

**RAK Properties P.J.S.C.**  
**and its subsidiaries**

Interim Condensed Consolidated Financial  
Statements (Unaudited)  
For the period ended 30 June 2025

**RAK Properties P.J.S.C. and its subsidiaries**

**Interim Condensed Consolidated Financial Statements (Unaudited)  
For the period ended 30 June 2025**

**Table of Contents**

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	<b><u>Page(s)</u></b>
Report on review of interim condensed consolidated financial statements	1
Interim condensed consolidated statements of financial position	2
Interim condensed consolidated income statement	3
Interim condensed consolidated statement of comprehensive income	4
Interim condensed consolidated statement of changes in equity	5
Interim condensed consolidated statement of cash flows	6
Notes to the interim condensed consolidated financial statements	7 - 22

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS  
TO THE BOARD OF DIRECTORS OF RAK PROPERTIES P.J.S.C.**

**Introduction**

We have reviewed the accompanying interim condensed consolidated statement of financial position of RAK Properties P.J.S.C. (the "Company") and its subsidiaries (the "Group") as at 30 June 2025 and the related interim condensed consolidated income statement, interim condensed consolidated statement of comprehensive income for the three-month and six-month periods then ended, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six-month period then ended and explanatory notes. The Management of the Company is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 "Interim Financial Reporting". 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 the International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". A review of interim condensed consolidated 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 are not prepared, in all material respects, in accordance with IAS 34.

**GRANT THORNTON UAE**

  
**Farouk Mohamed**  
**Registration No: 86**  
**Sharjah, United Arab Emirates**



**13 August 2025**

RAK Properties P.J.S.C. and its subsidiaries

Interim condensed consolidated statement of financial position  
As at 30 June 2025 (Unaudited)

	Notes	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	3	1,799,440	1,822,861
Investment properties	4	1,552,629	1,577,216
Trading properties under development	5	2,420,838	2,403,580
Investments at fair value through other comprehensive income	6	18,176	18,176
Investment in a joint venture	7	79,718	77,045
Trade and other receivables	8	503,474	559,866
<b>Total non-current assets</b>		<b>6,374,275</b>	<b>6,458,744</b>
<b>Current assets</b>			
Trading properties under development	5	78,624	54,409
Inventories		2,311	2,410
Trading properties	9	33,603	38,705
Trade and other receivables	8	1,333,970	995,131
Bank balances and cash	10	467,365	462,590
<b>Total current assets</b>		<b>1,915,873</b>	<b>1,553,245</b>
<b>TOTAL ASSETS</b>		<b>8,290,148</b>	<b>8,011,989</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	11	3,000,000	3,000,000
Share premium		114,120	114,120
Statutory reserve		1,028,092	1,028,092
Treasury shares	11	(1,570)	(22,615)
Retained earnings		835,076	684,829
Other reserves	12	724,923	722,571
<b>Total equity</b>		<b>5,700,641</b>	<b>5,526,997</b>
<b>Non-current liabilities</b>			
Employees' end-of-service benefits		8,978	8,003
Borrowings	13	694,522	742,175
Deferred government grants		341,071	347,538
Trade payable, accruals and other liabilities	14	530,737	359,912
<b>Total non-current liabilities</b>		<b>1,575,308</b>	<b>1,457,628</b>
<b>Current liabilities</b>			
Borrowings	13	497,719	519,884
Trade payable, accruals and other liabilities	14	516,480	507,480
<b>Total current liabilities</b>		<b>1,014,199</b>	<b>1,027,364</b>
<b>Total liabilities</b>		<b>2,589,507</b>	<b>2,484,992</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,290,148</b>	<b>8,011,989</b>

Abdul Aziz Abdullah Al Zaabi  
Chairman

Sameh Muhtadi  
Chief Executive Officer

The accompanying notes 1 to 23 form an integral part of these interim condensed consolidated financial statements.

RAK Properties P.J.S.C. and its subsidiaries

Interim condensed consolidated income statement

For the six-month period ended 30 June 2025 (Unaudited)

	Notes	Three-month period ended		Six-month period ended	
		30 June 2025 AED '000 (Unaudited)	30 June 2024 AED '000 (Unaudited)	30 June 2025 AED '000 (Unaudited)	30 June 2024 AED '000 (Unaudited)
Revenue	15	404,523	320,566	774,794	610,376
Cost of revenue	15	(236,783)	(192,145)	(460,465)	(369,276)
<b>GROSS PROFIT</b>		<b>167,740</b>	<b>128,421</b>	<b>314,329</b>	<b>241,100</b>
Share of profit from a joint venture	7	855	38	2,673	213
Selling, general and administrative expenses	16	(74,890)	(55,680)	(135,880)	(105,531)
Other income	17	21,146	1,360	23,031	2,730
<b>OPERATING PROFIT</b>		<b>114,851</b>	<b>74,139</b>	<b>204,153</b>	<b>138,512</b>
Finance costs		(17,579)	(23,260)	(37,007)	(46,443)
Finance income		4,528	4,676	9,119	9,027
Net change in fair value of investments at FVPTL		-	(3,249)	-	(3,249)
<b>NET PROFIT FOR THE PERIOD BEFORE TAX</b>		<b>101,800</b>	<b>52,306</b>	<b>176,265</b>	<b>97,847</b>
Income tax expense	18	(9,107)	(4,699)	(15,666)	(8,790)
<b>NET PROFIT AFTER TAX FOR THE PERIOD</b>		<b>92,693</b>	<b>47,607</b>	<b>160,599</b>	<b>89,057</b>
Earnings per share for the period – basic and diluted (AED)	20	<b>0.031</b>	<b>0.022</b>	<b>0.054</b>	<b>0.042</b>

The accompanying notes 1 to 23 form an integral part of these interim condensed consolidated financial statements.

RAK Properties P.J.S.C. and its subsidiaries

Interim condensed consolidated statement of comprehensive income  
For the six-month period ended 30 June 2025 (Unaudited)

	<b>Three-month period ended</b>		<b>Six-month period ended</b>	
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>AED '000</b>	<b>AED '000</b>	<b>AED '000</b>	<b>AED '000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>NET PROFIT AFTER TAX FOR THE PERIOD</b>	<b>92,693</b>	<b>47,607</b>	<b>160,599</b>	<b>89,057</b>
Other comprehensive income	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>92,693</b>	<b>47,607</b>	<b>160,599</b>	<b>89,057</b>

The accompanying notes 1 to 23 form an integral part of these interim condensed consolidated financial statements.



RAK Properties P.J.S.C. and its subsidiaries

Interim condensed consolidated statement of changes in equity  
For the six-month period ended 30 June 2025 (Unaudited)

	Share capital AED '000	Share premium AED '000	Statutory reserve AED '000	Treasury shares AED '000	Retained earnings AED '000	Other reserves AED '000	Total equity AED '000
<b>Balance at 1 January 2025 (Audited)</b>	3,000,000	114,120	1,028,092	(22,615)	684,829	722,571	5,526,997
Net profit for the period	-	-	-	-	160,599	-	160,599
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	160,599	-	160,599
Board of Directors' remuneration	-	-	-	-	(8,000)	-	(8,000)
Treasury shares	-	-	-	21,045	-	-	21,045
Transfer to other reserves	-	-	-	-	(2,352)	2,352	-
<b>Balance at 30 June 2025 (Unaudited)</b>	<b>3,000,000</b>	<b>114,120</b>	<b>1,028,092</b>	<b>(1,570)</b>	<b>835,076</b>	<b>724,923</b>	<b>5,700,641</b>
	Share capital AED '000	Share Premium AED '000	Statutory reserve AED '000	Treasury Shares AED '000	Retained earnings AED '000	Other reserves AED '000	Total equity AED '000
<b>Balance at 1 January 2024 (Audited)</b>	2,000,000	-	1,000,000	-	589,778	714,577	4,304,355
Net profit for the period	-	-	-	-	89,057	-	89,057
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	89,057	-	89,057
Issuance of stock dividend	80,000	-	-	-	(80,000)	-	-
Dividend	-	-	-	-	(60,000)	-	(60,000)
Additional capital issued	920,000	114,120	-	-	-	-	1,034,120
Board of Directors' remuneration	-	-	-	-	(8,000)	-	(8,000)
Treasury shares	-	-	-	(51,064)	-	-	(51,064)
Transfer to retained earnings on disposal of investments designated at FVOCI	-	-	-	-	(5,983)	5,983	-
Transfer to other reserves	-	-	-	-	(1,939)	1,939	-
<b>Balance at 30 June 2024 (Unaudited)</b>	<b>3,000,000</b>	<b>114,120</b>	<b>1,000,000</b>	<b>(51,064)</b>	<b>522,913</b>	<b>722,499</b>	<b>5,308,468</b>

The accompanying notes 1 to 23 form an integral part of these interim condensed consolidated financial statements.

RAK Properties P.J.S.C. and its subsidiaries

Interim condensed consolidated statement of cash flows  
For the six-month period ended 30 June 2025 (Unaudited)

		Six-month period ended	
		30 June 2025 AED '000 (Unaudited)	30 June 2024 AED '000 (Unaudited)
	Notes		
<b>OPERATING ACTIVITIES</b>			
Net profit before tax for the period		176,265	97,847
<i>Adjustments for:</i>			
Depreciation	3	35,095	33,610
Provision for employees' end-of-service benefits		1,734	1,333
Dividend income		-	(296)
Amortisation of government grants	15	(6,467)	(12,853)
Gain on disposal of property and equipment		-	(90)
Net change in investments at FVTPL		-	3,249
Finance costs		37,007	46,443
Share of profit in joint venture		(2,673)	(213)
Finance income		(9,119)	(9,027)
<b>Cash from operations before working capital changes</b>		<b>231,842</b>	<b>160,003</b>
Trading properties		5,102	5,159
Trading properties under development		12,281	(4,212)
Trade and other receivables		(321,094)	(269,680)
Trade payable, accruals and other liabilities		164,991	200,909
Inventories		99	(1,737)
<b>Net cash flows from operations</b>		<b>93,221</b>	<b>90,442</b>
Employees' end of service indemnity paid		(759)	(150)
<b>Net cash flows from operating activities</b>		<b>92,462</b>	<b>90,292</b>
<b>INVESTING ACTIVITIES</b>			
Additions to property and equipment	3	(11,674)	(51,160)
Interest received		9,641	9,467
Proceeds from disposal of property and equipment		-	90
Proceeds from disposal of investments		-	315
Additions to investment properties		(29,167)	(5,648)
Dividend received		-	296
<b>Net cash flows used in investing activities</b>		<b>(31,200)</b>	<b>(46,640)</b>
<b>FINANCING ACTIVITIES</b>			
Dividend paid		(6)	(60,000)
Board of Directors' remuneration paid		(8,000)	(8,000)
Acquisition of treasury shares, net		59,170	(51,064)
Loans availed		24,550	140,926
Loans repaid		(79,488)	(59,485)
Interest paid		(37,827)	(45,939)
<b>Net cash flows used in financing activities</b>		<b>(41,601)</b>	<b>(83,562)</b>
<b>Net change in cash and cash equivalents</b>		<b>19,661</b>	<b>(39,910)</b>
Cash and cash equivalents at the beginning of the period		115,889	102,017
<b>Cash and cash equivalents at the end of the period</b>	10	<b>135,550</b>	<b>62,107</b>

The accompanying notes 1 to 23 form an integral part of these interim condensed consolidated financial statements.



# RAK Properties P.J.S.C. and its subsidiaries

Notes to the interim condensed consolidated financial statements  
For the six-month period ended 30 June 2025 (Unaudited)

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## 1 Corporate information

RAK Properties P.J.S.C. (the "Company") is a public joint stock company established under Emiree Decree No. 5 issued by the Ruler of the Emirate of Ras Al Khaimah on 16 February 2005 and commenced its operations on 2 June 2005. The Company is listed in the Abu Dhabi Securities Exchange, United Arab Emirates (UAE). The registered office of the Company is P.O. Box 31113, Ras Al Khaimah, UAE.

The interim condensed consolidated financial statements as at and for the six-month period ended 30 June 2025 comprises the Company and its subsidiaries (collectively referred to as the "Group").

The principal activities of the Group are investment in and development of properties, property management, hotel operations, marina management, facility management and related services.

The interim condensed consolidated financial statements were authorised for issue on 13 August 2025 by the Board of Directors.

## 2 Basis of preparation

### 2.1 Statement of compliance

The interim condensed consolidated financial statements of the Group for the six-month period ended 30 June 2025 have been prepared in accordance with International Accounting Standard 34: *Interim Financial Reporting*.

The interim condensed consolidated financial statements do not contain all information and disclosures required for full consolidated financial statements prepared in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board (IASB) and should be read in conjunction with the consolidated financial statements for the year end 31 December 2024. The same accounting policies, methods of computation, significant accounting judgments and estimates and assumptions are followed in these interim condensed consolidated financial statements as compared with the most recent annual consolidated financial statements, except for the new standards and amendments adopted during the current period as explained in Note 2.3.

The interim condensed consolidated financial statements have been prepared in Arab Emirates Dirham (AED), which is the Company's functional and presentation currency, and all values are rounded to the nearest thousand except where otherwise indicated. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

The interim condensed consolidated financial statements have been prepared on a historical cost basis, except for investment properties and investments, which are measured at fair value.

The preparation of interim condensed consolidated financial statements on the basis described above requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which for the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Results for the six-month period ended 30 June 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

## RAK Properties P.J.S.C. and its subsidiaries

Notes to the interim condensed consolidated financial statements (continued)  
For the six-month period ended 30 June 2025 (Unaudited)

### 2 Basis of preparation (continued)

#### 2.1 Statement of compliance (continued)

The interim condensed consolidated financial statements comprise the financial statements of the Company and the entities controlled by the Company (its subsidiaries) as of 30 June 2025. Control is achieved where all the following criteria are met:

- (a) the Company has power over an entity (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- (b) the Company has exposure, or rights, to variable returns from its involvement with the entity; and
- (c) the Company has the ability to use its power over the entity to affect the amount of the Company's returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

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

The Group re-assesses 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. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the interim condensed consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

#### Subsidiary

A subsidiary is fully consolidated from the date of acquisition or incorporation, being the date on which the Group obtains control, and continues to be consolidated until the date when such control ceases. The financial statements of the subsidiary are prepared for the same reporting period as the Company, using consistent accounting policies. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Details of the Company's subsidiaries are as follows:

Subsidiary	Country of incorporation	Ownership %	
		30 June 2025	31 December 2024
(1) RAK Properties International Limited	UAE	100%	100%
(2) Intercontinental RAK Mina Al Arab Resorts & Spa L.L.C	UAE	100%	100%
(3) Anantara Mina Al Arab Ras Al Khaimah Resorts L.L.C	UAE	100%	100%
(4) Lagoon Marina Ship Management & Operation L.L.C	UAE	100%	100%
(5) RAK Properties Tanzania Limited	Tanzania	100%	100%
(6) Dolphin Marina Limited	Tanzania	100%	100%
(7) RAK Properties Gayreimenkul Pazarlama Anonim Sirketi	Turkey	100%	100%
(8) FM Force Management of Facilities Facilities LLC OPC *	UAE	100%	-
(9) MINA Management Supervision Services for Owners Associations LLC OPC *	UAE	100%	-

\* Incorporated during the current period and have yet to commence operating activities.

## RAK Properties P.J.S.C. and its subsidiaries

Notes to the interim condensed consolidated financial statements (continued)  
For the six-month period ended 30 June 2025 (Unaudited)

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### 2 Basis of preparation (continued)

#### 2.2 Significant accounting judgments, estimates and assumptions

The preparation of these interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities at the reporting date. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

##### **Judgements**

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the interim condensed consolidated financial statements:

##### **(i) Revenue from contracts with customers**

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

##### **Determining the timing of revenue recognition on the sale of property**

The Group has evaluated the timing of revenue recognition on the sale of property based on a careful analysis of the rights and obligations under the terms of the contract. The Group has concluded that contracts relating to the sale of completed property are recognised at a point in time when control transfers.

For contracts relating to the sale of property under development, the Group recognises the revenue over a period of time as the Group's performance does not create an asset with alternative use. Furthermore, the Group has an enforceable right to payment for performance completed to date. It has considered the factors that indicate that it is restricted (contractually or practically) from readily directing the property under development for another use during its development. In addition, the Group is, at all times, entitled to an amount that at least compensates it for performances completed to date. In making this determination, the Group has carefully considered the contractual terms as well as local legislations.

The Group has determined that the input method is the best method for measuring progress for these contracts because there is a direct relationship between the costs incurred by the Group and the transfer of goods and services to the customer.

##### **Principal versus agent considerations – services to tenants**

The Group arranges for certain services provided to tenants of investment property included in the contract the Group enters into as a lessor. The Group has determined that it controls the services before they are transferred to tenants, because it has the ability to direct the use of these services and obtain the benefits from them. In making this determination, the Group has considered that it is primarily responsible for fulfilling the promise to provide these specified services because it directly deals with tenants' complaints, and it is primarily responsible for the quality or suitability of the services. In addition, the Group has discretion in establishing the price that it charges to the tenants for the specified services.

Therefore, the Group has concluded that it is the principal in these contracts. In addition, the Group has concluded that it transfers control of these services over time, as services are rendered by the third-party service providers, because this is when tenants receive and, at the same time, consume the benefits from these services.

##### **Consideration of material financing component in a contract**

For contracts involving the sale of property, the Group is entitled to receive an initial deposit. The Group concluded that this is not considered a material financing component because it is for reasons other than the provision of financing to the Group. The initial deposits are used to protect the Group from the other party failing to adequately complete some or all of its obligations under the contract where customers do not have an established credit history.

## RAK Properties P.J.S.C. and its subsidiaries

Notes to the interim condensed consolidated financial statements (continued)  
For the six-month period ended 30 June 2025 (Unaudited)

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### 2 Basis of preparation (continued)

#### 2.2 Significant accounting judgments, estimates and assumptions (continued)

##### Judgements (continued)

##### (i) Revenue from contracts with customers (continued)

###### Cost to complete the projects

The Group estimates the cost to complete the projects in order to determine the cost attributable to revenue being recognised. These estimates include cost of design and consultancy, construction, potential claims by contractors as evaluated by the project consultant and the cost of meeting other contractual obligations to the customers.

##### (ii) Leases - Property lease classification – the Group as lessor

The Group has entered into commercial and residential property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of this property and accounts for the contracts as operating leases.

##### (iii) Classification of properties

In the process of classifying properties, management has made various judgments. Judgment is needed to determine whether a property qualifies as an investment property, property and equipment and/or trading property. The Group develops criteria so that it can exercise that judgment consistently in accordance with the definitions of investment property, property and equipment and trading properties. In making its judgment, management considered the detailed criteria and related guidance for the classification of properties as set out in IAS 2, IAS 16 and IAS 40, in particular, the intended usage of property as determined by the management. Trading properties are grouped under current assets, as intention of the management is to sell it within one year from the end of the reporting date.

##### Key sources of estimation uncertainty

The key assumptions concerning future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the interim condensed consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

##### Valuation of investment properties

The fair value of investment properties is determined by independent real estate valuation experts using recognised valuation methods. These methods comprise the sales comparable method and discounted cash flow method. The discounted cash flow method requires the use of estimates such as future cash flows from assets (comprising of selling and leasing rates, future revenue streams, construction costs and associated professional fees, and financing cost, etc.), targeted internal rate of return and developer's risk and targeted profit. These estimates are based on local market conditions existing at the end of the reporting period. Under the income capitalisation method, the income receivable under existing lease agreements and projected future rental streams are capitalised at appropriate rates to reflect the investment market conditions at the valuation dates. The Group's undiscounted future cash flows analysis and the assessment of expected remaining holding period and income projections on the existing operating assets requires management to make material estimates and judgements related to future rental yields and capitalisation rates.

## RAK Properties P.J.S.C. and its subsidiaries

Notes to the interim condensed consolidated financial statements (continued)  
For the six-month period ended 30 June 2025 (Unaudited)

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### 2 Basis of preparation (continued)

#### 2.2 Significant accounting judgments, estimates and assumptions (continued)

##### **Estimation of net realisable value for trading properties and trading properties under development**

The Group's management reviews the trading properties and trading properties under development to assess impairment, if there is an indication of impairment. In determining whether impairment losses should be recognised in the profit or loss, the management assesses the current selling prices of the property units and the anticipated costs for completion of such property units for properties which remain unsold at the reporting date. If the current selling prices are lower than the anticipated total cost at completion, an impairment provision is recognised for the identified loss event or condition to reduce the cost of development properties to its net realisable value.

##### **Calculation of expected credit loss allowance**

The Group assesses the impairment of its financial assets based on the ECL model. Under the expected credit loss model, the Group accounts for expected credit losses and changes in those expected credit losses at the end of each reporting period to reflect changes in credit risk since initial recognition of the financial assets. The Group measures the loss allowance at an amount equal to lifetime ECL for its financial instruments. When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

##### **Impairment of property and equipment and capital work in progress**

The Group reviews its property and equipment and capital work in progress to assess impairment, if there is an indication of impairment. In determining whether impairment losses should be recognised in the profit or loss, the Group makes judgements as to whether there is any observable data indicating that there is a reduction in the carrying value of property and equipment or capital work in progress. Accordingly, provision for impairment is made where there is an identified loss event or condition which, based on previous experience, is evidence of a reduction in the carrying value of property and equipment or capital work in progress.

##### **Useful lives of property and equipment**

The Group's management determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

##### **Valuation of unquoted investments**

Valuation of unquoted investments is normally based on one of the following:

- Recent arm's length market transactions;
- The expected cash flows discounted at current rates applicable for the items and with similar terms and risk characteristics; or
- Other valuation models

The determination of the cash flows and discount factors for unquoted equity investments requires significant estimation. The Group calibrates the valuation techniques periodically and tests them for validity using either prices from observable current market transactions in the same instrument or from other available observable market data.



## RAK Properties P.J.S.C. and its subsidiaries

Notes to the interim condensed consolidated financial statements (continued)  
For the six-month period ended 30 June 2025 (Unaudited)

### 2 Basis of preparation (continued)

#### 2.3 New or revised standards and interpretations

##### **New standards, interpretations and amendments adopted by the Group**

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following new standards and interpretations effective as of 1 January 2025.

- Lack of Exchangeability (Amendments to IAS 21)

This amendment did not have a significant impact on these interim condensed consolidated financial statements. and therefore, the disclosures have not been made.

##### **Standards, amendments and interpretations to existing Standards that are not yet effective and have not been adopted early by the Group**

Other standards, amendments and interpretations that are not yet effective and have not been early adopted by the Group include:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 7 and 9)
- Annual improvements to IFRS Accounting Standards - Volume 11
- IFRS 19 Subsidiaries without Public Accountability: Disclosures
- IFRS 18 'Presentation and Disclosures in Financial Statements
- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures (effective upon adoption by applicable regulatory authority)

IFRS 18 introduces new presentation and disclosure requirements of additional totals in the statement of profit or loss, a new note which discloses management-defined performance measures and enhancements to the requirements for aggregation and disaggregation. Management is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's interim condensed consolidated financial statements. These remaining above standards, amendments and interpretations are not expected to have a significant impact on the interim condensed consolidated financial statements in the period of initial application and therefore no disclosures have been made.

### 3 Property and equipment

#### ***Additions, disposal and depreciation***

During the six-month period ended 30 June 2025, the Group has made additions amounting to AED 11,674 thousand mainly related to construction of hotel property (six-month period ended 30 June 2024: AED 51,160 thousand mainly related to construction of hotel property).

Depreciation of property and equipment for the six-month period ended 30 June 2025 amounted to AED 35,095 thousand (six-month period ended 30 June 2024: AED 33,610 thousand).

### 4 Investment properties

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
Buildings and plots of land	1,509,725	1,536,046
Investment properties under development	42,904	41,170
	<u>1,552,629</u>	<u>1,577,216</u>

Investment property comprises parcels of land and number of residential and commercial properties that are leased to third parties. All investment properties are located in the UAE.



## RAK Properties P.J.S.C. and its subsidiaries

Notes to the interim condensed consolidated financial statements (continued)  
For the six-month period ended 30 June 2025 (Unaudited)

### 4 Investment properties (continued)

#### *Fair value*

The management does not consider the fair value of investment properties for the period ended 30 June 2025 to be significantly different from the fair value as at 31 December 2024. The fair valuation of investment properties was conducted by an independent external valuer as at 31 December 2024. Management intends to appoint independent external valuer to determine the fair value as at 31 December 2025, unless there are indicators which suggest a significant change in the fair value before the reporting period.

Certain items of investment properties are mortgaged against bank borrowing.

### 5 Trading properties under development

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
Inside UAE	2,485,647	2,444,174
Outside UAE	13,815	13,815
	<u>2,499,462</u>	<u>2,457,989</u>
Less: Classified as current assets	(78,624)	(54,409)
Classified as non-current assets	<u>2,420,838</u>	<u>2,403,580</u>

### 6 Investments

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
<b>Investments at fair value through other comprehensive income</b>		
<b>Investments within UAE</b>		
Unquoted equity investments	1,259	1,259
<b>Investments outside UAE</b>		
Unquoted equity investments	13,597	13,597
Unquoted real estate funds	3,320	3,320
Total investments	<u>18,176</u>	<u>18,176</u>

During the six-month period, no dividend income was declared on these investments (six-month period ended 30 June 2024 dividend of AED 296 thousand was declared and received). The details of valuation techniques and assumptions applied for the measurement of fair value of financial instruments are mentioned in Note 22 of the interim condensed consolidated financial statements.

## RAK Properties P.J.S.C. and its subsidiaries

Notes to the interim condensed consolidated financial statements (continued)  
For the six-month period ended 30 June 2025 (Unaudited)

### 7 Investment in a joint venture

Movement in the investment in a joint venture during the period/year is as follows:

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
At 1 January	77,045	68,069
Share of profit during the period/year	2,673	8,976
	<u>79,718</u>	<u>77,045</u>

During the year ended 31 December 2023, the Group entered into a joint venture agreement ("JVA") and a Development Management Agreement ("DMA"), collectively referred to as "the Agreements", with Ellington Properties Development LLC ("Ellington"). In accordance with the Agreements, both control and profit shall be on an equal 50:50 basis between the Group and Ellington.

### 8 Trade and other receivables

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
Trade receivables	462,989	479,888
Contract assets	1,003,357	795,679
Trade receivables and contract assets, gross	1,466,346	1,275,567
Less: Allowance for expected credit losses	(28,500)	(28,327)
Trade receivables and contract assets, net	1,437,846	1,247,240
Other receivables	50,195	64,832
	<u>1,488,041</u>	<u>1,312,072</u>
Capitalised cost to obtain contract (refer (i))	211,250	138,644
Advances to suppliers and contractors	124,107	92,712
VAT receivables	7,054	7,610
Prepayments	6,992	3,959
	<u>349,403</u>	<u>242,925</u>
	<u>1,837,444</u>	<u>1,554,997</u>
Less: Non-current portion of trade and other receivables	(503,474)	(559,866)
	<u>1,333,970</u>	<u>995,131</u>

(i) Cost incurred to obtain or fulfil a contract with the customers is amortised over the period of satisfying performance obligations, where applicable.

### 9 Trading properties

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
Inside UAE	19,840	24,942
Outside UAE	13,763	13,763
	<u>33,603</u>	<u>38,705</u>

## RAK Properties P.J.S.C. and its subsidiaries

Notes to the interim condensed consolidated financial statements (continued)  
For the six-month period ended 30 June 2025 (Unaudited)

### 10 Bank balances and cash

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
Cash in hand	270	270
Bank balances:		
- Current accounts	57,428	52,594
- Call accounts	3,944	3,997
- Current accounts – unclaimed dividends	5,723	5,729
- Term deposits	400,000	400,000
Balance at the end of the period/year	467,365	462,590

Current accounts - unclaimed dividends will be utilised only for the payment of dividend and cannot be used for any other purposes.

The effective average interest rate on deposits is 4.3% to 5.1% per annum (2024: 4% to 5.30% per annum). Term deposits amounting to AED 400,000 thousand are under lien against bank overdraft (Note 13). Bank balances and cash are maintained in United Arab Emirates.

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

	30 June 2025 AED '000 (Unaudited)	30 June 2024 AED '000 (Unaudited)
Bank balances and cash	467,365	461,327
Less: Current accounts – unclaimed dividends	(5,723)	(5,729)
Less: Bank overdraft	(326,092)	(393,491)
Cash and cash equivalents	135,550	62,107

### 11 Share capital and treasury shares

#### Share capital

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
Authorised, issued and fully paid- up 3,000,000,0000 shares (2024: 3,000,000,0000 shares) of par value of AED 1 each	3,000,000	3,000,000

The shareholders in the Annual General Meeting held on 11 March 2025 have not approved any dividend for the year ended 31 December 2024 (For the year ended 31 December 2023, cash dividend of AED 0.03 per share amounting to AED 60,000 thousand and bonus shares of 4% amounting to AED 80,000 thousand).

The shareholders at the Annual General Meeting held on 20 March 2024 approved to increase the Company's share capital by issuing 920 million shares with a nominal value of AED 1, with a total value of AED 920 million to the Government of Ras Al Khaimah as a Strategic Investor. The transaction resulted in increase of Government of Ras Al Khaimah shareholding in the Company from 5% to about 34% after the issuance of the additional share capital. This transaction was approved by the Securities and Commodities Authority (SCA) on 20 June 2024.

## RAK Properties P.J.S.C. and its subsidiaries

Notes to the interim condensed consolidated financial statements (continued)  
For the six-month period ended 30 June 2025 (Unaudited)

### 11 Share capital and treasury shares (continued)

#### Share capital (continued)

In exchange for the newly issued 920 million shares, the Government of Ras Al Khaimah contributed several plots of land to the Company as in-kind contribution with a fair value of AED 1,034,120 thousand, as determined by independent external valuers on 12 June 2024. The excess of the in-kind contribution of AED 114,120 thousand has been treated as share premium.

#### Treasury shares

The Company entered into an agreement with a licensed liquidity provider on Abu Dhabi Stock Exchange (ADX), to place buy and sell orders of the Company's shares with the objective to reduce the spread between bid/ask price in trading as well as providing liquidity for the Company's shares. The Company's shares would be held under the legal name of liquidity provider on behalf of the Company. The liquidity provider operates within the pre-determined parameters approved by the Company. The Company monitors the transactions undertaken by the liquidity provider on a daily basis. As at 30 June 2025, 1,368 thousand treasury shares with a cost value of AED 1,570 thousand were held (2024: 17,917 thousand treasury shares with a cost value of AED 22,615 thousand).

### 12 Other reserves

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
General reserve	656,708	656,708
Development reserve	303,675	303,675
Fair value reserve	(243,227)	(243,227)
Other reserve	7,767	5,415
	<u>724,923</u>	<u>722,571</u>

### 13 Borrowings

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
Term loans	839,970	894,908
Short term borrowing	26,179	26,179
Bank overdrafts	326,092	340,972
Total borrowings	<u>1,192,241</u>	<u>1,262,059</u>
Less: Current portion	<u>(497,719)</u>	<u>(519,884)</u>
Non-current portion	<u>694,522</u>	<u>742,175</u>

The Group has obtained overdraft facilities of AED 700,000 thousand (31 December 2024: AED 700,000 thousand) from commercial banks. Interest on bank overdrafts, which are secured by term deposits is 0.25% per annum over such term deposit rates. Further, for unsecured bank overdrafts, interest is computed at a fixed margin + 3 months EIBOR per annum.

The overdraft facilities of the Group are secured by:

- Lien over fixed deposit for AED 400,000 thousand (Note 10);
- To route funds 1.5 times of the net clean limit utilised under the overdraft.

The details of the long-term bank loans, including terms of repayment, and interest rate are set out in the consolidated financial statements of the Group for the year ended 31 December 2024.

## RAK Properties P.J.S.C. and its subsidiaries

Notes to the interim condensed consolidated financial statements (continued)  
For the six-month period ended 30 June 2025 (Unaudited)

### 13 Borrowings (continued)

The bank borrowing agreements (“Agreements”) contain certain restrictive covenants including maintaining Debt to EBITDA ratio. The Group complied with the annual bank covenants as at 31 December 2024.

Term loans are secured against the following:

- Legal mortgage of land and buildings of specific properties included in property and equipment, investment properties, trading properties under development and trading properties.
- Assignment of insurance over the mortgaged properties in favour of the bank.
- Assignment of guarantees from the main contractor/construction contracts under the project duly assigned in favour of the bank.
- Assignment of revenues from the hotel projects financed by the banks.
- Assignment of revenues from sale of apartments and rental revenues from the apartments financed by the bank.
- Pledge of project account opened with the bank for receiving the project receipts from buyers.

### 14 Trade payable, accruals and other liabilities

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
Trade payables	161,004	163,102
Project contract accruals	149,086	195,486
Other payables and accruals	239,467	204,849
Contract liabilities	323,643	149,008
Advance connection charges	125,388	121,978
Provision for income tax	37,428	21,762
Unclaimed dividends	5,723	5,729
Deferred tax liability	5,478	5,478
	<u>1,047,217</u>	<u>867,392</u>
Less: Current portion	(516,480)	(507,480)
Non-current portion	<u>530,737</u>	<u>359,912</u>

# RAK Properties P.J.S.C. and its subsidiaries

Notes to the interim condensed consolidated financial statements (continued)  
For the six-month period ended 30 June 2025 (Unaudited)

## 15 Revenue and cost of revenue

	Three-month period ended		Six-month period ended	
	30 June 2025 AED '000 (Unaudited)	30 June 2024 AED '000 (Unaudited)	30 June 2025 AED '000 (Unaudited)	30 June 2024 AED '000 (Unaudited)
<b>Type of revenue with customers</b>				
Sale of properties	331,088	257,484	628,622	485,372
Hotel operations	54,334	48,758	109,071	96,331
Property leasing and others	19,101	14,324	37,101	28,673
<b>Total revenue</b>	<b>404,523</b>	<b>320,566</b>	<b>774,794</b>	<b>610,376</b>
<b>Cost of revenue</b>				
Cost of sale of properties	207,150	165,753	405,400	320,358
Hotel operations	21,348	21,632	42,737	41,629
Property leasing and others	11,040	11,416	18,795	20,142
Amortisation of government grants	(2,755)	(6,656)	(6,467)	(12,853)
	<b>236,783</b>	<b>192,145</b>	<b>460,465</b>	<b>369,276</b>

The Group earned its entire revenue from contracts within the United Arab Emirates.

Below is the split of revenue recognised over a period of time and at a point in time:

	Three-month period ended		Six-month period ended	
	30 June 2025 AED '000 (Unaudited)	30 June 2024 AED '000 (Unaudited)	30 June 2025 AED '000 (Unaudited)	30 June 2024 AED '000 (Unaudited)
Recognised over time	375,370	313,030	707,015	573,064
Recognised at a point in time	20,457	56	50,315	22,127
<b>Total revenue from contracts with customers</b>	<b>395,827</b>	<b>313,086</b>	<b>757,330</b>	<b>595,191</b>
Leasing income – recognised over term of lease	8,696	7,480	17,464	15,185
<b>Total revenue</b>	<b>404,523</b>	<b>320,566</b>	<b>774,794</b>	<b>610,376</b>

## 16 Selling, general and administrative expenses

	Three-month period ended		Six-month period ended	
	30 June 2025 AED '000 (Unaudited)	30 June 2024 AED '000 (Unaudited)	30 June 2025 AED '000 (Unaudited)	30 June 2024 AED '000 (Unaudited)
Staff costs	18,979	15,203	36,749	29,065
Depreciation	17,500	15,839	35,095	30,385
Sales and marketing expenses	16,301	11,207	29,280	19,672
Other expenses	22,110	13,431	34,756	26,409
	<b>74,890</b>	<b>55,680</b>	<b>135,880</b>	<b>105,531</b>



## RAK Properties P.J.S.C. and its subsidiaries

Notes to the interim condensed consolidated financial statements (continued)  
For the six-month period ended 30 June 2025 (Unaudited)

### 17 Other income

Other income includes an amount of AED 18,122 thousand recovered from a third party in relation to a reimbursement of Mina Al Arab infrastructure costs.

### 18 Income tax expense

The Group has calculated their income tax liability in accordance with Federal Decree-Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law") with effect from 1 January 2024.

- (a) The income tax expense recognised in the interim condensed consolidated income statement comprises the following:

	Three-month period ended		Six-month period ended	
	30 June 2025 AED'000 (Unaudited)	30 June 2024 AED'000 (Unaudited)	30 June 2025 AED'000 (Unaudited)	30 June 2024 AED'000 (Unaudited)
<b>Income tax</b>				
Current income tax expense	9,107	4,699	15,666	8,790
<b>Total income tax expense</b>	<b>9,107</b>	<b>4,699</b>	<b>15,666</b>	<b>8,790</b>

- (b) Reconciliation of income tax expense:

	Three-month period ended		Six-month period ended	
	30 June 2025 AED'000 (Unaudited)	30 June 2024 AED'000 (Unaudited)	30 June 2025 AED'000 (Unaudited)	30 June 2024 AED'000 (Unaudited)
Net profit for the period before tax	101,800	52,306	176,265	97,847
Tax at the tax rate of 9%	9,162	4,707	15,864	8,806
<b>Tax effects of</b>				
Share of profit from a joint venture	(77)	-	(241)	1
Expenses not deductible for tax purposes	30	-	60	-
Taxable income not exceeding threshold	(8)	(8)	(17)	(17)
<b>Total income tax expense</b>	<b>9,107</b>	<b>4,699</b>	<b>15,666</b>	<b>8,790</b>

## RAK Properties P.J.S.C. and its subsidiaries

Notes to the interim condensed consolidated financial statements (continued)  
For the six-month period ended 30 June 2025 (Unaudited)

### 19 Related party disclosures

The Group, in the ordinary course of business, enters into transactions, at agreed terms and conditions, with other business enterprises or individuals that fall within the definition of related parties contained in International Accounting Standard 24, "Related Party Disclosures". These transactions are carried out at arm's length basis.

The following are the significant related party transactions during the period are as below:

	Three-month period ended		Six-month period ended	
	30 June 2025 AED'000 (Unaudited)	30 June 2024 AED'000 (Unaudited)	30 June 2025 AED'000 (Unaudited)	30 June 2024 AED'000 (Unaudited)
<i>Key management personnel of the Group</i>				
Sale of properties	1,203	-	1,203	-
Commission paid	18	-	18	-
<i>Compensation of key management personnel:</i>				
Salaries and benefits	6,628	4,259	11,460	9,474
Accrual of end of service benefits	133	104	265	215
Directors' remuneration	-	-	8,000	8,000
	<u>6,761</u>	<u>4,363</u>	<u>19,725</u>	<u>17,689</u>

### 20 Basic and diluted earnings per share

Earnings per share are computed by dividing the profit for the period by the weighted average number of shares outstanding during the period as follows:

	Three-month period ended		Six-month period ended	
	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
<b>Basic earnings per share</b>				
Net profit for the period (AED'000)	92,693	47,607	160,599	89,057
Issued ordinary shares at 1 April / 1 January (in thousands)	3,000,000	2,080,000	3,000,000	2,000,000
Treasury shares held on behalf of the Company (in thousands)	(17,917)	(7,548)	(17,917)	-
Issued ordinary shares outstanding at 1 April / 1 January (1 January (in thousands)	2,982,083	2,072,452	2,982,083	2,000,000
Bonus shares issued (in thousands)	-	-	-	80,000
Treasury shares movement - net (in thousands)	8,274	(13,666)	4,137	(18,139)
Shares in-lieu of property (in thousands)	-	102,222	-	50,829
Weighted average number of shares outstanding at 30 June (in thousands)	2,990,357	2,161,008	2,986,220	2,112,690
<b>Basic and diluted earnings per share (AED)</b>	<u>0.031</u>	<u>0.022</u>	<u>0.054</u>	<u>0.042</u>

There were no potentially dilutive shares as at 30 June 2025 and 30 June 2024.

## RAK Properties P.J.S.C. and its subsidiaries

Notes to the interim condensed consolidated financial statements (continued)  
For the six-month period ended 30 June 2025 (Unaudited)

### 21 Contingent liabilities and commitments

Commitments relating to the property development are as follows:

	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
Approved and contracted	1,129,630	1,322,938

The above commitments represent the value of contracts entered into by the Group including contracts entered for construction of properties, net of invoices received, and accruals made at that date.

### 22 Fair values of financial instruments

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. As such, differences can arise between book values and the fair value estimates. Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or requirement to materially curtail the scale of its operation or to undertake a transaction on adverse terms.

#### Fair value of financial instruments carried at amortised cost

Management considers that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the condensed consolidated financial information approximate their fair values.

Valuation techniques and assumptions applied for the purposes of measuring fair value.

The fair values of financial and non-financial assets and financial liabilities are determined using similar valuation techniques and assumptions as used in the audited annual consolidated financial statements for the year ended 31 December 2024.

Fair value measurements recognised in the interim condensed consolidated statement of financial position.

The following table provides an analysis of financial and non-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:

- 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); and
- 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).

	Level 1 AED '000	Level 2 AED '000	Level 3 AED '000	Total AED '000
<b>30 June 2025 (Unaudited)</b>				
Fair value through OCI – unquoted equities and funds	-	-	18,176	18,176
Investment properties	-	-	1,552,629	1,552,629
	-	-	1,570,805	1,570,805

## RAK Properties P.J.S.C. and its subsidiaries

Notes to the interim condensed consolidated financial statements (continued)

For the six-month period ended 30 June 2025 (Unaudited)

### 22 Fair values of financial instruments (continued)

#### Fair value of financial instruments carried at amortised cost (continued)

	Level 1 AED '000	Level 2 AED '000	Level 3 AED '000	Total AED '000
31 December 2024 (Audited)				
Fair value through OCI – unquoted equities and funds	-	-	18,176	18,176
Investment properties	-	-	1,577,216	1,577,216
	-	-	1,595,392	1,595,392

During the current and previous years, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements.

### 23 Segment reporting

Management has determined the operating segments based on segments identified for the purpose of allocating resources and assessing performance. The Group is organised into three major operating segments: property sales, hotel operations, property leasing and others. Information regarding the operations of each separate segment is included below:

	Property sales AED '000	Hotel operations AED '000	Property leasing and others AED '000	Total AED '000
<b>Six-month period ended 30 June 2025 (Unaudited)</b>				
Revenue	629,825	109,071	35,898	774,794
Segment gross profit	230,892	66,334	17,103	314,329
<b>As at 30 June 2025 (Unaudited)</b>				
Total assets	4,345,576	1,536,933	2,407,639	8,290,148
Total liabilities	1,037,099	557,197	995,211	2,589,507
Capital expenditure	-	9,667	30,195	39,862
	Property sales AED '000	Hotel operations AED '000	Property leasing and others AED '000	Total AED '000
<b>Six-month period ended 30 June 2024 (Unaudited)</b>				
Revenue	485,372	96,331	28,673	610,376
Segment gross profit	177,867	54,702	8,531	241,100
<b>As at 31 December 2024 (Audited)</b>				
Total assets	4,001,924	1,584,485	2,425,580	8,011,989
Total liabilities	860,410	597,178	1,027,404	2,484,992
Capital expenditure	-	56,496	92,933	149,429