



Directors' Report For the Quarter Ended 31 March 2025

The Board of Directors is pleased to present their report and the condensed consolidated interim financial statements Al Khaleej Investment PSC and its subsidiary (collectively, the 'Group') for the quarter ended 31 March 2025.

Principal Activities of the Group

The principal activities of the Group include investment, development, establishment, and management of real estate enterprises; private fund investment; building maintenance; and commercial enterprise investment and management.

Financial Review

The tables below summarize the results for the three-month period ended 31 March 2025, compared to the same period in 2024, presented in AED '000s.

Financial Results Summary	Q1-2025	Q1-2024
Revenue	3,099	4,274
Gross Profit	2,723	3,382
Net (Loss) / Gain from Investments (FVTPL)	(2,027)	2,035
Net Profit Before Tax	(1,875)	4,887
Net Profit for the Period	(1,875)	4,610
Basic Earnings per Share (AED)	(0.018)	0.043

Financial Position Summary	Q1-2025
Total Assets	306,472
Total Liabilities	26,143
Total Equity	280,329

Statement of Cash Flows Summary	Q1-2025
Net Cash used in Operating Activities	(27,696)
Net Cash used in Investing Activities	(106,157)
Net Cash from Financing Activities	9,355

Role of the Directors

The Directors continue to serve as the Group's principal decision-making body. They are responsible for setting strategy, overseeing performance, guiding management, and ensuring sustainable shareholder value. Their oversight encompasses corporate governance, risk management, and strategic development of both financial and real estate portfolios



Projections

As global and regional economic activity strengthens, the Group remains optimistic about continued improvement in investment performance and real estate demand. Strategic asset reallocation and diversification are expected to generate robust, long-term returns. The Group is focused on balancing its real estate and investment portfolios to increase overall income while maintaining sound risk management practices.

Implementation of Projects and Schemes

The Group continues to execute its strategic policies involving the replacement and enhancement of real estate assets and the development of owned properties. Additionally, the Group remains committed to diversifying income sources through optimized investment activities.

Notably, during the first quarter of 2025, the company successfully established new branches in Dubai and Abu Dhabi, further strengthening its operational footprint across the UAE. Moreover, the Company launched a wholly owned subsidiary company aimed at supporting a real estate development activity in Abu Dhabi. The purchase of the real estate asset is currently in progress with the ADGM courts and the seller.

During the period, the Board of Directors resolved to increase the Company's share capital by AED 400,000 thousand, through the issuance of 400,000 thousand new shares, each with a nominal value of AED 1 and an issuance price of AED 1 per share. This resolution was adopted by the shareholders in the general meeting held on 25 March 2025. The share capital increase is currently in progress, and the issuance of the new shares is expected to be finalized during the financial year ending 31 December 2025.

Events After the Period End

The Board of Directors confirms that beyond the above, as of the date of this report, there have been no material or unusual events or transactions since the end of the reporting period that would significantly impact the financial position or performance of the Group.

Statement of Directors' Responsibilities

The Board affirms that the condensed consolidated interim financial statements for the quarter ended 31 March 2025, have been prepared in accordance with applicable financial reporting standards and statutory requirements. The Directors ensure that accurate and sufficient accounting records have been maintained, enabling the financial position and performance to be fairly presented.

The accounting policies and practices adopted are consistent with those used in the latest audited financial statements for the year ended 31 December 2024. The financial statements accurately reflect the transactions carried out during the period and fairly present the Group's financial condition and operational results.

These condensed consolidated interim financial statements have been prepared on a going concern basis and were approved by the Board and signed on behalf of the Group by its authorized representative.

H.E. Khalifa Alkhoori
Chairman