027).*
- *Sale or contribution of assets between an investor and its associates or joint venture* – Amendments to IFRS 10 and IAS 28 – (Available for optional adoption/ effective date deferred indefinitely).

The above stated new standards and amendments are not expected to have any significant impact on the consolidated financial statements of the Group except "IFRS 18" which will replace "IAS 1", introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Although IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements. Management is currently assessing the detailed implications of applying the new standard on the group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of IFRS 18 will have no impact on the group's net profit, the group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported.
- The group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles.

4 New standards or amendments *(continued)*

***b) New standards and amendments in issue but not yet effective** (continued)*

The group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with IFRS 18.

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

5 Government-mandated merger

On 9 November 2023, the Department of Economic Development in Abu Dhabi (DED) issued Administrative Resolution no. 59 (Resolution 59) to merge three cooperative societies – Al Ain Cooperative Society (AACS), Delma Cooperative Society (DCS), and the Al Dhafra Cooperative Society (ADCS) (together, the "Subject Entities") into ADCOOP.

As per Resolution 59, the Subject Entities were dissolved, by cancelling their licenses and have their assets and liabilities merged to ADCOOP. The Subject Entities will cease to exist and will become retail stores of ADCOOP. Certain operating segments of ADCS and DCS will be carved out and will not be considered in the merger (i.e., 'Oil and gas' and 'Al Wara' operating segments for ADCS, and 'Car rental' operating segment for DCS).

In addition to the three Subject Entities mentioned above:

- a 100% interest in Earth Supermarket ("Earth"), which was previously held 50% by AACS (as a result of the Acquisition Transaction, has been acquired by ADCOOP) and remaining 50% acquired directly from Ealco International Investments-Sole Proprietorship L.L.C. ("Ealco").
- a land plot in Al Mushrif which was owned by another party, which was acquired by AACS and as a result of the merger transaction, has been acquired by ADCOOP.

The table below shows the respective purchase considerations, fair value of identifiable net assets, and the resulting goodwill from the merger with the Subject Entities:

	AACS** AED'000	DCS AED'000	ADCS AED'000	Total AED'000
Total purchase consideration	1,714,853	434,471	586,194	2,735,518
Total fair value of identifiable net assets	(761,675)	(429,927)	(584,712)	(1,776,314)
Goodwill – 9 November 2023	953,178	4,544	1,482	959,204

** AACS balances include Earth, Wahat Al Masa ("WAM") and Al Masa Flour Mill ("AMM").

6 Revenue

	2024	2023
	AED'000	AED'000
		(Reclassified)
Revenue from contracts with customers:		
Sale of goods	**1,661,862**	1,100,302
Other operating revenue	**130,538**	89,400
	1,792,400	1,189,702
Revenue from Investment properties rentals:		
Real estate leasing	**211,172**	162,400
Other revenue	**3,453**	1,079
Total revenue	**2,007,025**	1,353,181

The group leases out its investment property. The group has classified these leases as operating leases because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

The group has estimated the contractual lease payments to be received within 1 year to be AED 240,000 thousand.

Other operating revenue includes income from marketing, advertisement, listing fees and display of merchants' inventories.

Timing of revenue recognition

	2024	2023
	AED'000	AED'000
		(Reclassified)
Revenue recognised at point in time	**1,708,755**	1,177,121
Revenue recognised over time	**83,645**	12,581
	1,792,400	1,189,702

Geographical distribution of revenue

The revenue recognized during the period is earned locally since the Group only operates in the United Arab Emirates.

7 Supplier arrangements

Supplier incentives, rebates and discounts, collectively known as 'supplier arrangements', represent a material deduction to cost of sales and directly affect the Group's reported margin.

Income is recognised when earned by the Group when all obligations per the terms of the contract have been satisfied. Any supplier arrangements which are linked to inventory purchases are estimated and recorded as part of the cost of the related inventory, which will be recognised within cost of sales once the inventory is sold. Unpaid amounts relating to supplier arrangements are recognised within trade and other receivables, unless there is a legal right of offset, in which case it is recognised within trade and other payables. Amounts which have been invoiced, but not yet paid at the balance sheet date are categorised as supplier arrangements due, while the amounts not yet invoiced are categorised as accrued supplier arrangements.

7 Supplier arrangements *(continued)*

The types of supplier arrangements applicable to the Group are as follows:

Discounts and supplier incentives – these represent the majority of all supplier arrangements and are linked to individual unit sales. The incentive is typically based on an agreed sum per item sold on promotion for a period and therefore is considered part of the purchase price of that product.

Fixed amounts – these are agreed with suppliers primarily to support in-store activity including promotions, such as utilising specific space. Income earned from these activities are recognised as part of other operating revenue in note 6.

Supplier rebates – these are typically agreed on an annual basis, aligned with the Group's financial year. The rebate amount is linked to pre-agreed targets such as sales volumes. Supplier rebates are recognised as reduction to cost of sales.

Marketing and advertising income – advertising income from suppliers through in-store and online marketing and advertising campaigns. Income earned from these activities are recognised as part of other operating revenue in note 6.

During the year, the total discounts and rebates offset against Cost of goods sold amounted to AED 238,530 thousand *(2023: AED 84,215 thousand)*.

8 Operating segments

For management purposes, the Group is organised into business units based on its products and services and has two reportable segments - Retail and Real Estate. The Group also operate in other industries such as fisheries, recruitment, motel, ice factory and others, which are considered to be smaller business activities in comparison to Retail and Real Estate to be monitored separately. In accordance with IFRS 8, the details of these reportable segments are as follows:

Retail	Which includes supermarkets and hypermarkets and involves the sale of retail goods to customers. Monitoring of financial information is at a retail level. Brands are aggregated to form retail segment. Each such brand generates revenues and incur expenses largely independently from other business activities.
Real estate	Which includes lands and buildings and involves the sale or rent of real estate properties. Monitoring of financial information is based on either: properties held for sale in the ordinary course of business; or land or buildings held to earn rental income or for capital appreciation or both. Each such property would be generating revenues and incurring expenses largely independently from other operating segments.
MAIR Holding and others	Includes central revenue and costs, income from management services, and assets and liabilities directly managed by MAIR headquarters such as bank balances, investments securities, property and equipment and investment properties, etc. Other operations include: • Marine transportation, fish business; • Motel, Car driving school; and • Recruitment services. The Other operations presented above are not considered to be reportable segments, as each of these businesses are not separately included in the reports provided to the Chief Operating Decision Maker.

8 Operating segments *(continued)*

The following is an analysis of the Group's revenue and results by reportable segments:

	Retail 2024 AED'000	Real estate 2024 AED'000	MAIR Holding and others 2024 AED'000	Total 2024 AED'000
Revenue from contracts with customers				
- Sale of goods	**1,661,862**	**-**	**-**	**1,661,862**
- Other operating revenue	**130,538**	**-**	**-**	**130,538**
Rental revenue	**7,558**	**203,614**	**-**	**211,172**
Other revenue	**-**		**3,453**	**3,453**
Total external revenue	**1,799,958**	**203,614**	**3,453**	**2,007,025**
Cost of goods sold	**(1,352,661)**	**-**	**-**	**(1,352,661)**
Gross profit	**447,297**	**203,614**	**3,453**	**654,364**
General, administrative and selling expenses	**(130,795)**	**(47,552)**	**(60,352)**	**(238,699)**
Employee benefits expense	**(144,792)**	**(17,140)**	**(41,350)**	**(203,282)**
Depreciation and amortization	**(108,428)**	**(9,772)**	**(5,871)**	**(124,071)**
Impairment loss on trade and other receivables	**(12,671)**	**(12,068)**	**2,502**	**(22,237)**
Impairment on non-current assets	**(21,664)**	**-**	**(9,728)**	**(31,392)**
Other operating income, net	**4,629**	**9,468**	**161,603**	**175,700**
Operating profit	**33,576**	**126,550**	**50,257**	**210,383**
Share of profit of an associate	**-**	**-**	**9,552**	**9,552**
Other income	**2,908**	**625**	**-**	**3,533**
Finance costs	**(20,677)**	**(63,273)**	**-**	**(83,950)**
Finance income	**-**	**-**	**26,371**	**26,371**
Profit before tax from continuing operations	**15,807**	**63,902**	**86,180**	**165,889**
Income tax expense	**(1,424)**	**(5,760)**	**(5,491)**	**(12,675)**
Profit after tax from continuing operations	**14,383**	**58,142**	**80,689**	**153,214**
Profit after tax for the year from discontinued operations	**-**	**-**	**17,935**	**17,935**
Profit for the year	**14,383**	**58,142**	**98,624**	**171,149**

8 Operating segments *(continued)*

	Retail 2023 AED'000	Real estate 2023 AED'000	MAIR Holding and others 2023 AED'000	Total 2023 AED'000
Revenue from contracts with customers				
- Sale of goods	1,100,302	-	-	1,100,302
- Other operating revenue	89,400	-	-	89,400
Rental revenue	56	162,344	-	162,400
Other revenue	-	-	1,079	1,079
Total external revenue	1,189,758	162,344	1,079	1,353,181
Cost of goods sold	(881,152)	-	-	(881,152)
Gross profit	308,606	162,344	1,079	472,029
General, administrative and selling expenses	(80,013)	(35,685)	(17,086)	(132,784)
Employee benefits expense	(128,267)	(17,863)	(112)	(146,242)
Depreciation and amortization	(70,234)	(5,265)	13	(75,486)
Impairment loss on trade and other receivables	(15,226)	(7,900)	(2,502)	(25,628)
Other operating (expenses)/ income	(11,361)	8,292	220	(2,849)
Operating profit / (loss)	3,505	103,923	(18,388)	89,040
Share of loss of an associate	-	-	(467)	(467)
Other income	1,719	430	-	2,149
Finance costs	(20,430)	(43,905)	-	(64,335)
Finance income	-	-	4,690	4,690
Profit before tax from continuing operations	(15,206)	60,448	(14,165)	31,077
Income tax expense	-	-	-	-
Profit after tax from continuing operations	(15,206)	60,448	(14,165)	31,077
Profit after tax for the year from discontinued operations	-	-	(5,215)	(5,215)
Profit for the year	(15,206)	60,448	(19,380)	25,862

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. Segment profit represents the profit earned by each segment. This is the measure reported to the Group's Chief Executive Officer, considered to be Chief Operating Decision Maker ("CODM"), for the purpose of resource allocation and assessment of segment performance.

8 Operating segments *(continued)*

	Retail 2024 AED'000	Real estate 2024 AED'000	MAIR Holding and others 2024 AED'000	Total 2024 AED'000
Segment assets	**2,673,641**	**1,963,121**	**1,036,330**	**5,673,092**
Equity-accounted investees	**-**	**-**	**181,245**	**181,245**
Capital expenditure	**85,623**	**51,647**	**1,337**	**138,607**
Segment liabilities	**859,189**	**367,943**	**192,011**	**1,419,143**

	Retail 2023 AED'000	Real estate 2023 AED'000	MAIR Holding and others 2023 AED'000	Total 2023 AED'000
Total segment assets	3,107,587	1,839,301	1,156,408	6,103,296
Equity-accounted investees	-	-	29,864	29,864
Capital expenditure	103,486	44,058	3	147,547
Segment liabilities	847,690	921,708	170,404	1,939,802

For the purpose of monitoring segment performance and allocating resources between segments, the Group's Chief Executive Officer monitors the revenues and profits attributable to each segment.

Information about major customers

No single customer contributed 10 per cent or more to the Group's revenue in either 2024 or 2023.

9 General, administrative and selling expenses

	2024 AED'000	2023 AED'000 *(Reclassified)*
Utilities	**43,810**	31,844
Professional fees (refer to *(i) and (ii) below)*	**41,808**	7,653
Repair and maintenance	**22,190**	13,827
Advertisements	**16,529**	5,899
Security services	**13,570**	10,759
Bank charges	**13,533**	9,759
Cleaning services	**13,205**	9,608
Rent on low value and short-term lease	**13,014**	14,196
E-commerce commissions	**10,607**	8,209
Shipping and transportation	**9,875**	3,634
Directors' remuneration *(refer to (iii) below)*	**10,000**	5,339
Consumables	**8,460**	4,610
IT expenses	**6,768**	434
Insurance	**6,041**	2,125
Loyalty and promotion	**2,535**	2,364
Other expenses	**6,754**	2,524
	238,699	132,784

i) Professional fees include consultancy, advisory, accounting, strategic planning, and valuation expenses incurred by the Group entities.

ii) Professional fees include audit fees amounting to AED 1,114 thousand (2023: AED 1,835 thousand).

iii) Directors' remuneration payable - Directors' remuneration assigned to the Board of Directors is AED 10,000 thousand (2023: AED 5,339 thousand out of which Directors' remuneration assigned to the Board of Directors is AED 2,960 thousand, other remunerations represent compensations assigned to the directors for oversighting other legacy business activities of the merged entities, which shall be reviewed upon the legal structure formation of these entities).

10 Employee benefits expense

	2024 AED'000	2023 AED'000 *(Reclassified)*
Salaries and wages	**149,640**	105,307
End of service benefits	**6,205**	7,068
Pension	**3,016**	2,732
Other benefits	**44,421**	31,135
	203,282	146,242

11 Depreciation and amortization

	2024	2023
	AED'000	AED'000
		(Reclassified)
Amortisation of right of use assets *(note 20)*	**70,051**	49,074
Depreciation on property and equipment *(note 14,16)*	**48,962**	25,650
Amortisation of intangible assets *(note 14,18)*	**5,058**	762
	124,071	75,486

12 Other operating income / (expenses)

	2024	2023
	AED'000	AED'000
		(Reclassified)
Support services income*	**53,177**	-
Gain on disposal of assets held for sale *(note 14)*	**49,241**	-
Gain on disposal of investment properties	**45,420**	-
Dividends from investments	**13,146**	3,360
Realised gain on sale of equity instruments (FVOCI)	**10,710**	-
Change in fair value of investment properties *(note 17)*	**9,332**	8,293
Gain from recovery of written-off receivables	**4,487**	-
Realised gains on sale of debt instruments (FVOCI)	**3,340**	-
Gain on derecognition of right of use assets and lease liabilities	**560**	863
Gain/(loss) on disposal of property and equipment	**67**	(5,800)
Realised gain on sale of equity instruments (FVTPL)	**21**	977
Loss on write-off of property and equipment	**(1,673)**	(12,418)
Realised loss on sale of debt instruments (FVOCI)	**(818)**	-
Change in fair value of equity instruments (FVTPL)	**(2,571)**	1,683
Support services costs*	**(6,638)**	-
Others	**(2,101)**	193
	175,700	(2,849)

*During the year, the Group entered into a support services agreement with another company where the Group provides support and other related services (i.e., finance, human resource, procurement, legal, compliance, etc.) in exchange for support services fee.

13 Finance income and costs

	2024	2023
	AED'000	AED'000
		(Reclassified)
Interest income	**26,371**	4,690
Interest expense on borrowings	**48,558**	45,012
Interest expense on lease liabilities	**35,392**	19,323
	83,950	64,335

14 Assets classified as held for sale and discontinued operations

On 31 December 2023, the Group had a plan to sell certain assets and properties with a carrying value of AED 223,749 thousand and liabilities associated with those assets having carrying value of AED 7,697 thousand, accordingly these were classified as assets / liabilities held for sale.

On 10 January 2024, the Group sold its effective 60% shareholding in both WAM and AMM (collectively referred to as the "Entities"), which were wholly owned subsidiaries of the Group. Due to this divestment, the Group lost control of the Entities while the remaining effective stake in the Entities (i.e., 40% in both WAM and AMM) has been retained at fair value and is accounted for using the equity method, effective from the date of divestment. This divestment resulted in a loss of AED 9,865 thousand for WAM and a gain of AED 27,705 thousand for AMM recognised in the statement of profit or loss.

On 10 January 2024, the Group sold its effective 10% shareholding in Al Masa Animal Feed ("AAF"), leaving it with a remaining effective stake of 40% in AAF. This divestment resulted in a gain of AED 3,185 thousand.

In March 2024, the Group successfully sold Kezad warehouse resulting in a gain of AED 46,056 thousand.

During the year, management changed its intention regarding the sale of the Khalifa staff accommodation and certain buildings and land plots. This led to a change in the accounting and the presentation for these assets amounting to AED 29,906 thousand which was transferred from assets held for sale to investment properties.

Below is the movement during the year for 2023 assets classified as held for sale and discontinued operations as at 31 December 2024:

	WAM AED'000	AMM AED'000	AAF AED'000	Kezad Warehouse AED'000	Staff Accom. & others AED'000	Total AED'000
1 January 2024	**39,505**	**48,070**	**1,255**	**105,013**	**29,906**	**223,749**
Liabilities directly associated with assets held for sale	**(7,252)**	**(445)**	**-**	**-**	**-**	**(7,697)**
Transfers to PPE	**-**	**-**	**-**	**(1,069)**	**-**	**(1,069)**
Transfers to Investment Properties	**-**	**-**	**-**	**-**	**(29,906)**	**(29,906)**
Associated goodwill	**16,610**	**62,580**	**-**	**-**	**-**	**79,190**
Net assets held for sale	**48,863**	**110,205**	**1,255**	**103,944**	**-**	**264,267**
Less: Adjusted sales proceeds	**(29,358)**	**(101,590)**	**(4,440)**	**(150,000)**	**-**	**(285,388)**
Less: Fair value of retained stake in equity accounted investee	**(9,640)**	**(36,320)**	**-**	**-**	**-**	**(45,960)**
(Gain) / loss on disposal	**9,865**	**(27,705)**	**(3,185)**	**(46,056)**	**-**	**(67,081)**

14 Assets classified as held for sale and discontinued operations *(continued)*

The net gain recognized from sale of discontinued operations (WAM and AMM) have been reported separately in the statement of profit and loss as profit from discontinued operations. Subsequent to the loss of control over the Entities, the Group has continued to purchase from and sell goods to the Entities.

Disposal group:

During 2024, the Group committed to a sale plan involving the Marine and Fish businesses with a carrying value of AED 96,866 thousand and liabilities associated with those assets having carrying value of AED 1,205 thousand. In addition to an equity investment carried at FVOCI with a carrying value of AED 1,341. Accordingly, these were classified as assets / liabilities held for sale since the carrying amount of the assets will be recovered principally through the sale transaction. This aligns with the Group's strategic focus on retail and real estate businesses, including ventures connected to food and beverages.

A. Results of discontinued operations

The results of the discontinued operations comprising WAM, AMM and Marine and Fish businesses, which have been included in the profit for the year, were as follows:

	2024 AED'000	2023 AED'000
Revenue from contracts with retail customers	**-**	4,375
Other revenue	**13,682**	2,191
Cost of goods sold	**(2,125)**	(9,015)
General, administrative and selling expenses	**(4,517)**	(1,867)
Employee benefits expense	**(3,549)**	(614)
Depreciation and amortization	**(7,538)**	(1,303)
Other operating (expenses) / income	**299**	-
Operating loss	**(3,748)**	(6,233)
Finance income	**3,843**	1,018
Profit/(loss) from discontinued operations	**95**	(5,215)
Gain on sale of discontinued operations*	**17,840**	-
Profit/(loss) from discontinued operation, net of tax	**17,935**	(5,215)

* *Gain recognised from the sale of 60% stake in WAM and AMM in 2024.*

B. Cash flows from (used in) discontinued operations

	2024 AED'000	2023 AED'000
Net cash from (used in) operating activities	**(8,596)**	4,121
Net cash from (used in) investing activities	**3,175**	(3,115)
Net cash from financing activities	**-**	-
Net cashflows for the period	**(5,421)**	1,006

14 Assets classified as held for sale and discontinued operations *(continued)*

C. Financial position of the businesses classified as held for sale

The major classes of assets and liabilities of the businesses under the disposal group classified as held for sale as at 31 December 2024 are as follows:

	Marine and Fish business 2024 AED'000
Assets	
Trade and other receivables	**24,735**
Property and equipment *(note 16)*	**29,091**
Intangible assets *(note 18)*	**43,040**
	96,866
Liabilities	
Trade and other payables	**(810)**
Employees end of service benefits	**(395)**
	(1,205)
Net assets directly associated with disposal group	**95,661**

The major classes of assets and liabilities of the businesses under the disposal group classified as held for sale as at 31 December 2023 are as follows:

	AMM 2023 AED'000	WAM 2023 AED'000	Total 2023 AED'000
Assets			
Inventories	4,302	32,301	36,603
Trade and other receivables	3,325	6,231	9,556
Cash and bank balances	619	973	1,592
Property and equipment	39,426	-	39,426
Intangible assets	397	-	397
	48,069	39,505	87,574
Liabilities			
Trade payable	(218)	(6,711)	(6,929)
Other payables and accruals	(185)	(519)	(704)
Employees end of service benefits	(42)	(22)	(64)
	(445)	(7,252)	(7,697)
Net assets directly associated with disposal group	47,624	32,253	79,877

Earnings per share for the Discontinued operations have been disclosed under note 15.

15 Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

	2024 **AED '000**	2023 AED '000 *(Reclassified)*
Profit / (loss)		
Continuing operations	**153,214**	31,077
Discontinued operations	**17,935**	(5,215)
Total profit	**171,149**	25,862

	2024	2023
(in thousands)		
Weighted average number of ordinary shares	**111,536**	38,140
Weighted average number of shares to be issued related to merger	**-**	10,658
Weighted average number of ordinary shares before share split	**111,536**	48,798
Weighted average number of shares post share split (1:20)	**2,230,723**	975,956
Earnings (losses) per share in dirhams		
Continuing operations	**0.07**	0.03
Discontinued operations	**0.01**	(0.00)
Basic and diluted earnings per share in dirhams	**0.08**	0.03

On 26 September 2024, The Department of Economic Development approved the Group's request to increase its share capital from AED 899,190 thousand (89,919,005 shares) to AED 1,115,362 thousand (111,536,157 shares), reflecting the addition of AED 216,172 thousand (21,617,152 shares). On 3 October 2024, the Shareholders at the Annual General Meeting approved the stock split of 1:20, increasing the Group's number of shares from 111,536,157 to 2,230,723,140 and reducing the par value per share from 10 dirhams to 50 fils. The shares were actually issued on 17 October 2024.

For the year ended 31 December 2023, the weighted-average number of shares outstanding was represented for the purpose of comparability before and after the share split transaction.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

16 Property and equipment

	Land and buildings AED'000	Leasehold improvement AED'000	Motor vehicles AED'000	Furniture & equipment AED'000	Capital work in progress (CWIP) AED'000	Total AED'000
Cost or revaluation:						
As at 1 January 2023	167,458	249,463	17,061	104,557	110,187	648,726
Additions	-	15,524	745	8,968	105,004	130,241
Acquisition through merger	287,096	50,841	42,741	61,822	75,721	518,221
Transfers from CWIP	102,814	2,253	-	4,436	(109,503)	-
Transfers from investment property *(note 17)*	1,871	-	-	-	2,231	4,102
Transfers to investment property *(note 17)*	-	-	-	-	(3,870)	(3,870)
Capitalization of borrowing costs	-	-	-	-	1,071	1,071
Transfers to held for sale *(note 14)*	(106,497)	-	(422)	(10,214)	(29,180)	(146,313)
Disposals	-	(9,640)	(1)	(3,690)	-	(13,331)
Gain on revaluation	757	-	-	-	-	757
Write off	-	(17,961)	(15)	(6,829)	(228)	(25,033)
As at 31 December 2023	453,499	290,480	60,109	159,050	151,433	1,114,571
Additions	-	8,605	1,817	15,604	112,286	138,312
Capitalization of borrowing costs	-	-	-	-	313	313
Transfers from CWIP	-	11,542	-	18,012	(29,554)	-
Transfers to investment property *(note 17)*	-	-	-	-	(80,451)	(80,451)
Transfers to intangible assets *(note 18)*	-	-	-	-	(1,340)	(1,340)
Transfers from held for sale *(note 14)*	-	-	-	1,069	-	1,069
Write off	-	-	-	-	(1,673)	(1,673)
Disposals	-	(2,510)	(2,397)	(5,883)	-	(10,790)
Transfer of Marine & Fish businesses to held for sale *(note 14)*	-	-	(36,002)	(1,159)	-	(37,161)
Gain on revaluation	55,865	-	-	-	-	55,865
Impairment	-	(15,234)	(693)	(6,027)	-	(21,954)
As at 31 December 2024	**509,364**	**292,883**	**22,834**	**180,666**	**151,014**	**1,156,761**
Accumulated depreciation:						
As at 1 January 2023	-	189,224	13,135	85,345	-	287,704
Charge for the year	-	13,371	3,799	9,483	-	26,653
Disposals	-	(4,964)	(1)	(2,064)	-	(7,029)
Transfers to held for sale *(note 14)*	-	(1,554)	(10)	(310)	-	(1,874)
Write off	-	(10,247)	(13)	(2,355)	-	(12,615)
As at 31 December 2023	-	185,830	16,910	90,099	-	292,839
Charge for the year	-	13,531	10,812	30,705	-	55,048
Disposals	-	(1,887)	(1,944)	(4,532)	-	(8,363)
Transfer of Marine & Fish businesses to held for sale *(note 14)*	-	-	(7,592)	(478)	-	(8,070)
As at 31 December 2024	**-**	**197,474**	**18,186**	**115,794**	**-**	**331,454**
Carrying amount:						
As at 31 December 2023	453,499	104,650	43,199	68,951	151,433	821,732
As at 31 December 2024	**509,364**	**95,409**	**4,648**	**64,872**	**151,014**	**825,307**

16 Property and equipment *(continued)*

Fair value measurement of the Group's land and buildings

The Group's lands are stated at their revalued amounts, being the fair value at the date of revaluation and buildings are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value measurements of the Group's land and buildings as at 31 December 2024 and 31 December 2023 were performed by independent valuers (the "Valuers") not related to the Group.

The Valuers have appropriate qualifications and recent experience in the fair value measurement of properties in the relevant locations. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

The fair value of the freehold land was determined based on the market comparable approach that reflects recent transaction prices for similar properties.

The fair value of the buildings was determined using the investment approach that reflects the capitalization of an income stream at a given rate.

Had land and buildings been carried at cost, the carrying amount would have been AED 397,955 thousand *(2023: AED 406,574 thousand)*.

There has been no change to the valuation technique during the year.

Type of holding by the Group	Valuation technique	Significant unobservable inputs
Owned buildings on owned lands and granted lands – Other than villas	The market value of the freehold properties is determined using the investment approach, while the lands are valued separately using the market comparable approach. The value of the building is then computed as the residual amount.	Market rent per square foot (SQF) range from AED 10.00 Per SQF to AED 116.95 Per SQF. Capitalisation rates range from 7.8% - 11.0%
Owned buildings on owned lands and granted lands – Villas	An exception to the above approach is for villas, where the market value of the villas is determined using the market comparable approach. The separate value of the lands is calculated using the market comparable approach with a special assumption that the land is vacant. The value of the building is then computed as the residual amount.	Price per square foot (SQF) range from AED 43.19 Per SQF to AED 270.83 Per SQF.
Owned buildings on leasehold lands	The market value of the leasehold properties is determined using the investment approach over the remaining useful life of the lease, while also considering deductions for the market rent of the land.	Market rent per square foot (SQF) range from AED 11.30 per SQF to AED 123.10 per SQF. Capitalisation rates range from 9.5% - 14.0%
Vacant lands (includes granted lands)	Market comparable approach for lands valuation.	Price per square foot (SQF) range from AED 18.58 Per SQF to AED 545.98 Per SQF.

Notes to the consolidated financial statements *(continued)*

16 Property and equipment *(continued)*

Fair value measurement of the Group's land and buildings (continued)

Type of holding by the Group	Fair value at 31 December 2023 AED'000	+5% change in estimated market rent AED'000	-5% change in estimated market rent AED'000	+25 bps change in capitalization rate AED'000	-25 bps change in capitalization rate AED'000	+ 5% change in price per square foot AED'000	- 5% change in price per square foot AED'000
Owned buildings on owned lands and granted lands – Other than villas	204,148	213,603	190,410	198,421	205,623	-	-
Owned buildings on owned lands and granted lands – Villas	16,904	-	-	-	-	17,749	16,059
Owned buildings on leasehold lands	135,386	142,105	130,372	133,763	138,852	-	-
Vacant lands	152,926	-	-	-	-	160,572	145,279

16 Property and equipment *(continued)*

The estimated fair value would increase (decrease) if the expected market rent per square foot were higher (lower), the capitalization rate were lower (higher), and the price per square foot were higher (lower).

Land grants from the Government

The Group owns various plots of land provided free of cost by the Government of Abu Dhabi. These properties were considered as government grants and recorded at nominal value.

Subsequent to grant date, the plots of land are remeasured at fair value as at the reporting date in line with the Group's accounting policy for land and buildings under property and equipment. Granted lands had a fair value of AED 161,431 thousand as at 31 December 2024 *(2023: AED 126,082 thousand)*.

The fair value of land and buildings valued based on the sales comparison method and income capitalisation method are classified as Level 2 and Level 3 respectively in the fair value hierarchy as at the end of the reporting period. There were no transfers between Level 2 and Level 3 during the year.

During 2024, the Group carried out an impairment assessment to review the carrying amounts of the property and equipment to determine whether there is any indication that those assets have suffered an impairment loss. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating unit "CGU" which is the store level for the Group. The Group estimated the recoverable amount of the CGU to which the asset belongs by determining the value in use by calculating the discounted cash flows for each store, which is the lowest CGU level. For stores where there is a plan to close in the next years or where the recoverable amount was estimated to be less than its carrying amount, the carrying amount of the CGU was reduced to its recoverable amount. Key assumptions such as discount rate and average growth rate were 8.4% and 5.4%, respectively. Growth rates are as per the approved budget.

An impairment loss is recognised in the statement of profit or loss amounted to AED 21,954 thousand.

17 Investment properties

	Land and buildings AED'000	Right-of-use assets AED'000	Capital work in progress AED'000	Total AED'000
At 1 January 2023	1,452,223	44,990	2,231	1,499,444
Additions during the year	12,029	3,969	-	15,998
Acquisition through merger	199,534	65,194	-	264,728
Transfers to held for sale *(note 14)*	(26,036)	-	(3,870)	(29,906)
Transfers from ROU asset *(note 20)*		12,162	-	12,162
Transfers from property and equipment *(note 16)*		-	3,870	3,870
Transfers to property and equipment *(note 16)*	(1,871)	-	(2,231)	(4,102)
Changes in fair value	18,657	(10,364)	-	8,293
At 31 December 2023	1,654,536	115,951	-	1,770,487

17 Investment properties *(continued)*

	Land and buildings AED'000	Right-of-use assets AED'000	Capital work in progress AED'000	Total AED'000
At 1 January 2024	**1,654,536**	**115,951**	**-**	**1,770,487**
Disposals during the year	**(33,330)**	**-**	**-**	**(33,330)**
Transfers from held for sale *(note 14)*	**29,906**	**-**	**-**	**29,906**
Transfers from property and equipment *(note 16)*	**-**	**-**	**80,451**	**80,451**
Transfers from capital work in progress	**28,062**	**-**	**(28,062)**	**-**
Changes in fair value	**24,327**	**(14,995)**	**-**	**9,332**
At 31 December 2024	**1,703,501**	**100,956**	**52,389**	**1,856,846**

The rental income and direct operating expenses relating to investment properties during the reporting period are as follows:

	2024 AED'000	2023 AED'000
Rental income from investment properties	**211,172**	162,400
Direct operating expenses for investment properties	**(72,482)**	(55,793)

Investment properties contain a number of commercial properties, primarily commercial spaces in shopping malls, that are leased to third parties. The average period of these leases are 3 years. The fair value of the Group's investment properties at the end of the reporting period were based on valuations conducted by an independent valuer. The Valuers have appropriate qualifications and recent experience in the fair value measurement of properties in the relevant locations.

The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties. In estimating the fair value of the properties, the highest and best use of the properties is their current use. There has been no change in the valuation technique during the year.

The fair value of the freehold land was determined based on the market comparable approach that reflects recent transaction prices for similar properties.

The fair value of the buildings was determined using the investment method approach that reflects the capitalization of an income stream at a given rate.

The fair value of investment property as a right-of-use asset, reflects market participants' assumptions about the discount rate and the expected cash flows, including variable lease payments that are expected to become payable. While the expected cash flows include the impact of the lease payments expected to be made, then it is necessary to add back the carrying amount of any recognised lease liability to arrive at the fair value of the right of use of assets classified as an investment property.

17 Investment properties *(continued)*

There has been no change to the valuation technique during the year.

Type of holding by the Group	Valuation technique	Significant unobservable inputs
Owned buildings on owned lands and granted lands – Other than villas	The market value of the freehold properties is determined using the investment approach, while the lands are valued separately using the market comparable approach. The value of the building is then computed as the residual amount.	Market rent per square foot (SQF) range from AED 10.00 Per SQF to AED 116.95 Per SQF. Capitalisation rates range from 7.8% - 11.0%
Owned buildings on owned lands and granted lands – Villas	An exception to the above approach is for villas, where the market value of the villas is determined using the market comparable approach. The separate value of the lands is calculated using the market comparable approach with a special assumption that the land is vacant. The value of the building is then computed as the residual amount.	Price per square foot (SQF) range from AED 43.19 Per SQF to AED 270.83 Per SQF.
Owned buildings on leasehold lands	The market value of the leasehold properties is determined using the investment approach over the remaining useful life of the lease, while also considering deductions for the market rent of the land.	Market rent per square foot (SQF) range from AED 11.30 per SQF to AED 123.10 per SQF. Capitalisation rates range from 9.5% - 14.0%
Vacant lands (includes granted lands)	Market comparable approach for lands valuation.	Price per square foot (SQF) range from AED 18.58 Per SQF to AED 545.98 Per SQF.
Leasehold land	Market rent of the ground lease is determined using the comparable approach.	Market rent per square foot (SQF) range from AED 54.35 per SQF to AED 99.84 per SQF.

17 Investment properties *(continued)*

Type of holding by the Group	Fair value at 31 December 2024 AED'000	+5% change in estimated market rent AED'000	-5% change in estimated market rent AED'000	+25 bps change in capitalization rate AED'000	-25 bps change in capitalization rate AED'000	+ 5% change in price per square foot AED'000	- 5% change in price per square foot AED'000	+ 5% change in market rent of lease AED'000	- 5% change in market rent of lease AED'000
Owned buildings on owned lands and granted lands – Other than villas	**1,342,475**	**1,397,835**	**1,286,011**	**1,306,570**	**1,378,837**	**-**	**-**	**-**	**-**
Owned buildings on owned lands and granted lands – Villas	**84,163**	**-**	**-**	**-**	**-**	**88,371**	**79,955**	**-**	**-**
Owned buildings on leasehold lands	**178,574**	**184,874**	**172,894**	**175,219**	**182,750**	**-**	**-**	**-**	**-**
Vacant lands	**98,289**	**-**	**-**	**-**	**-**	**101,516**	**91,848**		
Leasehold land	**100,958**	**-**	**-**	**-**	**-**	**-**	**-**	**106,006**	**95,910**

The estimated fair value would increase (decrease) if the expected market rent per square foot were higher (lower), the capitalization rate were lower (higher), the price per square foot were higher (lower), the market rent of the ground lease were higher (lower).

The investment properties consist of plots of land, shopping malls built on freehold and leasehold lands, and buildings in the United Arab Emirates, which are held by the Group for capital appreciation and rental purposes. Additionally, there are leasehold properties that are further subleased for rental purposes.

Investment properties valued based on the sales comparison method and income capitalisation method are classified as Level 2 and Level 3 respectively in the fair value hierarchy as at the end of the reporting period. There were no transfers between Level 2 and Level 3 during the year.

Land and buildings investment properties and investment properties held as right-of-use assets are carried at fair value. For capital in progress investment properties the fair value is not reliably measurable but expects the fair value of the property to be reliably measurable when construction is complete, hence it is measured at cost until either its fair value becomes reliably measurable, or construction is completed.

18 Intangible assets

	Computer software AED'000	Customer relationship AED'000	Concession agreement AED'000	Brands AED'000	Capital work in progress (CWIP) AED'000	Total AED'000
Cost						
At 1 January 2023	-	-	-	-	-	-
Additions	460	-	-	-	848	1,308
Acquisition through merger	8,161	22,830	21,888	23,154	1,632	77,665
Transfers to held for sale *(note 14)*	(410)	-	-	-	-	(410)
Write offs	(50)	-	-	-	-	(50)
As at 31 December 2023	8,161	22,830	21,888	23,154	2,480	78,513
Additions	50	-	-	-	245	295
Transfers to related party	-	-	-	-	(640)	(640)
Transfers from property and equipment *(note 16)*	-	-	-	-	1,340	1,340
Transfers from CWIP	1,841	-	-	-	(1,841)	-
Disposals	(27)	-	-	-	-	(27)
Transfers to assets held for sale *(note 14)*	-	(22,830)	(21,888)	-	-	(44,718)
As at 31 December 2024	**10,025**	**-**	**-**	**23,154**	**1,584**	**34,763**
Accumulated amortization						
At 1 January 2023	-	-	-	-	-	-
Charge for the year	502	125	101	260	-	988
Transfers to held for sale *(note 14)*	(13)	-	-	-	-	(13)
Write offs	(15)	-	-	-	-	(15)
As at 31 December 2023	474	125	101	260	-	960
Charge for the year	3,294	805	647	1,764	-	6,510
Disposals	(8)	-	-	-	-	(8)
Transfers of Marine and Fish businesses to held for sale *(note 14)*	-	(930)	(748)	-	-	(1,678)
As at 31 December 2024	**3,760**	**-**	**-**	**2,024**	**-**	**5,784**
Carrying amount:						
As at 31 December 2023	7,687	22,705	21,787	22,894	2,480	77,553
As at 31 December 2024	**6,265**	**-**	**-**	**21,130**	**1,584**	**28,979**

19 Goodwill

	2024	2023
	AED'000	AED'000
Cost		
At 1 January	**1,009,204**	50,000
Acquisition through merger *(refer note 5)*	**-**	959,204
Derecognition of associated goodwill on disposal of WAM, and AMM*	**(79,190)**	-
At 31 December	**930,014**	1,009,204

During 2014, the Group entered into an agreement with Mega Mart LLC ("Mega Mart") for the acquisition of Mega Mart's supermarkets, effective from 15 March 2014 ("the Agreement"). As per the Agreement, the Group acquired all rights and entitlements of Mega Mart from contracts and licenses existing on transaction date; the assets and liabilities stipulated in the Agreement; and full undisputed ownership of Mega Mart, including the trade name.

On 9 November 2023, the Department of Economic Development in Abu Dhabi (DED) issued Administrative Resolution no. 59 to merge three cooperative societies – Al Ain Cooperative Society (AACS), Delma Cooperative Society (DCS), and the Al Dhafra Cooperative Society (ADCS) (together, the "Subject Entities") into ADCOOP (currently known as MAIR Group) resulting a goodwill from the merger with the Subject Entities.

* The AED 79,190 thousand decrease in the Goodwill was caused by the disposal of ownership interests in WAM (60%) and AMM (60%) during the year. The Group now holds only 40% stake on each of the WAM and AMM. Refer to note 14 for more details.

During the year, the Group has finalised purchase price allocation of Al Ain Cooperative Society, Delma Cooperative Society and Al Dhafra Cooperative Society. The initial accounting for these acquisitions were incomplete as at 31 December 2023 and provisional purchase price allocation was recorded. The finalisation of purchase price allocation during the year did not result in any adjustment to initial goodwill.

Carrying amount of Goodwill allocated to the CGUs:

For the purpose of impairment testing under IAS 36, goodwill recognised by the Group is required to be allocated to each of Mair Group's Cash Generating Units ("CGUs"), or groups of CGUs, that are expected to benefit from the synergies of such business combination. Mair Group has assessed that the goodwill arising from the acquisition of AACS, DCS and ADCS should be fully allocated to the Retail segment. The Group expects the acquisition to generate synergies within the Retail segment through cost savings from combining operational management, including sales, reporting, marketing and human resources functions, as well as improved efficiency in procurement, logistics and better vendor arrangements. Additionally, the Group anticipates that the better reputation of existing brands will enhance the performance of the retail branches of AACS, DCS and ADCS by way of association. Conversely, the Group does not foresee that the business combination will enable better pricing terms with existing tenants or attract more tenants in the Real Estate segment. Furthermore, they do not expect that the business combination would result in economies of scale, higher growth, higher cash flow or any financial advantage to the real estate properties of AACS, DCS and ADCS.

19 Goodwill *(continued)*

Carrying amount of Goodwill allocated to the CGUs: *(continued)*

While operational efficiencies and cost savings are anticipated from integrating the real estate operations of AACS, DCS and ADCS into the Group, these synergies are considered insignificant for any goodwill recognised in the combination to be identified and allocated to the Real Estate segment. Therefore, the goodwill recognised from the acquisition of businesses including Mega Mart will be allocated and tested for impairment at the operating segment level of the Group, as that constitutes the level at which the goodwill will be monitored for internal management purposes.

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

Retail segment

The recoverable amount of the 'Retail' segment as a group cash-generating units is AED 1,819,700 thousand which is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by the directors covering a 5 years period and a pre-tax discount rate between 10.5 to 12.5 per cent per annum calculated based on the cost of equity (which is estimated using the capital asset pricing model ("CAPM")) and the cost of debt.

The key assumptions used by management in setting the financial budgets for the initial 5 years period was as follows:

Forecast sales growth rates and expected relevant costs

Forecast sales growth rates and costs are as per the approved budget for the Group which is based on past experience adjusted for the historic measures, sales/market trends and the strategic decisions made in respect of the retail segment.

Operating profits

Operating profits are forecast based on historical experience of operating margins, adjusted for the impact of changes to product costs and cost saving initiatives.

Terminal value growth rate

Cash flows beyond that 5-year period have been extrapolated using a steady 2 per cent per annum growth rate. The steady growth rate of 2 per cent is based on the average of long-term inflation forecasts from 2025 to 2050 of the UAE, sourced from the Economic Intelligence Unit.

The group has sufficient headroom in its goodwill impairment test, indicating that the carrying value of goodwill is well supported by the underlying assets and cash flows of the Group. This ensures that the risk of impairment remains remote under current conditions even under a range of sensitivity scenarios applied to key assumptions such as discount rates, growth rates, and future cash flows, the group's goodwill value remains unaffected. These stress tests confirm that, even with reasonable variations, there is no indication of impairment.

20 Leases

Right-of-use assets

	2024	2023
	AED'000	AED'000
Cost		
At 1 January	**802,800**	525,406
Additions during the year	**159,529**	38,342
Acquisition through merger	**-**	287,533
Derecognition of right-of-use assets	**(19,743)**	(36,319)
Derecognition of expired lease contracts	**(52,934)**	-
Transfers to investment property *(note 17)*	**-**	(12,162)
At 31 December	**889,652**	802,800
Accumulated depreciation		
At 1 January	**264,415**	239,839
Charge for the year	**70,051**	49,074
Derecognition of right-of-use assets	**(10,891)**	(24,498)
Derecognition of expired lease contracts	**(52,934)**	-
At 31 December	**270,641**	264,415
Carrying amount at 31 December	**619,011**	538,385

The Group leases lands, shopping centers and stores. The lease terms range from 2 to 50 years *(2023: 2 to 50 years)*.

The Group recognised a provision for site restoration costs amounting to AED 1,591 thousand for three of its new lease contracts, which has been capitalised to right-of-use assets.

Amounts recognised in profit and loss:

	2024	2023
	AED'000	AED'000
Depreciation of right-of-use assets recognised *(note 11)*	**70,051**	49,074
Rent on low value and short-term lease *(note 9)*	**13,014**	14,196
Interest expense on lease liabilities *(note 13)*	**35,392**	19,323

Lease liabilities

	2024	2023
	AED'000	AED'000
At 1 January	**625,942**	348,683
Additions during the year	**157,938**	37,072
Acquisition through merger *(note 5)*	**-**	301,876
Interest expense on lease liabilities	**35,392**	19,323
Payments during the year	**(114,960)**	(68,400)
Derecognition of lease liability	**(9,412)**	(12,612)
Balance as at 31 December	**694,900**	625,942
Current	**86,372**	65,563
Non-current	**608,528**	560,379
	694,900	625,942

20 Leases *(continued)*

During the year, the Group derecognised lease liabilities amounting to AED 9,412 thousand *(2023: AED 12,612 thousand)* as a result of termination of lease contracts prior to the end of the lease term.

The Group has total cash outflows for leases amounting to AED 114,960 in 2024 *(2023: AED 68,400)*.

The Group does not face a significant liquidity risk with regards to its liabilities. Lease liabilities are monitored within the Group's treasury function.

21 Investment in equity-accounted investees

Details of the Group's investment in equity-accounted investees are as follows:

Name of the associate	Principal activity	Place of incorporation	Ownership interest 2024 %	2023 %
Wahat al Masah Trading Company ("WAM")	Trading	United Arab Emirates	**40**	100
Al Masah Flour Mill ("AMM")	Milling and Trading	United Arab Emirates	**40**	100
Al Masa Animal Feed ("AAF")	Trading	United Arab Emirates	**40**	50
Consumer Cooperative Union ("CCU")	Trading	United Arab Emirates	**51.30**	51.30

The movement in the investment in equity-accounted investees is as follows:

	WAM AED'000	AMM AED'000	AAF AED'000	CCU AED'000	Total AED'000
As at January 1, 2023	-	-	-	10,653	10,653
Acquisition from merged Entities	-	-	6,923	13,830	20,753
Transfer to assets held for Sale	-	-	(1,255)	-	(1,255)
Share of profit/(loss)	-	-	(646)	179	(467)
As at January 1, 2024	**-**	**-**	**5,022**	**24,662**	**29,684**
Investment in WAM and AMM	**9,640**	**36,320**	**-**	**-**	**45,960**
Additional investment during the year	**105,487**	**-**	**-**	**-**	**105,487**
Impairment on investment	**-**	**-**	**-**	**(9,438)**	**(9,438)**
Share of profit/(loss), net of tax	**12,103**	**40**	**(2,821)**	**230**	**9,552**
As at 31 December 2024	**127,230**	**36,360**	**2,201**	**15,454**	**181,245**

21 Investment in equity-accounted investees *(continued)*

On 10 January 2024, the Group sold its effective 60% shareholding in both Wahat Al Masa and Al Masa Flour Mill, which were wholly owned subsidiaries of the Group. In addition to selling a 10% shareholding in Al Masa Animal Feed, leaving it with a remaining effective stake of 40%. Refer to note 14.

During 2024, WAM operations and results significantly increased as they managed to secure a big contract for supplying Basmati Rice to the Emirate. Considering the significant increase in WAM's operations and performance, the Group decided to provide additional support to WAM to help improving its operations and profits further in a form of converting a portion of the amounts due from WAM (recorded as related party balance due from WAM) amounting to AED 105,489 thousand to additional contributed capital as part of WAM's equity and as additional investment in associate in MAIR's Group consolidated financial statements.

As part of the Group impairment assessment exercise for all investment in associates, the Group has recognised an impairment of AED 9,438 thousand against CCU investment to reflect the carrying value of the investment.

Below are the profit and loss information and financial position of material associates for the respective periods.

	2024 AED'000				2023 AED'000
Associate	**WAM**	**AMM**	**AAF**	**CCU**	CCU
Non-current assets	**965**	**46,007**	**39,462**	**5,043**	4,582
Current assets	**77,418**	**18,303**	**33,125**	**29,974**	32,278
Non-current liabilities	**(265)**	**(54)**	**(277)**	**(578)**	(328)
Current liabilities	**(27,302)**	**(63,715)**	**(81,640)**	**(6,471)**	(6,287)
Net assets (100%)	**50,816**	**541**	**(9,330)**	**27,968**	30,245
Group's share of net assets	**20,327**	**216**	**-**	**14,348**	15,516
Goodwill	**106,903**	**36,144**	**2,201**	**1,106**	9,146
Group's Carrying amount of investment	**127,230**	**36,360**	**2,201**	**15,454**	24,662
Revenue	**124,741**	**25,045**	**29,349**	**26,666**	29,940
Profit/ (loss) for the period	**30,257**	**100**	**(7,052)**	**448**	725
Total comprehensive income/ (loss)	**30,257**	**100**	**(7,052)**	**448**	725
Group's share of total comprehensive income / (loss)	**12,103**	**40**	**(2,821)**	**230**	179

The associates had no material contingent liabilities or capital commitments as at 31 December 2024 and 2023.

22 Investments in securities at fair value

Composition of investments in securities at fair value

The Group's investments at the end of the reporting period are detailed below:

	2024 AED'000	2023 AED'000
Investments at FVTOCI		
Quoted UAE equity securities	**33,082**	174,766
Quoted non-UAE equity securities	**2,255**	2,772
Unquoted UAE equity securities	**13**	1,355
Unquoted non-UAE equity securities	**29,849**	38,710
Quoted UAE debt securities	**-**	63,239
	65,199	280,842

The Group designated the investments shown above as equity securities at FVTOCI because these equity securities represent investments that the Group intends to hold for the long term for strategic purpose. During the year, The Group has disposed off a significant portion of the equity securities at FVTOCI and an amount of AED 133,521 thousand for the accumulated fair value reserve of these equity securities was transferred from investment fair value reserve to retained earnings. In addition to that, the Group has disposed of all debt securities at FVTOCI for which the accumulated fair value reserve of AED 3,340 thousand was recycled from investment fair value reserve in equity to the statement of profit or loss.

Quoted debt securities at FVTOCI have stated interest rates of 2.50% to 7.25% and mature in 5 to 10 years.

	2024 AED'000	2023 AED'000
Investments at FVTPL		
Quoted UAE equity securities	**17,327**	36,872
Unquoted UAE equity securities	**14,100**	14,465
Unquoted non-UAE equity securities	**34,200**	37,798
	65,627	89,135

The geographical distribution of investments is as follows:

	2024 AED'000	2023 AED'000
Within UAE		
Investments at FVTOCI	**33,095**	239,360
Investments at FVTPL	**31,427**	51,337
	64,522	290,697
Outside UAE		
Investments at FVTOCI	**32,104**	41,482
Investments at FVTPL	**34,200**	37,798
	66,304	79,280
	130,826	369,977

22 Investments in securities at fair value *(continued)*

Movement in investments in securities at fair value

The movement in investments is as follows:

	FVTOCI AED'000	FVTPL AED'000	Total AED'000
At 1 January 2024	**280,842**	**89,135**	**369,977**
Disposals	**(220,394)**	**(20,937)**	**(241,331)**
Transfers to held for sale *(note 14)*	**(1,341)**	**-**	**(1,341)**
Change in fair value taken to:			
Profit or loss	**-**	**(2,571)**	**(2,571)**
Other comprehensive income	**6,092**	**-**	**6,092**
At 31 December 2024	**65,199**	**65,627**	**130,826**
At 1 January 2023	46,168	83,744	129,912
Additions	265	11,991	12,256
Acquisition through merger *(note 5)*	228,884	-	228,884
Disposals	-	(9,260)	(9,260)
Realised gain on disposal	-	977	977
Write off of equity instrument	(1,213)	-	(1,213)
Change in fair value taken to:			
Profit or loss	-	1,683	1,683
Other comprehensive income	6,738	-	6,738
At 31 December 2023	280,842	89,135	369,977

Certain shares in public companies, registered in the United Arab Emirates are held by the Group and registered in the name of former Directors of the Group and are assigned, with the related dividends, in favour of the Group.

Investments in quoted equity instruments and debt securities are classified as Level 1 fair values, while unquoted equity instruments are classified as Level 3 fair values in the fair value hierarchy as at the end of the reporting period (see Note 34). There were no transfers between levels during the year.

The Group has not purchased any shares during the year ended 31 December 2024.

Sensitivity analyses:

The following table provides an analysis of financial instruments for which fair values are recognised in the financial statements as well as significant unobservable inputs used.

22 Investments in securities at fair value *(continued)*

Type of investment	Valuation Approach	Significant unobservable inputs	Sensitivity Analysis at 5%
Investments in unlisted shares designated at FVTPL	Price-to-book value ('P/B'): Median value of trading Price-to-book value multiples of comparable company peers similar to the investee company in terms of business activities, markets served, size and geographical region, after applying discounts for differences in their operations, risk profiles owing to size and scale, has been applied.	Adjusted market multiple	An increase/decrease of 5% in the selected multiple would result in an increase/decrease of an average of AED 1,829 thousand in the fair value of Group's stake in the investee companies.
	Adjusted Net Book Value ('ANBV'): Adjusted Net Book Value method is utilized, and the equity value is discounted on account of lack of marketability.	Risk-adjusted discount rate	An increase/decrease of 5% in the equity value would result in increase/decrease of AED 491 thousand in the fair value of the Group's stake in the investee company.
Investments in unlisted shares designated at FVTOCI	The enterprise-value-to-EBITDA ratio: Median value of trading EV/EBITDA multiples of comparable company peers similar to the investee company in terms of business activities, markets served, size and geographical region, after applying discounts for differences in their operations, risk profiles owing to size and scale, has been applied.	Adjusted market multiple	An increase/decrease of 5% in the selected multiple would result in increase/decrease of AED 849 thousand in the fair value of the Group's stake in the investee company.

The significant majority of the Group's listed equity investments are listed on either the Abu Dhabi Securities Exchange ("ADX") or the Dubai Financial Market ("DFM"). For such investments classified at FVOCI, a 5 percent increase in the ADX general index and a 5 percent increase in the DFM general index at the reporting date would have increased equity by AED 1,654 thousand *(2023: an increase of AED 8,738 thousand)*; an equal change in the opposite direction would have decreased equity by AED 1,654 thousand *(2023: a decrease of AED 8,738 thousand)*. For such investments classified at FVTPL, a 5 percent increase in the ADX general index and a 5 percent increase in the DFM general index at the reporting date on profit or loss would have been an increase of AED 866 thousand *(2023: AED 1,844 thousand)*. An equal change in the opposite direction would have decreased profit or loss by AED 866 thousand *(2023: AED 1,844 thousand)*.

23 Inventories

	2024 AED'000	2023 AED'000
Goods located in warehouse	**46,791**	123,129
Goods located in supermarkets	**162,060**	125,498
Others	**1,178**	1,280
	210,029	249,907
Less: provision for impairment of slow-moving inventories	**(5,603)**	(2,331)
As at 31 December	**204,426**	247,576

In 2024, inventories of AED 1,591,191 thousand *(2023: AED 965,367 thousand)* were recognised as an expense during the year and included in 'cost of retails goods sold'. Cost of retail goods sold for the year ended 31 December 2024 is net off supplier rebates and discounts of AED 238,530 thousand *(2023: AED 84,215 thousand)*.

The movement in the provision for slow-moving inventories is as follows:

	2024 AED'000	2023 AED'000
As at 1 January	**2,331**	1,172
Additions for the year	**3,272**	1,159
As at 31 December	**5,603**	2,331

24 Trade and other receivables

	2024 AED'000	2023 AED'000
Trade receivables	**42,930**	61,272
Rent receivables	**66,801**	57,299
Less: allowance for expected credit losses	**(51,246)**	(34,234)
Trade receivables, net of allowance	**58,485**	84,337
Prepayments	**23,958**	40,426
Advances	**45,217**	48,583
Deposits	**12,773**	11,509
Due from related party (*note 31*)	**18,889**	40,567
Other receivables	**153,136**	26,520
Less: Provision for Advances and Other receivables	**(18,530)**	(13,611)
Other receivables, net of allowance	**235,443**	153,994
Trade and other receivables	**293,928**	238,331

24 Trade and other receivables *(continued)*

Other receivables include receivable from Emirates Farm arising from the sale of WAM, AMM and AAF amounting to AED 73,380 thousand and receivables for the ongoing support services with a third party amounting to AED 49,009 thousand.

Information about the Group's exposure to credit and market risks, and impairment losses for trade receivables and other receivables is included in note 33.

Movement in provision for the impairment of trade receivables is as follows:

	2024	2023
	AED'000	AED'000
At 1 January	**34,234**	22,217
Provided during the year	**17,318**	12,017
Write-off during the year	**(306)**	-
At 31 December	**51,246**	34,234

Provision for Advances and Other receivables includes impairment allowance of AED 13,611 thousand against advances to suppliers and AED 4,919 thousand against other receivables *(2023: allowance of AED 13,611 thousand against advances to suppliers).*

25 Cash and cash equivalents

	2024	2023
	AED'000	AED'000
Cash on hand	**4,617**	5,727
Cash at banks	**310,431**	452,823
Fixed deposits	**189,255**	318,068
Cash and cash equivalents in the statement of financial position	**504,303**	776,618
Less: Bank overdraft	**-**	(43,425)
Cash and cash equivalents in the statement of cash flows	**504,303**	733,193

Cash at banks includes AED 80,481 thousand *(2023: AED 23,263 thousand)*, which is restricted for dividend payments and is not available for general operational use by the Group.

Cash at banks include call accounts that carry interest rate of 1.25% per annum *(2023: 0% -5.47 % per annum)*. Cash balances are held with banks within the UAE, which maintain credit ratings ranging from BBB+ to AA-.

Bank overdraft is Nil *(2023: AED 43,425 thousand)*. In the consolidated statement of financial position, the bank overdraft is presented separately as a current liability. Bank overdraft is repayable on demand and carried an interest rate of 8% to 10%.

26 Trade and other payables

	2024	2023
	AED'000	AED'000
Trade payables	**212,718**	240,338
Provisions and accruals	**100,099**	54,285
Dividend payable	**51,883**	33,361
Unearned rent	**41,484**	40,430
Due to related party *(note 31)*	**20,977**	458
Advance from customers	**20,075**	20,931
Security deposit	**14,194**	16,063
Directors' remuneration	**9,768**	13,420
Donations to charities	**7,871**	7,879
Unearned revenue	**1,132**	2,118
Provision against legal claims	**400**	1,909
Other payables	**44,176**	72,947
	524,777	504,139

The average credit period on purchases of goods is 60 days. No interest is charged on trade payables. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

27 Borrowings

	2024	2023
	AED'000	AED'000
Non-current liabilities:		
Secured bank loans	**157,790**	723,049
Current liabilities:		
Secured bank loans	**13,000**	2,050

Bank loans are secured through investment properties, letter of undertaking from point-of-sale (POS) machines collection agents, rental proceeds from the secured properties.

Movement in borrowings during the year is as follows:

	2024	2023
	AED'000	AED'000
At 1 January	**725,099**	738,825
Repayments	**(554,309)**	(13,726)
At 31 December	**170,790**	725,099

27 Borrowings *(continued)*

A. Term and repayment schedule of bank loans

The Group has bank loans amounting to AED 170,790 thousand *(2023: AED 725,099 thousand)* from a bank in the UAE. The terms and conditions of outstanding loans are as follows:

	Effective interest rate	**2024 AED'000**		2023 AED'000	
		Face value	**Carrying value**	Face value	Carrying value
Secured bank loan a)	1.28% plus 3-Months EIBOR	**-**	**-**	543,200	535,920
Secured bank loan b)	1.28% plus 3-Months EIBOR	**175,000**	**170,790**	175,000	167,230
Secured bank loan c)	1.5% plus 3-Months EIBOR	**-**	**-**	25,000	21,949
		175,000	**170,790**	743,200	725,099

The loans are repayable on semi-annual basis for a period of 6 to 7 years *(2022: 6 to 7 years)*.

Secured bank loan a)

The loan was restructured during 2023 and commencing 31 January 2023, the loan is repayable in 16 semi-annual instalments amounting to AED 18,500 thousand (including finance cost), increasing every two years and a final balloon payment on 31 December 2030, as stipulated in the agreement.

On 27 December 2024, the loan was fully settled by the Group.

Secured bank loan b)

The loan was restructured and commencing 31 July 2023, the loan is repayable in 15 semi-annual instalments commencing at AED 5,000 thousand (including finance cost), updated every year and a final balloon payment on 31 December 2030, as stipulated in the agreement.

The loan contains the following covenants:

- Minimum debt service coverage ratio greater or equal to 2.0x;
- Debt to earnings before interest, tax, depreciation and amortization (EBITDA) of not more than 3.0x;
- Maximum leverage ratio not more than 1.50x;
- Minimum tangible net worth of greater or equal to AED 750 million;
- Cover shortfall in installment and to bear any cost overruns from Borrower's own source; and,
- Cover semiannual installments from the Borrower's own sources, in case of shortfall in income from operations.

There were no breach of any covenants during the year *(2023: No breach)*.

The loan is secured by an investment property with a fair value of AED 257,900 thousand *(2023: 254,800 thousand)*.

27 Borrowings *(continued)*

A. Term and repayment schedule of bank loans (continued)

Secured bank loan c)

The loan is repayable on 13 semi-annual installments of AED 1,525 thousand (including finance cost), updated yearly and a final balloon payment on 12 May 2029, as stipulated in the agreement.

On 13 December 2024, the loan was fully settled by the Group.

B. Reconciliation of movements of liabilities to cash flows arising from financing activities

	Lease liabilities AED'000	Borrowings AED'000	Dividends payable AED'000	Interest accrued AED'000	Total AED'000
Balance as at 1 January 2024	**625,942**	**725,099**	**33,361**	**19,601**	**1,404,003**
Changes from financing cash flows					
Dividends paid	**-**	**-**	**(116,548)**	**-**	**(116,548)**
Payment of lease liabilities	**(79,568)**	**-**	**-**	**-**	**(79,568)**
Interest paid on lease liabilities	**(35,392)**	**-**	**-**	**-**	**(35,392)**
Interest paid on borrowings	**-**	**-**	**-**	**(63,719)**	**(63,719)**
Repayment of borrowings	**-**	**(554,309)**	**-**	**-**	**(554,309)**
Total changes from financing activities	**(114,960)**	**(554,309)**	**(116,548)**	**(63,719)**	**(849,536)**
Other changes					
Additions to lease liabilities	**157,938**	**-**	**-**	**-**	**157,938**
Interest expense on lease liabilities	**35,392**	**-**	**-**	**-**	**35,392**
Derecognition of lease liabilities	**(9,412)**	**-**	**-**	**-**	**(9,412)**
Dividends declared	**-**	**-**	**135,070**	**-**	**135,070**
Finance costs	**-**	**-**	**-**	**83,950**	**83,950**
Interest capitalised to CWIP	**-**	**-**	**-**	**(313)**	**(313)**
Total liabilities related changes	**183,918**	**-**	**135,070**	**83,637**	**402,625**
Balance at 31 December 2024	**694,900**	**170,790**	**51,883**	**39,519**	**957,092**

27 Borrowings *(continued)*

B. Reconciliation of movements of liabilities to cash flows arising from financing activities (continued)

	Lease liabilities AED'000	Borrowings AED'000	Dividends payable AED'000	Interest accrued AED'000	Total AED'000
Balance as at 1 January 2023	348,683	738,825	17,404	-	1,104,912
Changes from financing cash flows					
Dividends paid	-	-	(41,253)	-	(41,253)
Payment of lease liabilities	(49,077)	-	-	-	(49,077)
Interest paid on lease liabilities	(19,323)	-	-	-	(19,323)
Interest paid on borrowings	-	-	-	(34,752)	(34,752)
Repayment of borrowings	-	(13,726)	-	-	(13,726)
Total changes from financing activities	(68,400)	(13,726)	(41,253)	(34,752)	(158,131)
Other changes					
Acquisition through merger	301,876	-	-	-	301,876
Additions to lease liabilities	37,072	-	-	-	37,072
Interest expense on lease liabilities	19,323	-	-	-	19,323
Derecognition of lease liabilities	(12,612)	-	-	-	(12,612)
Dividends declared	-	-	57,210	-	57,210
Finance costs	-	-	-	53,282	53,282
Interest capitalised to capital work-in-progress	-	-	-	1,071	1,071
Total liabilities related changes	345,659	-	57,210	54,353	457,222
Balance at 31 December 2023	625,942	725,099	33,361	19,601	1,404,003

28 Employees' end of service benefits

The movement in the provision for employees' end of service benefits is as follows:

	2024 AED'000	2023 AED'000
As at 1 January	**33,500**	17,380
Acquisition through merger	**-**	16,082
Provided during the year	**6,270**	7,569
Paid during the year	**(11,607)**	(7,467)
Transfers to related parties	**(297)**	-
Transfer of Marine and Fish businesses to held for sale *(note 14)*	**(395)**	-
Transfers to held for sale	**-**	(64)
As at 31 December	**27,471**	33,500

29 Share capital and share premium

	2024 No. of share	**2024 AED'000**	2023 No. of share	2023 AED'000
In issue at 1 January	**89,919,005**	**899,190**	38,140,280	381,403
Issued related to merger	**21,617,152**	**216,172**	51,778,725	517,787
In issue at 31 December (pre-split)	**111,536,157**	**1,115,362**	89,919,005	899,190
In issue at 31 December (post stock split of 1:20)	**2,230,723,140**	**1,115,362**	89,919,005	899,190

The share capital as at 31 December 2024 comprises of 2,230,723,140 *(2023: 89,919,005)* authorised, issued and fully paid ordinary shares with a par value of 50 fils each *(2023: AED 10)*. The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Group. All ordinary shares rank equally with regard to the Group's residual assets.

On October 2022, the general meeting of shareholders approved the issue of 12,500 thousand ordinary shares at a price of AED 33.16 per share. When ordinary shares are subsequently issued, the amount received is recognized as an increase in equity at par value, and the resulting surplus on the transaction is presented within share premium. Accordingly, the Group recognized share premium of AED 289,500 thousand during the year ended 31 December 2022.

On 9 November 2023, 51,778,725 ordinary shares with a par value of AED 10 were issued as part of the merger transaction, resulting in the recognition of share premium amounting to AED 1,692,630 thousand. As part of the purchase consideration, MAIR is also obliged to issue 12,506,639 additional shares to the shareholders of the acquired entities with a par value of AED 10, amounting to AED 125,066 thousand as a share capital and resulting in an additional share premium of AED 408,936 thousand accounted together under shares to be issued. The merger also gave rise to an additional 9,110,513 shares to be issued to the existing shareholders of MAIR with a par value of AED 10, amounting to AED 91,105 thousand and resulting in an additional share premium of AED 297,889 thousand.

29 Share capital and share premium *(continued)*

The obligation to issue additional shares to the existing shareholders of MAIR amounting to AED 388,994 thousand is recognised against share premium. The combined effect of the merger transaction resulted in an additional total share premium of AED 1,303,636 thousand as at 31 December 2023.

On 9 September 2024, MAIR Group sent a communication to the Department of Economic Development requesting an increase of its share capital from AED 899,190 thousand (89,919,005 shares) to AED 1,115,362 thousand (111,536,157 shares), reflecting the addition of AED 216,172 thousand (21,617,152 shares). Such additional shares of AED 922,996 thousand were reported under 'Shares to be issued' on 31 December 2023 as a result of the merger transaction out of which AED 216,172 thousand was transferred to share capital while the remaining balance of AED 706,824 thousand transferred to share premium. The Department of Economic Development approved the request on 26 September 2024 but shares were actually issued on 17 October 2024. On 3 October 2024, the Shareholders at the Annual General Meeting approved the stock split of 1:20, increasing MAIR Group's number of shares from 111,536,157 to 2,230,723,140 and reducing the par value per share from 10 dirhams to 50 fils.

30 Reserves

i. Statutory reserve

Given that the Group has changed its legal structure from a co-operative society to a P.J.S.C., the Group is required, in accordance with UAE Federal Decree Law No. 32 of 2021 to transfer 10% of the net profit for the period to the statutory reserve. The General Assembly may stop such deductions when the statutory reserve reaches 50% of the paid-up capital of the Company, unless it articles of association provides for a higher percentage. The statutory reserve may not be disbursed as dividends. However, reserves that exceed 50% of the Capital may be distributed as dividends in years in which the Group does not have sufficient net profits available for distribution at the percentage stated in the articles of association.

During the year, a transfer was made to the statutory reserve of AED 17,115 thousand *(2023: AED 6,275 thousand)*.

ii. Investments fair value reserve

The investment fair value reserve comprises:

- The cumulative net change in the fair value of equity securities designated at FVTOCI; and,
- The cumulative net change in fair value of debt securities designated at FVTOCI until the assets are derecognised or reclassified. This amount is adjusted by the amount of loss allowance.

iii. Revaluation reserve

The revaluation reserve relates to the revaluation of property and equipment immediately before its reclassification as investment property.

31 Related party transactions and balances

The Group, in the ordinary course of business, enters into a variety of transactions at commercially agreed terms and conditions with other business enterprises or individuals that fall within the definition of a related party contained in International Accounting Standard 24.

31 Related party transactions and balances *(continued)*

	2024 AED'000	2023 AED'000
Purchase of goods:		
Consumer Cooperative Union (associate)	**2,659**	1,085
Wahat al Masah Trading Company (associate)	**119,832**	-
Al Masah Flour Mill (associate)	**221**	-
	122,712	1,085
Sale of goods:		
Wahat al Masah Trading Company (associate)	**2,750**	-
Al Masah Flour Mill (associate)	**21**	-
Al Masah Animal Feed Mill (associate)	**31**	1,764
	2,802	1,764
Sale of assets		
Al Masah Animal Feed Mill (associate)	**-**	1,663
Capital expenditures		
Al Masah Animal Feed Mill (associate)	**640**	37,139
Expense		
Wahat al Masah Trading Company (associate)	**752**	-
Investment in Wahat al Masah		
Wahat al Masah Trading Company (associate)	**105,487**	-

	2024 AED'000	2023 AED'000
Due from related parties *(note 24)*		
Al Masah Animal Feed Mill (associate)	**7,654**	40,567
Al Masah Flour Mill (associate)	**11,235**	-
	18,889	40,567
Due to related parties *(note 26)*		
Consumption Cooperative Union (associate)	**1,391**	458
Wahat al Masah Trading Company (associate)	**19,586**	-
	20,977	458

31 Related party transactions and balances *(continued)*

Compensation of key management personnel

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

	2024	2023
	AED'000	AED'000
Short-term benefits	**11,565**	13,206
Post-employment benefits	**747**	92
	12,311	13,298
Board of directors' remuneration	**10,000**	2,960

32 Contingencies and commitments

	2024	2023
	AED'000	AED'000
Capital commitments	**270,422**	49,785
Short-term leases	**10,467**	113
	280,889	49,898
Contingent liabilities		
Bank guarantees	**12,561**	40,483
Legal cases	**2,505**	2,505
	15,066	42,988

33 Financial instruments

Risk management framework

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group's audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

33 Financial instruments *(continued)*

Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to Shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from those of the prior years. The capital structure of the Group consists of equity attributable to the shareholders, comprising issued capital, share premium, reserves, and retained earnings.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's trade and other receivables. The carrying amounts of financial assets represent the maximum credit exposure.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Notes	**2024 AED'000**	2023 AED'000
Trade and tenant receivables	*24*	**109,731**	118,571
Other receivables *(excluding advances and prepayments)*	*24*	**184,798**	78,596
Cash at banks	*25*	**499,686**	770,891
		794,215	968,058

The Group held cash at banks of AED 499,686 thousand at 31 December 2024 *(2023: AED 770,891 thousand)*. The cash at banks are held with bank and financial institution counterparties, which are rated BBB+ to AA-, based on Fitch ratings. Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks. The management of the Group have assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

Expected credit loss for trade and tenant receivables

The following table provides information about the exposure to credit risk and ECL for trade and tenant receivables:

	Weighted average loss rate	**Gross Carrying amount AED'000**	**Loss allowance AED'000**	**Credit-impaired**
31 December 2024				
Current	**1%**	**2,060**	**23**	**No**
1-30 Days	**6%**	**8,599**	**492**	**No**
31-60 Days	**8%**	**9,751**	**817**	**No**
61-90 Days	**13%**	**13,705**	**1,740**	**No**
Above 90 Days	**64%**	**75,616**	**48,174**	**Yes**
		109,731	**51,246**	

33 Financial instruments *(continued)*

Credit risk *(continued)*

Expected credit loss for trade and tenant receivables (continued)

	Weighted average loss rate	Gross Carrying amount AED'000	Loss allowance AED'000	Credit-impaired
31 December 2023				
Current	2%	7,317	161	No
1-30 Days	8%	14,425	1,161	No
31-60 Days	19%	8,475	1,649	No
61-90 Days	28%	6,061	1,677	No
Above 90 Days	52%	82,293	29,586	Yes
		118,571	34,234	

Loss rates are based on actual credit loss experience over the past three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Deposits and amounts due from related parties is not considered to be credit-impaired as of 31 December 2024 *(2023: not credit-impaired)*.

Other receivables and advances have been credit-impaired amounting to AED 18,530 thousand as of 31 December 2024 *(2023: AED 13,611 thousand)*.

Debt securities

The Group limits its exposure to credit risk by investing only in liquid debt securities and only with counterparties that have a good credit rating. The Group monitors changes in credit risk by tracking published external credit ratings. To determine whether published ratings remain up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in published ratings. All debt FVTOCI investments were sold during the year.

Credit rating	**Rating Agency**	**FVTOCI 2024 AED'000**	FVTOCI 2023 AED'000
A3	Moody's	-	41,256
A2	Moody's	-	5,559
A1	Moody's	-	6,914
A+	Fitch Rating	-	4,683
BBB-	Standard & Poor's	-	4,827
Total		-	63,239

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

33 Financial instruments *(continued)*

Liquidity risk *(continued)*

The following table summarises the maturity profile of the Group's financial instruments. The contractual maturities of the financial instruments have been determined on the basis of the remaining period at the statement of financial position date to the contractual maturity date. The maturity profile is monitored by management to ensure adequate liquidity is maintained. The maturity profile of the assets and liabilities at the statement of financial position date based on contractual repayment arrangements was as follows:

			Contractual Cash flows		
		Carrying amount AED'000	**Total AED'000**	**Less than one year AED'000**	**More than one year AED'000**
31 December 2024	*Note*				
Trade and other payables *(excluding advance from customer and unearned)*	*26*	**462,086**	**462,086**	**462,086**	**-**
Lease liabilities	*20*	**694,900**	**1,300,477**	**90,785**	**1,209,692**
Borrowings	*27*	**170,790**	**225,336**	**13,000**	**212,336**
		1,327,776	**1,987,899**	**565,871**	**1,422,028**

		Carrying amount AED'000	Total AED'000	Less than one year AED'000	More than one year AED'000
31 December 2023	*Note*				
Trade and other payables *(excluding advance from customer and unearned)*	*26*	440,660	440,660	440,660	-
Lease liabilities	*20*	625,942	1,104,638	101,642	1,002,996
Borrowings	*27*	725,099	1,037,074	53,297	983,777
Bank overdraft	*25*	43,425	43,425	43,425	-
		1,835,126	2,625,797	639,024	1,986,773

Market risk

Market risk is the risk that changes in market prices – e.g., foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group's listed and non-listed equity investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

33 Financial instruments *(continued)*

Market risk *(continued)*

At the reporting date, the exposure to non-listed equity investments at fair value was AED 78,162 thousand *(2023: 92,328 thousand)*.

At the reporting date, the exposure to listed equity investments at fair value was AED 52,664 thousand *(2023: 214,410 thousand)*.

Interest rate risk

At the reporting date, the interest rate profile of the Group's interest-bearing variable financial instruments was:

	Carrying amount	
	2024	2023
	AED'000	AED'000
Borrowings	**170,790**	725,099

A change of 100 basis points in interest rates would have increased or decreased profit by AED 1,708 thousand *(2023: AED 7,251 thousand)*.

Currency risk

Foreign currency risk is limited since a significant proportion of the Group's transactions, monetary assets and liabilities are in UAE Dirhams and US Dollar. As the UAE Dirhams is pegged to the US Dollar, balances in US Dollars are not considered to represent significant currency risk.

34 Fair value measurement

Financial instruments comprise of financial assets and financial liabilities. Financial assets consist of cash and bank balances, investments at FVTPL, investments at FVTOCI, amounts due from related parties and tenant receivables and other receivables excluding deposits. Financial liabilities consist of bank overdrafts, bank borrowings, trade payables, other payable and amounts due to related parties.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

34 Fair value measurement *(continued)*

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The fair values of the financial instruments are not materially different from their carrying values other than those described in the table below.

The Group uses the following hierarchy for determining and disclosing the fair value of available-for-sale investments and investment properties by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
31 December 2024				
Assets measured at fair value:				
Investments at FVTOCI *(note 22)*				
Equity securities	**35,337**	**-**	**29,862**	**65,119**
Debt securities	**-**	**-**	**-**	**-**
Investments at FVTPL *(note 22)*				
Equity securities	**17,327**	**-**	**48,300**	**65,627**
Investment properties *(note 17)*	**-**	**182,452**	**1,674,394**	**1,856,846**
Land and buildings *(note 16)*	**-**	**169,830**	**339,534**	**509,364**
	52,664	**352,282**	**2,092,090**	**2,496,956**
Financial liabilities not measured at fair value:				
Bank borrowings (note 27)	**-**	**170,790**	**-**	**170,790**

34 Fair value measurement *(continued)*

	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
31 December 2023				
Assets measured at fair value:				
Investments at FVTOCI *(note 22)*				
Equity securities	177,538	-	40,065	217,603
Debt securities	63,239	-	-	63,239
Investments at FVTPL *(note 22)*				
Equity securities	36,872	-	52,263	89,135
Investment properties *(note 17)*	-	214,767	1,555,720	1,770,487
Land and buildings *(note 16)*	-	143,544	309,955	453,499
	277,649	358,311	1,958,003	2,593,963
Financial liabilities not measured at fair value:				
Bank borrowings (note 27)	-	725,099	-	725,099

There were no transfers between level 1, 2 and 3 during the current year and in the prior year.

The following table shows a reconciliation from the opening balances to the closing balance for level 3 fair values:

	Investments at FVTOCI AED'000	**Investments at FVTPL AED'000**	**Investment properties AED'000**	**Land and buildings AED'000**	**Total AED'000**
Balance as at 1 January 2023	40,042	53,732	1,362,832	140,958	1,597,564
Assumed in a business combination	1,356	-	183,016	166,369	350,741
Net change in fair value (unrealised)	(1,333)	(1,469)	(7,117)	757	(9,162)
Purchases	-	-	6,698	-	6,698
Transfer from ROU to IP	-	-	12,162	-	12,162
Transfer from IP	-	-	(1,871)	1,871	-
Balance as at 31 December 2023	40,065	52,263	1,555,720	309,955	1,958,003
Additions	-	-	-	-	-
Transfer to held for sale	**(1,341)**	-	-	-	**(1,341)**
Transfer from held for sale	-	-	**28,300**	-	**28,300**
Transfer from CWIP	-	-	**28,062**	-	**28,062**
Net change in fair value (unrealised)	**(8,862)**	**(3,963)**	**9,925**	**29,579**	**26,679**
Balance as at 31 December 2024	**29,862**	**48,300**	**1,622,007**	**339,534**	**2,039,703**

35 Taxation

Current Income Tax

The Group recognizes income tax expense based on management's best estimate of the weighted-average annual tax rate expected for the full financial year. For the reporting period, the applicable tax rate is 9% on taxable profits exceeding AED 375,000. The income tax charge for the year ended 31 December 2024 amounted to AED 16,917 thousand *(2023: AED nil)*.

Deferred Tax

Deferred tax is accounted for using the liability method on temporary differences between the tax bases and carrying amounts of assets and liabilities, deferred tax assets and liabilities are measured at the tax rates expected to apply when the asset is realized or the liability is settled, based on the UAE corporate income tax laws at the reporting date. As of 31 December 2024, the Group has assessed the impact of deferred tax under IFRS (IAS 12) and UAE Corporate Tax regulations and has determined that no deferred tax assets or liabilities have been recognized, as there are no material temporary differences between tax and accounting bases of assets and liabilities. Based on current financial analysis, the impact of deferred tax is assessed to be immaterial, that said, the Group continuously monitors changes in UAE corporate tax regulations, business operations, and financial performance, as well as potential tax loss carry forward, and other taxable temporary differences, any future deferred tax implications will be evaluated and disclosed accordingly in line with IFRS and UAE tax regulations.

On 9 December 2022, the UAE Ministry of Finance issued Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the Law), introducing a federal corporate tax (CT) regime in the UAE. The CT regime became effective for accounting periods beginning on or after 1 June 2023. Pursuant to Cabinet of Ministers Decision No. 116/2022 effective from January 2023, a rate of 9% will apply to taxable income exceeding AED 375,000, while a rate of 0% will apply to taxable income not exceeding AED 375,000. The Law is considered substantively enacted, and the Group has accounted for corporate tax accordingly.

a) Amounts recognised in profit or loss

	2024 **AED'000**	2023 AED'000
Consolidated statement of profit or loss		
Current tax expense:		
Current tax expense – continuing operations	**12,675**	-
Deferred tax expense/income:		
Relating to origination and reversal of temporary differences	**-**	-
Relating to enactment of UAE corporate income tax	**-**	-
Tax expense for the period reported in consolidated statement of profit or loss	**12,675**	-
	12,675	-

35 Taxation *(continued)*

b) Amounts recognised in other comprehensive income

	2024 AED'000	2023 AED'000
Current tax expense/(income)		
Relating to fair value change on FVTOCI investments	**(786)**	-
Relating to revaluation of land and buildings	**5,028**	-
	4,242	-

Reconciliation of tax expense and the accounting profit multiplied by United Arab Emirates' domestic tax rate on 31 December 2024:

	2024 AED'000	2023 AED'000
Accounting profit before tax	**165,889**	-
At UAE statutory income tax rate of 9%	**14,930**	-
Adjustments for tax purposes	**1,987**	-
Income tax expense	**16,917**	-
Effective tax rate	**10%**	-

The movement in the income tax payable is given below:

	2024 AED'000	2023 AED'000
Balance at the beginning of the year	-	-
Current year	**16,917**	-
Tax (paid) / recovered	-	-
Balance at 31 December	**16,917**	-

International Tax Reform - Pillar Two model rules:

The Organisation for Economic Co-operation and Development ("OECD") has published the Pillar Two Anti Global Base Erosion Rules ("GloBE Rules"), which includes a minimum 15% tax rate by jurisdiction ("Pillar Two"). Various countries have enacted or intend to enact tax legislation to comply with Pillar Two rules. Pillar Two Legislation has not been substantively enacted at the reporting date where the Parent company is incorporated in the UAE.

The Group has assessed the applicability of the OECD's Pillar Two framework and concluded that it neither meets the relevant revenue threshold (i.e., EUR 750 m) nor qualifies as a Multinational Enterprise (MNE). Therefore, it is out of scope for Pillar Two.

36 Accounting estimates and judgments

In the process of applying the Group's accounting policies, management has made the following judgements that have the most significant effect on the amounts of assets and liabilities recognised in the consolidated financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

36 Accounting estimates and judgments *(continued)*

(a) Provision for obsolete inventory

The Group reviews its inventory to assess loss on account of obsolescence on a regular basis. In determining whether provision for obsolescence should be recorded in the profit or loss and comprehensive income, the Group makes judgements as to whether there is any observable data indicating that there is any future use of the material and the net realizable value for such materials.

Accordingly, provision for obsolescence is made where the net realizable value is less than cost based on management best estimates.

(b) Provision for expected credit losses on trade receivables

The expected credit loss (ECL) impairment model requires forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. It also requires management to assign probability of default to various categories of receivables. Probability of default constitutes a key input in measuring an ECL and entails considerable judgement; it 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.

(c) Useful lives and residual values of property and equipment

Management assigns useful lives and residual values to the items of property, plant and equipment based on the intended use of the assets and the expected economic lives of those assets. Subsequent changes in circumstances such as technological advances or prospective utilisation of the assets concerned could result in actual useful lives or residual values differing from the initial estimates. Management determined that the current year expectations do not differ from previous estimates.

(d) Impairment on non-current assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

(e) Fair valuation of unquoted investments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

36 Accounting estimates and judgments *(continued)*

(f) Impairment of goodwill and intangible assets

The Group reviews the carrying amounts of goodwill to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Management test goodwill annually for impairment. An impairment loss is recognised if the carrying amount of goodwill exceeds its recoverable amount. An impairment loss in respect of goodwill is not reversed.

(g) Significant influence over equity-accounted investees

Consumption Cooperative Union

Management has assessed its investment in Consumption Cooperative Union in accordance with IFRS 10. Based on this assessment, it has determined that the Board of Directors of Consumer Cooperative Union has the power to direct the relevant activities of the Company. However, MAIR Group does not have any power over the Board due to lack of majority seats, and only has a significant influence at the Board level. Accordingly, it is accounted for using the equity method under IAS 28.

(h) Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

(i) Fair valuation of investment properties and land and buildings

The Group carries its investment properties at fair value, with changes in fair value being recognised in the statement of profit or loss. For investment properties, a valuation methodology based on a discounted cash flow (DCF) model was used, as there is a lack of comparable market data because of the nature of the properties. In addition, it measures land and buildings at revalued amounts, with changes in fair value being recognised in OCI. The Land and buildings were valued by reference to transactions involving properties of a similar nature, location and condition. The Group engaged an independent valuation specialist to assess fair values as at 31 December 2023 for investment properties, land and buildings.

The key assumptions used to determine the fair value of the properties and sensitivity analyses are provided in Notes 16 and 33.

37 Events after reporting date

I. The Board of Directors in their meeting held on 19 March 2025, have proposed a cash dividend for the year ended 31 December 2024 of AED 135,070 thousand representing 12.11% of the share capital *(2023: AED 135,070 thousand representing 15.02 % of the share capital)* for the approval of the shareholders at the next Annual General meeting. These consolidated financial statements do not reflect this dividend.

II. In January 2025, The Group signed the SPA agreement and completed the sale of the Marine Transportation and Fish Businesses for an amount equal to AED 95,661 thousand.

III. In February 2025, The Group repaid the full borrowings balance amounted to AED 170,790 thousand as of 31 December 2024.

38 Comparative reclassification

Certain comparative figures have been reclassified to conform to the presentation adopted in these consolidated financial statements. In statement of financial position, the balances due from related parties and the balances due to related parties have been reclassified to trade and other receivables and trade and other payables, respectively. Further, in 2024 the Group decided to present the expenses in the statement of profit or loss by nature instead of presenting it according to its function. In addition to certain comparative information has also been re-presented due to a discontinued operation. The following table summarises the impact on the Group's consolidated statement of profit or loss.

Year ended 31 December 2023	As previously presented AED'000	Reclassification AED'000	As reclassified AED'000
Statement of profit or loss:			
Revenue	1,367,882	(1,367,882)	-
Revenue from contracts with customers	-	1,189,702	1,189,702
Rental revenue	-	162,400	162,400
Other revenue	-	1,079	1,079
Cost of sales	(1,111,734)	1,111,734	-
Cost of retail goods sold	-	(881,152)	(881,152)
Gross profit	256,148	215,881	472,029
General and administrative expenses	(126,915)	126,915	-
General, administrative and selling expenses	-	(132,784)	(132,784)
Employee benefits expense	-	(146,242)	(146,242)
Depreciation and amortization	-	(75,486)	(75,486)
Impairment loss on trade and other receivables	(25,628)	-	(25,628)
Selling and distribution expenses	(4,713)	4,713	-
Impairment on non-current assets	-	-	-
Other operating (expenses) / income	(3,714)	865	(2,849)
Operating profit	95,178	(6,138)	89,040
Share in the profit (loss) of Associates	(467)	-	(467)
Other income	3,168	(1,019)	2,149
Finance costs	(72,605)	8,270	(64,335)
Finance income	5,708	(1,018)	4,690
Profit before tax from continuing operations	30,982	95	31,077
Income tax expense	-	-	-
Profit after tax from continuing operations	30,982	95	31,077
Discontinued operations			
Loss from discontinued operations	(5,120)	(95)	(5,215)
Profit for the year	25,862	-	25,862

The following table summarises the impact on the Group's consolidated statement of cash flows:

Year ended 31 December 2023	As previously presented AED'000	Reclassification AED'000	As reclassified AED'000
Net cash generated from operating activities	249,025	1,018	250,043
Net cash from investing activities	443,502	(1,018)	442,484