

Al Khaleej Investment PSC and its
subsidiary

Condensed Consolidated Interim Financial Information

For the three-month period ended 31 March 2025 (unaudited)

Al Khaleej Investment PSC and its subsidiary

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Al Khaleej Investment PSC and its subsidiary

General information

Principal office address Al Khaleej Building,
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F: +971 7 228 8400

Website: www.kico.ae

Board of Directors:	<u>Name</u>	<u>Designation</u>	<u>Nationality</u>
	H.E. Khalifa Alkhoori	Chairman	Emirati
	H.E. Alia Almazrouei	Vice Chairman	Emirati
	Mr. Ahmed Omar Balfaqeeh	Member	Emirati
	Mr. Nasser Alkhazraji	Member	Emirati
	Mr. Samer Katerji	Member	Lebanese
	Mr. Omar Qandeel <i>(Appointed on 17th April 2025)</i>	Member	Jordanian
	Ms. Shaikha Alnuwais <i>(Resigned on 25th April 2025)</i>	Member	Emirati

Auditor: KPMG Lower Gulf Limited
P.O. Box: 3800
Dubai, United Arab Emirates

Banks: Commercial Bank of Dubai PSC
Dubai Islamic Bank PJSC
The National Bank of Ras Al Khaimah PJSC
United Arab Bank PJSC



Directors' Report For the Quarter Ended 31 March 2025

Date: 12 May 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



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Independent Auditors' Report on Review of Condensed Consolidated Interim Financial Information

To the Shareholders of Al Khaleej Investment PSC

Introduction

We have reviewed the accompanying March 31, 2025 condensed consolidated interim financial information of Al Khaleej Investment PSC ("the Company") and its subsidiary ("the Group"), which comprises:

- the condensed consolidated statement of financial position as at March 31, 2025;
- the condensed consolidated statement of profit or loss and other comprehensive income for the three-month period ended March 31, 2025;
- the condensed consolidated statement of changes in equity for the three-month period ended March 31, 2025;
- the condensed consolidated statement of cash flows for the three-month period ended March 31, 2025; and
- notes to the condensed consolidated interim financial information.

Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed consolidated 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 March 31, 2025 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

Emphasis of Matter - Comparative Information

We draw attention to Note 30 to the condensed consolidated interim financial information which indicates that the comparative information presented as at 31 December 2024 has been restated. Our conclusion is not modified in respect of this matter.

Other Matter relating to Comparative Information

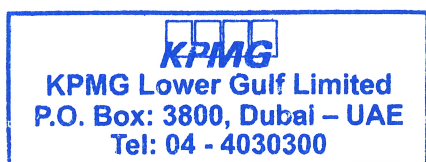
The condensed interim financial statements of the Company for the three-month period ended 31 March 2024, were reviewed by another auditor who expressed an unmodified conclusion on those condensed interim financial statements on 6 May 2024. The financial statements of the Company for the year ended 31 December 2024 excluding the adjustments described in Note 30 to the condensed consolidated interim financial information were audited by another auditor who expressed an unmodified opinion on those financial statements on 6 March 2025.

As part of our review of the condensed consolidated interim financial information as at and for the three-month period ended 31 March 2025, we reviewed the adjustments described in Note 30 that were applied to restate the comparative information presented as at 31 December 2024. We were not engaged to audit, review, or apply any procedures to the financial statements for the year ended 31 December 2024, other than with respect to the adjustments described in Note 30 to the condensed consolidated interim financial information. Accordingly, we do not express an opinion, conclusion or any other form of assurance on those respective financial statements taken as a whole. However, based on our review, nothing has come to our attention that causes us to believe that the adjustments described in Note 30 are not appropriate and have not been properly applied.

KPMG Lower Gulf Limited

Richard Ackland
Registration No.: 1015
Dubai, United Arab Emirates

Date: **12 MAY 2025**



Al Khaleej Investment PSC and its subsidiary

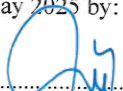
Condensed consolidated interim statement of financial position as at

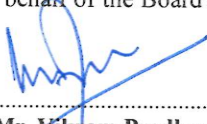
All figures are in AED'000

	Notes	31 March 2025 (Unaudited)	31 December 2024 (Audited) (restated)
Assets			
Non-current assets			
Property, plant and equipment	5	7,101	6,024
Right of use asset	6	11,481	11,972
Intangible assets	7	152	161
Investment property	8	145,625	147,886
Financial assets at fair value through profit or loss (FVTPL)	9.1	-	12,143
Financial assets at amortised cost	9.2	-	8,900
Total non-current assets		164,359	187,086
Current assets			
Financial assets at fair value through profit or loss (FVTPL)	9.1	28,255	27,996
Trade receivables	10	1,178	1,762
Other receivables	11	108,447	2,822
Short-term deposit	12	117	117
Due from a related party	18 (b)	-	6,016
Cash and cash equivalents	13	4,116	73,222
Total current assets		142,113	111,935
Total assets		306,472	299,021
Equity and liabilities			
Equity			
Share capital		105,000	105,000
Voluntary reserve		50,000	50,000
Statutory reserve		52,500	52,500
Other reserve		345	345
Retained earnings		72,484	74,359
Total equity	14	280,329	282,204
Liabilities			
Non-current liabilities			
Deferred tax liabilities	19	134	134
Employees' end-of-service benefits	15	758	864
Lease liabilities	16	8,908	9,409
Total non-current liabilities		9,800	10,407
Current liabilities			
Lease liabilities	16	1,960	1,965
Loan from a related party	18 (c)	10,063	-
Trade and other payables	17	4,320	4,445
Total current liabilities		16,343	6,410
Total liabilities		26,143	16,817
Total equity and liabilities		306,472	299,021

The comparative information presented as at and for the year ended 31 December 2024 has been restated (refer note 30). To the best of our knowledge, the condensed consolidated interim financial information fairly represents in all material respects, the financial position, results of operation and cash flows for the Group as of and for the three-month period ended 31 March 2025.

The condensed consolidated interim financial information was approved and signed on behalf of the Board of Directors on 12 May 2025 by:


H.E. Khalifa Yousif Alkhoori
Chairman


Mr. Vikram Pradhan
Chief Executive

The Independent auditor's report on review of condensed consolidated interim financial information is set out on page 4 and 5. The notes on pages 10 to 23 form an integral part of this condensed consolidated interim financial information.

Al Khaleej Investment PSC and its subsidiary

Condensed consolidated interim statements of profit or loss and other comprehensive income

<i>All figures are in AED'000, unless otherwise specified</i>	<i>Notes</i>	For the three-month period ended 31 March	
		2025 (Unaudited)	2024 (Unaudited)
Revenue	20	3,099	4,274
Direct cost	21	(376)	(892)
Gross profit		2,723	3,382
General and administrative expenses	22	(3,518)	(1,489)
Impairment loss on trade receivables	10.1	(800)	-
Finance cost	23	(137)	-
Finance income	23	1,531	483
(Loss) / gain from investments carried at FVTPL	24	(2,027)	2,035
Other income	25	353	476
(Loss) / profit for the period before tax		(1,875)	4,887
Income tax expense	19	-	(277)
(Loss) / profit for the period after tax		(1,875)	4,610
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Debt instrument at FVOCI – change in fair value		-	(90)
Other comprehensive loss for the period		-	(90)
Total comprehensive (loss) / income for the period		(1,875)	4,520
Earnings per share			
Basic and diluted earnings per share (AED)	27	(0.018)	0.043

The notes on pages 10 to 23 form an integral part of this condensed consolidated interim financial information.

Al Khaleej Investment PSC and its subsidiary

Condensed consolidated interim statement of changes in equity

<i>All figures are in AED'000</i>	Share Capital	Voluntary reserve	Statutory reserve	Other reserve	Fair Value reserve	Retained Earnings	Total
Balance at 1 January 2024 (as previously reported)	105,000	50,000	52,500	345	623	66,789	275,257
Restatement (refer note 30)	-	-	-	-	-	(2,597)	(2,597)
Balance at 1 January 2024 (restated)	105,000	50,000	52,500	345	623	64,192	272,660
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	4,610	4,610
Other comprehensive loss for the period	-	-	-	-	(90)	-	(90)
Total comprehensive income for the period	-	-	-	-	(90)	4,610	4,520
Board of Directors' remuneration	-	-	-	-	-	(1,400)	(1,400)
At 31 March 2024 (Unaudited)	105,000	50,000	52,500	345	533	67,402	275,780
At 1 January 2025	105,000	50,000	52,500	345	-	74,359	282,204
Total comprehensive loss for the period							
Loss for the period	-	-	-	-	-	(1,875)	(1,875)
Total comprehensive loss for the period	-	-	-	-	-	(1,875)	(1,875)
At 31 March 2025 (Unaudited)	105,000	50,000	52,500	345	-	72,484	280,329

The notes on pages 10 to 23 form an integral part of this condensed consolidated interim financial information.

Al Khaleej Investment PSC and its subsidiary

Condensed consolidated interim statement of cash flows

	For the three-month period ended	
	31 March	
	2025	2024
	(Unaudited)	(Unaudited)
Net (loss) / profit for the period before tax	(1,875)	4,887
<i>Adjustments for:</i>		
Unrealised loss on investments carried at FVTPL	1,016	1,529
(Loss) / gain on sale of investments carried at FVTPL	1,011	(3,564)
Depreciation on property, plant and equipment	80	61
Depreciation on right of use asset	491	-
Amortization of intangible assets	9	-
Gain on sale of building	(127)	(1)
Impairment loss on trade receivables	800	-
Dividend income	-	(373)
Finance income	(1,531)	(483)
Finance cost	137	-
Provision for employees' end of service benefits	78	35
	89	2,091
Purchase of investments carried at FVTPL	(9,983)	(49,629)
Proceeds from sale of investments carried at FVTPL	19,841	53,348
Purchase of investments carried at FVTOCI	-	(3,717)
Proceeds from sale of investments carried at amortised cost	8,900	724
Proceeds from disposal of investment properties, net	2,388	-
Dividend received	-	373
Working capital changes:		
Trade and other receivables	(841)	(1,024)
Related party balances	6,079	-
Trade and other payables	(124)	656
Employees' end-of-services benefits paid	(184)	(6)
Board of Directors' remuneration paid	-	(1,400)
Interest income received	1,531	483
Net cash (used in) / from operating activities	(27,696)	1,899
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,417)	(3)
Advance for purchase of land	(105,000)	-
Purchase of intangible assets	-	(57)
Proceeds from disposal of building	1,260	-
Net cash used in investing activities	(106,157)	(60)
Cash flows from financing activities		
Lease payments	(506)	-
Interest on leases	(137)	-
Proceeds from margin loan	9,998	-
Net cash from financing activities	9,355	-
Net (decrease) / increase in cash and cash equivalents	(69,106)	1,839
Cash and cash equivalents, beginning of the period	73,222	6,577
Cash and cash equivalents, end of the period	4,116	8,416

The notes on pages 10 to 23 form an integral part of this condensed consolidated interim financial information.

Al Khaleej Investment PSC and its subsidiary

Notes to the condensed consolidated interim financial information

For the three-month period ended 31 March 2025 (unaudited)

1 Establishment and operations

Al Khaleej Investment PSC (the 'Company') is a public joint stock company registered and incorporated under license no. 6061 of the Department of Economic Development in Ras Al Khaimah. The Company was incorporated on July 3, 1982 and is listed on the Abu Dhabi Securities Market. The address of the registered office of the Company is Al Khaleej Building, P.O. Box: 5662, Ras Al Khaimah, U.A.E.

The principal activities of the group consist of private funds investment, commercial enterprises investment, institution and management, buildings maintenance, detection services for real estate, real estate enterprises investment, development, institution and management.

These condensed consolidated interim financial statements incorporate the operating results of the commercial license no. 6061 and the following branches / subsidiaries:

#	Name	Trade License	Emirate	Activities
1	Sharjah branch	14391	Sharjah	Investing in, establishing and managing commercial projects and investing in, establishing and managing real estate projects.
2	Abu Dhabi branch	CN-5703394	Abu Dhabi	Real estate - fund investment-commercial investments.
3	Dubai branch	1475873	Dubai	Commercial investments
4	Prime Reem 151 SPV Ltd – ADGM*	25053	Abu Dhabi	Other economic activities

* On 13 February 2025, a new subsidiary entity was incorporated, which is 100% owned by Al Khaleej Investment PSC. As at the reporting date, the subsidiary has not yet commenced operations. Al Khaleej investment PSC and its subsidiary are collectively referred to as 'the Group'.

2 Material accounting policies

The principal accounting policies applied by the Group in the preparation of this condensed consolidated interim financial information are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1 Basis of preparation

The condensed consolidated interim financial information for the three-month period ending 31 March 2025 has been prepared in accordance with International Accounting Standard 34 '*Interim Financial Reporting*'.

The Group's condensed consolidated interim financial information is presented in UAE Dirhams (AED), which is also the Group's functional currency. All financial information presented in AED has been rounded to the nearest thousand, unless specified otherwise.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2024, as described in those financial statements, except for certain new and revised standards that became effective in the current period (if applicable). This condensed consolidated interim financial information does not include all the notes of the type normally included in the annual financial statements. Accordingly, this condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2024.

Al Khaleej Investment PSC and its subsidiary

Notes to the condensed consolidated interim financial information

For the three-month period ended 31 March 2025 (unaudited)

2 Material accounting policies (continued)

2.1 Basis of preparation (continued)

The preparation of condensed consolidated interim financial information in conformity with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Group's condensed consolidated interim financial information are consistent with the annual financial statements for the year ended 31 December 2024.

Results for the three-month period ending 31 March 2025 are not necessarily indicative of the results that may be expected for the year ending 31 December 2025.

2.2 Basis of measurement

This condensed consolidated interim financial information has been prepared on a historical cost basis except for financial assets and liabilities measured at fair value, wherever applicable.

2.3 Use of estimates and judgments

In preparing the condensed consolidated interim financial information, management has made judgments, estimates and assumptions that affect the application of the Group accounting policies and the reported amount of assets and liabilities, income and expenses.

2.4 New standards, amendments and interpretations

New standards, amendments and interpretations issued but not yet effective

A number of accounting standards, amendments to or interpretations of accounting standards have been issued by the International Accounting Standards Board ("IASB") as of 31 March 2025.

a. Standards issued and effective during the current year

Effective 1 January 2025, following amendments to IFRS Standards have become effective and have been applied in preparing these condensed consolidated interim financial statements however, these new and amended standards do not have a significant impact on Group financial statements.

	Effective date
Lack of Exchangeability – Amendments to IAS 21	1 January 2025

b. New standards, amendments and interpretations issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted, however, the Group has not early adopted the new or amended standards in preparing these condensed consolidated interim financial statements.

The following amended standards and interpretations are not expected to have a material impact on the Group financial statements except for IFRS 18, for which the potential impact is currently under assessment:

Al Khaleej Investment PSC and its subsidiary

Notes to the condensed consolidated interim financial information

For the three-month period ended 31 March 2025 (unaudited)

2 Material accounting policies (continued)

2.4 New standards, amendments and interpretations (continued)

b. New standards, amendments and interpretations issued but not yet effective (continued)

	Effective date
Classification and measurement of financial instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026
Annual improvements to IFRS Accounting Standards – Volume 11	1 January 2026
IFRS 18 Presentation and Disclosures in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Sale or Contribution of Assets between an Investor and its Associates or Joint Venture – Amendments to IFRS 10 and IAS 28	deferred indefinitely

3 Financial risk management

3.1 Financial risk factors

The Group activities expose it to a variety of financial risks: market risk (including currency risk, price risk and cash flow and fair value interest rate risk), credit risk and liquidity risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements. Accordingly, this condensed consolidated interim financial information should be read in conjunction with the annual financial statements as at 31 December 2024. There have been no changes in the risk management department or in any risk management policies since the year end.

3.2 Fair value measurement

The Group measures financial instruments, such as investment in securities, at fair value at each reporting date. 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 the most advantageous market for the asset or liability.

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 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.

For investments traded in an active market, fair value is determined by reference to quoted market bid prices.

The fair value of interest-bearing items is estimated based on discounted cash flows using interest rates for items with similar terms and risk characteristics.

For unquoted equity investments, fair value is determined by reference to the market value of a similar investment or is based on the expected discounted cash flows.

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.

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

Al Khaleej Investment PSC and its subsidiary

Notes to the condensed consolidated interim financial information

For the three-month period ended 31 March 2025 (unaudited)

3.2 Fair value measurement (continued)

1. Level 1 – Fair value measurements are those derived from quoted prices in an active market (that are unadjusted) for identical assets or liabilities.
2. Level 2 – Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).
3. Level 3 – Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the interim condensed consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at amortised cost.

The carrying value of financial assets and liabilities approximates their fair value except for investments carried at fair value through profit or loss which are the only financial instruments which are carried at fair value and fall into Level 1 of the fair value hierarchy.

To provide an indication about the reliability of the inputs used in determining fair value disclosed in this condensed consolidated interim financial information, the Group has classified its financial instruments into three levels described in note 9:

4 Segment reporting

Information about reportable segments and reconciliation of information on reportable segments to the amount reported in the annual financial statements

Information related to each reportable segment is set out below. Segment profit (loss) before tax is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

All figures are in AED'000

	Real Estate	Investments	Others	Total
31 March 2025 (Unaudited)				
Segment assets				
Non-current assets	164,359	-	-	164,359
Current assets	113,741	28,372	-	142,113
Total assets	278,100	28,372	-	306,472
Segment liabilities				
Non-current liabilities	9,800	-	-	9,800
Current liabilities	6,280	10,063	-	16,343
Total liabilities	16,080	10,063	-	26,143
Net segment assets	262,020	18,309	-	280,329

Al Khaleej Investment PSC and its subsidiary
Notes to the condensed consolidated interim financial information
For the three-month period ended 31 March 2025 (unaudited)

4 Segment reporting (continued)

All figures are in AED'000	<i>Real Estate</i>	<i>Investments</i>	<i>Others</i>	<i>Total</i>
31 December 2024 (Audited)				
Segment assets				
Non-current assets	166,043	21,043	-	187,086
Current assets*	83,822	28,113	-	111,935
Total assets	249,865	49,156	-	299,021
Segment liabilities				
Non-current liabilities	10,407	-	-	10,407
Current liabilities	6,410	-	-	6,410
Total liabilities	16,817	-	-	16,817
Net segment assets	233,048	49,156	-	282,204

* Restated (refer note 30)

Segment wise statement of profit or loss and other comprehensive income

<i>All figures are in AED'000</i>	Real Estate	Investments	Others	Total
31 March 2025 (Unaudited)				
Property rentals	3,099	-	-	3,099
Segment revenue	3,099	-	-	3,099
Cost of sales	(263)	(113)	-	(376)
Gross profit	2,836	(113)	-	2,723
General and administrative expenses	(2,462)	(1,056)	-	(3,518)
Other income	353	-	-	353
Finance income	-	1,531	-	1,531
Finance cost	(137)	-	-	(137)
(Loss) / gain from investments carried at FVTPL	-	(2,027)	-	(2,027)
Impairment loss on trade receivables	(800)	-	-	(800)
Profit/(loss) for the period after tax	(210)	(1,665)	-	(1,875)
31 March 2024 (Unaudited)				
Property rentals	4,274	-	-	4,274
Segment revenue	4,274	-	-	4,274
Cost of sales	(892)	-	-	(892)
Gross profit	3,382	-	-	3,382
General and administrative expenses	(1,042)	(447)	-	(1,489)
Other income	-	476	-	476
Finance income	-	483	-	483
(Loss) / gain from investments carried at FVTPL	-	2,035	-	2,035
(Loss) / profit for the period before tax	2,340	2,547	-	4,887
Income tax expense	(277)	-	-	(277)
Profit/(loss) for the period after tax	2,063	2,547	-	4,520

Al Khaleej Investment PSC and its subsidiary
Notes to the condensed consolidated interim financial information
For the three-month period ended 31 March 2025 (unaudited)

4 Segment reporting (continued)

Other segment information

All figures are in AED'000

	Real Estate	Investments	Others	Total
31 March 2025 (Unaudited)				
Capital expenditure (property, plant and equipment)	2,417	-	-	2,417
Depreciation (property, plant and equipment)	(80)	-	-	(80)
31 December 2024 (Audited)				
Capital expenditure (property, plant and equipment)	1,713	-	-	1,713
Depreciation (property, plant and equipment)	(214)	-	-	(214)

Al Khaleej Investment PSC and its subsidiary

Notes to the condensed consolidated interim financial information

For the three-month period ended 31 March 2025 (unaudited)

5. Property, plant and equipment

During the three-month period ended 31 March 2025, the Group acquired property, plant and equipment amounting to AED 2,417 thousand (31 March 2024: AED Nil), primarily related to leasehold improvements at the Company's new office in Dubai. In addition, the Group disposed of a building with a total carrying amount of AED 3,521 thousand (31 March 2024: AED Nil), comprising AED 2,261 thousand classified under investment property and AED 1,260 thousand under property, plant and equipment. The disposal resulted in a gain of AED 127 thousand, which was recognised in the statement of profit or loss.

All figures are in AED'000

31 March 2025
(Unaudited)

31 December 2024
(Audited)

6 Right-of-use asset

Opening balance	11,972	-
Additions during the period/year	-	12,085
Charge for the period/year	(491)	(113)
At the end of the period/year	<u>11,481</u>	<u>11,972</u>

7 Intangible assets

Cost

At 1 January 2024 (Audited)	550
Additions	57
At 31 December 2024 (Audited)	<u>607</u>
At 1 January 2025 (Audited)	607
At 31 March 2025 (Unaudited)	<u>607</u>

Computer Software

Accumulated Depreciation

At 1 January 2024 (Audited)	417
Amortization	29
At 31 December 2024 (Audited)	<u>446</u>
At 1 January 2025 (Audited)	446
Amortization	9
At 31 March 2025 (Unaudited)	<u>455</u>

Carrying Amount

At 31 December 2024 (Audited)	161
At 31 March 2025 (Unaudited)	152

Al Khaleej Investment PSC and its subsidiary

Notes to the condensed consolidated interim financial information *(continued)*

For the three-month period ended 31 March 2025 (unaudited)

All figures are in AED'000

31 March 2025
(Unaudited)

31 December 2024
(Audited)

8 Investment property

Investment property	145,625	147,886
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The movement in investment property is as follows:

At the beginning of the period/year	147,886	208,822
Disposals during the period/year	(2,261)	(61,095)
Increase in fair value of investment properties	-	159
At the end of the period/year	145,625	147,886

9 Financial assets

9.1 Financial assets at fair value through profit or loss

Investments in equity instruments – quoted (restated, refer note 30)	26,028	27,996
Investments in Tier 1 Sukuk (restated, refer note 30)	2,227	12,143
	28,255	40,139
Current	28,255	27,996
Non-current	-	12,143

The Group uses the following hierarchy for determining and disclosing the fair value of financial assets at fair value by valuation technique:

All figures are in AED'000

	Level 1	Level 2	Level 3*	Total
31 March 2025 (Unaudited)	28,255	-	-	28,255
31 December 2024 (restated, refer note 30)	40,139	-	-	40,139

*Included in level 3 are shares in a listed entity with Nil value as of 31 December 2024 and 31 March 2025. Refer note 30.

Valuations for Level 3 investments in securities have been derived by determining their redemption value which is generally net asset value per share of the investee companies. There were no transfers made between Level 1 and Level 3 during the period.

9.2 Financial assets at amortised cost

Investments in Sukuk (restated, refer note 30)	-	8,900
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Financial assets at amortised cost as at 31 December 2024 included investments in Arada Senior and Dar Al Arkan Senior Sukuks, amounting to AED 5,999 thousand and AED 2,901 thousand respectively, with maturity dates of 8 June 2027 and 26 February 2027. During the period ended 31 March 2025, these Sukuk bonds were sold for AED 9,080 thousand, which included accrued interest of AED 140 thousand. A gain of AED 40 thousand was recognised on this transaction and recorded under finance income.

Al Khaleej Investment PSC and its subsidiary

Notes to the condensed consolidated interim financial information *(continued)*

For the three-month period ended 31 March 2025 (unaudited)

All figures are in AED'000

31 March 2025
(Unaudited)

31 December 2024
(Audited)

10 Trade receivables

Trade receivables	6,728	6,512
Less: provision for impairment of receivables	(5,550)	(4,750)
Trade receivables – net	<u>1,178</u>	<u>1,762</u>

10.1 Movements in the provision for impairment of trade receivables are as follows:

At the beginning of the period/year	(4,750)	(6,390)
Write off	-	1,640
Charge for the period/year	(800)	-
At the end of the period/year	<u>(5,550)</u>	<u>(4,750)</u>

The carrying amount of the Group trade receivables is primarily denominated in AED and approximates its fair value. There have been no changes to ECL model assumptions.

11 Other receivables

Manager's cheque	105,000	-
Prepayments	957	442
Advance to suppliers	615	455
VAT receivable	574	590
Accruals	378	440
Others	923	895
	<u>108,447</u>	<u>2,822</u>

Other receivables balance includes a manager's cheque which was issued to purchase a land in Abu Dhabi, UAE, amounting to AED 105,000 thousand. The transaction is under process as at 31 March 2025.

12 Short-term deposit

Fixed deposit	<u>117</u>	<u>117</u>
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The above deposit is held under lien for credit card facility granted by bank.

13 Cash and cash equivalents

Bank balance – current accounts	3,967	9,220
Cash on hand	149	2
Fixed deposit	-	64,000
	<u>4,116</u>	<u>73,222</u>

Fixed deposit as at 31 December 2024 amounted to AED 64,000 thousand with a maturity of three months.

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

Cash and cash equivalents in the statement of financial position	4,116	73,222
Cash and cash equivalents for the purpose of statement of cash flows	<u>4,116</u>	<u>73,222</u>

Al Khaleej Investment PSC and its subsidiary

Notes to the condensed consolidated interim financial information *(continued)*

For the three-month period ended 31 March 2025 (unaudited)

All figures are in AED'000

31 March 2025
(Unaudited)

31 December 2024
(Audited)

14 Equity

Share capital (Authorised, issued and paid-up share capital

105,000,000 shares of AED 1.00 each) (a)

105,000

105,000

Statutory reserve (b)

52,500

52,500

Voluntary reserve (c)

50,000

50,000

Other reserve

345

345

Retained earnings

72,484

*74,359

280,329

282,204

* Restated, refer to note 30

- a) On 20 February 2025, 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.

- b) According to the Articles of Association of the Group and U.A.E Federal Law No. 32 of 2021, 10% of annual net profits is allocated to the statutory reserve. The transfer to statutory reserve may be suspended, when the reserve reaches 50% of the paid-up capital. This reserve is not available for distribution.

- c) The Group in earlier years has transferred up to 10% of the profits to the voluntary reserve. There were no transfers to voluntary reserve during the period 31 March 2025 and year end 31 December 2024.

15 Provision for employees' end of service benefits

Movements in the provision for the employees' end of service benefits are analysed below:

At the beginning of the period/year

864

880

Charge for the period/year

78

180

Payments made during the period/year

(184)

(196)

At the end of the period/year

758

864

16 Lease liabilities

At the beginning of the period/year

11,374

11,983

Interest expense for the period/year

137

33

Payments made against lease obligation

(643)

(642)

At the end of the period/year

10,868

11,374

Less: current portion

1,960

1,965

Non-current portion

8,908

9,409

17 Trade and other payables

Deferred revenue – rent received in advance

1,567

1,335

Tenants' refundable deposits

1,478

860

Corporate tax payable

929

1,064

Trade payables

33

119

Other payables

313

1,067

4,320

4,445

Al Khaleej Investment PSC and its subsidiary

Notes to the condensed consolidated interim financial information (*continued*)

For the three-month period ended 31 March 2025 (unaudited)

18 Related party transactions and balances

The Group enters into transactions with companies and entities that fall within the definition of a related party as contained in International Accounting Standard 24, "Related Party Disclosures". Related parties comprise subsidiaries and entities under common ownership and/or common management and control, key management personnel, directors and businesses that are controlled directly or indirectly by them or businesses over which they exercise significant influence.

a) Transactions with related parties

<i>All figures are in AED'000</i>	For the three-month period ended 31 March	
	2025 (Unaudited)	2024 (Unaudited)
Margin deposit in Al Ramz corporation P.J.S.C. (Shareholder) ('Al Ramz')	-	6,016
Margin loan received during the period from Al Ramz	9,998	-
Interest on the margin loan	65	-
<i>Key management personnel</i>		
Board of Directors remuneration	263	162

b) Due from a related party

<i>All figures are in AED'000</i>	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Al Ramz	-	6,016

c) Loan from a related party

Al Ramz	10,063	-
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The balance represents a margin loan of AED 9,998 thousand provided by a shareholder to finance the purchase of shares classified as financial assets at fair value through profit or loss (FVTPL), which are pledged as collateral. Margin commission in respect of this financing shall be calculated at three months EIBOR + 8% per annum with a minimum rate of 10%. The accrued interest as of 31 March 2025 is AED 65 thousand. Subsequent to the reporting date, AED 6,000 thousand has been repaid.

19 Income tax

<i>All figures are in AED'000</i>	For the three-month period ended 31 March	
	2025 (Unaudited)	2024 (Unaudited)
<i>Components of income tax</i>		
The components of income for the periods are:		
Income tax	-	277
Deferred tax	134	134

Al Khaleej Investment PSC and its subsidiary

Notes to the condensed consolidated interim financial information (*continued*)

For the three-month period ended 31 March 2025 (unaudited)

19 Income tax (Continued)

Income tax expense is recognized at an amount determined by multiplying the profit before tax for the interim reporting period by management's best estimate of the weighted-average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognized in full in the interim period. As such, the effective tax rate in the condensed consolidated interim financial information may differ from management's estimate of the effective tax rate for the annual financial statements. For the period ended 31 March 2025, management did not recognise income tax expense, as they believe that the amount is immaterial and would not have a material impact on the condensed consolidated interim financial statements.

Deferred taxes analyzed by type of temporary difference

Differences between IFRS Accounting Standards and statutory taxation regulations in the United Arab Emirates give rise to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases. The tax effect of the movements in these temporary differences were not material to the condensed consolidated interim financial information.

<i>All figures are in AED'000</i>	For the three-month period ended	
	31 March	
	2025 (Unaudited)	2024 (Unaudited)
Property rentals	3,099	4,274
	<u>3,099</u>	<u>4,274</u>

The Group operations and main revenue stream is rental income from residential and commercial properties.

21 Direct cost

Staff cost	133	349
Utilities	122	154
Maintenance cost	107	285
Advertisement	-	6
Bank charges	9	10
Cleaning & office upkeeping	1	10
Fuel	-	9
Government fees	4	47
Insurance	-	22
	<u>376</u>	<u>892</u>

22 General and administrative expenses

Staff salaries	1,779	495
Depreciation (refer note 5 & 6)	571	61
Professional and consultancy	380	89
Other employee benefits	288	372
Director's expenses	263	186
Rent	112	-
Communication	45	24
Amortisation (refer note 7)	9	-
Others	71	262
	<u>3,518</u>	<u>1,489</u>

Al Khaleej Investment PSC and its subsidiary

Notes to the condensed consolidated interim financial information (*continued*)

For the three-month period ended 31 March 2025 (unaudited)

	For the three-month period ended	
	31 March	
	2025	2024
	(Unaudited)	(Unaudited)
All figures are in AED'000		
23 Finance income / cost		
<i>Finance income</i>		
Profit on Sukuk	900	452
Profit on bank deposits	631	31
	<u>1,531</u>	<u>483</u>
<i>Finance cost</i>		
Interest on lease liabilities (refer note 16)	137	-
	<u>137</u>	<u>-</u>
24 (Loss)/ gain from investments carried at FVTPL		
Unrealised loss on financial assets at FVTPL	(1,016)	(1,529)
Realised (loss) / gain on financial assets at FVTPL	(1,011)	3,564
	<u>(2,027)</u>	<u>2,035</u>
25 Other income		
Gain on disposal of building	127	1
Dividend	-	373
Other	226	102
	<u>353</u>	<u>476</u>
26 Commitments and contingencies		
There are no commitments or contingencies as of 31 March 2025 (31 December 2024: Nil)		
27 Earnings per share/diluted share		
Basic earnings per share amounts are calculated by dividing net profit or loss for the period attributable to the shareholders of the Group by the weighted average number of ordinary shares outstanding during the period.		
Earnings		
(Loss) / profit for the period, attributable to the shareholders	<u>(1,875)</u>	<u>4,520</u>
Number of shares in thousands		
Number of ordinary shares for basic earnings per share at 31 March	<u>105,000</u>	<u>105,000</u>
Earnings per share		
Basic and diluted earnings per share (AED)	<u>(0.018)</u>	<u>0.043</u>

Al Khaleej Investment PSC and its subsidiary

Notes to the condensed consolidated interim financial information (*continued*)

For the three-month period ended 31 March 2025 (unaudited)

28 Earnings before interest, taxes, depreciation, and amortization (EBITDA)

<i>All figures are in AED'000</i>	For the three-month period ended 31 March	
	2025 (Unaudited)	2024 (Unaudited)
(Loss)/profit for the period after tax	(1,875)	4,520
Tax expense	(-)	277
Profit for the period before tax	(1,875)	4,797
Adjustments for:		
Depreciation	571	61
Finance costs – net	137	-
Amortisation	9	-
EBITDA	(1,158)	4,858

29 Comparative figures

The previous period/year figures have been regrouped wherever necessary, in order to conform to the current period presentation. The regrouping does not affect the previously reported net assets, total equity and the profit or loss and other comprehensive income, except for the restatement described in note 30.

30 Restatement of comparative balances

Management had classified its investment in shares in a listed entity, as a financial asset measured at fair value through profit or loss (FVTPL). During the current period, upon reassessment, management determined that the fair value of these shares should have been assessed as nil in prior periods as the trading of investees shares has been suspended since 2020 and the Company's share of net asset value of the investee was approximately nil as at 1 January 2024 and 31 December 2024. As a result, financial assets at fair value through profit or loss (FVTPL) and Retained earnings were overstated by AED 2,597 thousand as at 1 January 2024 and 31 December 2024. This error has been corrected by restating each of the affected financial statement line items for prior periods.

Further, during the current period, management identified an error in the classification of certain investments in Tier 1 sukuk with a carrying amount of AED 12,143 thousand. These sukuk had been incorrectly classified and measured at amortised cost, despite not meeting the solely payments of principal and interest (SPPI) criteria as required by IFRS 9. Upon reassessment, management determined that these instruments should have been classified as financial assets at fair value through profit or loss (FVTPL) as at both 1 January 2024 and 31 December 2024. As a result, the balances of financial assets at amortised cost and financial assets at fair value through profit or loss were each misstated by AED 12,143 thousand as at 1 January 2024 and 31 December 2024. This error has been corrected by restating the affected comparative figures in the financial statements, with no impact on total equity or profit for the prior period.