

**Sawaeed Holding P.J.S.C.  
and its subsidiaries**

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS**

**31 MARCH 2025 (UNAUDITED)**

## **REPORT ON REVIEW OF**

## **INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF**

## **SAWAEED HOLDING P.J.S.C.**

### *Introduction*

We have reviewed the accompanying interim condensed consolidated financial statements of Sawaeed Holding P.J.S.C. (the “Company”) and its subsidiaries (collectively referred to as the “Group”) as at 31 March 2025 which comprise the interim condensed consolidated statement of financial position as at 31 March 2025, and the related interim condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three months period then ended, and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

### *Scope of review*

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

### *Conclusion*

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

For Ernst & Young



Walid J Nakfour  
Registration No: 5479

28 April 2025  
Abu Dhabi, United Arab Emirates

# Sawaeed Holding P.J.S.C.

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 31 March 2025

		<i>(Unaudited)</i> 31 March 2025 AED	<i>(Audited)</i> 31 December 2024 AED
	<i>Notes</i>		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	3	19,655,647	19,233,513
Right-of-use-assets		7,196,938	7,240,667
Investment property		77,213,317	78,228,767
Goodwill & intangible assets		38,140,890	38,708,142
Deferred tax asset	11	-	545,826
Investment in equity securities - FVTOCI	4	-	336,054
		<u>142,206,792</u>	<u>144,292,969</u>
<b>Current assets</b>			
Trade receivables and other current assets	5	143,105,680	147,625,241
Amounts due from related parties	6	17,938,897	46,496,645
Cash and bank balances	7	158,085,944	197,105,221
		<u>319,130,521</u>	<u>391,227,107</u>
<b>TOTAL ASSETS</b>		<u>461,337,313</u>	<u>535,520,076</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		51,100,000	51,100,000
Additional paid up capital		1,350,000	1,350,000
Legal reserve		6,096,055	6,096,055
Merger reserve		92,140,055	92,140,055
Other reserve		450,000	450,000
Investment revaluation reserve		-	9,765
Retained earnings		185,237,850	258,319,847
<b>Total equity</b>		<u>336,373,960</u>	<u>409,465,722</u>
<b>Non-current liabilities</b>			
Lease liabilities		30,368,864	29,972,754
Employees' end of service benefits	8	28,166,613	25,646,811
Deferred tax liability	11	59,091	-
		<u>58,594,568</u>	<u>55,619,565</u>
<b>Current liabilities</b>			
Trade and other payables	9	57,026,785	65,091,611
Lease liabilities		1,951,925	1,926,684
Amounts due to related parties	6	202,508	99,587
Bank borrowings		-	26,356
Customer deposits		2,914,653	911,643
Income tax payable		4,272,914	2,378,908
		<u>66,368,785</u>	<u>70,434,789</u>
<b>Total liabilities</b>		<u>124,963,353</u>	<u>126,054,354</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>461,337,313</u>	<u>535,520,076</u>

Chairman

Chief Executive Officer

Chief Financial Officer

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

For the three months ended 31 March 2025

		<i>Three month period ended 31 March</i>	
		<i>2025 AED</i>	<i>2024 AED</i>
Revenue	10	<b>90,678,372</b>	44,433,531
Direct costs		<b>(66,756,969)</b>	(36,575,604)
<b>GROSS PROFIT</b>		<b>23,921,403</b>	7,857,927
General and administrative expenses		<b>(9,271,064)</b>	(5,712,066)
Reversal of (provision) for expected credit losses on trade receivables		<b>3,224,206</b>	(43,326,092)
Finance income		<b>1,278,175</b>	732,706
Finance costs		<b>(505,196)</b>	(457,354)
Other income		<b>821,651</b>	612,400
<b>PROFIT / (LOSS) BEFORE TAX</b>		<b>19,469,175</b>	(40,292,479)
Net income tax (expense) / benefit	11	<b>(2,501,066)</b>	3,672,038
<b>PROFIT / (LOSS) AFTER TAX FOR THE PERIOD</b>		<b>16,968,109</b>	(36,620,441)
<b>Other comprehensive (loss)</b>			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Change in the fair value of investment in equity securities - FVTOCI, net of tax		<b>(21,671)</b>	(2,780,157)
<b>TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD</b>		<b>16,946,438</b>	(39,400,598)
Basic and diluted earnings / (loss) per share (AED)	12	<b>0.33</b>	(0.72)

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

# Sawaeed Holding P.J.S.C.

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the three months ended 31 March 2025

	Attributable to the owners of the Company								
		Share capital	Additional paid up capital	Legal reserve	Merger reserve	Other reserve	Investment revaluation reserve	Retained earnings	Total equity
Note	AED	AED	AED	AED	AED	AED	AED	AED	AED
At 1 January 2024 (audited)	51,100,000	1,350,000	5,473,975	-	34,527,923	17,464,688	203,141,623	313,058,209	
Loss for the period	-	-	-	-	-	-	(36,620,441)	(36,620,441)	
Other comprehensive loss for the period	-	-	-	-	-	(2,780,157)	-	(2,780,157)	
Total comprehensive loss for the period	-	-	-	-	-	(2,780,157)	(36,620,441)	(39,400,598)	
Balance at 31 March 2024 (unaudited)	<u>51,100,000</u>	<u>1,350,000</u>	<u>5,473,975</u>	<u>-</u>	<u>34,527,923</u>	<u>14,684,531</u>	<u>166,521,182</u>	<u>273,657,611</u>	
At 1 January 2025 (audited)	51,100,000	1,350,000	6,096,055	92,140,055	450,000	9,765	258,319,847	409,465,722	
Profit for the period	-	-	-	-	-	-	16,968,109	16,968,109	
Other comprehensive loss for the period	-	-	-	-	-	(21,671)	-	(21,671)	
Total comprehensive (loss) / income for the period	-	-	-	-	-	(21,671)	16,968,109	16,946,438	
Reclassification adjustment on disposal of investment securities at FVTOCI	-	-	-	-	-	11,906	(11,906)	-	
Dividend declared and paid	13	-	-	-	-	-	(90,038,200)	(90,038,200)	
At 31 March 2025 (unaudited)	<u>51,100,000</u>	<u>1,350,000</u>	<u>6,096,055</u>	<u>92,140,055</u>	<u>450,000</u>	<u>-</u>	<u>185,237,850</u>	<u>336,373,960</u>	

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**  
For the three months ended 31 March 2025

		Three month period ended 31 March (unaudited)	
	Notes	2025 AED	2024 AED
<b>OPERATING ACTIVITIES</b>			
Profit / (loss) before tax		19,469,175	(40,292,479)
Adjustments for:			
Depreciation of property and equipment	3	502,422	338,309
Gain on disposal of property and equipment		(5,000)	-
Depreciation of investment property		1,015,450	1,059,832
(Reversal) of provision for expected credit loss of trade receivables		(3,224,206)	43,326,092
Provision of employees' end of service benefits, net		3,142,502	884,291
Finance income		(1,278,175)	(732,706)
Amortisation of intangible assets		567,252	3,821
Write-off of intangibles assets		-	706,450
Depreciations of right-of-use assets		43,729	44,108
Interest expense of finance lease obligation		421,351	457,354
Dividend income	4	-	(132,566)
Operating cash flows before movements in working capital		20,654,500	5,662,506
Changes in working capital:			
Trade and other receivables		7,743,767	(16,913,931)
Trade and other payables		(8,064,826)	9,611,582
Amounts due from related parties		28,557,748	(3,988,046)
Amounts due to related parties		102,921	-
Customer deposits		2,003,010	(856,607)
Cash generated from / (used) in operating activities		50,997,120	(6,484,496)
Finance cost paid		-	(39,381)
Payment of employees' end of service benefits		(622,700)	(469,149)
Net cash generated from (used in) operating activities		50,374,420	(6,993,026)
<b>INVESTING ACTIVITIES</b>			
Proceeds from sale of property and equipment		5,000	-
Purchases of property and equipment	3	(924,556)	-
Proceeds from disposal of investment securities - FVTOCI		312,240	-
Bank deposits and margin deposits with original maturities of more than three months		32,105,877	12,823,425
Finance income		1,278,175	732,706
Dividend income received		-	132,566
Net cash generated from investing activities		32,776,736	13,688,697
<b>FINANCING ACTIVITIES</b>			
Dividends declared and paid	13	(90,038,200)	-
Repayment of bank borrowings		(26,356)	-
Net cash used in financing activities		(90,064,556)	-
<b>NET (DECREASE) / INCREASE CASH AND CASH EQUIVALENTS</b>		(6,913,400)	6,695,671
Cash and cash equivalent at the beginning of the period		57,467,976	19,126,038
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		50,554,576	25,821,709

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
For the three months ended 31 March 2025 (Unaudited)

**1 ACTIVITIES**

Sawaeed Holding P.J.S.C. (the “Company”) is registered as a private joint stock company in Abu Dhabi incorporated on 14 January 2018 and operates in the United Arab Emirates (“U.A.E.”) under trade a licence issued by the Abu Dhabi Municipality dated 11 March 2018. The Company is listed on the growth market in Abu Dhabi Stock Exchange.

As at 31<sup>st</sup> March 2025, ESG Emirates Stallions Group PJSC is the Parent and International Holding Company PJSC is the Ultimate Parent of the Company.

The principal activities of the Group entail manpower recruitment and outsourcing; real estate investment, development and management; labour accommodation management; facilities management services; catering services; and provision of skills training.

The registered office of the Company is located at P.O. Box 70919, Abu Dhabi, U.A.E.

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION**

**2.1 BASIS OF PREPARATION**

The interim condensed consolidated financial statements for the three months ended 31 March 2025 have been prepared in accordance with IAS 34 Interim Financial Reporting. The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company annual consolidated financial statements as at 31 December 2024.

The interim condensed consolidated financial statements are presented in United Arab Emirates Dirhams (“AED”), which is the functional and presentation currency of the Group.

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

Shareholding of the Company’s subsidiaries as at 31 March 2025 and 31 December 2024 were as follows:

<i>Name of subsidiary</i>	<i>Place of incorporation and operation</i>	<i>Proportion of ownership interest and voting power held</i>		<i>Principal activities</i>
		<b>2025</b>	<b>2024</b>	
Sawaeed Employment – Sole Proprietorship L.L.C	United Arab Emirates	<b>100%</b>	100%	Providing upon request employee provision services.
Sawaeed Investment – Sole Proprietorship L.L.C.	United Arab Emirates	<b>100%</b>	100%	Real estate enterprises investment, development, institution, management; and camps and labour accommodation management, facilities management services.
Sawaeed Facilities Management – Sole Proprietorship L.L.C. (v)	United Arab Emirates	<b>100%</b>	100%	Facilities management services, interior cleaning services for buildings and dwellings, and cleaning the outside (interface) buildings.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2025 (Unaudited)

### 2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION continued

#### 2.1 BASIS OF PREPARATION (continued)

Name of subsidiary	Place of incorporation and operation	Proportion of ownership interest and voting power held		Principal activities
		2025	2024	
Sawaeed Training Centre-Sole Proprietorship L.L.C.	United Arab Emirates	100%	100%	Training on construction work.
Takatof Employment Co. L.L.C. (i)	United Arab Emirates	100%	100%	Providing employees services upon request (temporary employment) and labor and employment supply
Sawaeed General Projects – Sole Proprietorship L.L.C (ii)	United Arab Emirates	100%	100%	Project Management services.
United International Group For Manpower Services LLC – SPC (iii)	United Arab Emirates	100%	100%	Domestic workers mediation and temporary employment services, onshore and offshore oil and gas fields and facilities services, and upon request employees provision services
Howdra Employment Services L.L.C - SO (iv)	United Arab Emirates	100%	100%	On demand labors supply temporary employment
Career Line for Employment -Sole Proprietorship LLC (iv)	United Arab Emirates	100%	100%	Upon request employees provision services, and onshore and offshore oil and gas fields and facilities services
Alpha Hub Domestic Workers Services Center L.L.C – SO (v)	United Arab Emirates	100%	100%	Domestic worker mediation temporary employment and services
Progressive Real Estate Development LLC – SPC (iii)	United Arab Emirates	100%	100%	Real estate enterprise in investment, lease and management services

- (i) The Group has 49% legal ownership in Takatof Employment Co. L.L.C. Nonetheless, as per agreement signed between the shareholders, the other shareholder owning 51% of Takatof Employment LLC has assigned his full rights and obligations over the mentioned entity to Sawaeed Investments L.L.C. and is only entitled to management fee equivalent to 15% share in net profit of Takatof Employment L.L.C.
- (ii) Subsidiary incorporated on 10 October 2023 and has not started its commercial operations as at reporting date.
- (iii) Subsidiaries acquired on 1<sup>st</sup> July 2024
- (iv) Subsidiaries of United International Group for Manpower Services LLC – SPC.
- (v) On 23 January 2025, the Board of Directors decided to dissolve Sawaeed Facilities Management - Sole Proprietorship L.L.C. and Alpha Hub Domestic Workers Services Center L.L.C – SO having a net assets amounting to AED 938 K and no material revenue and expenses.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
For the three months ended 31 March 2025 (Unaudited)

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION** continued

**2.2 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP**

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

One amendment applies for the first time in 2025, but does not have an impact on the interim condensed consolidated financial statements of the Group.

**Lack of exchangeability - Amendments to IAS 21**

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its interim condensed consolidated financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments did not have a material impact on the Group's financial statements.

**3 PROPERTY AND EQUIPMENT**

During the three months ended 31 March 2025, the Group purchased assets with the cost of AED 924,556 (31 March 2024: Nil). Depreciation expense for the three months period ended 31 March 2025 amounted to AED 502,422 (31 March 2024: AED 338,309)

**4 INVESTMENT SECURITIES - FVTOCI**

Movement in investment securities - FVTOCI are as follows:

	<i>(Unaudited)</i> <b>31 March</b> <b>2025</b> <b>AED</b>	<i>(Audited)</i> <b>31 December</b> <b>2024</b> <b>AED</b>
At 1 January	<b>336,054</b>	70,772,190
Change in fair value	<b>(23,814)</b>	(2,146,852)
Disposals during the period / year	<b><u>(312,240)</u></b>	<b><u>(68,289,284)</u></b>
At the end of the period / year	<b><u><u>-</u></u></b>	<b><u><u>336,054</u></u></b>

Investment securities - FVTOCI represent investments in quoted shares of UAE Company, out of these investments equity investments in related parties amounted to AED nil (31 December 2024: AED 336,054).

No dividend income was received from investment securities - FVTOCI carried at fair value for the three months period ended 31 March 2025 (31 March 2024: AED 132,566).

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
For the three months ended 31 March 2025 (Unaudited)

**5 TRADE RECEIVABLES AND OTHER CURRENT ASSETS**

	<i>(Unaudited)</i> <b>31 March</b> <b>2025</b> <b>AED</b>	<i>(Audited)</i> <b>31 December</b> <b>2024</b> <b>AED</b>
Trade receivables	<b>232,038,891</b>	238,757,419
Unbilled receivables	<b>26,373,197</b>	30,101,896
Less: provision for expected credit losses	<b><u>(148,544,473)</u></b>	<b><u>(155,580,453)</u></b>
	<b>109,867,615</b>	113,278,862
Prepayments	<b>25,597,228</b>	27,266,110
Deposits and other receivables	<b>7,249,696</b>	6,781,100
Advances to suppliers	<b><u>391,141</u></b>	<b><u>299,169</u></b>
	<b><u>143,105,680</u></b>	<b><u>147,625,241</u></b>

The average contractual credit period on rendering of services is 60 days (31 December 2024: 60 days. No interest is charged on other receivables.

Movement in the provision for expected credit losses were as follows:

	<i>(Unaudited)</i> <b>31 March</b> <b>2025</b> <b>AED</b>	<i>(Audited)</i> <b>31 December</b> <b>2024</b> <b>AED</b>
At 1 January	<b>155,580,453</b>	70,706,874
Acquired in business combination	-	45,830,843
(Reversal) charge for the period / year	<b>(3,224,206)</b>	43,959,732
Written off	-	(3,659,661)
Adjustment against recognition of gross receivables *	<b><u>(3,811,774)</u></b>	<b><u>(1,257,335)</u></b>
At the end of the period / year	<b><u>148,544,473</u></b>	<b><u>155,580,453</u></b>

\*This represents the amount collected from impaired receivables (beneficially owned by previous shareholders). The amounts collected are paid or payable to the previous shareholders in terms of the relevant agreements.

**6 RELATED PARTY BALANCES AND TRANSACTIONS**

The Group enters into transactions with companies and entities that fall within the definition of a related party as contained in the International Accounting Standard (IAS) 24 Related Party Disclosures. These represent transactions with related parties, i.e. shareholders, affiliates, directors and key management personnel of the Group, and entities controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
For the three months ended 31 March 2025 (Unaudited)

**6 RELATED PARTY BALANCES AND TRANSACTIONS** continued

Amounts due from related parties included in the interim condensed consolidated statement of financial position are as follows:

	<i>(Unaudited)</i> <b>31 March</b> <b>2025</b> <b>AED</b>	<i>(Audited)</i> <b>31 December</b> <b>2024</b> <b>AED</b>
<b>Amounts due from related parties:</b>		
Entities under common control	<b>17,288,993</b>	45,825,969
Other related entities	<b><u>649,904</u></b>	<u>670,676</u>
	<b><u>17,938,897</u></b>	<u>46,496,645</u>

Other balances included in the interim condensed consolidated statement of financial position are as follows:

Equity investments in related parties are disclosed in note 4 of the interim condensed consolidated statement of financial position.

	<i>(Unaudited)</i> <b>31 March</b> <b>2025</b> <b>AED</b>	<i>(Audited)</i> <b>31 December</b> <b>2024</b> <b>AED</b>
Bank balances with a financial institution ( <i>other related party</i> )	<b><u>63,897,950</u></b>	<u>77,431,060</u>

Amounts due to related parties included in the interim condensed consolidated statement of financial position are as follows:

	<i>(Unaudited)</i> <b>31 March</b> <b>2025</b> <b>AED</b>	<i>(Audited)</i> <b>31 December</b> <b>2024</b> <b>AED</b>
<b>Amounts due to related parties:</b>		
Entities under common control	<b>72</b>	67,000
Parent entity	<b>17,926</b>	23,572
Other related entities	<b><u>184,510</u></b>	<u>9,015</u>
	<b><u>202,508</u></b>	<u>99,587</u>

The Group entered into the following significant transactions with related parties carried out on terms and conditions agreed between the parties.

	<b><i>Three- month period ended</i></b> <b><i>31 March (Unaudited)</i></b>	
	<b>2025</b> <b>AED</b>	<b>2024</b> <b>AED</b>
Revenue	<b><u>17,887,318</u></b>	<u>6,751,904</u>
Expenses charged by related party	<b><u>494,143</u></b>	<u>-</u>
Interest income on deposits with financial institution	<b><u>607,762</u></b>	<u>153,375</u>

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
For the three months ended 31 March 2025 (Unaudited)

**6 RELATED PARTY BALANCES AND TRANSACTIONS** continued

	<i>Three- month period ended 31 March (Unaudited)</i>	
	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
<b>Key management compensation:</b>		
Salaries and other short-term employees' benefits	<b>165,000</b>	285,000
Post-employment benefits	<b>19,446</b>	57,000
Board remuneration	<b>28,882</b>	-
	<b><u>213,328</u></b>	<u>342,000</u>

**7 CASH AND BANK BALANCES**

	<i>(Unaudited) 31 March 2025 AED</i>	<i>(Audited) 31 December 2024 AED</i>
Cash in hand	<b>649,619</b>	582,771
Cash at banks	<b>49,904,957</b>	56,617,916
Term deposits	<b>107,264,078</b>	139,637,245
Margin deposits	<b><u>267,290</u></b>	<u>267,289</u>
Cash and bank balances	<b>158,085,944</b>	197,105,221
Less: term deposits with original maturities more than three months*	<b>(107,264,078)</b>	(139,637,245)
Less: margin deposits with original maturities more than three months	<b><u>(267,290)</u></b>	-
Cash and cash equivalent	<b><u>50,554,576</u></b>	<u>57,467,976</u>

The term deposits carry interest rates that ranges between 3.25% to 6.0% (2024: 3.25% to 6.0%) per annum. These deposits are held in a local bank and are denominated in UAE Dirhams, and these deposits have original maturity of more than three months.

\* Term deposits amounted to AED 22,140,000 (31 December 2024: 28,603,078) are under lien against labour guarantees included bank guarantees and performance bonds as disclosed in note 15.

Cash and cash equivalents as at 31 March 2024 (unaudited) amounted to AED 25,821,709.

**8 EMPLOYEES' END OF SERVICE BENEFITS**

Movement in the provision for employees' end of service benefit is as follows:

	<i>(Unaudited) 31 March 2025 AED</i>	<i>(Audited) 31 December 2024 AED</i>
At 1 January	<b>25,646,811</b>	12,910,715
Acquired in business combinations	-	10,399,158
Charge during the period / year	<b>3,142,502</b>	6,493,850
Payments during the period / year	<b><u>(622,700)</u></b>	<u>(4,156,912)</u>
At the end of the period / year	<b><u>28,166,613</u></b>	<u>25,646,811</u>

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
For the three months ended 31 March 2025 (Unaudited)

**9 TRADE AND OTHER PAYABLES**

	<i>(Unaudited)</i> <b>31 March</b> <b>2025</b> <b>AED</b>	<i>(Audited)</i> <b>31 December</b> <b>2024</b> <b>AED</b>
Salaries and staff benefit payables	<b>28,373,201</b>	28,829,229
Trade payables	<b>10,054,756</b>	13,680,436
Accruals and other payables	<b>14,952,725</b>	17,707,130
Advances from customers	<b>1,706,241</b>	2,934,955
Retentions payables	<b><u>1,939,862</u></b>	<u>1,939,861</u>
	<b><u>57,026,785</u></b>	<u>65,091,611</u>

**10 REVENUE**

	<i>Three month period ended</i> <b>31 March (Unaudited)</b>	
	<i>(Unaudited)</i> <b>2025</b> <b>AED</b>	<i>(Unaudited)</i> <b>2024</b> <b>AED</b>
<b>Revenues</b>		
Manpower service	<b>88,307,254</b>	41,903,186
Food and catering services revenue	<b>400,947</b>	-
Facilities management services	<b>7,675</b>	34,933
Others	<b><u>700</u></b>	<u>-</u>
	<b><u>88,716,576</u></b>	<u>41,938,119</u>
<b>Rental income</b>		
Leasing income	<b><u>1,961,796</u></b>	<u>2,495,412</u>
	<b><u>90,678,372</u></b>	<u>44,433,531</u>

All revenue are generated in United Arab Emirates.

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	<i>Three month period ended</i> <b>31 March (Unaudited)</b>	
	<b>2025</b> <b>AED</b>	<b>2024</b> <b>AED</b>
<b>Timing of revenue recognition</b>		
Goods and services transferred over time	<b>90,277,425</b>	44,433,531
Goods and services transferred at a point in time	<b><u>400,947</u></b>	<u>-</u>
	<b><u>90,678,372</u></b>	<u>44,433,531</u>

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
For the three months ended 31 March 2025 (Unaudited)

**11 INCOME TAX**

The major components of taxation disclosed in the interim condensed consolidated statement of profit or loss are:

	<i>Three month period ended 31 March (Unaudited)</i>	
	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
<b>Interim condensed consolidated statement of profit or loss</b>		
<i>Income tax</i>		
Charge for the period	<u>1,743,162</u>	<u>279,000</u>
<i>Pillar Two Taxes</i>		
Charge for the period	<u>757,904</u>	<u>-</u>
<i>Deferred tax</i>		
Relating to deductible temporary differences	<u>-</u>	<u>(3,951,038)</u>
Net income tax (expense) / benefit reported in the interim condensed consolidated statement of profit and loss	<u>2,501,066</u>	<u>(3,672,038)</u>
<b>Interim condensed consolidated statement of other comprehensive income</b>		
<i>Deferred tax related to items recognised in OCI during the period:</i>		
Relating to fair value loss on investments in investment securities - FVTOCI	<u>(2,143)</u>	<u>(274,962)</u>

Deferred tax assets recorded in interim condensed consolidated statement of financial position relate to the following:

	<i>(Unaudited) 31 March 2025 AED</i>	<i>(Audited) 31 December 2024 AED</i>
<b>Deductible / (taxable) temporary differences</b>		
Losses on fair value of Investments in investment in equity securities - FVTOCI	-	193,217
Losses available for offsetting against future taxable income	286,859	747,980
Relating to intangible assets acquire in business combination	<u>(345,950)</u>	<u>(395,371)</u>
Total	<u>(59,091)</u>	<u>545,826</u>

**Domestic Minimum Top-Up Tax (DMTT)**

On 11 February 2025, the Ministry of Finance (MoF) of the United Arab Emirates (UAE) released Cabinet Decision No. 142 of 2024 on the Imposition of Top-Up Tax on Multinational Enterprises (Cabinet Decision), introducing a Domestic Minimum Top-Up Tax (DMTT) on multinational enterprises (MNEs). Effective from fiscal years starting on or after 1 January 2025, the DMTT Imposes a top-up tax on low-taxed UAE entities, ensuring a minimum effective tax rate (ETR) of 15% in the UAE.

The Group is part of a multinational enterprise (the ultimate parent of the Group) which falls within the scope of the OECD BEPS Pillar Two Global Anti-Base Erosion Model Rules (GloBE Rules) and therefore subject to DMTT effective 1 January 2025. While the ultimate parent of the Group is in the process of performing a full impact assessment of DMTT across all group entities including any available reliefs to pay additional taxes for the year under applicable tax rules, the Group has made provision for DMTT in these interim condensed consolidated financial statements on prudent basis under the advice of its ultimate parent who is ultimately liable for the DMTT.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2025 (Unaudited)

### 12 BASIC AND DILUTED EARNINGS / (LOSS) PER SHARE

Earnings per share amounts are calculated by dividing the profit / (loss) attributable to shareholders of the Group by the weighted average number of share outstanding during the period.

	<i>Three- month ended</i> <i>31 March</i>	
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
Profit / (loss) for the period	<b><u>16,968,109</u></b>	<b><u>(36,620,441)</u></b>
Weighted average number of shares	<b><u>51,100,000</u></b>	<b><u>51,100,000</u></b>
Earnings (Loss) per share	<b><u>0.33</u></b>	<b><u>(0.72)</u></b>

There were no potentially dilutive securities as at 31 March 2025 and 31 March 2024, and accordingly, diluted earnings per share are the same as basic earnings per share.

### 13 DIVIDEND DECLARED AND PAID

During the period ended 31 March 2025, the Company declared and paid dividends amounting to AED 90,038,200.

No dividends were declared or paid during the corresponding period ended 31 March 2024.

### 14 SEGMENTAL REPORTING

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

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

- Manpower outsourcing segment, which involves provision of manpower services;
- Workers' accommodation, which involves in real estate enterprises investment, development, institution and management; and camps and labour accommodation management; and
- Other segments include the Group's business operations on catering, facilities management.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit, as included in the internal management reports data reviewed by the Group's executive management. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
For the three months ended 31 March 2025 (Unaudited)

**14 SEGMENTAL REPORTING (continued)**

**For the period ended 31 March 2025 (unaudited):**

<i>Description</i>	<i>Manpower outsourcing AED</i>	<i>Workers' accommodation AED</i>	<i>Others AED</i>	<i>Inter segment eliminations AED</i>	<i>Total AED</i>
Revenue	96,940,620	6,661,331	60,850	(12,984,429)	90,678,372
Direct costs	<u>(74,511,849)</u>	<u>(4,900,483)</u>	<u>(111,911)</u>	<u>12,767,274</u>	<u>(66,756,969)</u>
Gross profit	22,428,771	1,760,848	(51,061)	(217,155)	23,921,403
General and administrative expenses	(7,450,766)	(487,847)	(1,659,759)	327,308	(9,271,064)
Reversal of provision for expected credit of trade receivables	3,214,540	-	9,666	-	3,224,206
Finance income	531,804	-	746,371	-	1,278,175
Finance costs	(77,414)	(321,637)	(106,145)	-	(505,196)
Other income	<u>10,980</u>	<u>210,303</u>	<u>90,748,721</u>	<u>(90,148,353)</u>	<u>821,651</u>
Profit for the period	<u>18,657,915</u>	<u>1,161,667</u>	<u>89,687,793</u>	<u>(90,038,200)</u>	<u>19,469,175</u>

For the period ended 31 Mar 2024 (unaudited)

<i>Description</i>	<i>Manpower outsourcing AED</i>	<i>Workers' accommodation AED</i>	<i>Others AED</i>	<i>Inter segment eliminations AED</i>	<i>Total AED</i>
Revenue	48,254,183	4,644,215	1,735,262	(10,200,129)	44,433,531
Direct costs	<u>(42,259,669)</u>	<u>(3,334,316)</u>	<u>(599,958)</u>	<u>9,618,339</u>	<u>(36,575,604)</u>
Gross profit	5,994,514	1,309,899	1,135,304	(581,790)	7,857,927
General and administrative expenses	(5,213,045)	(482,318)	(714,800)	698,097	(5,712,066)
Provision for expected credit of trade receivables	(43,326,092)	-	-	-	(43,326,092)
Finance income	186,271	-	546,435	-	732,706
Finance costs	-	(319,023)	(138,331)	-	(457,354)
Other income	<u>434,812</u>	<u>142,627</u>	<u>151,268</u>	<u>(116,307)</u>	<u>612,400</u>
(Loss) / profit for the period	<u>(41,923,540)</u>	<u>651,185</u>	<u>979,876</u>	<u>-</u>	<u>(40,292,479)</u>

**For the period ended 31 March 2025 (unaudited)**

	<i>Manpower outsourcing AED</i>	<i>Workers' accommodation AED</i>	<i>Others AED</i>	<i>Inter segment eliminations AED</i>	<i>Total AED</i>
Total current assets	320,651,904	56,725,795	85,751,382	(143,998,560)	319,130,521
Total non-current assets	<u>2,751,288</u>	<u>78,780,155</u>	<u>148,833,531</u>	<u>(88,158,182)</u>	<u>142,206,792</u>
Total assets	<u>323,403,192</u>	<u>135,505,950</u>	<u>234,584,913</u>	<u>(232,156,742)</u>	<u>461,337,313</u>
Total liabilities	<u>173,873,029</u>	<u>30,956,746</u>	<u>121,598,716</u>	<u>(201,465,138)</u>	<u>124,963,353</u>

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2025 (Unaudited)

### 14 SEGMENTAL REPORTING (continued)

As at 31 December 2024 (audited):

	<i>Manpower outsourcing AED</i>	<i>Workers' accomm- odation AED</i>	<i>Others AED</i>	<i>Inter segment eliminations AED</i>	<i>Total AED</i>
Total current assets	391,565,534	48,077,420	90,521,203	(138,937,050)	391,227,107
Total non-current assets	<u>2,303,978</u>	<u>79,819,227</u>	<u>149,174,783</u>	<u>(87,005,019)</u>	<u>144,292,969</u>
Total assets	<u>393,869,512</u>	<u>127,896,647</u>	<u>239,695,986</u>	<u>(225,942,069)</u>	<u>535,520,076</u>
Total liabilities	<u>114,414,170</u>	<u>29,747,100</u>	<u>120,677,135</u>	<u>(138,784,051)</u>	<u>126,054,354</u>

### 15 COMMITMENTS AND CONTINGENCIES

	<i>(Unaudited) 31 March 2025 AED</i>	<i>(Audited) 31 December 2024 AED</i>
Bank guarantees and performance bonds	<u>25,459,707</u>	<u>24,816,809</u>

### 16 FAIR VALUES

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

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

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

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

	<i>Level 1 AED</i>	<i>Level 2 AED</i>	<i>Level 3 AED</i>	<i>Total AED</i>
<b>31 March 2025</b>				
Financial assets carried at fair value through other comprehensive income	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>
<b>31 December 2024</b>				
Financial assets carried at fair value through other comprehensive income	<u>336,054</u>	<u>=====</u>	<u>=====</u>	<u>336,054</u>

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

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
For the three months ended 31 March 2025 (Unaudited)

**17 SEASONALITY OF OPERATIONS**

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