Al Khaleej Investment PSC and its subsidiaries

Draft Consolidated Financial Statements

for the year ended 31 December 2025

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Al Khaleej Investment PSC and its subsidiaries

Consolidated Financial Statements

for the year ended 31 December 2025

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Al Khaleej Investment PSC and its subsidiaries

General information

Principal office address	Al Khaleej Building, P.O. Box: 5662 Ras Al Khaimah, United Arab Emirates T: +971 7 228 0101 F: +971 7 228 8400
Website:	www.kico.ae

Board of Directors:	Name	Designation	Nationality
	H.E. Khalifa Alkhoori	Chairman	Emirati
	H.E. Alia Almazrouei	Vice Chairman	Emirati
	Mr. Ahmed Omar Balfaqeeh	Member	Emirati
	Mr. Nasser Alkhazraji	Member	Emirati
	Mr. Samer Katerji	Member	Lebanese
	Mr. Omar Qandeel	Member	Saudi
	Ms. Shaikha Al Suwaidi	Member	Emirati

Auditor:	KPMG Lower Gulf Limited P.O. Box: 3800 Dubai, United Arab Emirates
Main Banks:	Commercial Bank of Dubai PSC United Arab Bank PJSC

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AL KHALEEJ INVESTMENT PSC

Al Khaleej Building,
P.O. Box: 5662
Ras Al Khaimah

Directors' Report
For the Year Ended 31 December 2025

The Board of Directors is pleased to present their report and the consolidated financial statements Al Khaleej Investment PSC and its subsidiaries (collectively, the 'Group') for the year ended 31 December 2025.

Principal Activities of the Group

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

Financial Audited

The tables below summarize the results for the year ended 31 December 2025, compared to the year ended 2024, presented in AED '000s.

Financial Results Summary	YE- 2025	YE -2024
Revenue	**9,380**	16,969
Gross Profit	**5,912**	13,411
Net Gain from Investments (FVTPL)	**(216)**	3,738
Profit Before Tax	**5,109**	12,471
Profit for the Year	**4,646**	11,273
Basic Earnings per Share (AED)	0.04	0.11

Financial Position Summary	YE - 2025
Total Assets	**325,833**
Total Liabilities	**40,214**
Total Equity	**285,619**

Statement of Cash Flows Summary	YE - 2025
Net Cash generated from Operating Activities	**(33,950)**
Net Cash used in Investing Activities	**(56,649)**
Net Cash from Financing Activities	**20,802**

The Group has generated a profit during the current financial year, primarily due to ongoing investment activities. The Board remains confident in the long-term prospects of the business. The Group is transitioning towards operating as an investment-focused entity, with several projects currently in the pipeline aimed at generating sustainable returns and enhancing shareholder value.

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Role of the Directors

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

Implementation of Projects and Schemes

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

Notably, during the year 2025, the Group successfully established new branches in Dubai and Abu Dhabi, further strengthening its operational footprint across the UAE. Moreover, in line with its directive to rebalance the investment portfolio, the Group established separate entities to focus on its currently targeted sectors, namely energy, marine, and real estate.

In August 2025, the Group entered a 50:50 joint venture agreement for the development of two strategic plots on YAS Island. Given market conditions, the joint venture partners have signed an addendum to their agreement and decided to hold the property for capital appreciation.

During the year, the Board of Directors resolved to increase the Group's share capital by AED 400,000 thousand, through the issuance of 400,000 thousand new shares, each with a nominal value of AED 1 and an issuance price of AED 1 per share. This resolution was adopted by the shareholders in the general meeting held on 25 March 2025. The share capital increase is currently in progress, and the issuance of the new shares is expected to be finalized in 2026.

Events After the Year End

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

Statement of Directors' Responsibilities

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

The accounting policies and practices adopted are consistent with those used in the latest audited financial statements for the year ended 31 December 2024, unless specified otherwise. The

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financial statements accurately reflect the transactions carried out during the year and fairly present the Group's financial condition and operational results.

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

H.E. Khalifa Alkhoori
Chairman

6 February, 2026

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Consolidated statement of financial position

All figures are in AED '000s	*Notes*	31 December 2025	31 December 2024 (restated)	1 January 2024 (restated)
Assets				
Non-current assets				
Property, plant and equipment	*5*	**4,961**	5,843	4,533
Right of use asset	*6*	**9,668**	11,972	-
Intangible assets	*7*	**122**	161	133
Investment property	*8*	**34,190**	147,886	208,822
Investments measured at fair value through other comprehensive income (FVTOCI)		**-**	-	1,803
Investments mandatorily measured at fair value through profit or loss (FVTPL)	*9.1*	**-**	12,143	12,143
Financial assets at amortised cost	*9.2*	**-**	8,900	9,624
Investment in joint venture	*10*	**20,837**	-	-
Total non-current assets		**69,778**	186,905	237,058
Current assets				
Investments mandatorily measured at FVTPL	*9.1*	**25,354**	27,996	26,815
Trade receivables	*11*	**577**	1,762	2,575
Other receivables	*12*	**75,572**	2,822	4,832
Short-term deposit	*13*	**105,000**	-	-
Due from related parties	*21 (a)*	**909**	6,016	-
Cash and cash equivalents	*14*	**3,543**	73,339	6,693
Assets held for sale	*15*	**45,100**	-	-
Total current assets		**256,055**	111,935	40,915
Total assets		**325,833**	298,840	277,973
Equity and liabilities				
Equity				
Share capital	*16*	**105,000**	105,000	105,000
Statutory reserve	*16*	**52,500**	52,500	52,500
Fair value reserve	*16*	**-**	-	623
Voluntary reserve	*16*	**50,000**	50,000	50,000
Other reserve	*16*	**345**	345	345
Retained earnings	*16*	**77,774**	73,128	64,192
Total equity		**285,619**	280,973	272,660
Liabilities				
Non-current liabilities				
Borrowings	*17*	**23,786**	-	-
Deferred tax liabilities	*22*	**597**	134	-
Employees' end-of-service benefits	*18*	**855**	864	880
Lease liabilities	*19*	**7,297**	9,409	-
Total non-current liabilities		**32,535**	10,407	880
Current liabilities				
Borrowings	*17*	**1,476**	-	-
Lease liabilities	*19*	**2,112**	1,965	-
Due to related party	*21*	**64**	-	-
Trade and other payables	*20*	**4,027**	5,495	4,433
Total current liabilities		**7,679**	7,460	4,433
Total liabilities		**40,214**	17,867	5,313
Total equity and liabilities		**325,833**	298,840	277,973

The comparative information presented as at and for the year ended 31 December 2024 and 1 January 2024 has been restated (refer note 35).
To the best of our knowledge, the consolidated financial statements fairly represents in all material respects, the financial position, results of operation and cash flows for the Group as of and for year ended 31 December 2025.
The consolidated financial statement was approved and signed on behalf of the Board of Directors on 6 February 2026 by:

.....	.....
H.E. Khalifa Alkhoori	**Mr. Vikram Pradhan**
Chairman	Chief Executive

The Independent auditor's report on audit of consolidated financial statements is set out on page 4 and 5.
The notes on pages 14 to 61 form an integral part of these consolidated financial statements.

Al Khaleej Investment PSC and its subsidiaries

for the year ended 31 December 2025

Consolidated statements of profit or loss and other comprehensive income

All figures are in AED '000s	*Notes*	For the year ended 31 December **2025**	2024 (restated)
Revenue	*23*	**9,380**	16,969
Direct cost	*24*	**(3,468)**	(3,558)
Gross profit;		**5,912**	13,411
General and administrative expenses	*25*	**(21,260)**	(7,951)
Impairment loss on trade receivables	*11.1*	**(1,400)**	(1,920)
Finance cost	*26*	**(1,823)**	(34)
Finance income	*26*	**2,013**	1,740
Gain /(loss) from investments mandatorily measured at FVTPL	*27*	**(216)**	3,738
Gain / (loss) on change in fair value of assets held for sale	*28*	**(809)**	-
Share of profit from equity accounted investee		**20,751**	
Gain/(loss) on sale of investment property	*29(a)*	**1,301**	1,063
Gain from fair value of investment property	*29(b)*	**96**	159
Other income	*30*	**544**	1,034
(Loss) / profit for the year before tax		**5,109**	11,240
Income tax expense	*22*	**(463)**	(1,198)
(Loss) / profit for the year after tax		**4,646**	10,042
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Debt instrument at FVTOCI – change in fair value		**-**	(329)
Total comprehensive (loss) / income for the year		**4,646**	**9,713**
Earnings per share			
Basic and diluted earnings per share (AED)	*30*	**0.04**	0.09

The comparative information presented has been restated (refer note 35).
The notes on pages 14 to 61 form an integral part of these consolidated financial statements.

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Al Khaleej Investment PSC and its subsidiaries

for the year ended December 2025
All figures are in AED '000s

Consolidated statement of changes in equity

	Share Capital	Voluntary reserve	Statutory reserve	Other reserve	Fair value reserve	Retained earnings	Total
Balance at 1 January 2024 (as previously reported)	105,000	50,000	52,500	345	623	66,789	275,257
*Restatement (refer note 35)	-	-	-	-	-	(2,597)	(2,597)
Balance at 1 January 2024 (restated)	105,000	50,000	52,500	345	623	64,192	272,660
Total comprehensive income for the year							
Profit for the year (restated)	-	-	-	-	-	10,042	10,042
Other comprehensive loss for the year	-	-	-	-	(329)	-	(329)
Transfer of fair value reserve on disposal of investments carried at FVOCI					(294)	294	-
Total comprehensive income for the year (restated)	-	-	-	-	(623)	10,336	9,713
Board of Directors' remuneration paid	-	-	-	-	-	(1,400)	(1,400)
At 31 December 2024 (restated)	**105,000**	**50,000**	**52,500**	**345**	**-**	**73,128**	**280,973**
Balance at 1 January 2025	**105,000**	**50,000**	**52,500**	**345**	**-**	**73,128**	**280,973**
Total comprehensive loss for the year **profit for the *year***	-	-	-	-	-	4,646	4,646
Total comprehensive profit for the year	-	-	-	-	-	-	-
At 31 December 2025	**105,000**	**50,000**	**52,500**	**345**	**-**	**77,774**	**285,619**

The notes on pages 14 to 61 form an integral part of these consolidated financial statements.

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Al Khaleej Investment PSC and its subsidiaries

for the year ended 31 December 2025
All figures are in AED '000s

Consolidated statement of cash flows

	Note	For the year ended 31 December	
		2025	2024*(restated)
Net profit for the year before tax		**5,109**	11,240
Adjustments for:			
Unrealised loss/ (gain) on investments carried at FVTPL	*27*	**779**	(1,333)
Gain on sale of investments mandatorily measured at FVTPL	*27*	**(563)**	(2,405)
Gain on sale of property, plant and equipment	*30*	**(103)**	(16)
Depreciation on property, plant and equipment	*25*	**921**	395
Property, plant and equipment written off	*25*	**58**	-
Impairment loss on trade receivables	*11(1)*	**1,400**	1,920
Gain on sale of investment property	*29(a)*	**(1,301)**	(1,063)
Gain on revaluation of investment property	*29(b)*	**(96)**	(159)
Loss on revaluation of assets held for sale	*28*	**809**	-
Depreciation of the right of use asset	*25*	**2,304**	113
Amortisation of intangible assets	*25*	**40**	29
Dividend income	*30*	**(148)**	(701)
Finance cost	*26*	**1,823**	34
Finance income	*26*	**(2,013)**	(1,740)
Provision for employee end of service benefits	*18*	**479**	180
Provision in Board of directors remuneration	*25*	**1,050**	1,050
		10,548	7,544
Purchase of investments carried at FVTPL	*9.1*	**(10,372)**	(133,414)
Proceeds from sale of investments carried at FVTPL	*9.1*	**24,942**	135,974
Purchase of investments carried at FVTOCI		**-**	(3,716)
Proceeds from sale of investments carried at FVTOCI		**-**	5,190
Proceeds from sale of investments carried at amortised cost	*9.1*	**8,900**	724
Finance income	*26*	**2,013**	1,740
Dividend income received	*30*	**148**	701
Working capital changes:			
Trade and other receivables	*11*	**(72,294)**	(5,221)
Due from related parties	*21(a)*	**5,107**	-
Due to related parties	*21 (b)*	**64**	-
Trade and other payables	*20*	**(1,468)**	(1,050)
Employees' end-of-services benefits paid	*18*	**(488)**	(196)
Board of Directors remuneration paid	*21(c)*	**(1,050)**	(1,400)
Net cash from operating activities		**(33,950)**	6,876
Cash flows from investing activities			
Purchase of property, plant and equipment	*5*	**(3,464)**	(1,713)
Sale of property, plant and equipment	*5*	**1,363**	24
Purchase of intangible assets	*7*	**-**	(57)
Proceeds from sale of investment properties	*8*	**71,290**	62,158
Investment in fixed deposits	*13*	**(105,000)**	117
Investment in joint venture	*10*	**(20,837)**	-
Net cash (used in)/from investing activities		**(56,649)**	60,529
Cash flows from financing activities			
Finance costs	*26*	**(1,823)**	(34)
Lease payments	*19*	**(1,965)**	(609)
Loan principal received	*17*	**26,000**	-
Loan principal repaid	*17*	**(738)**	-
Cash placed in debt service reserve account	*12*	**(672)**	
Net cash from financing activities		**20,802**	(643)
Net (decrease)/increase *in cash and cash* equivalents		**(69,796)**	66,762
Cash and cash equivalents, beginning of the year		**73,339**	6,577
Cash and cash equivalents, end of the year		**3,543**	73,339

* The comparative information presented has been restated (refer note 35).
The notes on pages 14 to 61 form an integral part of this consolidated financial statement.

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Al Khaleej Investment PSC and its subsidiaries

Notes to the consolidated financial statement

for the year ended 31 December 2025

1 Establishment and operations

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

The principal activities of the group consist of private funds investment, commercial enterprises investment, institution and management, buildings maintenance, detection services for real estate, real estate enterprises investment, development, institution and management. These consolidated financial statements incorporate the operating results of the commercial license no. 6061 and the following branches / subsidiaries.

#	Name	2025	2024	Activities
1	Prime Reem 151 SPV Ltd – ADGM	**100%**		- Other economic activities
2	Gulf Diamond Marine Services LLC	**100%**		- Chartering and Marine Logistics Services
3	Gulf Nova Energy Solutions LLC -	**100%**		- Installation and maintenance of alternative energy
4	Pinnacle Ventures Real Estate LLC	**50%**		- Real Estate Enterprises Investment,
5	NAF Holding LLC*	**0%**		- Educational Services and Investment
6	Sharjah branch	**100%**		- Establishing and managing real estate projects
7	Abu Dhabi branch	**100%**		- Real estate - fund investment-commercial
8	Dubai branch	**100%**		- Commercial investments

* *This company was incorporated during the year but has since been sold without any further liability or expense to the Group during 2025.*

The Company and its subsidiaries are collectively referred to as the 'Group'. The Group directly or indirectly controls the following subsidiaries which are domiciled in the UAE.

As at the reporting date, all these newly formed subsidiaries had not yet commenced operations.

2.1 BASIS OF PREPARATION

The consolidated financial statements of the Group are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB") and applicable requirements of the UAE Federal Decree Law No. (32) of 2021 as amended.

The consolidated financial statements have been prepared in United Arab Emirates Dirhams (AED), which is the Group'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 consolidated financial statements of each entity are measured using that functional currency.

The consolidated financial statements have been prepared on a historical cost basis except for financial assets and liabilities measured at fair value, wherever applicable.

Certain comparative amounts have been reclassified to conform to the presentation used in these consolidated financial statements.

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Al Khaleej Investment PSC and its subsidiaries

Notes to the consolidated financial statement

for the year ended 31 December 2025

2.1 BASIS OF PREPARATION *(continued)*

The consolidated financial statements comprise the financial statements of the Group and the entities controlled by the Group as at 31 December 2025. Control is achieved where all the following criteria are met:

a) the Group 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 Group has exposure, or rights, to variable returns from its involvement with the entity; and
c) the Group has the ability to use its power over the entity to affect the amount of the Group's returns.

Basis of consolidation

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:

a) The contractual arrangement with the other vote holders of the investee
b) Rights arising from other contractual arrangements; and
c) The Group's voting rights and a potential voting right

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 off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Subsidiaries

Subsidiaries are fully consolidated from the date of acquisition or incorporation, being the date on which the Group obtains control (irrespective of percentage of shareholding) and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting year as the Group, using consistent accounting policies. 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 intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group losses control over a subsidiary, it:

a) Derecognises the assets (including goodwill) and liabilities of the subsidiary;
b) Derecognises the carrying amount of any non-controlling interest;
c) Derecognises the cumulative translation differences, recorded in equity;
d) Recognises the fair value of the consideration received;
e) Recognises the fair value of any investment retained;
f) Recognises any surplus or deficit in the consolidated statement of comprehensive income; and
g) Reclassifies the Group's share of components previously recognised in other comprehensive income to the consolidated statement of comprehensive income or retained earnings, as appropriate.

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2.1 BASIS OF PREPARATION *(continued)*

Basis of consolidation *(continued)*

Equity accounted investee

The Group's interests in equity accounted investee comprise interests in a joint venture. Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities even if the shareholding is 50% or more.

The Group's investment in joint ventures are accounted for using the equity method of accounting. Under the equity method of accounting, investments in joint ventures are carried in the consolidated statement of financial position at cost, plus post-acquisition changes in the Group's share of net assets of the joint venture companies, less any impairment in value.

The consolidated statement of comprehensive income reflects the Group's share of results of its joint ventures. Unrealised profits and losses resulting from transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.2 KEY ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of consolidated financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. Information about judgements made in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following:

Judgments

The key judgments and estimates and assumptions that have a significant impact on the consolidated financial statements of the Group are discussed below:

Classification of investment properties

The Group determines whether a property qualifies as investment property in accordance with IAS 40 *Investment Property*. In making its judgment, the Group considers whether the property generates cash flows largely independently of the other assets held by the Group.

Operating lease–- Group as lessor

The Group has entered into commercial and retail property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties and so accounts for the contracts as operating leases.

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2.2 KEY ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS *(continued)*

Judgments *(continued)*

Classification of investments

Management designates at the time of acquisition of securities whether these should be classified as at fair value or amortised cost. In judging whether investments in securities are classified as at fair value or amortised cost, management has considered the detailed criteria for determination of such classification as set out in IFRS 9 *Financial Instruments*.

Valuation of investment properties

The Group hires the services of external professionally qualified valuers to obtain estimates of the market value of investment properties using recognised valuation techniques for the purposes of their impairment review and disclosures in the consolidated financial statements.

Held For sale assessment

Certain investment properties have been classified as assets held for sale during the year. Management has performed the required control assessment in accordance with IFRS 15 – Revenue from Contracts with Customers to evaluate whether control of these assets remains with the Group as at the reporting date. Based on this assessment, management has concluded that control continues to reside with the Group at year-end.

Key estimates and assumptions

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the CFO. The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified. Significant valuation issues are reported to the Group Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in 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*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.
Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 8 – investment property
- Note 15 – assets held for sale; and
- Note 9 – financial instruments

2.3 NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

New standards, amendments and interpretations issued but not yet effective

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

a. Standards issued and effective during the current year

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

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

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

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

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

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

2.4 MATERIAL ACCOUNTING POLICIES

Revenue recognition

Revenue from contracts with customers

The Group recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

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2.4 MATERIAL ACCOUNTING POLICIES *(continued)*

Revenue recognition *(continued)*

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the Group, and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Rental income

Rental income arising from operating leases on investment properties is recognised, net of discount, in accordance with the terms of lease contracts over the lease term on a straight-line basis.

Dividend income

Dividend income from investment is recognised when the Group's right to receive the payment has been established. Dividend income is classified under other income.

Finance income and finance costs

The Group's finance income and finance costs include:

- interest income;
- Profit on Sukuk
- interest expense;
- the net gain or loss on financial assets at FVTPL;
- the foreign currency gain or loss on financial assets and financial liabilities.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

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2.4MATERIAL ACCOUNTING POLICIES *(continued)*

Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured based on historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

However, foreign currency differences arising from the translation of the following items are recognised in OCI:

- an investment in equity securities designated as at FVOCI (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss).

Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and at the time of the transaction affect neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

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2.4 MATERIAL ACCOUNTING POLICIES *(continued)*

Income tax *(continued)*

***(ii) Deferred tax** (continued)*

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

In determining the amount of current and deferred tax the Group takes into account the impact of uncertain tax positions and whether additional taxes, penalties and late-payment interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact the tax expense in the period that such a determination is made.

Property, plant and equipment

Plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any impairment in value. Properties are shown at fair value, based on valuations by external independent valuer, less subsequent depreciation. Valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. When an item of properties is revalued, the carrying amount of that asset is adjusted to the revalued amount. The gross carrying amount and accumulated depreciation are adjusted proportionately to the change in the carrying amount.

Increases in carrying amount arising from revaluation of properties are credited to other comprehensive income and shown as revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against revaluation reserve directly in equity; all other decreases are charged to the statement of comprehensive income. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of comprehensive income, and depreciation based on the asset's original cost is transferred from 'revaluation reserve' to 'retained earnings'.

Subsequent costs are included in the carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred. When the property is sold, any related amount included in the revaluation reserve is transferred to retained earnings. Depreciation is calculated on a straight-line basis over the estimated useful lives as follows:

2.4 MATERIAL ACCOUNTING POLICIES *(continued)*

Property, plant and equipment *(continued)*

Buildings	10 - 20 years
Leasehold improvement	3-5 years
Furniture and fixtures	5 - 10 years
Motor vehicles	3 - 5 years
Office equipment	3 - 5 years

Capital work in progress is stated at cost, less any impairment. When commissioned, capital work in progress is transferred to the appropriate property, plant and equipment category and depreciated in accordance with the Group's policies. The useful lives, depreciation methods and residual values are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets. Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalized and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalized only when it increases future economic benefits of the related item of property, plant and equipment. All other expenditure is recognised in the consolidated statement of comprehensive income as the expense is incurred.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of property, plant and equipment may not be recoverable. Whenever the carrying amount of property, plant and equipment exceeds their recoverable amount, an impairment loss is recognised in the consolidated statement of comprehensive income. The recoverable amount is the higher of fair value less costs to sell of property, plant and equipment and the value in use. The fair value less costs to sell is the amount obtainable from the sale of property, plant and equipment in an arm's length transaction while value in use is the present value of estimated future cash flows expected to arise from the continuing use of property, plant and equipment and from its disposal at the end of its useful life.

Reversal of impairment losses recognised in the prior years are recorded when there is an indication that the impairment losses recognised for the property, plant and equipment no longer exist or have reduced.

Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. All of the Group's property held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties and are measured using the fair value model. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the year in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year in which the property is derecognised.

2.4 MATERIAL ACCOUNTING POLICIES *(continued)*

Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for- sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies.

Impairment losses on initial classification as held-for-sale or held-for- distribution and subsequent gains and losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss. Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated. In addition, equity accounting of equity-accounted investees ceases once classified as held for sale or distribution.

Investment in joint ventures

The consolidated statement of comprehensive income reflects the Group's share of the results of operations of its joint ventures. Where there has been a change recognised directly in the other comprehensive income, the Group recognises its share of any changes, when applicable, in the consolidated statement of comprehensive income or the consolidated statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and its joint ventures are eliminated to the extent of the interest in the joint venture.

The financial statement of joint ventures is prepared for the same reporting year as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint ventures. At each reporting date, the Group determines whether there is any objective evidence that the investment in the joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture, and it carrying value and recognises the impairment losses in the consolidated statement of comprehensive income.

Upon loss of significant influence over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in the consolidated statement of comprehensive income. When the remaining investment in joint ventures constitutes significant influence, it is accounted for as an investment in associate.

(a) Financial instruments

(i) Recognition and initial measurement

Financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

2.4 MATERIAL ACCOUNTING POLICIES *(continued)*

(a) Financial instruments *(continued)*

(i) Recognition and initial measurement *(continued)*

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. However, if the Group has an unconditional right to an amount that differs from the transaction price, the trade receivable will be initially measured at the amount of that unconditional right.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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2.5 MATERIAL ACCOUNTING POLICIES *(continued)*

(a) Financial instruments *(continued)*

Financial assets – Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest (SPPI criterion), the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

The Group classifies its financial assets into the following business models:

Held to collect

The Group maintains a portfolio of financial assets under a held-to-collect business model. This include financial assets arising from investment property. The aim of this model is to collect contractual cash flows from receivables.

Held for trading

The Group also holds listed equity securities and debt securities, which are acquired for trading purposes.

Financial assets – Assessment whether contractual cash flows are SPPI

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

2.4 MATERIAL ACCOUNTING POLICIES *(continued)*

(a) Financial instruments *(continued)*

Financial assets – Assessment whether contractual cash flows are SPPI *(continued)*

A prepayment feature is consistent with the SPPI criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant on initial recognition. The Group had no financial assets held outside trading business models that failed the SPPI assessment.

Financial assets – Subsequent measurement and gains and losses:

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash in hand, bank balances and short-term deposits with an original maturity of three months or less, net of outstanding bank overdrafts.

Trade and other receivables

Trade receivables are stated at original invoice amount (unless there is a significant financing component) less expected credit losses. When a trade receivable is uncollectible, it is written off against provision for doubtful debts. Subsequent recoveries of amounts previously written off are credited to the consolidated statement of comprehensive income.

Services rendered but not billed at the reporting date are accrued as per the terms of the agreements.

2.4 MATERIAL ACCOUNTING POLICIES *(continued)*

(a) Financial instruments *(continued)*

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition of financial assets

A financial asset (or, when applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement, and
- The Group has transferred its rights to receive cash flows from the asset and either:
  - has transferred substantially all the risks and rewards of the asset, or
  - has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Group has transferred it's right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECL") on financial assets measured at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort.

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2.4 MATERIAL ACCOUNTING POLICIES *(continued)*

(a) Financial instruments *(continued)*

Impairment of financial assets (continued)

This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Group considers this to be Baa3 or higher per Moody's rating scale or BBB- or higher per S&P / Fitch.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).
The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.
Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

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2.4 MATERIAL ACCOUNTING POLICIES *(continued)*

(a) Financial instruments *(continued)*

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Financial liabilities

Debt and equity instruments are classified as either financial liabilities or as equity instruments in accordance with the substance of the contractual agreements. Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivative instrument as appropriate. The Group determines the classification of its financial liabilities at the initial recognition.

Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

Loans and borrowings

Term loans are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the consolidated statement of comprehensive income when the liabilities are derecognised as well as through the amortisation process.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

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2.4 MATERIAL ACCOUNTING POLICIES *(continued)*

(a) Financial instruments *(continued)*

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The Group also derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in consolidated statement of comprehensive income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component. The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated under the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

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2.4 MATERIAL ACCOUNTING POLICIES *(continued)*

Leases *(continued)*

As a lessee (continued)

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost under the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to nil.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand- alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

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2.4 MATERIAL ACCOUNTING POLICIES *(continued)*

Leases *(continued)*

As a lessor (continued)

The Group recognises lease payments received under operating leases as income on a straight- line basis over the lease term as part of 'revenue'.

Earnings per share

The Group presents basic earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of comprehensive income net of any reimbursement.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation at the end of the reporting year, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Overview

The Group has exposure to the following risks from its use of financial instruments:

a) Credit risk;
b) Market risk; and
c) Liquidity risk.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk and the Group's management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. Group's senior management are responsible for developing and monitoring the Group's risk management policies and report regularly to the Board of Directors on their activities.

The Group's current financial risk management framework is a combination of formally documented risk management policies in certain areas and informal risk management policies in others. The Group's risk management policies (both formal and informal) are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(continued)*

The Group's Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group's Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Group's principal financial liabilities comprise interest-bearing borrowings, lease liability, amount due to related parties and trade and other payables. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various financial assets such as bank balances and cash, trade and other receivables, amounts due from related parties and other receivables and deposits, which arise directly from its operations.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below:

a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is exposed to credit risk principally from its receivables from customers, related parties, other receivables and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including the default risk of the industry and country, in which customers operate, have less influence on credit risk.

The Group has entered into contracts for the renting out of residential and commercial units an instalment basis. The instalments are specified in the contracts. The Group is exposed to credit risk in respect of instalments due. However, "The Group's exposure to credit risk is reduced through collateral in the form of post-dated cheques, which are obtained as a security measure against tenant default**.** In addition, instalment dues are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group establishes an allowance for impairment at each reporting date that represents its estimate of expected credit losses in respect of trade other receivables. The provision rates are based on days past due for customers with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Due from related parties

Due from related parties relates to transactions arising in the normal course of business with minimal credit risk.

Other financial assets and cash deposits

With respect to credit risk arising from the other financial assets of the Group, which comprise bank balances and cash, other receivables and deposits, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these assets.

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3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(continued)*

a) Credit risk *(continued)*

Credit risk from balances with banks and financial institutions is managed by Group's treasury in accordance with the Group's policy. The Group limits its exposure to credit risk by only placing balances with local banks of good repute. Given the profile of its bankers, management does not expect any counterparty to fail to meet its obligations. As at 31 December 2025, the Group's cash and cash equivalents comprised cash at bank of AED 4,205 thousand (31 December 2024: AED 9,220 thousand) and fixed deposits of AED 105,000 thousand (31 December 2024: AED 64,000 thousand). These balances are held with banks that have credit ratings ranging from Baa1 to A3, in accordance with Moody's credit rating classifications.

b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as currency risk and interest rate risk, which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Exposure to interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

Exposure to equity price risk

Equity price risk is the risk that the fair values of equities increase or decrease as a result of changes in the levels of equity indices and the value of individual stocks. Equity price risk arises from equity instruments held by the Group at fair value through profit and loss. Management of the Group monitors equity securities in its investment portfolio based on market indices. The primary goal of the Group's investment strategy is to maximize investment returns.

Exposure to foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's significant monetary assets and liabilities denominated in foreign currencies are either in USD or in currencies pegged to USD. As the AED is currently pegged to the USD, balances in USD and other currencies pegged against USD are not considered to represent significant currency risk.

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (e.g. trade receivables, other financial assets) and projected cash flows from operations.

The cash flows, funding requirements and liquidity of Group companies are monitored on a centralised basis, under the control of Group Treasury. The objective of this centralised system is to optimise the efficiency and effectiveness of the management of the Group's capital resources. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings. The Group manages liquidity risk by maintaining adequate reserves, banking facilities, by continuously monitoring forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Group currently has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations.

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3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(continued)*

d) Capital management

Capital includes equity attributable to the equity holders of the Parent. The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The primary objective of the Group's capital management strategy is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Board of Directors also monitors the return on capital, which the Group defines as net operating income divided by total shareholders' equity. The Board of Directors also monitors the level of dividends to shareholders, the return on capital to shareholders or issuance of new shares to maintain or adjust the capital structure. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2025 and 31 December 2024. Neither the Group nor any of its subsidiaries is subject to externally imposed capital requirements other than the statutory requirements in the jurisdictions where the Group or Group entities are incorporated.

4 SEGMENT REPORTING

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the chief financial and investment officer to make decisions about resources to be allocated to the segment and assess its performance.
Segment results that are reported to the chief financial and investment officer include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Group's headquarters), head office expenses, and income tax assets and liabilities.
Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill. Information related to each reportable segment is set out below. Segment profit before tax is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

Segment wise statement of financial position

	Real Estate	Investments	Others	Total
31 December 2025				
Investment in associates and joint venture	**-**	**20,837**	**-**	**20,837**
Other Segment assets				
Non-current assets	34,190	-	14,751	48,941
Current assets	118,711	131,930	5,414	256,055
Total assets	**152,901**	**152,767**	**20,165**	**325,833**
Segment liabilities				
Non-current liabilities	-	-	32,535	32,535
Current liabilities	1,433	64	6,182	7,679
Total liabilities	**1,433**	**64**	**38,715**	**40,214**
Net segment assets	**151,468**	**152,703**	**(18,550)**	**285,619**

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Al Khaleej Investment PSC and its subsidiaries

Notes to the consolidated financial statement

for the year ended 31 December 2025

All figures are in AED '000s

4 SEGMENT REPORTING *(continued)*

	Real Estate	Investments	Others	Total
31 December 2024				
Segment assets				
Non-current assets*	147,886	21,043	17,976	186,905
Current assets*	3,554	92,553	15,828	111,935
Total assets	**151,440**	**113,596**	**33,804**	**298,840**
Segment liabilities				
Non-current liabilities	-	-	10,273	10,273
Current liabilities*	3,363	-	4,231	7,594
Total liabilities	**3,363**	**-**	**14,504**	**17,867**
Net segment assets	**148,077**	**113,596**	**19,300**	**280,973**

* Restated (refer note 35)

Segment wise statement of profit or loss and other comprehensive income

31 December 2025	Real Estate	Investments	Others	Total
Property rentals	9,380	-	-	9,380
Segment revenue	**9,380**	**-**	**-**	**9,380**
Cost of sales	(3,468)	-	-	(3,468)
Gross profit	**5,912**	**-**	**-**	**5,912**
General and administrative expenses	-	-	(21,260)	(21,260)
Other income	293	148	103	544
Finance income	-	1,019	994	2,013
Finance cost	-	(1,219)	(604)	(1,823)
Gain from sale of investment property	1,301	-	-	1,301
Share of profit from equity accounted investee	-	20,751	-	20,751
Loss from investments carried at FVTPL	-	(216)	-	(216)
Gain from revaluation of investment property	96	-	-	96
Loss from revaluation of investment property	(809)			(809)
Impairment loss on trade receivables	(1,400)	-	-	(1400)
Profit for the year before tax	5,393	20,483	(20,767)	5,109

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Al Khaleej Investment PSC and its subsidiaries

Notes to the consolidated financial statement

for the year ended 31 December 2025

All figures are in AED '000s

4 SEGMENT REPORTING *(continued)*

31 December 2024				
Property rentals	16,969	-	-	16,969
Segment revenue	**16,969**	**-**	**-**	**16,969**
Cost of sales	(3,558)	-	-	(3,558)
Gross profit	**13,411**	**-**	**-**	**13,411**
General and administrative expenses*	-	-	**(7,951)**	(7,951)
Other income	317	701	16	1,034
Finance income	-	1,516	224	1,740
Gain on sale of investment property	1,063	-	-	1,063
Gain from revaluation of investment property	159	-	-	159
Impairment loss on trade receivables	(1,920)	-	-	(1,920)
Finance cost	-	-	(34)	(34)
Gain from investments carried at FVTPL	-	3,738	-	3,738
Profit for the year before tax	**13,030**	**5,955**	**(7,745)**	**11,240**

Other segment information

	Real Estate	Investment	Others	Total
31 December 2025				
Capital expenditure (property, plant and equipment)	-	-	3,464	3,464
Depreciation (property, plant and equipment)	-	-	(921)	(921)
31 December 2024				
Capital expenditure (property, plant and equipment)	59	-	1,654	1,713
Depreciation (property, plant and equipment)	-	-	(214)	(214)

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Al Khaleej Investment PSC and its subsidiaries

for the year ended 31 December 2025 *All figures are in AED '000s*

5 Property Plant and Equipment

Particulars	*Building*	*Leasehold Improvement*	*Furniture & Fixtures*	*Motor Vehicles*	*Office Equipment*	*CWIP*	*Total*
Cost:							
At 1 January 2024	3,617	-	970	538	875	-	6,000
Additions during the year	-	-	-	-	59	1,654	1,713
Disposals	-	-	-	(28)	(53)	-	(81)
At 31 December 2024	3,617	-	970	510	881	1,654	7,632
Additions during the year	-	2,425	917	-	98	24	3,464
Transfer to investment property	(2,357)	-	-	-	-	-	(2,357)
Transfer from capital work in progress	-	1,635	-	-	-	(1,635)	-
Disposals during the year	(1,260)	-	-	(325)	(15)	-	(1,600)
Write off during the year	-	-	-	-	-	(43)	(43)
At 31 December 2025	**-**	**4,060**	**1,887**	**185**	**964**	**-**	**7,096**
Accumulated depreciation:							
At 1 January 2024	-	-	407	524	536	-	1,467
Depreciation charge for the year	181	-	122	14	78	-	395
Disposals during the year	-	-	-	(28)	(45)	-	(73)
At 31 December 2024	181	-	529	510	569	-	1,789
Depreciation charge for the year	69	588	183	-	81	-	921
Transfer to investment property	(250)	-	-	-	-	-	(250)
Disposals during the year	-	-	-	(325)	-	-	(325)
At 31 December 2025	**-**	**588**	**712**	**185**	**650**	**-**	**2,135**
Net carrying amount:							
At 31 December 2025	**-**	**3,472**	**1,175**	**-**	**314**	**-**	**4,961**
At 31 December 2024	3,436	-	441	-	312	1,654	5,843

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6 Right-of-use asset

	31 December 2025	31 December 2024
Opening balance	**11,972**	**-**
Additions during the year	**-**	12,085
Charge for the year	**(2,304)**	(113)
At the end of the year	**9,668**	11,972

Right of use asset includes the office premises taken on lease for five years ending 14 December 2029.

7 Intangible assets

	Computer Software
Cost	
At 1 January 2024	550
Additions	57
At 31 December 2024	607
At 1 January 2025	607
Additions	-
At 31 December 2025	**607**
Accumulated Amortization	
At 1 January 2024	417
Amortization	29
At 31 December 2024	446
At 1 January 2025	446
Amortization	40
At 31 December 2025	**485**
Carrying Amount	
At 31 December 2024	161
At 31 December 2025	**122**

8 Investment property

	31 December 2025	31 December 2024
Plots of land located in U.A.E	**12,360**	11,201
Buildings located in U.A.E	**21,830**	136,685
	34,190	147,886

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8 Investment property *(continued)*

	Land	Building	Total
Opening as of 1 January 2024	11,201	197,621	208,822
Disposals during the year	-	(61,095)	(61,095)
Increase in fair value of investment property		159	159
At 31 December 2024	11,201	136,685	147,886
Disposals during the year	-	(69,990)	(69,990)
Transferred to assets held for sale	-	(45,909)	(45,909)
Transferred from property, plant and equipment	-	2,107	2,107
Gain / (loss) on change in fair value	1,159	(1,063)	96
At 31 December 2025	**12,360**	**21,830**	**34,190**

During the current year, the Group has sold five properties, which resulted in a net gain of AED 1,301 thousand (refer to Note 29). Investment property consists of lands, commercial and residential properties in Sharjah and Ras Al Khaimah, U.A.E. The Group has no restrictions on the realizability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements. The investment properties are pledged as security under the Group's loan agreement (refer Note 17).

During the year, five properties from Ajman and Sharjah have been transferred to assets held for sale.

Measurement of fair value

As at 31 December 2025, the fair values of the properties were determined using valuations prepared by an independent, professionally qualified valuer specialising in the valuation of similar types of investment property.

The fair values of properties have been determined by combination of the income capitalisation approach and the sales comparison approach. This is a market-based evaluation approach which takes into consideration expectations of market participants. The income capitalisation valuation approach provides a value estimate by converting future cash flows to a single current capital value. This approach considers the income that an asset will generate over its useful life and indicates value through a capitalisation process. In their analysis using this valuation approach, the valuer has applied a capitalisation rate to representative income stream amounts.

The capitalisation rate adopted also references the yield rates observed of similar properties in the locality and adjusted based on factors specific to the respective properties.

Accordingly, based on the above valuation a fair value gain of AED 96 thousand (31 December 2024 AED 159 thousand) has been recognised in the statement of profit and loss for the year ended 31 December 2025.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy of the entity's portfolios of investment properties are:

8 Investment property *(continued)*

Building

Market rental rates	based on the actual location, type and quality of the buildings and supported by prevailing market evidence. Average market rental values used were AED 440 per sqm per annum for commercial units (2024: AED 419) and AED 298 per sqm per annum for residential units (2024: AED 284). If rental rates were 10% higher/lower, the valuation would have been AED xxx thousand (2024: AED xxx thousand) higher/lower, with all other variables remaining constant.
Yield rate	reflecting the return expected by market participants for similar properties, with an average yield rate of 7.0% (2024: 5.6%). If the yield rate was 1% higher/lower, the valuation would have been AED xxx thousand (2024: AED xxx thousand) lower/higher, with all other variables remaining constant.
Operating expenses	representing maintenance, utilities and other costs necessary to maintain the properties in a rentable condition, averaging 6.3% of rental income (2024: 7.0%). If operating expenses were 10% higher/lower, the valuation would have been AED xxx thousand (2024: AED xxx thousand) lower/higher, with all other variables remaining constant.
Occupancy rate	based on historical and expected long-term occupancy levels of 97%–100% (2024: 96%–99%). If occupancy rates were 5% higher/lower, the valuation would have been AED xxx thousand (2024: AED xxx thousand) higher/lower, assuming all other inputs remain constant.
Market value per sqm	supported by comparable market transactions, averaging AED 322 per sqm (2024: AED 305).

Land

Market rental rates	based on comparable land lease arrangements, with an average market rental value of AED 192 per sqm per annum (2024: AED 178). If market rental values were 10% higher/lower, the valuation would have been AED xxx thousand (2024: AED xxx thousand) higher/lower, with all other inputs remaining constant.
Yield rate	applied to the estimated rental income, with a rate of nil in 2025 (2024: 3.4%). A change of 1% in the applied yield would have resulted in a valuation movement of AED xxx thousand (2024: AED xxx thousand), all other variables held constant.
Market value	based on comparable sales evidence, with an average market value of AED 180 per sqm (2024: AED 168). If the market value were 10% higher/lower, the valuation would have been AED xxx thousand (2024: AED xxx thousand) higher/lower, with all other variables remaining constant.

9 Financial assets

9.1 Investments mandatorily measured at FVTPL

	31 December 2025	31 December 2024
Investments in equity instruments – quoted	**23,127**	27,996
Investments in Tier 1 Sukuk -quoted	**2,227**	12,143
	25,354	40,139
Current	**25,354**	27,996
Non-current	**-**	12,143

Restated, refer note 35

9 Financial assets *(continued)*

9.1 Investments mandatorily measured at FVTPL (continued)

	2025	2024
Balance at 1 January	40,139	29,412
Add: Additions during the year	10,372	133,414
Less: Disposal during the year	(24,942)	(133,566)
Restatement effect (Note 35)*	-	9,546
Decrease/increase in fair value during the year	(215)	1,333
Balance at 31 December	**25,354**	**40,139**

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

	Level 1	Level 2	Level 3*	Total
31 December 2025	**25,354**	**-**	**-**	**25,354**
31 December 2024	40,139	-	-	40,139

Included in Level 3 are shares in a listed entity with nil value as of 31 December 2024 and 31 December 2025. *Restated, refer note 35. Valuations for Level 3 investments in securities have been derived by determining their redemption value which is generally net asset value per share of the investee companies. There were no transfers made between Level 1 and Level 3 during the year.

9.2 Financial assets at amortised cost

	31 December 2025	31 December 2024
Investments in Sukuk (restated, refer note 35)	**-**	8,900
	-	8,900

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

10 Investment in joint venture

	31 December 2025	31 December 2024
Capital contribution	**75**	-
Additional capital contribution	**11**	
Total capital contribution	**86**	
Share of loss from investment in joint venture	**(97)**	
Right for radiant to transfer SPA to JV	**20,847**	
Total share of profit from equity accounted investee	**20,837**	
	20,837	-

10 Investment in joint venture *(continued)*

During 2025, the Group entered an equal ownership joint venture, Pinnacle Ventures Real Estate, with a well reputed UAE developer to develop certain lands parcels in Abu Dhabi (the 'Project') under a joint venture agreement. Given market conditions, the joint venture partners have signed an addendum to their existing agreement and decided to hold the property for capital appreciation instead.

Under the terms of the joint venture, the Group's total remaining capital commitment aggregates AED 162 million, which will be contributed in stages aligned with agreed milestones. Interest in the joint venture is accounted for using the equity method. It is initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity accounted investee, until the date on which significant influence or joint control ceases.

The following table summarises the financial information of joint venture as included in its own financial statements. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in joint venture.

	31 December 2025	**31 December 2024**
Percentage ownership interest	**50%**	-
Non-current assets		-
Current assets	**21**	-
Non-current liabilities		-
Current liabilities	**171**	-
Net assets	**150**	-
Group share of net assets	**50%**	-
Carrying amount of interest in joint venture	**11**	-
Revenue	**-**	-
General & Administrative Expenses	**(193)**	-
Profit and total compressive income	**(193)**	-
Group's share of total comprehensive income	**(97)**	-

11 Trade receivables

	31 December 2025	31 December 2024
Trade receivables	**819**	6,512
Less: provision for impairment of receivables	**(242)**	(4,750)
Trade receivables – net	**577**	**1,762**

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

	31 December 2025	31 December 2024
At the beginning of the year	**4,750**	6,390
Charge for the year	**1,400**	1,920
Write off	**(5,908)**	(3,560)
At the end of the year	**242**	4,750

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

12 Other receivables

	31 December 2025	31 December 2024
Advance for land purchase	**71,753**	-
Cash placed in debt service reserve account*	**672**	
Dividend receivable	**441**	339
Accrued interest	**463**	101
Advance to suppliers	**554**	455
Refundable deposit	**399**	-
Prepayments	**328**	442
Deferred tax receivable	**557**	590
Others	**405**	895
	75,572	2,822

* Restricted cash pertains to funds maintained in a Debt Service Reserve Account (DSRA) under the terms and conditions of a loan. As at 31 December 2025, restricted cash is held in a restricted account in accordance with the terms of the Group's financing arrangements, which require the Group to maintain a minimum balance equivalent to quarterly interest and principal payments

13 Short-term deposits

	31 December 2025	31 December 2024
Fixed deposit	**105,000**	-

Short-term deposits comprise deposits with financial institutions with original maturity if six months and are measured at amortised cost. These deposits earn interest at prevailing market rates and are subject to insignificant risk of changes in value. As at 31 December 2025, no material expected credit losses were recognised on short-term deposits.

14 Cash and cash equivalents

	31 December 2025	31 December 2024
Bank balance – current accounts	**3,533**	9,220
Cash on hand	**10**	2
Fixed deposits – original maturity less than 3 months	**-**	64,117
	3,543	73,339

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

	31 December 2025	31 December 2024
Cash and cash equivalents in the statement of financial position	**3,543**	73,339
Cash and cash equivalents for the purpose of statement of cash flows	**3,543**	73,339S

15 Assets held for sale

During the year, certain investment properties were reclassified from investment property to non-current assets held for sale following management's commitment to a plan to dispose of the assets and the signing of sale and purchase agreements with third-party buyers.

As at 31 December 2025, legal title, control, and the significant risks and rewards of ownership had not transferred to the buyers and, accordingly, the assets had not been derecognised. The investment properties continue to be measured at fair value in accordance with IAS 40, as they are exempt from the measurement requirements of IFRS 5.

At 31 December 2025, assets held for sale comprised the following assets.

Assets classified as held for sale	**31 December 2025**	31 December 2024
Buildings	**45,909**	**-**
Less : loss on change of fair value	**(809)**	**-**
	45,100	**-**

Assets held for sale consists of commercial and residential properties in Sharjah and Ajman, U.A.E. The Group has no restrictions on the realizability of its assets held for sale and are pledged as security under the Group's loan agreement (refer Note 17).

Measurement of fair values

The fair values of the buildings as at 31 December 2025 have been classified within Level 2 of the fair value hierarchy in accordance with IFRS 13. The fair value measurement is based on observable market inputs, including recent offers received from third parties as part of an active marketing process. Management considers these offers to represent orderly transactions between market participants for identical or comparable assets in an open market. Accordingly, changes in fair value during the year were recognised based on these observable market inputs, consistent with the requirements of IFRS 13.

16 Equity

	31 December 2025	31 December 2024
Share capital (Authorised, issued and paid-up share capital 105,000,000 shares of AED 1.00 each) (a)	**105,000**	105,000
Statutory reserve (b)	**52,500**	52,500
Voluntary reserve (c)	**50,000**	50,000
Other reserve	**345**	345
Retained earnings*	**77,774**	73,128
	285,619	280,973

* Restated, refer to note 35

a) On 20 February 2025, the Board of Directors resolved to increase the Group's share capital by AED 400,000 thousand, through the issuance of 400,000 thousand new shares, each with a nominal value of AED 1 and an issuance price of AED 1 per share. This resolution was adopted by the shareholders in the general meeting held on 25 March 2025. The share capital increase is currently in progress, and the issuance of the new shares is expected to be re-approved by the shareholders in the next annual general meeting.

16 Equity *(continued)*

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

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

17 Borrowings

	31 December 2025	31 December 2024
Opening balance	**-**	-
Loan obtained during the current year	**26,000**	-
Interest expense (Note 26)	**741**	-
Less - loan repaid during the year	**(1,479)**	-
Closing balance	**25,262**	
Current	**1,476**	-
Non - current	**23,786**	-

During the year, the Group entered into a long-term loan agreement with a commercial bank for a total facility amount of AED 30,000 thousand. As of 31 December 2025, the Group had drawn down AED 26,000 thousand. The facility is a three-year term loan with a structured amortisation schedule, including quarterly principal repayments and a final bullet payment due at maturity. The facility is subject to certain financial covenants, which are satisfied as at 31 December 2025, and is secured by the real estate assets held by the Group.

18 Employees' end of service benefits

	31 December 2025	31 December 2024
At the beginning of the year	**864**	880
Charge for the year	**479**	180
Payments made during the year	**(488)**	(196)
At the end of the year	**855**	864

19 Lease liabilities

	31 December 2025	31 December 2024
At the beginning of the year	**11,374**	11,983
Interest expense for the year (refer Note 26)	**604**	34
Payments made against lease obligation	**(2,569)**	(643)
At the end of the year	**9,409**	11,374
Less: current portion	**2,112**	1,965
Non-current portion	**7,297**	9,409

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20 Trade and other payables

	31 December 2025	31 December 2024
Accruals*	**2,393**	1,068
Tenants' refundable deposits	**448**	860
Deferred revenue – rent received in advance	**708**	1,335
Corporate tax payable	**82**	1,064
Trade payables	**277**	1,168
VAT Payable	**119**	-
	4,027	5,495

* Restated, refer note 35

21 Related party transactions and balances

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

Due from related parties

	Relationship	**31 December 2025**	31 December 2024
Al Ramz Corporation PJSC (Al Ramz)	*Shareholder*	**887**	6,016
Apex Energy Holding Ltd. (Apex)	*Entity influenced by the same person*	**22**	**-**
Total		**909**	6,016

Due to related party

	Relationship	**31 December 2025**	31 December 2024
Pinnacle ventures real estate LLC	*Associate*	**64**	**-**
Total		**64**	6,016

a) Related party transactions	**31 December 2025**	31 December 2024
Margin loan received from Al Ramz	**9,993**	-
Settlement of margin loan from Al Ramz	**(9,993)**	-
Interest on margin loan from Al Ramz	**236**	-
Rental income from Apex	**300**	-

b) Compensation of key management personnel	**31 December 2025**	31 December 2024
Board of directors remuneration	**1,050**	1,050
Short-term benefit	**5,104**	263
Board of directors fee	**1,259**	162

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22 Income tax

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the Law) to enact a Federal Corporate Tax (CT) regime in the UAE. CT applies to all businesses and individuals conducting business activities under a commercial license in the UAE. Thus, the Company is subject to CT.

The CT regime has become effective for accounting periods beginning on or after 1 June 2023. The Group is subject to corporate tax from the financial year beginning from January 2024 onwards. The Cabinet of Ministers Decision No. 116 of 2022 effective from the year 2023, specified that corporate tax at a rate of 9% will apply to taxable income exceeding AED 375,000, a rate of 0% will apply to taxable income not exceeding AED 375,000 for a tax period.

Profit and loss	**31 December 2025**	31 December 2024
Income Tax	**-**	1,064
Net Deferred Tax	**597**	134
	597	1,198

Other comprehensive income	**31 December 2025**	31 December 2024
Income tax	**-**	
Net deferred tax	**463**	
	463	

Deferred taxes analyzed by type of temporary difference

Differences between IFRS Accounting Standards and statutory taxation regulations in the United Arab Emirates give rise to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases. Income tax asset relates to the tax receivable on the results of the Group, as adjusted in accordance with the taxation laws and regulations of the jurisdictions in which the Group operate.

Reconciliation of effective tax rate

In the reconciliation below, the expected tax rate reflects the corporation tax rate that is expected to apply to the taxable profit or loss for the year. The relationship between the tax expenses and the accounting profit can be explained as follows:

	31 December 2025	31 December 2024
Income tax expense	**-**	1,064
Deferred income tax (credit) / expense for the year	**463**	134
Deferred income tax (credit) / expense for the previous year	**134**	-
Net income tax charge for the year	**597**	1,198
Profit before tax for the year	**5,109**	11,240
Less: Effect of standard exemption	**-**	(375)
Tax using the Group's domestic tax rate		
Less: Income not subject to tax	**(148)**	(701)
Less: Income taxable on realisation basis	**79**	(1,492)
Less: Unrealised gain or loss	**(20,943)**	-
Tax effect of:		
Add- Expenses attributable to earning exempt income	**100**	
Add Non-deductible expenses	**-**	1,922
	(15,802)	10,594
Effective Income tax rate	**3.77%**	11.30%

22 Income tax *(continued)*

The Group has recognised deferred tax asset based on the estimate made by the management. The ETR for FY 2025 is nil on account of losses being incurred during the current year. Such losses have been carried forward and will be adjusted in subsequent years, as per rules and regulations under Federal Decree Law no 47 of 2022.

23 Revenue

Disaggregation of revenue

	31 December 2025	31 December 2024
Property rentals	**9,380**	16,969
	9,380	**16,969**

The Group operations and main revenue stream is rental income from residential and commercial properties. Rental income from operating leases of investment properties is recognised on a straight-line basis over the term of the lease. Revenue for the year includes rental income of AED 300 thousand (2024: AED nil) earned from a related party. Details of transactions with related parties, including the nature and terms of these rental arrangements, are disclosed in Note 21.

Primary Geographical Markets

	31 December 2025	31 December 2024
UAE	**9,380**	16,969
	9,380	**16,969**

24 Direct costs

	31 December 2025	31 December 2024
Commission expense	**1,147**	16
Maintenance cost	**894**	1,033
Staff cost	**551**	1,351
Utilities	**497**	903
Government fees	**199**	113
Bank charges	**48**	17
Insurance	**76**	69
Cleaning	**2**	20
Others	**54**	36
	3,468	**3,558**

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25 General and administrative expenses

	31 December 2025	31 December 2024
Staff salaries	**11,977**	4,548
Professional and consultancy	**3,065**	516
Depreciation on right of use asset (refer Note 6)	**2,304**	113
Director's expenses*	**1,176**	1,475
Depreciation property, plant and equipment (refer Note 5)	**921**	395
Communication	**184**	137
Rent	**-**	15
Amortisation (refer Note 7)	**40**	29
Others	**1,593**	723
	21,260	**7,951**

* Restated, refer to note 35

26 Finance income / cost

	31 December 2025	31 December 2024
Finance income		
Profit on Sukuk	**1,019**	1,516
Interest income on fixed deposits	**994**	224
	2,013	1,740

	31 December 2025	31 December 2024
Finance cost		
Interest expense on loan (refer Note 17)	**741**	-
Interest on lease liabilities (refer Note 19)	**604**	34
Bank charges	**214**	-
Other	**264**	-
	1,823	34

27 (Loss) / gain from investments mandatorily measured at FVTPL

	31 December 2025	**31 December 2024**
Realised gain on investments mandatorily measured at FVTPL	**563**	2,405
Unrealised gain / (loss) on investments mandatorily measured at FVTPL	**(779)**	1,333
	(216)	3,738

28 Loss on change in fair value of assets held for sale

	31 December 2025	31 December 2024
Loss on change in fair value of assets held for sale	**809**	**-**
	809	**-**

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29 Gain on revaluation of investment property

	31 December 2025	31 December 2024
(a) Gain on sale of investment properties (refer Note 8)	**1,301**	1,063
	1,301	1,063
(b) Increase in fair value of investment property	**96**	159
	96	159

30 Other income

	31 December 2025	31 December 2024
Gain on sale of property, plant and equipment	**103**	16
Dividend income	**148**	701
Other miscellaneous income *	**293**	317
	544	1,034

***** Miscellaneous income included termination, administration and maintenance fees.

31 Commitments and contingencies

Under the terms of the joint venture, the Group's total remaining capital commitment aggregates AED 162,000 thousand, as of 31 December 2025 (31 December 2024: Nil).

Further, the Group is the claimant in legal proceedings against a third party in relation to purchase of land bank in the UAE. The proceedings are at an early stage and the outcome is uncertain. Based on legal advice, management considers that a favourable outcome is possible. No asset has been recognised in the financial statements in accordance with IAS 37. The estimated financial effect cannot be reliably measured at this stage.

32 Earnings per share/diluted share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to the shareholders of the Group by the weighted average number of ordinary shares outstanding during the year.

Earnings	31 December 2025	31 December 2024
Profit for the year, attributable to the shareholders	**4,646**	9,713
	4,646	9,713
Number of shares in thousands		
Number of ordinary shares for basic earnings per share	**105,000**	105,000
	105,000	105,000
Earnings per share		
Basic and diluted earnings per share (AED)	**0.04**	0.09
	0.04	0.09

33 Earnings before interest, taxes, depreciation, and amortisation (EBITDA)

	31 December 2025	31 December 2024
Profit for the year before tax	**5,109**	11,240
Tax expense	**(463)**	(1,198)
	4,646	10,042
Adjustments for:		
Depreciation on right of use asset	**2,304**	395
Depreciation on property, plant and equipment	**921**	112
Finance income, net	**(190)**	(1,706)
Amortisation	**40**	28
	7,721	8,542

34 Comparative figures

The previous year figures have been regrouped wherever necessary, to conform to the current year presentation. The regrouping does not affect the previously reported net assets, total equity and the profit or loss and other comprehensive income, except for the restatement described in note 35.

35 Restatement of comparative balances

During 2025, the Group identified the following errors:

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

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

During the current year, management identified that accruals for Board of Directors' remuneration relating to the year ended 31 December 2024 were not recognised in the prior year's consolidated financial statements. The omission represented a prior-year error, as the liability for such remuneration existed at the prior reporting date based on services rendered and the expected approval at the Annual General Assembly. As a result, accrued expenses were understated and retained earnings were overstated by AED 1,050 thousand as at 31 December 2024. The net income for the year ended 31 December 2024 was also overstated by the same amount. This error has been corrected by restating each of the affected consolidated financial statement line items for prior years.

35 Restatement of comparative balances *(continued)*

These errors have been corrected by restating each of the affected consolidated financial statement line items for the prior years. In addition, basic and diluted earnings per share for the year ended 31 December 2024 were overstated by AED 0.01.

During the current year, management identified an error in the classification of cash flows relating to investments carried at FVTOCI, amortised cost, and FVTPL, including related dividend income. These cash flows were incorrectly presented under investing activities in the prior year. Based on the Group's business model for managing these financial assets, management determined that these cash flows should have been classified under operating activities in accordance with IAS 7 and IFRS 9. The error has been corrected by restating the comparative cash flow statement, resulting only in a reclassification between operating and investing activities, with no impact on total equity, profit, or net cash and cash equivalents.

The following table summarizes the impact on the Group's financial statements.

i) Consolidated statement of financial position

1 January 2024	**Impact of correction of errors**		
	As previously reported	**Adjustments**	**As restated**
ASSETS			
Non-current assets			
Investments carried at amortised cost	21,767	(12,143)	9,624
Financial assets mandatorily measured at FVTPL	-	12,143	12,143
Other non-current assets	215,291	-	215,291
Total non-current assets	**237,058**	**-**	**237,058**
Current assets			
Investments carried at amortised cost	29,412	(2,597)	26,815
Other current assets	14,100	-	14,100
	43,512	**(2,597)**	**40,915**
Total Assets	**280,570**	**(2,597)**	**277,973**

1 January 2024	**Impact of correction of errors**		
EQUITY			
Other equity	208,468	-	208,468
Retained earnings	66,789	(2,597)	64,192
	275,257	**(2,597)**	**272,660**
Total non-current liabilities	880	-	880
Total non-current liabilities	**880**	**-**	**880**
Trade and other payables	**4,433**	**-**	4,433
Total current liabilities	**4,433**	**-**	**4,433**
Total equity and liability	**280,570**	**(2,597)**	**277,973**

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35 Restatement of comparative balances *(continued)*

i) Consolidated statement of financial position *(continued)*

31 December 2024	**Impact of correction of errors**		
	As previously reported	**Adjustments**	**As restated**
ASSETS			
Non-current assets			
Property, plant and equipment	6,024	(181)	5,843
Investments carried at amortised cost	21,043	(12,143)	8,900
Financial assets mandatorily measured at FVTPL	-	12,143	12,143
Other non-current assets	160,019	-	160,019
Total non-current assets	**187,086**	**(181)**	**186,905**
Current assets			
Investments carried at amortised cost	30,593	(2,597)	27,996
Other current assets	83,939	-	83,939
	114,532	**(2,597)**	**111,935**
Total assets	**301,618**	**(2,778)**	**298,840**
EQUITY			
Other equity	**207,845**	**-**	**207,845**
Retained earnings	**76,956**	**(3,828)**	**73,128**
	284,801	**(3,828)**	**280,973**
Total non-current liabilities	**10,407**	**-**	**10,407**
	10,407	**-**	**10,407**
Trade and other payables	**4,445**	**1,050**	**5,495**
Other current liabilities	**1,965**	**-**	**1,965**
Total current liabilities	**6,410**	**1,050**	**7,460**
Total equity and liability	**301,618**	**(2,778)**	**298,840**

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35 Restatement of comparative balances *(continued)*

i) Consolidated statement of cash flows

	Impact of correction of errors		
31 December 2024	**As previously reported**	**Adjustments**	**As restated**
Cash flows from operating activities			
Profit for the year	12,471	(1,231)	11,240
Adjustments for:			
Depreciation of plant and equipment	214	181	395
Provision for board of directors' remuneration		1,050	1,050
Purchase of investment carried at FVTOCI		(3,716)	(3,716)
Proceeds from disposal of investments carried at FVTOCI		5,190	5,190
Inflow from investments carried at amortised cost		724	724
Proceeds from disposal of investments at FVTPL		135,974	135,974
Purchase of investments at FVTPL		(133,414)	(133,414)
Cash flows from operating activities			
Dividend income		701	701
Others	(13,009)	-	(13,009)
Net cash used in operating activities	(324)	5,459	5,135
Cash flows from investing activities			
Purchase of investment carried at FVTOCI	(3,716)	3,716	-
Proceeds from disposal of investments carried at FVTOCI	5,190	(5,190)	-
Inflow from investments carried at amortised cost	724	(724)	-
Proceeds from disposal of investments at FVTPL	135,974	(135,974)	-
Purchase of investments at FVTPL	(133,414)	133,414	-
Dividend income	701	(701)	-
Others	62,152	117	62,269
Net cash used in investing activities	**67,611**	**(5,342)**	**62,269**
Net cash from financing activities	(642)	-	(642)
Net increase in cash and cash equivalents	**66,645**	**117**	**66,762**
Cash and cash equivalents at the beginning of the year	6,577	-	6,577
Cash and cash equivalents at the end of the year	**73,222**	**117**	**73,339**

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35 Restatement of comparative balances *(continued)*

iii) Statement of profit or loss and other comprehensive income

31 December 2024	As previously reported	Impact of correction of errors Adjustments	As restated
Gross profit	13,411	-	13,411
General and administrative expenses	(6,720)	(1,231)	(7,951)
Others	5,780	-	5,780
Profit for the year before tax	12,471	(1,231)	11,240
Tax	(1,198)	-	(1,198)
Profit for year	11,273	(1,231)	10,042
Other comprehensive income	(329)	-	(329)
Total comprehensive income for the year	10,944	(1,231)	9,713

36 Financial instruments and risk management

Details of material policies and methods adopted including the criteria for recognition for the basis of measurement in respect of each class of financial assets and financial liabilities are disclosed in Note 3 to the consolidated financial statements.

	Financial assets	Financial liabilities
31 December 2025		
Trade and other receivables (refer Note 11)	**3,724**	-
Fixed deposits (refer Note 13)	**105,000**	-
Investments mandatorily measured at FVTPL	**25,354**	-
Right of use asset	**9,668**	-
Cash and cash equivalents (refer Note 14)	**4,215**	-
Borrowings (refer Note 17)	-	**25,262**
Trade and other payables (refer Note 20)	**-**	**4,027**
Lease liability (refer Note 19)	**-**	**9,409**
	147,961	**38,698**

31 December 2024	**Financial assets**	**Financial liabilities**
Investments mandatorily measured at FVTPL	40,139	-
Right of use asset	11,972	-
Investments carried at amortised cost (refer Note 9.2)	8,900	-
Trade and other receivables (refer Note 11)	4,584	-
Fixed deposits (refer Note 13)	-	-
Cash and cash equivalents (refer Note 14)	73,339	-
Borrowings (refer Note 17)	-	-
Trade and other payables (refer Note 20)	-	5,495
Lease liability (refer Note 19)	-	11,374
	138,934	**16,869**

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36 Financial instruments and risk management *(continued)*

Credit risk

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.

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

Fair value measurements recognised in the statement of financial position:

Some of the Group financial assets are measured at fair value at the end of the reporting year:

Investments carried at:	Fair value hierarchy	Valuation techniques & key input	31 December 2025	31 December 2024
FVTPL	Level 1	Quoted Price	25,354	40,139

The Group's financial risk management policies set out the Group's overall business strategies and risk management philosophy. The Group's overall financial risk management program seeks to minimize potential adverse effects on the financial performance of the Group. The management carries out overall financial risk management covering specific areas, such as market risk (including foreign exchange risk and interest rate risk), credit risk, and liquidity risk and investing excess cash.

The Group's activities may expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. The Group does not hold or issue derivative financial instruments for speculative purposes.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 31 December 2025, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to
failure to discharge an obligation by the counterparties and financial guarantees provided by the Group arises from the carrying amount of the respective recognised financial assets as stated in the statement of financial position.

In order to minimise credit risk, the Group has tasked its management to develop and maintain the Group credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, management uses other publicly available consolidated financial statements and the Group 's own trading records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

36 Financial instruments and risk management *(continued)*

Financial risk management objectives *(continued)*

Credit risk *(continued)*

Exposure to credit risk

The carrying amount of financial asset represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was

	31 December 2025	31 December 2024
Trade and other receivables (excluding prepayments, advances and deferred tax) Refer note 12	2,957	3,097
Due from related party (refer Note 21.a)	909	6,016
Fixed deposits (refer Note 13)	105,000	-
Cash and cash equivalents (refer Note 14)	3,543	73,337
Total	**112,409**	**82,450**

Trade receivables, due from related parties and other receivables

The impairment provision as at 31 December 2025 was determined for the trade receivables within the real estate business, as follows, based on management assessment of default from the date being 90 days from the date the counter party fails to make contractual payment:

Expected credit loss

	Weighted Weighted Average Loss rate	**Gross Balance**	**Impairment**	**Net Receivable**
31 December 2025				
0-30 days	-	141	-	141
31-60 days	-	25	-	25
61-90 days	-	28	-	28
91-120 days	-	25	-	25
121-300 days	-	-	-	-
Over 300 days	40%	600	242	358
Total	-	**819**	**242**	**577**

	Weighted Weighted Average Loss rate	**Gross Balance**	**Impairment**	**Net Receivable**
31 December 2024				
0-30 days	-	147	-	147
31-60 days	-	666	-	666
61-90 days	-	728	-	728
91-120 days	-	-	-	-
121-300 days				
Over 2 years	60%	556	335	221
Over 3 years	100%	4,415	4,415	-
Total		6,512	4,750	1,762

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36 Financial instruments and risk management *(continued)*

Financial risk management objectives *(continued)*

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the management which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Group's financial instruments. The contractual maturities of the financial instruments have been determined on the basis of the remaining period at the reporting date to the contractual maturity date. The maturity profile is monitored by management to ensure adequate liquidity is maintained. The maturity profile of the financial assets and financial liabilities at the reporting date based on contractual repayment arrangements was as follows:

Particulars	**Less than 1 year**	***1 to 2 years***	***over 2 years***	**Total**	**Carrying amount**
Financial Liability					
Trade and other payables	**3,118**	**-**	**-**	**3,118**	**3,118**
Due to Related parties	**64**	**-**	**-**	**64**	**64**
Borrowings	**3,143**	**3,043**	**23,024**	**29,210**	**25,262**
Lease liability	**2,631**	**2,814**	**5,169**	**10,614**	**9,409**
At 31 December 2025	**8,956**	**5,857**	**28,193**	**43,006**	**37,853**

Particulars	**Less than 1 year**	***1 to 2 years***	***over 2 years***	**Total**	**Carrying amount**
Financial Liability					
Trade and other payables	3,096	**-**	**-**	3,096	3,096
Lease liability	2,569	2,631	7,983	13,183	11,374
At 31 December 2024	5,665	2,631	7,983	16,279	14,470

Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. Market risk exposures are measured using sensitivity analysis. There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

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36 Financial instruments and risk management *(continued)*

Market risk *(continued)*

Interest risk *(continued)*

Exposure to equity price risk

Equity price risk is the risk that the fair values of equities increase or decrease as a result of changes in the levels of equity indices and the value of individual stocks. Equity price risk arises from equity instruments held by the Group at fair value through profit and loss. Management of the Group monitors equity securities in its investment portfolio based on market indices. The primary goal of the Group's investment strategy is to maximize investment returns. The effect on fair value of investment in securities (as a result of a change in the fair value of equity instruments held at fair value through profit and loss as at 31 December) due to a reasonably possible change in equity indices, with all other variables held constant, is as follows:

	31 December 2025		31 December 2024	
	Changes in Currency rate%	Effect of Equity / profit	Changes in Currency rate%	Effect of Equity / profit
Teir 1 Sukuk	±10%	223	±10%	223

Foreign currency risk

The Group does not have any significant exposure to currency risk, as most of its assets and liabilities are denominated in Arab Emirates Dirham.

Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

	31 December 2025	31 December 2024
Fixed rates instruments		
Financial asset	105,000	-

Cash flow sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings):

36 Financial instruments and risk management *(continued)*

Market risk *(continued)*

Interest risk *(continued)*

	31 December 2025	31 December 2024
Variable rates instruments		
Financial liability	25,262	-

	31 December 2025		31 December 2024	
	Changes in interest rate%	Sensitivity of interest expense	Changes in interest rate	Sensitivity of interest expense
Financial liabilities	±1%	253	±1%	-

The investments in financial products are not for trading or speculative purposes but placed in securities or fixed deposits, with the objective of achieving better returns than cash at bank.

37 Uncertainty related to key estimates

Fair value of investments

The fair value of equities decreases because of changes in the levels of equity index and the value of individual stocks. The Group's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The effect on statement of profit or loss and other comprehensive income as a result of a change in the fair value of equity instruments quoted on different stock exchange markets and held at FVTPL at December 31, 2025, due to reasonably possible changes in the prices of these quoted shares held by the Group, with all other variables held constant, is as follows.

	31 December 2025		31 December 2024	
Market index	Changes in market prices %	Effect on statement of profit or loss and other comprehensive income	Changes in market prices %	Effect on statement of profit or loss and other comprehensive income
Abu Dhabi Securities Exchange	±5%	±1,156	±5%	±1,530

38 Other Information

The Group has invested in equity securities during the year ended 31 December 2025. (refer note 9)

39 Events after the year-end report

Post year end, the Group has entered into SPAs for the sale of three investment properties in Ajman and Sharjah. These have been classified as assets held for sale (refer Note 15).

There are no other significant events after the year-end report, which affect the consolidated financial statements or disclosures.