

**Modon Holding PSC
and its subsidiaries**

**REVIEW REPORT AND INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS**

30 JUNE 2025 (UNAUDITED)

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF

MODON HOLDING PSC

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Modon Holding PSC (the “Company”) and its subsidiaries (collectively referred to as the “Group”) as at 30 June 2025, comprising of the interim consolidated statement of financial position as at 30 June 2025 and the related interim consolidated statements of profit or loss and interim consolidated statement of comprehensive income for the three months and six months period then ended, and the related interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the six months period then ended and explanatory notes. Management is responsible for the preparation and fair 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.

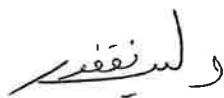
Scope of review

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 July 2025
Abu Dhabi, United Arab Emirates

Modon Holding PSC and its subsidiaries

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

For the three months and six months period ended 30 June 2025

	Notes	Three months ended 30 June		Six months ended 30 June	
		2025	2024	2025	2024
		AED '000	AED '000	AED '000	AED '000
Revenues	5	2,932,639	1,647,574	6,545,053	2,188,004
Direct costs	6	(1,658,721)	(1,054,719)	(3,643,991)	(1,354,821)
GROSS PROFIT		1,273,918	592,855	2,901,062	833,183
General and administrative expenses	7	(341,329)	(193,604)	(612,260)	(433,026)
Selling and marketing expenses		(75,265)	(20,335)	(137,346)	(29,442)
Changes in fair value of investments carried at fair value through profit or loss		189,489	(75,219)	231,276	(243,218)
Changes in fair value of investment properties		-	-	-	(20,367)
Provision for impairment loss on property, plant and equipment		-	-	-	(416,213)
Provision for impairment loss on development work-in-progress		-	-	-	(54,581)
Gain on acquisition of subsidiaries		-	-	-	8,973,556
Loss on disposal of an associate		-	(1,623)	-	(1,623)
Share of profit from investments in associates and joint ventures		54,998	38,627	122,329	44,562
Investment and other income	8	36,614	64,064	133,584	193,122
Finance income	9	52,614	33,446	85,325	59,331
Finance costs	10	(116,611)	(76,247)	(205,708)	(120,146)
PROFIT BEFORE TAX		1,074,428	361,964	2,518,262	8,785,138
Income tax expense	11	(193,285)	(33,083)	(399,649)	(49,546)
PROFIT FOR THE PERIOD		<u>881,143</u>	<u>328,881</u>	<u>2,118,613</u>	<u>8,735,592</u>
Profit attributable to:					
Owners of the Parent		876,772	324,856	2,098,818	8,721,816
Non-controlling interests		<u>4,371</u>	<u>4,025</u>	<u>19,795</u>	<u>13,776</u>
		<u>881,143</u>	<u>328,881</u>	<u>2,118,613</u>	<u>8,735,592</u>
BASIC AND DILUTED EARNINGS PER SHARE (AED)	26	<u>0.054</u>	<u>0.02</u>	<u>0.128</u>	<u>0.65</u>

The attached notes 1 to 30 form part of these interim condensed consolidated financial statements.

Modon Holding PSC and its subsidiaries

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the three months and six months period ended 30 June 2025

	<i>Notes</i>	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
		<i>2025 AED '000</i>	<i>2024 AED '000</i>	<i>2025 AED '000</i>	<i>2024 AED '000</i>
PROFIT FOR THE PERIOD		881,143	328,881	2,118,613	8,735,592
Other comprehensive income (loss)					
<i>Items that may be reclassified subsequently to profit or loss, net of tax</i>					
Exchange difference on translation of foreign operations		303,421	(199,648)	313,032	(207,203)
Share of other comprehensive loss of associates and joint ventures		(27,060)	(172,556)	(20,759)	(172,556)
		276,361	(372,204)	292,273	(379,759)
<i>Items that will not be reclassified to profit or loss, net of tax</i>					
Changes in the fair value of investments carried at fair value through other comprehensive income		3,006	(34,178)	2,611	14,018
Other comprehensive income (loss) for the period		279,367	(406,382)	294,884	(365,741)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		<u>1,160,510</u>	<u>(77,501)</u>	<u>2,413,497</u>	<u>8,369,851</u>
Total comprehensive income (loss) attributable to:					
Owners of the Parent		1,153,245	(81,526)	2,394,281	8,356,075
Non-controlling interests		7,265	4,025	19,216	13,776
		<u>1,160,510</u>	<u>(77,501)</u>	<u>2,413,497</u>	<u>8,369,851</u>

The attached notes 1 to 30 form part of these interim condensed consolidated financial statements.

Modon Holding PSC and its subsidiaries

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

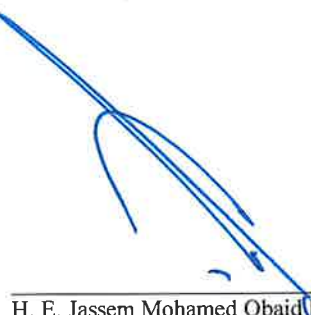
At 30 June 2025

		30 June 2025	31 December 2024
	<i>Notes</i>	AED '000 (Unaudited)	AED '000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	12	8,316,742	7,593,191
Investment properties	13	9,463,338	9,336,725
Intangible assets and goodwill	14	975,969	537,357
Right-of-use assets	15	566,640	440,645
Investments in associates and joint ventures	16	3,500,246	2,242,891
Investments in financial assets	17	364,007	445,555
Trade and other receivables	20	493,973	538,515
Amounts due from related parties	25	1,145,030	-
Deferred tax assets	11	402,005	381,888
		<u>25,227,950</u>	<u>21,516,767</u>
Current assets			
Inventories	18	29,588,844	29,586,274
Development work-in-progress	19	3,225,269	2,461,672
Trade and other receivables	20	5,700,430	2,990,510
Investments in financial assets	17	139,887	2,532,653
Amounts due from related parties	25	10,008,135	9,314,779
Cash and bank balances	21	10,336,207	7,009,670
		58,998,772	53,895,558
Assets held for sale		<u>512,956</u>	<u>512,956</u>
		<u>59,511,728</u>	<u>54,408,514</u>
TOTAL ASSETS		<u>84,739,678</u>	<u>75,925,281</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	22	16,347,080	16,347,080
Share premium		22,398,819	22,398,819
Legal reserve		609,616	609,616
Merger reserves		(322,513)	(189,234)
Other reserves		(364,933)	(657,785)
Cumulative changes in fair value of investments		(29,747)	(32,358)
Retained earnings		<u>13,299,088</u>	<u>11,200,270</u>
Equity attributable to owners of the Parent		<u>51,937,410</u>	<u>49,676,408</u>
Non-controlling interests		<u>1,205,399</u>	<u>1,186,183</u>
Total equity		<u>53,142,809</u>	<u>50,862,591</u>


Modon Holding PSC and its subsidiaries

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION continued
At 30 June 2025

	Notes	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
EQUITY AND LIABILITIES continued			
Non-current liabilities			
Trade and other payables	23	1,381,068	1,287,211
Deferred tax liabilities	11	976,960	897,248
Loans and borrowings	24	3,135,166	3,094,039
Loan from a related party	25	1,652,713	1,652,713
Amounts due to related parties	25	1,704,342	1,089,965
Lease liabilities	15	580,002	451,040
Employees' end of service benefits		<u>151,355</u>	<u>126,808</u>
		<u>9,581,606</u>	<u>8,599,024</u>
Current liabilities			
Trade and other payables	23	8,916,245	6,961,331
Income tax payable	11	543,034	132,227
Loans and borrowings	24	2,073,156	617,358
Lease liabilities	15	80,004	60,937
Amounts due to related parties	25	<u>10,402,416</u>	<u>8,691,405</u>
		22,014,855	16,463,258
Liabilities directly associated with assets held for sale		<u>408</u>	<u>408</u>
		<u>22,015,263</u>	<u>16,463,666</u>
Total liabilities		<u>31,596,869</u>	<u>25,062,690</u>
TOTAL EQUITY AND LIABILITIES		<u>84,739,678</u>	<u>75,925,281</u>


H. E. Jassem Mohamed Obaid Bu Ataba Al Zaabi
Chairman


Bill Anthony O'Regan
Group Chief Executive Officer


Matt Matharu
Group Chief Financial Officer

The attached notes 1 to 30 form part of these interim condensed consolidated financial statements.

Modon Holding PSC and its subsidiaries

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months period ended 30 June 2025 (Unaudited)

	<i>Equity attributable to Owners of the Parent</i>						<i>Total equity attributable to Owners of the Parent</i>	<i>Non-controlling interests</i>	<i>Total equity</i>
	<i>Share capital</i>	<i>Share premium</i>	<i>Legal reserve</i>	<i>Merger reserves</i>	<i>Other reserves</i>	<i>Cumulative changes in fair value of investments</i>	<i>Retained earnings</i>	<i>AED '000</i>	<i>AED '000</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Balance at 1 January 2024 (Audited)	6,855,599	4,459,919	398,795	(189,234)	237,890	18,225	1,987,900	13,769,094	14,918,660
Profit for the period	-	-	-	-	-	-	8,721,816	8,721,816	8,735,592
Other comprehensive (loss) income for the period	-	-	-	-	(379,759)	14,018	-	(365,741)	(365,741)
Total comprehensive (loss) income for the period	-	-	-	-	(379,759)	14,018	8,721,816	8,356,075	8,369,851
Increase in share capital on acquisition of subsidiaries	9,491,481	17,938,900	-	-	-	-	-	27,430,381	27,430,381
Acquisition of non-controlling interests	-	-	-	-	-	-	-	69,376	69,376
Balance at 30 June 2024 (Unaudited)	<u>16,347,080</u>	<u>22,398,819</u>	<u>398,795</u>	<u>(189,234)</u>	<u>(141,869)</u>	<u>32,243</u>	<u>10,709,716</u>	<u>49,555,550</u>	<u>50,788,268</u>
Balance at 1 January 2025 (Audited)	16,347,080	22,398,819	609,616	(189,234)	(657,785)	(32,358)	11,200,270	49,676,408	50,862,591
Profit for the period	-	-	-	-	-	-	2,098,818	2,098,818	2,118,613
Other comprehensive income (loss) for the period	-	-	-	-	292,852	2,611	-	295,463	294,884
Total comprehensive income for the period	-	-	-	-	292,852	2,611	2,098,818	2,394,281	2,413,497
Business combination of entities under common control (note 4)	-	-	-	(133,279)	-	-	-	(133,279)	(133,279)
Balance at 30 June 2025 (Unaudited)	<u>16,347,080</u>	<u>22,398,819</u>	<u>609,616</u>	<u>(322,513)</u>	<u>(364,933)</u>	<u>(29,747)</u>	<u>13,299,088</u>	<u>51,937,410</u>	<u>53,142,809</u>

The attached notes 1 to 30 form part of these interim condensed consolidated financial statement.

Modon Holding PSC and its subsidiaries

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months period ended 30 June 2025 (Unaudited)

	<i>Notes</i>	<i>Six months ended 30 June</i>	
		<i>2025 AED '000</i>	<i>2024 AED '000</i>
OPERATING ACTIVITIES			
Profit for the period before tax		2,518,262	8,785,138
Adjustments for:			
Depreciation on property, plant and equipment	6 & 7	167,347	69,133
Amortisation of intangible assets	6 & 7	28,329	23,765
Depreciation on right-of-use assets	6 & 7	26,930	14,825
Dividend income	8	(128,676)	(128,470)
Finance income	9	(85,325)	(59,331)
Amortisation of loan		(4,529)	(8,451)
Finance costs	10	205,708	120,146
Changes in fair value of investments carried at fair value through profit or loss	17	(231,276)	243,218
Change in fair value of investment properties	13	-	20,367
Provision for employees' end of service benefits		24,912	8,647
Provision for expected credit loss on trade and other receivables and amounts due from related parties		8,462	116,920
Provision for impairment loss on property, plant and equipment	12	-	416,213
Provision for impairment loss on development work-in-progress	19	-	54,581
Net gain on disposal of property, plant and equipment	8	(273)	(71)
Loss on disposal of an associate		-	1,623
Share of profit from equity accounted investee	16	(122,329)	(44,562)
Unwinding of investments carried at amortised cost	17	(603)	(155)
Provisional bargain purchase gain on acquisition of subsidiaries		-	(8,973,556)
Gain on disposal of investment properties	8	(11,858)	-
Income from government grant		(4,891)	-
Liabilities written back		-	(22,335)
Operating cash flows before movements in working capital		<u>2,390,190</u>	<u>637,645</u>
Changes in working capital:			
Inventories		139,625	(13,511)
Development work-in-progress		(763,595)	(139,489)
Trade and other receivables		(1,705,063)	44,029
Trade and other payables		239,220	(2,386,627)
Amounts due from related parties		(1,838,388)	(2,729,560)
Amounts due to related parties		<u>2,325,388</u>	<u>4,736,324</u>
Cash generated from operations		787,377	148,811
Income tax paid		-	(156)
Employees' end of service benefits paid		<u>(10,500)</u>	<u>(4,010)</u>
Net cash generated from operating activities		<u>776,877</u>	<u>144,645</u>

Modon Holding PSC and its subsidiaries

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS continued

For the six months period ended 30 June 2025 (Unaudited)

		Six months ended 30 June	
	Notes	2025 AED '000	2024 AED '000
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	12	(330,567)	(522,941)
Purchase of intangible assets	14	(3,674)	(297)
Purchase of investment properties	13	(18,515)	(55,090)
Purchase of investments carried at fair value through profit or loss	17	(1,236)	(7,730)
Purchase of investments carried at fair value through amortised cost	17	-	(1)
Dividends received		129,297	96,882
Interest income received		85,325	62,446
Proceeds from disposal of investments carried at fair value through profit or loss	17	2,625,278	30,960
Proceeds from disposal of investments carried at fair value through other comprehensive income	17	32,089	-
Proceeds from disposal and maturity of investments carried at amortised cost	17	52,716	9,424
Investment made in associate and joint venture	16	(1,196,866)	(1,661,768)
Proceeds from disposal of investment in an associate	16	-	27,007
Dividend released by equity accounted investee	16	122,452	-
Proceeds from disposal of property, plant and equipment	12	6,410	71
Proceeds from disposal of intangibles	14	20	-
Cash paid on acquisition	4	(486,606)	-
Net cash acquired in business combination	4	101,950	2,696,480
Net movement in margin deposits	21	50,000	-
Net movement in restricted cash account	21	(1,170,382)	(1,311,028)
Net movement in term deposits	21	<u>738,406</u>	<u>(742,265)</u>
Net cash generated from investing activities		<u>736,097</u>	<u>(1,377,850)</u>
FINANCING ACTIVITIES			
Payment of lease liabilities	15	(19,608)	(24,665)
Proceeds from loan obtained from a related party		-	1,652,713
Proceeds from loans and borrowings	24	1,420,509	412,600
Repayment of loans and borrowings	24	(331,613)	(109,151)
Finance costs paid		<u>(106,686)</u>	<u>(67,441)</u>
Net cash generate from financing activities		<u>962,602</u>	<u>1,864,056</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		2,475,576	630,851
Cash and cash equivalents at beginning of the period	21	2,021,126	825,014
Effect of foreign exchange rate changes		<u>237,310</u>	<u>(3,228)</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		4,734,012	1,452,637

The attached notes 1 to 30 form part of these interim condensed consolidated financial statement.

Modon Holding PSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2025 (Unaudited)

1 GENERAL INFORMATION

Modon Holding PSC (the “Company” or the “Modon Holding”) is a private joint stock company incorporated in the Emirate of Abu Dhabi, United Arab Emirates (UAE). The Company is registered on the secondary market in Abu Dhabi Stock Exchange.

The Company is registered under commercial license No. CN-1002912 issued from the Department of Economic Development in Abu Dhabi, UAE. The registered office of the Company is at P.O. Box 48111, Abu Dhabi, U.A.E. The Company and its subsidiaries together are referred to as (“the Group”).

International Holding Company PJSC is the Parent and Royal Group Holding LLC is the Ultimate Parent of the Company.

The Group is principally engaged in investing in pioneering business ideas and forming strategic partnerships emanating from focused research and the expertise of its founders. The Group envisages subscribing as a founder in potentially successful companies, and focuses its main business activities in the development, management, sales and leasing of real estate projects. Moreover, the Group participates in the launch and management of hospitality projects, and engage in operating venues for international and local exhibitions and events mainly in the Emirate of Abu Dhabi and London which includes provision of catering at exhibitions and acquisition of controlling interests in strategic companies.

These interim condensed consolidated financial statements were authorised for issue on 28 July 2025.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

The interim condensed consolidated financial statements for the six months period ended 30 June 2025 have been prepared in accordance with IAS 34 *Interim Financial Reporting* and also comply with the applicable requirements of laws in the UAE. The interim condensed consolidated financial statements do not include all information and disclosures required in the annual consolidated financial statements prepared in accordance with IFRS Accounting Standards and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024. In addition, results for the period ended 30 June 2025 are not necessarily indicative of the results for the year ending 31 December 2025.

The interim condensed consolidated financial statements are presented in United Arab Emirates Dirhams (AED), which is the presentation currency of the Group and the functional currency of the Company. All the values are rounded to the nearest thousand (AED ‘000) except when otherwise indicated.

2.2 ACCOUNTING CONVENTION

The interim condensed consolidated financial statements have been prepared under the historical cost convention except for investments carried at fair value through profit or loss, investments carried at fair value through other comprehensive income and investment properties which have been measured at fair value.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2025 (Unaudited)

2 BASIS OF PREPARATION continued

2.3 BASIS OF CONSOLIDATION

The interim condensed consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 30 June 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

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

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the interim consolidated statement of profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and 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 and 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 specified/permitted by applicable IFRSs). 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 under IFRS 9, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Modon Holding PSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2025 (Unaudited)

2 BASIS OF PREPARATION continued

2.3 BASIS OF CONSOLIDATION continued

Details of the Company's significant operating subsidiaries and effective ownership as at 30 June 2025 and 31 December 2024 interest are given below:

<i>Name of subsidiary</i>	<i>Place of incorporation and operations</i>	<i>Principal activities</i>	<i>Proportion of shareholding held</i>	
			2025	2024
Al Qudra Real Estate LLC	United Arab Emirates	Real Estate Management	100%	100%
Al Qudra Trading LLC	United Arab Emirates	Commercial project investment	100%	100%
Modon Investment RSC Ltd. (formerly Q Investment RCS Ltd.)	United Arab Emirates	Special Purpose Vehicle	100%	100%
Modon Companies Management LLC (formerly Q Companies Management L.L.C.) and its subsidiaries	United Arab Emirates	Real estate management.	100%	100%
Reem Investments Sole Proprietorship PJSC (formerly "Reem Investments PJSC") and its subsidiaries	United Arab Emirates	Real estate management.	100%	100%
Al Rayan Investment PSC and its subsidiaries	United Arab Emirates	Develop, manage and invest in real estate enterprises	99.97%	99.97%
Al Qudra Holding - Morocco	Kingdom of Morocco	General investment	100%	100%
Al Qudra Holding International LLC and its subsidiaries	United Arab Emirates	Industrial Enterprises and financial management	100%	100%
Sahel 1 Restricted Limited	United Arab Emirates	Special purpose company for professional investment institutions	100%	100%
Sahel 2 Restricted Limited	United Arab Emirates	Special purpose company for professional investment institutions	100%	100%
Oryx Action Restricted Limited	United Arab Emirates	Special purpose company for professional investment institutions	100%	100%
Al Tamouh Investments Company LLC and its subsidiaries	United Arab Emirates	Development, management and sale of real estate properties.	100%	100%
Modon Properties PJSC and its subsidiaries	United Arab Emirates	Infrastructure development and managing of completed operating properties.	100%	100%
Abu Dhabi National Exhibition Company (ADNEC) PJSC and its subsidiaries	United Arab Emirates	Venues, Events, Exhibitions	100%	100%
MIZA Investments LLC	United Arab Emirates	Commercial Enterprises Investment, Institution and Management	100%	100%
Modon Holding International Real Estate Ltd and its subsidiaries.	United Arab Emirates	Offshore infrastructure development and managing of completed operating properties	100%	100%
Modon Holding Hospitality – LLC – SPC and its subsidiaries	United Arab Emirates	Parties and events organizing, hospitality services, restaurants management.	100%	100%
Modon Holding Asset management LLC – SPC and its subsidiaries	United Arab Emirates	Management and operation of public utilities; agricultural, entertainment, sport and industrial enterprises investment, institution and management; real estate development construction.	100%	100%
Modon Holding International Investments Ltd (ADGM) and its subsidiaries	United Arab Emirates	Holding ownership of equity and non-equity assets	100%	100%
Modon Holding Experiences SPV Ltd (ADGM-UAE) and its subsidiaries	United Arab Emirates	Special Purpose Vehicle	100%	-

2.4 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2024, except for the adoption of the following new standards effective as of 1 January 2025. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

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 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 amendment had no significant impact on the interim condensed consolidated financial statements of the Group.

2.5 STANDARDS ISSUED BUT NOT EFFECTIVE

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's interim condensed consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- IFRS 18: Presentation and Disclosure in Financial Statements
- IFRS 19: Subsidiaries without Public Accountability: Disclosures
- Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures regarding the classification and measurement of financial instruments
- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information
- IFRS S2 Climate-related Disclosures
- Annual improvements to IFRS Accounting Standards – Volume 11

The Group does not expect that the adoption of these new and amended standards and interpretations, other than IFRS 18, will have a material impact on its interim condensed consolidated financial statements. The Group is currently working to identify the impacts IFRS 18 will have on the interim condensed consolidated financial statements and its notes.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the interim condensed consolidated financial statements in conformity with the International Financial Reporting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of financial assets and liabilities and the disclosure of contingent liabilities. These judgements estimates and assumptions also affect the revenue, expenses and provisions as well as fair value changes. Actual results may differ from these estimates.

These judgements estimates and assumptions may affect the reported amounts in subsequent financial years. Estimates and judgements are currently evaluated and are based on historical experience and other factors.

In preparing these interim condensed consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2024, except for the adoption of new standards and interpretations effective 1 January 2025 and policy for recognition of revenue for rental income from temporary infrastructure as disclosed below.

Revenue recognition - rental income from temporary infrastructure

Revenue derived from providing temporary structures / seating for short-term event is recognised as per IFRS 16 ("Leases") over the duration of the event, consistent with the pattern of benefits expected to be derived by the customer in most cases until the end of event.

4 BUSINESS COMBINATION UNDER COMMON CONTROL

During the period, the Group has acquired the Theta Bidco Limited under common control. This acquisition is excluded from the scope of International Financial Reporting Standard 3 (IFRS 3) “Business Combinations” as this is business combination of entities under common control, given that the acquirer and the acquiree both entities are ultimately controlled by the same entity before and after the acquisition. The acquisitions have been accounted for in the consolidated financial statements using the pooling of interest method, which reflects the economic substance of the transaction. The Group has elected to consolidate the income, expenses, assets and liabilities of acquired entities from the date of acquisition.

Acquisition of Theta BidCo Limited (“Theta”)

Effective 1 May 2025, the Modon Arena UK Ltd (“Arena”) acquired a 100% equity interest in Theta for AED 486,606 thousand consideration in exchange of Theta, a limited liability company registered in United Kingdom, is an investment holding company, which at acquisition date, is mainly engaged in construction of temporary infrastructure for rental purposes and in sales of the temporary infra structure. From the date of acquisition, Theta contributed revenue and profit to the Group amounting to AED 269,958 thousand and AED 20,093 thousand respectively. If the acquisition had taken place at the beginning of the year, Theta would have contributed revenue and profit to the Group amounting to AED 650,871 thousand and AED 28,568 thousand respectively.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are set out below:

	AED '000
ASSETS	
Property, plant and equipment	457,331
Intangible assets and goodwill	389,749
Right-of-use assets	107,381
Inventories	11,090
Trade and other receivables	366,629
Deferred tax assets	20,594
Cash and bank balances	<u>101,950</u>
Total Assets	<u>1,454,724</u>
LIABILITIES	
Trade and other payables	599,838
Income tax payable	10,094
Deferred tax liability	47,412
Loans and borrowings	325,478
Lease liabilities	<u>118,575</u>
Total Liabilities	<u>1,101,397</u>
Total identifiable net assets acquired	353,327
Purchase consideration	<u>486,606</u>
Merger Reserves	<u>(133,279)</u>

Modon Holding PSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2025 (Unaudited)

4 BUSINESS COMBINATION UNDER COMMON CONTROL continued

Analysis of cashflow on acquisition:

	AED '000
Cash paid on acquisition	486,606
Cash acquired on business combination	<u>(101,950)</u>
Acquisition of operating business – net of cash paid (included in cash flows from investing activities)	384,656
Transaction costs of the acquisition (included in cash flows from operating activities)	<u>2,687</u>
Net cash paid on acquisition	<u><u>387,343</u></u>

5 REVENUES

	Three months ended 30 June		Six months ended 30 June	
	2025 AED '000 (Unaudited)	2024 AED '000 (Unaudited)	2025 AED '000 (Unaudited)	2024 AED '000 (Unaudited)
Revenues				
Properties development	753,031	669,141	1,763,966	733,940
Sale of properties and land	584,356	-	1,728,823	-
Exhibitions and events	367,316	149,841	909,442	291,076
Catering services	358,941	239,145	707,513	326,925
Hospitality and leisure	264,319	282,184	540,799	338,391
Development management fees	92,984	126,530	167,026	171,957
Facility management services	12,442	3,915	21,547	12,186
Others	<u>18,134</u>	<u>-</u>	<u>18,134</u>	<u>-</u>
	<u>2,451,523</u>	<u>1,470,756</u>	<u>5,857,250</u>	<u>1,874,475</u>
Rental income				
Rental income from investment property	229,292	176,818	435,979	313,529
Rental income from temporary infrastructure	<u>251,824</u>	<u>-</u>	<u>251,824</u>	<u>-</u>
	<u>481,116</u>	<u>176,818</u>	<u>687,803</u>	<u>313,529</u>
	<u>2,932,639</u>	<u>1,647,574</u>	<u>6,545,053</u>	<u>2,188,004</u>
	Three months ended 30 June		Six months ended 30 June	
	2025 AED '000 (Unaudited)	2024 AED '000 (Unaudited)	2025 AED '000 (Unaudited)	2024 AED '000 (Unaudited)
Timing of revenue recognition				
Revenue at a point in time	1,511,026	771,119	3,546,191	827,235
Revenue transferred over time	<u>940,497</u>	<u>699,637</u>	<u>2,311,059</u>	<u>1,047,240</u>
	<u>2,451,523</u>	<u>1,470,756</u>	<u>5,857,250</u>	<u>1,874,475</u>
Geographical markets				
Within UAE	2,198,203	1,402,075	5,558,973	1,847,645
Outside UAE	<u>734,436</u>	<u>245,499</u>	<u>986,080</u>	<u>340,359</u>
	<u>2,932,639</u>	<u>1,647,574</u>	<u>6,545,053</u>	<u>2,188,004</u>

Modon Holding PSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2025 (Unaudited)

6 DIRECT COSTS

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Staff costs	343,827	254,432	673,775	337,357
Properties development	656,962	420,576	1,404,826	481,488
Exhibitions and events costs	83,913	43,225	190,530	119,964
Catering and laundry services	146,349	74,469	291,756	110,803
Cost of properties and land plots sold	86,311	-	422,889	-
Hospitality and leisure cost	97,235	176,047	249,265	192,291
Rent, utilities and communication	54,940	33,227	84,985	38,646
Depreciation on right-of-use assets	7,967	938	16,017	1,876
Depreciation on property, plant & equipment	84,886	-	143,615	-
Amortisation of intangible assets	12,695	1,738	24,976	1,742
Facility management cost	10,593	7,564	17,616	9,666
Leasing cost	18,486	11,363	30,384	26,846
Repairs, security and maintenance cost	-	-	27,110	-
Others	54,557	31,140	66,247	34,142
	<u>1,658,721</u>	<u>1,054,719</u>	<u>3,643,991</u>	<u>1,354,821</u>

7 GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Staff costs	191,113	49,535	263,063	72,684
Office expenses	16,721	17,880	65,595	56,587
Rent, utilities and communication	30,991	24,246	55,707	29,654
Repairs, security and maintenance cost	1,795	1,640	7,449	5,875
Allowance for expected credit losses	1,536	9,537	8,462	116,920
Depreciation on property, plant and equipment	2,702	33,481	23,732	69,133
Depreciation on right-of-use assets	7,290	2,867	10,913	7,908
Amortisation of intangible assets	2,142	11,793	3,353	16,908
Professional and legal expenses	51,021	42,625	130,807	57,357
Other expenses	36,018	-	43,179	-
	<u>341,329</u>	<u>193,604</u>	<u>612,260</u>	<u>433,026</u>

Modon Holding PSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2025 (Unaudited)

8 INVESTMENT AND OTHER INCOME

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Dividend income	29,452	34,118	128,676	128,470
Foreign exchange loss	(13,303)	-	(20,183)	-
Gain on disposal of investment properties	11,858	-	11,858	-
Gain on disposal of property, plant & equipment	211	83	273	26,227
Liabilities written back	-	22,335	-	22,335
Others	<u>8,396</u>	<u>7,528</u>	<u>12,960</u>	<u>16,090</u>
	<u>36,614</u>	<u>64,064</u>	<u>133,584</u>	<u>193,122</u>

9 FINANCE INCOME

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Interest income on term deposits	23,832	21,661	44,090	41,860
Interest income on current and call accounts	17,577	10,784	28,505	15,450
Others	<u>11,205</u>	<u>1,001</u>	<u>12,730</u>	<u>2,021</u>
	<u>52,614</u>	<u>33,446</u>	<u>85,325</u>	<u>59,331</u>

10 FINANCE COSTS

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Interest on loans and borrowings	51,200	40,518	87,657	67,440
Interest on loan from a related party (note 25)	56,541	28,763	95,840	44,261
Interest expense on lease liabilities	7,773	4,259	13,804	5,530
Others	<u>1,097</u>	<u>2,707</u>	<u>8,407</u>	<u>2,915</u>
	<u>116,611</u>	<u>76,247</u>	<u>205,708</u>	<u>120,146</u>

11 TAXATION

The taxable income of the entities that are in scope for UAE CT purposes are subject to the rate of 9% corporate tax.

On the 6 February 2025, the UAE released the legislation introducing a Domestic Minimum Top-up Tax (“DMTT”) for multinational enterprises (“MNEs”), through the publication of Cases, Provisions, Conditions, Rules, Controls, and Procedures on the Imposition of Top-up Tax on Multinational Enterprises which is applicable from 1 January 2025. The Group falls within the scope of DMTT based on the applicable revenue threshold.

Modon Holding PSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2025 (Unaudited)

11 TAXATION continued

The major components of income tax expense in the interim consolidated statement of profit or loss are:

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Consolidated statement of profit or loss				
<i>Current income tax:</i>				
Current tax expense*	<u>189,174</u>	<u>48,105</u>	<u>400,713</u>	<u>54,302</u>
<i>Deferred tax:</i>				
Relating to origination and reversal of temporary differences	<u>4,111</u>	<u>(15,022)</u>	<u>(1,064)</u>	<u>(4,756)</u>
Income tax expense reported in the interim consolidated statement of profit or loss	<u>193,285</u>	<u>33,083</u>	<u>399,649</u>	<u>49,546</u>

*Current income tax expense includes amount related to DMTT.

Movement in net deferred tax liabilities is as follows:

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
Balance at the beginning of period / year	515,360	79,504
Deferred tax asset acquired in business combination	(20,594)	(326,837)
Deferred tax liabilities acquired in business combination	47,412	794,155
Adjustment of purchase price allocation relating to prior year business combination	33,822	-
Foreign currency translation adjustment	19	(1,558)
Tax recognised in profit or loss during the period / year	(1,064)	(29,496)
Tax recognised in OCI during the period / year	-	(408)
Balance at the end of period / year	<u>574,955</u>	<u>515,360</u>

Movement in income tax payable is as follows:

Balance at the beginning of period / year	132,227	-
Acquired in business combination (note 4)	10,094	4,238
Charge for the period / year	400,713	128,311
Paid during the period / year	-	(322)
Balance at the end of period / year	<u>543,034</u>	<u>132,227</u>

Modon Holding PSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2025 (Unaudited)

12 PROPERTY, PLANT AND EQUIPMENT

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
Balance at the beginning of the period / year	7,593,191	789,463
Acquired through business combination	457,331	6,400,777
Additions during the period / year	330,567	1,112,883
Transfer to investment properties (note 13)	(153,050)	(8,681)
Disposals during the period / year	(6,410)	(1,852)
Depreciation charge for the period / year	(167,347)	(193,207)
Impairment loss on property, plant and equipment	-	(539,922)
Write-off during the period / year	-	(25,967)
Foreign exchange translation	<u>262,460</u>	<u>59,697</u>
Balance at the end of the period / year	<u>8,316,742</u>	<u>7,593,191</u>

13 INVESTMENT PROPERTIES

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
Balance at the beginning of the period / year	9,336,725	7,536,858
Acquired through business combination	-	24,675,016
Additions during the period / year	18,515	128,533
Transfers to inventories (note 18)	-	(22,799,584)
Transfer from property, plant and equipment (note 12)	153,050	8,681
Adjustment of purchase price allocation relating to prior year business combination	75,084	-
Disposals during the period/year	(134,139)	-
Foreign exchange translation	14,103	(672)
Changes in fair value	<u>-</u>	<u>(212,107)</u>
Balance at the end of the period / year	<u>9,463,338</u>	<u>9,336,725</u>

At the reporting date, the Group has assessed the fair value of its major investment properties and concluded that there is no significant change observed in significant estimates and judgements used in the valuation of investment properties as compared with 31 December 2024. In its assessment, management has concluded that for the investment properties (plots of land) valued using comparable method there is currently no comparable evidence in the market which suggest a change in the valuation for investment properties (plots of land). For the investment properties valued using discounted cash flow (camps, buildings etc), the Group did not observe any significant change in the estimates in terms of change in rental tariff or occupancy rate.

Modon Holding PSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2025 (Unaudited)

14 INTANGIBLE ASSETS AND GOODWILL

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
Balance at the beginning of the period / year	537,357	194,932
Acquired through business combination (note 4)	389,749	364,696
Additions during the period / year	3,674	107,579
Amortisation for the period / year	(28,329)	(46,619)
Disposals	(20)	-
Write off	-	(78,141)
Adjustment of purchase price allocation relating to prior year business combination	371	-
Foreign exchange translation	<u>73,167</u>	<u>(5,090)</u>
Balance at the end of the period / year	<u>975,969</u>	<u>537,357</u>

15 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Set out below are the carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the year:

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
Right-of-use assets:		
Balance at the beginning of the period / year	440,645	86,912
Acquired through business combination (note 4)	107,381	219,440
Additions during the period / year	18,580	183,989
Depreciation expense for the period / year	(26,930)	(25,296)
Adjustment of purchase price allocation relating to prior year business combination	9,565	-
Lease modifications during the period / year	341	(15,399)
Foreign exchange translation	<u>17,058</u>	<u>(9,001)</u>
Balance at the end of the period / year	<u>566,640</u>	<u>440,645</u>
Lease liabilities:		
Balance at the beginning of the period / year	511,977	124,283
Acquired through business combination	118,575	278,632
Adjustment of purchase price allocation relating to prior year business combination	9,610	-
Additions during the period / year	18,580	183,989
Interest expense	13,804	14,735
Payments during the period / year	(19,608)	(75,819)
Lease modifications during the period / year	341	(15,399)
Foreign exchange translation	<u>6,727</u>	<u>1,556</u>
Balance at the end of the period / year	<u>660,006</u>	<u>511,977</u>
Non-current	580,002	451,040
Current	<u>80,004</u>	<u>60,937</u>
	<u>660,006</u>	<u>511,977</u>

Modon Holding PSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2025 (Unaudited)

15 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES continued

Set out below are the amounts recognised in the interim consolidated statement of profit or loss related to leases:

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2025 AED '000 (Unaudited)</i>	<i>2024 AED '000 (Unaudited)</i>	<i>2025 AED '000 (Unaudited)</i>	<i>2024 AED '000 (Unaudited)</i>
Direct cost (note 6)	7,967	938	16,017	1,876
General and administrative expenses (note 7)	7,290	2,867	10,913	7,908
Interest expense on lease liabilities (note 10)	7,773	4,259	13,804	5,530

16 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Details of the Group's significant associates and joint ventures are as follows:

Name of entity	Principal activities	Place of incorporation and operation	Ownership interest	
			2025	2024
Associates:				
Century Village Real Estate Investment LLC	Real estate lease and management services, development construction, facilities management services.	UAE	30%	30%
B2B Hotels & Properties LLC	Hotel owners	UAE	20%	20%
Park Hospitality Investment LLC	Hotel owners	UAE	20%	20%
Aldar Estate Holding Limited	Facility Management	UAE	17.45%	17.45%
ORA Developers Investment Holding Limited	Develop, finance, own and operate, lease or sell directly or indirectly, the Plots or any of its components.	UAE	20%	20%
Narrative Visualization OU	Media services and data visualisation	UAE	6.77%	6.77%
Joint Ventures:				
Al Qudra Addoha pour L'Investissement Immobilier	Import and export and trading of oil and gas related material.	UAE	50%	50%
Bunya Enterprises LLC	consultancy and management of civil works and development of properties.	UAE	66%	66%
Mount Anvil	Property development	UAE	50%	50%
Riviera RSC Limited	Investment Holding Company	UAE	51%	51%
2 Finsbury Avenue Limited	Commercial Towers	UK	50%	

Modon Holding PSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025 (Unaudited)

16 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES continued

The movement of investment in associates and joint ventures are as follows:

	<i>Century Village Real Estate Investment LLC</i>	<i>2 Finsbury Avenue Limited(i)</i>	<i>ORA Developers Investment Holding Limited (ii)</i>	<i>Al Qudra Addoha pour L'Investis sement Immobilier</i>	<i>Mount Anvil</i>	<i>B2B Hotels & Properties LLC</i>	<i>Park Hospitality Investment LLC</i>	<i>Aldar Estate Holding Limited</i>	<i>Riviera RSC Ltd</i>	<i>Bunya Enterprises LLC (iii)</i>	30 June 2025 Total AED '000	31 December 2024 Total AED '000
Balance at the beginning of the period / year	60,821	-	11,023	449	130,807	137,404	94,563	508,932	1,298,892	-	2,242,891	102,964
Acquired through business combination	-	-	-	-	-	-	-	-	-	-	-	848,737
Additions during the period / year	-	1,148,185	48,681	-	-	-	-	-	-	-	1,196,866	1,661,883
Share of profit (loss) for the period / year	-	49,677	(10,574)	-	33,075	8,519	(3,404)	21,065	23,971	-	122,329	115,114
Downstream elimination	-	-	(49,130)	-	-	-	-	-	-	-	(49,130)	-
Share of other comprehensive-loss for the period / year	-	-	-	-	-	-	-	-	(20,759)	-	(20,759)	(172,556)
Disposals	-	-	-	-	-	-	-	-	-	-	-	(28,632)
Foreign exchange translation	-	120,536	-	63	8,787	101	1,014	-	-	-	130,501	(263,223)
Dividend received during the period / year	-	-	-	-	(102,452)	(20,000)	-	-	-	-	(122,452)	(21,396)
Balance at the ending of the period / year	<u>60,821</u>	<u>1,318,398</u>	<u>-</u>	<u>512</u>	<u>70,217</u>	<u>126,024</u>	<u>92,173</u>	<u>529,997</u>	<u>1,302,104</u>	<u>-</u>	<u>3,500,246</u>	<u>2,242,891</u>

- i) During the period ended 30 June 2025, Modon Jersey 2FA BGCO Limited, a fully owned subsidiary of the Group, entered into a Shareholders' Agreement with Bluebutton 2FA Limited to jointly own its investment in 2 Finsbury Avenue Limited ("Finsbury"). Finsbury is a Jersey-incorporated entity established as a joint venture between Bluebutton 2FA Limited (50%) and Modon Jersey 2FA BGCO Limited (50%) for the purpose of acquiring, developing, and managing the 2 Finsbury Avenue property in London as a long-term rental business. The Company operates as a distinct corporate entity under Jersey law, with its own governance structure, financial reporting, and contractual obligations.
- ii) During the period ended 30 June 2025, Modon Holding PSC ("Modon") sold a parcel of land to ORA Land SPV, a wholly owned subsidiary of Ora Developers Investment Holding Limited ("ODIHL"), an associate of Modon. This transaction was classified as a downstream transaction. In accordance with the consolidation method approach, Modon eliminated its 20% indirect interest from cost of sales, fully derecognized its investment, and recognized the excess amount as deferred income.
- iii) Bunya Enterprises LLC ("Bunya") is a limited liability company incorporated in the Emirate of Abu Dhabi and is engaged in consultancy and management of civil works and development of properties. Bunya is treated as an associate, even though the Group holds 66% of equity investee, given that all decisions have to be approved via unanimous consent of all the shareholders.

In addition, the Group has already recognised in prior years its share in general and administrative expenses and accordingly its investment in Bunya has already been eroded. Accordingly, the Group is not recognizing any additional share of Bunya losses during the period ended 30 June 2025.

Modon Holding PSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2025 (Unaudited)

17 INVESTMENTS IN FINANCIAL ASSETS

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
Investments carried at fair value through profit or loss (i)	139,887	2,532,653
Investments carried at fair value through other comprehensive income (ii)	364,007	393,485
Investments carried at amortised cost (iii)	<u>-</u>	<u>52,070</u>
	<u>503,894</u>	<u>2,978,208</u>
Non-current	364,007	445,555
Current	<u>139,887</u>	<u>2,532,653</u>
	<u>503,894</u>	<u>2,978,208</u>

(i) Investments carried at fair value through profit or loss comprise:

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
<i>Within UAE</i>		
Quoted equity securities	<u>22,715</u>	<u>2,234,133</u>
	<u>22,715</u>	<u>2,234,133</u>
<i>Outside UAE</i>		
Quoted equity securities	1	130,292
Managed funds	<u>117,171</u>	<u>168,228</u>
	<u>117,172</u>	<u>298,520</u>
	<u>139,887</u>	<u>2,532,653</u>

(ii) Investments carried at fair value through other comprehensive income comprise:

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
<i>Within UAE</i>		
Quoted equity securities	2,008	31,486
Unquoted equity securities	<u>361,999</u>	<u>361,999</u>
	<u>364,007</u>	<u>393,485</u>

Modon Holding PSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2025 (Unaudited)

17 INVESTMENTS IN FINANCIAL ASSETS continued

(iii) Investments carried at amortised cost comprise:

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
Debt instruments	-	52,070
	<u>-</u>	<u>52,070</u>

The movement in investments in financial assets is as follows:

	<i>Investments carried at fair value through profit or loss AED '000</i>	<i>Investments carried at fair value through other comprehensive income AED '000</i>	<i>Investment carried at amortised cost AED '000</i>	<i>Total AED '000</i>
Balance at 1 January 2025 (Audited)	2,532,653	393,485	52,070	2,978,208
Additions during the period	1,236	-	-	1,236
Disposals during the period	(2,625,278)	(32,089)	(52,716)	(2,710,083)
Matured during the period	-	-	43	43
Amortisation during the period	-	-	603	603
Changes in fair value	<u>231,276</u>	<u>2,611</u>	<u>-</u>	<u>233,887</u>
Balance at 30 June 2025 (Unaudited)	<u>139,887</u>	<u>364,007</u>	<u>-</u>	<u>503,894</u>
Balance at 1 January 2024 (Audited)	2,558,234	444,476	61,421	3,064,131
Additions during the year	17,262	-	-	17,262
Disposals during the year	(55,765)	-	-	(55,765)
Matured during the year	-	-	(9,660)	(9,660)
Amortisation during the year	-	-	309	309
Change in fair value	<u>12,922</u>	<u>(50,991)</u>	<u>-</u>	<u>(38,069)</u>
Balance at 31 December 2024 (Audited)	<u>2,532,653</u>	<u>393,485</u>	<u>52,070</u>	<u>2,978,208</u>

18 INVENTORIES

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
Land plots*	27,483,067	27,158,830
Real estate properties	2,053,574	2,383,155
Spares and consumables	<u>52,203</u>	<u>44,289</u>
	<u>29,588,844</u>	<u>29,586,274</u>

* Land plots includes the land parcel for sale and also for the development of properties.

Modon Holding PSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2025 (Unaudited)

18 INVENTORIES continued

The movement in inventories is as follows:

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
Balance at the beginning of the period / year	29,586,274	2,246,917
Acquired through business combination	11,090	5,935,198
Adjustment of purchase price allocation relating to prior year business combination	39,054	-
Transfers from investment properties (note 13)	-	22,799,584
Transfers to development work in progress (note 19)	-	(861,846)
Foreign exchange difference	51,570	(453,071)
Additions during the period / year	218,688	63,941
Disposal / consumed during the period / year	<u>(317,832)</u>	<u>(144,449)</u>
Balance at the end of the period / year	<u>29,588,844</u>	<u>29,586,274</u>

Inventories comprise of completed properties held for sale in the ordinary course of business and other operating inventories. Inventories are stated at the lower of cost and net realizable value.

19 DEVELOPMENT WORK-IN-PROGRESS

Development work-in-progress represents development and construction costs incurred on properties being developed for sale in the ordinary course of business.

The movement in development work-in-progress is as follows:

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
Balance at the beginning of the period / year	3,358,447	1,979,839
Additions during the period / year	2,032,116	1,594,165
Recognised in direct cost of properties development during the period / year	(1,268,519)	(1,075,984)
Transfers from inventories (note 18)	-	861,846
De-recognised during the period / year	<u>-</u>	<u>(1,419)</u>
	4,122,044	3,358,447
Less: provision for impairment	<u>(896,775)</u>	<u>(896,775)</u>
Balance at the end of the period / year	<u>3,225,269</u>	<u>2,461,672</u>

Modon Holding PSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2025 (Unaudited)

19 DEVELOPMENT WORK-IN-PROGRESS continued

Movement in provision for impairment:

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
Balance at the beginning of the period / year	896,775	490,112
Charge for the period / year	<u>-</u>	<u>406,663</u>
Balance at the end of the period / year	<u>896,775</u>	<u>896,775</u>

During the period ended 30 June 2025, the Group has recognised AED 47,528 thousand (period ended 30 June 2024: nil) as finance cost under direct cost of properties development.

20 TRADE AND OTHER RECEIVABLES

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
Trade receivables	2,147,715	1,925,845
Unbilled revenue	1,663,699	774,744
Less: allowance for expected credit losses on trade receivables	<u>(436,794)</u>	<u>(406,952)</u>
	3,374,620	2,293,637
Advances to contractors	515,191	194,323
Prepayments and other advances	849,471	627,935
Dividend receivables	711	1,332
Contract assets	117,474	-
Retention receivables	12,675	12,642
Other receivables	1,381,386	456,281
Less: allowance for expected credit losses on other receivables	<u>(57,125)</u>	<u>(57,125)</u>
	<u>6,194,403</u>	<u>3,529,025</u>
Non-current	493,973	538,515
Current	<u>5,700,430</u>	<u>2,990,510</u>
	<u>6,194,403</u>	<u>3,529,025</u>

Modon Holding PSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2025 (Unaudited)

20 TRADE AND OTHER RECEIVABLES continued

The movements in the provision for expected credit losses on trade receivables were as follows:

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
Balance at the beginning of the period / year	406,952	286,210
Acquired through business combination	21,996	39,397
Charge for the period / year	8,462	123,447
Foreign exchange translation for the period / year	275	(158)
Write off during the period / year	(891)	(41,944)
Balance at the end of the period / year	<u>436,794</u>	<u>406,952</u>

The movements in the provision for expected credit losses on other receivables were as follows:

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
Balance at the beginning of the period / year	57,125	3,720
Charge for the period / year	-	53,405
Balance at the end of the period / year	<u>57,125</u>	<u>57,125</u>

21 CASH AND BANK BALANCES

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
Current and call accounts	7,173,838	5,400,384
Term deposits*	3,160,792	1,557,709
Margin deposits	<u>1,577</u>	<u>51,577</u>
Cash and bank balances	10,336,207	7,009,670
Less: overdraft	(231,675)	-
Less: term deposits with an original maturity of more than three months	(278,276)	(1,016,682)
Less: margin deposits with an original maturity of more than three months	(1,577)	(51,577)
Less: restricted cash**	<u>(5,090,667)</u>	<u>(3,920,285)</u>
Cash and cash equivalents	<u>4,734,012</u>	<u>2,021,126</u>

Modon Holding PSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2025 (Unaudited)

21 CASH AND BANK BALANCES continued

*Term deposits are placed with commercial banks. These are mainly denominated in AED and earn interest at market rates. These deposits have original maturity between 3 to 12 months.

**Restricted cash include balances amounting to AED 4,332,987 thousand (31 December 2024 AED 2,729,682 thousand) which are deposited into escrow accounts representing cash received as advances against sale of plots, villas and apartments. The remaining balance of restricted cash amounting to AED 757,680 thousand (31 December 2024 AED 1,190,603 thousand) represents cash designated for development of specific projects for which separate bank accounts are maintained.

Cash and cash equivalents as at 30 June 2025 (unaudited) amounted to AED 4,734,012 thousand.

22 SHARE CAPITAL

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
Authorised, issued and fully paid		
16,347,080 thousand shares of AED 1 each		
(31 December 2024: 16,347,080 thousand shares of AED 1 each)	<u>16,347,080</u>	<u>16,347,080</u>

23 TRADE AND OTHER PAYABLES

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
Advance from customers	3,750,505	2,854,303
Trade payables	825,426	493,930
Accrued expenses	1,807,783	1,639,610
Deferred revenue	1,325,368	996,717
Retention payables	218,486	210,266
Provision for infrastructure construction cost	200,072	201,326
Dividend payable	24,448	24,448
Accrued interest	202,083	118,280
Other payables	1,021,258	934,228
Deferred grants*	<u>921,884</u>	<u>775,434</u>
Total	<u>10,297,313</u>	<u>8,248,542</u>
Non-current	1,381,068	1,287,211
Current	<u>8,916,245</u>	<u>6,961,331</u>
	<u>10,297,313</u>	<u>8,248,542</u>

The Group's trade and other payables have usual credit terms of 30 to 90 days from the invoice date. No interest is charged on trade payables.

*These represent the amounts received for the development of specific projects classified under property, plant and equipment, investment property and the remaining funds have been appropriately classified as restricted bank balances.

Modon Holding PSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2025 (Unaudited)

24 LOANS AND BORROWINGS

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
Term loans	3,403,556	3,441,022
Islamic financing facilities	1,573,091	-
Bank overdraft	<u>231,675</u>	<u>270,375</u>
Total	<u>5,208,322</u>	<u>3,711,397</u>
Non-current	3,135,166	3,094,039
Current	<u>2,073,156</u>	<u>617,358</u>
	<u>5,208,322</u>	<u>3,711,397</u>

The above facilities are taken from banks in the UAE, UK, Spain and Iceland and are repayable in quarterly, semi-annual instalments and lumpsum of various amounts.

The movement in loans and borrowings during the period / year is as follows:

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
Balance at the beginning of the period / year	3,711,397	1,976,135
Acquired through business combination	325,478	1,082,805
Adjustment of purchase price allocation relating to prior year business combination	(21,591)	-
Drawdowns during the period / year	1,420,509	1,077,905
Foreign exchange translation	108,671	(27,157)
Unamortised transaction cost	(4,529)	24,077
Repayments during the period / year	<u>(331,613)</u>	<u>(422,368)</u>
Balance at the beginning of the period / year	<u>5,208,322</u>	<u>3,711,397</u>

During the period, the Group entered into a loan agreement with Emirates Islamic Bank amounting to AED 2,350,000 thousand. The facility was obtained for general corporate purposes and carries an interest rate of 6-month EIBOR plus a margin of 0.6% per annum. The loan is repayable in full at the end of a one-year term from the date of drawdown, with an option to extend the facility for an additional year, subject to mutual agreement with the lender. The facility is unsecured and is not subject to any mortgage or lien over the Group's assets. However, it is subject to a negative pledge over the bank accounts maintained by the borrower with Emirates Islamic Bank.

25 RELATED PARTY BALANCES AND TRANSACTIONS

The Group enters into transactions with companies and entities that fall within the definition of a related party as defined in the International Accounting Standard (IAS) 24 Related Party Disclosures. These represent transactions with related parties, i.e., shareholders, associates, 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
30 June 2025 (Unaudited)

25 RELATED PARTY BALANCES AND TRANSACTIONS continued

Related party balances

Balances with related parties included in the interim consolidated statement of financial position under current assets are as follows:

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
Due from related parties		
Entities under common control	2,654,845	2,308,423
Department of finance	7,669,579	6,906,156
Other related parties	<u>1,145,030</u>	<u>416,489</u>
	11,469,454	9,631,068
Less: allowance for expected credit losses	<u>(316,289)</u>	<u>(316,289)</u>
	<u>11,153,165</u>	<u>9,314,779</u>
Non-current	1,145,030	-
Current	<u>10,008,135</u>	<u>9,314,779</u>
	<u>11,153,165</u>	<u>9,314,779</u>

The movements in the provision for expected credit losses were as follows:

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
Balance at the beginning of the period / year	316,289	300,669
Charge for the period / year	<u>-</u>	<u>15,620</u>
Balance at the end of the period / year	<u>316,289</u>	<u>316,289</u>
Due to related parties		
Entities under common control	12,073,602	9,637,242
Other related parties	<u>33,156</u>	<u>144,128</u>
	<u>12,106,758</u>	<u>9,781,370</u>
Non-current	1,704,342	1,089,965
Current	<u>10,402,416</u>	<u>8,691,405</u>
	<u>12,106,758</u>	<u>9,781,370</u>

Modon Holding PSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2025 (Unaudited)

25 RELATED PARTY BALANCES AND TRANSACTIONS continued

Related party balances continued

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
Balances with a financial institution	<u>6,760,001</u>	<u>5,115,859</u>
Loans from a financial institution	<u>1,987,721</u>	<u>1,964,673</u>
Investments in financial assets	<u>10,587</u>	<u>2,063,370</u>
Loan from a related party	<u>1,652,713</u>	<u>1,652,713</u>
Interest payable to related party	<u>160,517</u>	<u>104,005</u>

Compensation of key management personnel

The remuneration of key management personnel during the period was as follows:

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2025 AED '000 (Unaudited)</i>	<i>2024 AED '000 (Unaudited)</i>	<i>2025 AED '000 (Unaudited)</i>	<i>2024 AED '000 (Unaudited)</i>
Management compensation	<u>2,346</u>	<u>2,245</u>	<u>5,390</u>	<u>4,525</u>
Employees' end of service benefits	<u>157</u>	<u>121</u>	<u>313</u>	<u>238</u>
	<u>2,503</u>	<u>2,366</u>	<u>5,703</u>	<u>4,763</u>

Related party transactions

Transactions with related parties included in the interim consolidated statement of profit or loss are as follows:

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2025 AED '000 (Unaudited)</i>	<i>2024 AED '000 (Unaudited)</i>	<i>2025 AED '000 (Unaudited)</i>	<i>2024 AED '000 (Unaudited)</i>
Revenues	<u>568,299</u>	<u>116,789</u>	<u>1,716,454</u>	<u>165,767</u>
Direct costs	<u>34,370</u>	<u>34,449</u>	<u>55,665</u>	<u>38,780</u>
Finance cost (note 10)	<u>56,541</u>	<u>28,763</u>	<u>95,840</u>	<u>44,621</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 June 2025 (Unaudited)

26 BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share is calculated by dividing the profit for the period attributable to Owner of the Parent by the weighted average number of shares outstanding during the period.

The following reflects the profit and share data used in the basic and diluted earnings per share computations:

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Profit attributable to Owners of the parent	<u>876,772</u>	<u>324,856</u>	<u>2,098,818</u>	<u>8,721,816</u>
Weighted average number of ordinary shares issued (shares in '000)	<u>16,347,080</u>	<u>16,347,080</u>	<u>16,347,080</u>	<u>13,358,050</u>
Earnings per share	<u>0.054</u>	<u>0.02</u>	<u>0.128</u>	<u>0.65</u>

As of 30 June 2025 and 30 June 2024, the Company has not issued any instruments that have a dilutive impact on earnings per share when exercised.

27 CONTINGENCIES AND COMMITMENTS

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
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Contingencies:

As at reporting date, the following contingent liabilities were outstanding:

Bank guarantees	<u>514,267</u>	<u>124,450</u>
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Capital commitments:

As at reporting date, the capital commitments relate to the following:

Construction of Infrastructure	<u>10,618,842</u>	<u>5,731,811</u>
Investment commitments	<u>3,899</u>	<u>3,899</u>

28 SEGMENT REPORTING

28.1 OPERATING SEGMENTS

The Group management monitors the financial and operational performance of each segment separately for decision-making, resource allocation, and performance evaluation. Segment results are assessed using key performance indicators, including revenue, gross profit and net profit, consistent with the accounting principles and is aligned with the profit or loss reported in the interim consolidated financial statements. For management and reporting purposes, the Group's operations are structured into segments with similar economic characteristics.

During the period, the Group underwent an internal restructuring of its operations, driven by continued organic growth and recent strategic acquisitions. As a result of this evolution, the comparatives have been reclassified to conform with the current year presentation.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 June 2025 (Unaudited)

28 **SEGMENT REPORTING** continued

28.1 **OPERATING SEGMENTS** continued

The Group has identified four reportable segments for the current and comparative year which are as follows:

1. Real Estate Development

This segment involves master planning, development, sales, and management of real estate projects (residential, commercial, infrastructure and land plots) in the UAE and international markets

2. Asset and Investment Management

Modon Asset and Investment Management platform segment comprises of two core business lines:

- **Communities:** owns, manages and leases residential, commercial, retail, leisure, and staff accommodation assets generating recurring income and contributing to integrated communities
- **Investments:** focuses on strategic capital deployment in the UAE and international markets, including investments in joint ventures

3. Hospitality

This segment owns, manages, and operates hotel and restaurant assets in the UAE and international markets.

4. Events, Catering and Tourism

This segment comprises 6 inter-connected clusters which are as below;

- **Venues:** Exhibition centers and event spaces in the UAE and international markets
- **Events:** End-to-end event solutions, including event organization
- **Catering:** F&B services provided to venues, exhibitions, events, and external clients, including weddings, conferences, aviation and corporates across different industries
- **Event Infrastructure:** Temporary structures, guest logistics, and support services in the UAE and international markets
- **Tourism:** Travel agency services, travel packages, and tour operations
- **Media:** Media infrastructure, production services, and broadcast management services

5. Others

Others includes corporate support functions, inter-segment eliminations and activities not directly related to the core business segments.

Based on the information reported to the Group's management for the allocation of resources, marketing strategies, management reporting lines and performance measurement, the reportable segments under IFRS 8 have been identified in line with the Group's investment structure and customer service offerings.

Modon Holding PSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025 (Unaudited)

28.1 OPERATING SEGMENTS continued

Interim consolidated statement of profit or loss:

	<i>Real Estate Development</i>	<i>Real Estate Development</i>	<i>Asset and Investment Management</i>	<i>Asset and Investment Management</i>	<i>Hospitality</i>	<i>Hospitality</i>	<i>Events, Catering and Tourism</i>	<i>Events, Catering and Tourism</i>	<i>Others</i>	<i>Others</i>	<i>Total</i>	<i>Total</i>
	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>2025</i>	<i>2024</i>
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Revenues	3,646,598	902,842	319,934	259,569	358,520	204,649	2,220,001	820,944	-	-	6,545,053	2,188,004
Direct costs	(1,675,582)	(577,204)	(102,326)	(69,790)	(286,565)	(163,908)	(1,579,518)	(543,919)	-	-	(3,643,991)	(1,354,821)
GROSS PROFIT (LOSS)	1,971,016	325,638	217,608	189,779	71,955	40,741	640,483	277,025	-	-	2,901,062	833,183
General and administrative expenses	(292,470)	(141,436)	(87,600)	(90,558)	(65,979)	(38,835)	(163,201)	(152,465)	(3,010)	(9,732)	(612,260)	(433,026)
Selling and marketing expenses	(121,750)	(28,494)	(2,702)	(903)	(10,480)	(45)	(2,414)	-	-	-	(137,346)	(29,442)
Changes in fair value of investments carried at fair value through profit or loss	-	-	231,276	(243,218)	-	-	-	-	-	-	231,276	(243,218)
Changes in fair value of investment properties	-	-	-	(20,367)	-	-	-	-	-	-	-	(20,367)
Provision for impairment loss on property and equipment	-	-	-	-	-	(416,213)	-	-	-	-	-	(416,213)
Provision for impairment loss on development work-in progress	-	(54,581)	-	-	-	-	-	-	-	-	-	(54,581)
Gain on acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	8,973,556	-	8,973,556
Gain on disposal of associate	-	-	-	(1,623)	-	-	-	-	-	-	-	(1,623)
Share of loss from investments in associates and joint ventures	(10,576)	-	49,677	-	32,490	39,269	50,738	5,293	-	-	122,329	44,562
Investment and other income, net	11,877	15,935	141,016	148,538	(21,173)	28,092	1,642	(3,270)	222	3,827	133,584	193,122
Finance income	37,344	12,364	8,305	(24,063)	823	361	25,974	16,830	12,879	53,839	85,325	59,331
Finance costs	(1,823)	(3,023)	(75,374)	(20,008)	(90,138)	(67,524)	(19,381)	(1,233)	(18,992)	(28,358)	(205,708)	(120,146)
PROFIT (LOSS) FOR THE PERIOD	<u>1,593,618</u>	<u>126,403</u>	<u>482,206</u>	<u>(62,423)</u>	<u>(82,502)</u>	<u>(414,154)</u>	<u>533,841</u>	<u>142,180</u>	<u>(8,901)</u>	<u>8,993,132</u>	<u>2,518,262</u>	<u>8,785,138</u>

Interim consolidated statement of financial position:

	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>30 June</i>	<i>31 December</i>	<i>30 June</i>	<i>31 December</i>	<i>30 June</i>	<i>31 December</i>	<i>30 June</i>	<i>31 December</i>	<i>30 June</i>	<i>31 December</i>	<i>30 June</i>	<i>31 December</i>
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Segment assets	49,106,632	42,774,265	10,362,730	10,740,208	4,708,088	564,059	14,491,292	17,165,615	6,070,936	4,681,134	84,739,678	75,925,281
Segment liabilities	15,009,398	11,509,434	1,624,064	1,582,660	4,021,687	236,077	6,043,446	8,776,261	4,898,274	2,958,258	31,596,869	25,062,690

29 FAIR VALUE MEASUREMENT

The fair values of financial assets and financial liabilities are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices at the close of the business on the reporting date.
- The fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

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** fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **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).
- **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).

The table below analyses assets measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

	Level 1 AED '000	Level 2 AED '000	Level 3 AED '000	Total AED '000
Balance at 30 June 2025				
<i>Investments carried at fair value through other comprehensive income</i>				
Quoted shares	2,008	-	-	2,008
Unquoted shares	-	361,999	-	361,999
	<u>2,008</u>	<u>361,999</u>	<u>-</u>	<u>364,007</u>
<i>Investments carried at fair value through profit or loss</i>				
Quoted shares	22,716	-	-	22,716
Managed funds	-	117,171	-	117,171
	<u>22,716</u>	<u>117,171</u>	<u>-</u>	<u>139,887</u>
Balance at 31 December 2024				
<i>Investments carried at fair value through other comprehensive income</i>				
Quoted shares	31,486	-	-	31,486
Unquoted shares	-	361,999	-	361,999
	<u>31,486</u>	<u>361,999</u>	<u>-</u>	<u>393,485</u>
<i>Investments carried at fair value through profit or loss</i>				
Quoted shares	2,364,425	-	-	2,364,425
Managed funds	-	168,228	-	168,228
	<u>2,364,425</u>	<u>168,228</u>	<u>-</u>	<u>2,532,653</u>

During the three months period ended 30 June 2025, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

30 FINANCIAL RISK MANAGEMENT

30.1 Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its funding requirements. The maturity profile of financial liabilities is monitored by management to ensure adequate liquidity is maintained.

Cash flow forecasting is performed in the operating entities of the Group and aggregated by the Group finance. The Group finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while always maintaining sufficient headroom on its undrawn committed borrowing facilities so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Group's debts financing plans, covenant compliance and compliance with internal consolidation statement of financial position targets.