

**MBME Group P.J.S.C.**  
**Abu Dhabi, United Arab Emirates**

**Reports and financial statements**  
**For the year ended 31 December 2025**

**MBME Group P.J.S.C.**  
**Abu Dhabi, United Arab Emirates**

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**MBME Group P.J.S.C.**  
**Abu Dhabi, United Arab Emirates**

**General information**

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Principal office address: Office 3303 & 3304, Landmark Tower  
P.O. Box: 26448  
Abu Dhabi, United Arab Emirates

The Directors: Ali Mohamed Saeed Albadi  
Saeed Mohamed Saeed Albadi  
Abdelhadi Mohamed  
Hanan Mohd Abdullah Sorogli  
Majd Adnan Salem Maaithah

The Auditor: Baker Tilly SM Auditing L.L.C S.O.C  
Abu Dhabi, United Arab Emirates

The Banks: Abu Dhabi Commercial Bank,  
Abu Dhabi, United Arab Emirates  
  
Emirates Islamic Bank,  
Dubai, United Arab Emirates  
  
First Abu Dhabi Bank,  
Abu Dhabi, United Arab Emirates

# **MBME Group P.J.S.C.**

## **Abu Dhabi, United Arab Emirates**

### **Directors' report**

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The Directors have pleasure in presenting the report and the audited financial statements for the year ended 31 December 2025.

#### **Principal activities of the Company**

The principal activities of MBME Group P.J.S.C. are investment, establishment, and management of commercial enterprises, industrial ventures, and technology-related projects.

#### **Our Vision**

Our vision is to establish a premier national and regional technology ecosystem, delivering unique, innovative, and high-quality products, services, and investment opportunities for our business partners. We aim to be at the forefront of technological advancement, setting new standards for excellence and innovation.

#### **Our Mission**

Our mission is to drive economic development in the UAE, GCC, MENA, and African regions, maximizing value for clients and stakeholders. We are committed to leading the digital transformation of our industry, contributing to the prosperity and technological progress of the communities we serve.

#### **Our Values**

At MBME Group, our core values guide our actions and shape our identity, fostering a culture of excellence and integrity:

- Integrity: We uphold the highest standards of honesty and ethical behavior.
- Customer Focus: Our customers are our priority, striving to deliver exceptional value.
- Innovation: We embrace change and continuously innovate to stay ahead.
- Teamwork: Collaboration and diversity help us achieve our goals together.
- Excellence: We strive for superior results through dedication and quality.
- Responsibility: We are dedicated to improving practices that support the environment and our communities.
- Accountability: We take responsibility for our actions, building trust through our commitments.

#### **MBME Pay Payment Services Provider Sole Proprietorship LLC**

##### ***Principal activity and business model***

MBME Pay is a licensed payment service provider operating in the United Arab Emirates. The investee operates one of the country's largest unified payment aggregation platforms (the "AAP"), connecting government, semi-government and private service providers with end users across a network of physical kiosks, digital channels and merchant interfaces.

The platform provides a range of payment services including, but not limited to: bill payment for utilities and telecommunications; e-wallet top-ups; payment of traffic fines and government fees; voucher purchases; charitable donations; and access to a portfolio of smart services. The investee operates through partnerships with licensed payment service providers and intermediates payment flows between merchants, processors and end users. It does not assume direct settlement risk on the transactions it processes.

The investee maintains an operational footprint across the seven Emirates of the UAE, supported by a network of smart kiosks, merchant points-of-presence and digital service channels. Operational relationships are maintained with a number of federal and emirate-level government entities. The investee's UAE operating base supports localisation, service-level performance and regulatory compliance with the Central Bank of the UAE retail payment service provider regulatory framework.

##### ***Performance during the year***

During the year ended 31 December 2025, the investee continued to expand its merchant network and end-user base, supported by sustained growth in digital channel adoption and the addition of new service categories to the platform. During the year, MBME Pay continued to generate positive operating cash flow and maintained a net cash position throughout the year. More specifically, for the year ended 31 December 2025, MBME Pay achieved its annual budget targets, confirming the commercial viability of the business model and the assumptions underlying the fair value assessment.

**MBME Group P.J.S.C.**  
**Abu Dhabi, United Arab Emirates**

**Directors' report (continued)**

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***Carrying amount and basis of valuation***

The fair value of the investment at 31 December 2025 was AED 6,376,929,000 (2024: AED 6,216,686,400) (Refer note 6 and note 19), representing a fair value gain of AED 160,242,600 recognised in the statement of profit or loss and other comprehensive income for the year. The fair value was determined by an independent external valuer using a combination of the Income Approach (Discounted Cash Flow method) and the Market Approach.

***Strategic intent and future value consideration***

The investment in MBME Pay represents the Company's principal platform investment and the most significant contributor to fair value within the portfolio. The Directors have considered the monetisation pathways available in respect of the investment over a 5 to 7 year horizon. These pathways include, in order of current preference: (i) introduction of a minority strategic or financial partner via primary or secondary share issuance; (ii) sale to a regional strategic acquirer in the payments or financial infrastructure sector; or (iii) listing of the investee on a recognised securities exchange. Progress against each pathway is reviewed by the Board on at least an annual basis.

Subsequent to year end, on 8 April 2026, MBME Pay received a Category 3 license approval from the Central Bank, representing a significant strategic milestone for the investee. The license approval strengthens MBME Pay's regulatory standing and enhances its ability to expand its digital payment solutions and service offerings within the regulated financial services sector. Management believes that this regulatory approval further supports the long-term growth prospects of the business, reinforces market credibility, and provides additional validation of the investee's operating model and strategic direction.

**Wow Pay Payment Services Provider LLC**

***Principal activity and business model***

Wow Pay is a payment technology services provider focused on the development and distribution of proprietary financial-services infrastructure. The investee's product portfolio includes white-label payment application programming interfaces (APIs); modular Banking-as-a-Service infrastructure; merchant payment solutions; customer relationship management tools; point-of-sale terminal hardware and software; and a micro-loan origination platform.

Wow Pay's revenue model is built on licensing fees from the distribution of software licences and API access fees. The investee monetises its intellectual property through both per-transaction licensing arrangements and subscription-based access fees with payment service providers, banks and merchants. Target customer segments span the UAE, the broader Gulf Cooperation Council and selected African markets.

Intellectual property assets including source code, algorithmic concepts, web-portal architecture, mobile application stack, payment gateway logic and the underlying payment platform were transferred to the Company. These assets form the technical foundation of the investee's product portfolio. The transfer was effected in-kind through residual interest contribution by the common shareholders and is reflected in the Additional Contribution (refer Note 10).

***Performance during the year***

The investee remained in a commercialisation phase during the year. Activity during the year focused on the build-out of the licensing pipeline, the negotiation of distribution agreements with potential customers, and the continued development of the underlying product portfolio.

Revenue generation during the year remained at an early development stage and the investee continued to operate at a development-phase cost base. The independent external valuer's assessment concluded that no upward revaluation of the investment was supportable at 31 December 2025 pending crystallisation of contracted licensing revenue.

***Carrying amount***

The fair value of the investment at 31 December 2025 was AED 212,860,000 (2024: AED 212,860,000) (Refer note 6 and note 19), unchanged from the prior reporting date.

**MBME Group P.J.S.C.**  
**Abu Dhabi, United Arab Emirates**

**Directors' report (continued)**

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***Strategic intent and future value consideration***

The Directors have identified two principal monetisation pathways for the investment, (i) commercial scale-up of the investee's licensing business to a level supporting strategic acquisition by a payments-infrastructure consolidator or financial-services technology buyer; or (ii) operational integration with MBME Pay to create a vertically-integrated payments platform, with subsequent realisation through a combined transaction. The Directors will reassess the relative attractiveness of each pathway over the medium term based on the investee's commercial trajectory.

**MBME Neo Information Technology LLC**

***Principal activity and business model***

MBME Neo is positioned to operate as a digital banking and investment services platform, leveraging MBME Pay's existing customer base and distribution network to deliver financial services through digital channels. The investee's business plan contemplates the offering of digital payment, savings and investment products to retail customers in the UAE, complemented by partnerships with crowdfunding platforms and venture capital professionals to extend the product offering beyond conventional banking services.

The investee's business model is designed around the principle of asset-light digital distribution, with regulatory licensing and capital requirements expected to be addressed through one or more partnership arrangements with established financial institutions. The investee does not currently hold a banking licence in its own right.

***Performance during the year***

The investee remained in a pre-revenue build phase during the year. Activity during the period focused on the development of the underlying technology stack, the design of the proposed product portfolio and the identification of regulatory and distribution partners. The investee did not generate revenue during the year. Operating costs are funded through the broader Group treasury structure.

***Carrying amount and basis of valuation***

The fair value of the investment at 31 December 2025 was AED 11,010,000 (2024: AED 11,010,000) (Refer note 6 and note 19), unchanged from the prior reporting date. The fair value reflects the embedded option value of the investee's planned product roll-out, the strategic value of access to the MBME Pay distribution network, and an asset-light cost base.

***Strategic intent and future value consideration***

The Directors have considered the realisation pathways available in respect of the investment. These include: (i) commercial launch followed by strategic partnership with, or sale to, a regional retail bank or digital-banking incumbent seeking accelerated UAE market entry; or (ii) integration with MBME Pay as part of a combined transaction.

**MBME Investment LLC**

***Principal activity and business model***

MBME Investment LLC is an investment holding company established to make minority and majority equity investments in technology businesses and adjacent sectors across selected emerging markets. The investee's primary geographic focus spans the UAE, Egypt, Saudi Arabia, Malaysia and Indonesia. The investee's portfolio strategy is constructed around four investment themes: digital payments, digital financial infrastructure, blockchain and tokenisation technologies, and selected non-core diversification holdings.

***Carrying amount and basis of valuation***

The aggregated fair value at 31 December 2025 was AED 67,968,400 (2024: AED 517,471,145) (Refer note 6 and note 19). The fair value was determined by an independent external valuer using a combination of the Income Approach (Discounted Cash Flow) and Market Approach methods applied at the level of each material portfolio company within the investee.

**MBME Group P.J.S.C.**  
**Abu Dhabi, United Arab Emirates**

**Directors' report (continued)**

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***Strategic intent and future value consideration***

MBME Investment LLC is held as the Group's vehicle for emerging-market technology and adjacent investments. Each portfolio investment is assessed against a defined exit horizon of typically 4 to 6 years from acquisition. Monetisation pathways at the portfolio company level include: (i) trade sale to a strategic acquirer; (ii) secondary sale to a financial sponsor; or, in the case of portfolio companies that achieve sufficient scale, (iii) a separate liquidity event.

**M Capital Limited**

***Principal activity and business model***

M Capital Limited is a private company limited by shares incorporated in the Abu Dhabi Global Market. The investee is licensed and regulated by the ADGM Financial Services Regulatory Authority as a Category 3C alternative investment manager. The investee's regulated activities include managing collective investment funds and arranging deals in investments.

M Capital Limited is the regulated investment-management entity through which the Group is establishing its alternative investment platform. The investee's investment mandate is focused on growth equity and venture investing across three core sector verticals Payments and Financial Infrastructure; Cybersecurity and Digital Trust; and Artificial Intelligence and Enterprise Automation and across a defined geographic footprint comprising the Gulf Cooperation Council, Africa and South Asia.

During the financial year, the investee progressed the establishment of its inaugural fund vehicle, the M Capital Alternative Growth Fund SPC, a segregated portfolio company to be incorporated in the Cayman Islands.

***Initial investment during the year***

M Capital Limited was incorporated during the financial year as a newly-established wholly owned entity of the Company. The investment does not represent the acquisition of an existing business; M Capital Limited had no operating history, no employees, no assets and no revenue at the date of incorporation. The cash outflow of AED 2,276,950 reflects the costs incurred by the Company in respect of (i) the obtention of the ADGM Financial Services Regulatory Authority Category 3C licence (including application fees, professional fees and regulatory capital deposited with FSRA), and (ii) the initial operating expenditure required to operationalise the investee during its build-out phase, including office establishment, governance framework set-up, regulatory compliance infrastructure, and the initial period of staff and professional costs. The aggregate cash outflow is not characterised as consideration paid for a business combination. All other investment entities of the Company were originally acquired through in-kind contribution of shares by common shareholders (refer Note 10).

***Performance during the year***

The investee is in its inaugural operating year. Activity during the year focused on the establishment of regulatory and operational infrastructure, including the appointment of senior personnel, the establishment of corporate governance frameworks, the drafting of investment policies and procedures, and the documentation required to launch the M Capital Alternative Growth Fund SPC. The investee did not generate management fee revenue during the year and incurred operating costs related to its build-out phase.

***Carrying amount and basis of valuation***

The fair value of the investment at 31 December 2025 was AED 2,276,950 (Refer note 6 and note 19), equal to the aggregate cost incurred by the Company in respect of the obtention of the FSRA Category 3C licence and the initial operating expenditure of the investee during the year. The Directors consider this cost to approximate fair value at the reporting date, given the proximity of the reporting date to the incorporation and licensing of the investee and the asset-light, pre-revenue nature of the investee at its present stage of development.

The Directors will reassess the fair value of the investment at each subsequent reporting date based on (i) recurring management fee revenue from the M Capital Alternative Growth Fund SPC and any successor vehicles; (ii) accrued performance fees; and (iii) the strategic value attributed to a regulated alternative investment management platform operating across the GCC, Africa and South Asia.

***Strategic intent and future value consideration***

M Capital Limited is held by the Company as the Group's strategic asset-management platform. The Directors' objective for the investment is the build-out of third-party assets under management, recurring management fee revenue and performance fee accruals over a 3 to 5 year horizon.

## **Directors' report (continued)**

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The Directors have not identified a near-term exit pathway in respect of the investment, which is held with a long-term strategic intent. Potential monetisation pathways available to the Directors in due course include: (i) sale to a regional or international asset-management consolidator; (ii) introduction of a strategic minority partner at the asset-manager level; or (iii) a separate liquidity event for the platform.

### ***Valuation methodology***

The fair value of each investment in investment entities is determined annually by an independent external valuer using a combination of the Income Approach (Discounted Cash Flow method) and the Market Approach. The base discount rate is determined using the Weighted Average Cost of Capital (WACC), constructed under the Capital Asset Pricing Model framework with inputs comprising: risk-free rate, equity risk premium, country risk premium, size premium, and any specific risk premium attributable to the small-capitalisation or intellectual-property-intensive profile of the investee.

The valuation of each entity is presented and tested against the corresponding Market Approach output, with the final fair value determined by the valuer based on a weighted combination of the two methods, having regard to the maturity, comparability and observable market evidence applicable to each investee. The independent valuer's written report is reviewed by the Audit Committee and, on the recommendation of the Audit Committee, approved by the Board of Directors prior to incorporation in the financial statements. Fair value sensitivity to changes in the principal valuation inputs is disclosed in Note 21.

### ***Summary of change in fair value of investment in entities***

The net loss for 2025 includes a non-cash unrealised fair value adjustment of AED 289 million relating to investment entities classified at fair value through profit or loss (FVTPL). Excluding this non-cash adjustment, the Company's underlying operating performance remained broadly consistent with the prior year.

The fair value reduction described above represents a non-cash unrealised accounting adjustment arising from the periodic independent valuation of the Company's investment portfolio in accordance with IFRS 9. No cash was transferred or lost as a result of this fair value movement, and accordingly, the Company's liquidity position remained unaffected.

The Company reported a net loss for the year of AED 309 million (2024: profit of AED 104 million). This result includes the above-mentioned non-cash unrealised fair value adjustment of AED 289 million relating to the Company's investment entities classified at fair value through profit or loss (FVTPL). The adjustment does not represent an operating loss or any cash outflow.

The fair value movement during the year primarily reflects two significant items. Firstly, the Company recognised a fair value gain of AED 160 million in respect of MBME Pay, reflecting the continued growth and operational performance of the business, which successfully achieved its 2025 budget targets and demonstrated sustained expansion in its merchant network and digital payment activities.

Secondly, the Company recognised a non-cash write-off of the carrying amount previously attributed to the intellectual property associated with the Black Orca minority investment held through MBME Investment LLC. Since acquisition, the Black Orca intellectual property has not generated commercial revenues and, as the Company holds a minority interest of 30%, it does not exercise control over the commercialisation or strategic direction of the business. Accordingly, management determined that a full write-off of the carrying amount was appropriate. This adjustment represents a one-time non-cash accounting charge and has no impact on the Company's liquidity, cash flows, or underlying operating performance. (Refer note 6)

### ***Role of the Directors***

The Directors are the Company's principal decision-making individual. The Directors has the overall responsibility for leading and supervising the Company for delivering sustainable shareholder value through guidance and supervision of the Company's business. The Directors sets the strategies and policies of the Company. The Directors monitors performance of the Company's business, guides and supervises its management.

### ***Events after year end***

In the opinion of the Directors, other than the event mentioned in Note 24 to the financial statements, no transaction or event of a material and unusual nature, favourable or unfavourable has arisen in the interval between the end of the financial year and the date of this report, that is likely to affect, substantially the result of the operations or the financial position of the Company.

**Directors' report (continued)**

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**Statement of Director's responsibilities**

The applicable requirements require the Directors to prepare the financial statements for each financial year which present fairly in all material respects, the financial position of the Company and its financial performance for the year then ended.

The audited financial statements for the year under review have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Directors confirms that sufficient care has been taken for the maintenance of proper and adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the Company and enables the Directors to ensure that the financial statements comply with the requirements of the applicable statute.

The Directors also confirms that appropriate accounting policies have been selected and applied consistently in order for the financial statements to reflect fairly, the form and substance of the transactions carried out during the year under review and reasonably present the Company's financial conditions and results of its operations.

The Directors confirms that so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware and they have taken all the steps that they ought to have taken as Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Directors**

The Directors of the Company in office at the date of this statement are: Ali Mohamed Saeed Albadi, Saeed Mohamed Saeed Albadi, Abdelhadi Mohamed.

**Auditor**

Baker Tilly SM Auditing L.L.C S.O.C is willing to continue in office and a resolution to re-appoint them will be proposed in the Annual General Meeting.

The financial statements set out on pages 12 to 36, were approved by the Directors on the date of these financial statements and signed on behalf of the Company by:



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**Chairman**

03 June 2026

## Independent auditor's report

**To**  
**The Shareholders**  
**MBME Group P.J.S.C.**  
**Abu Dhabi, United Arab Emirates**

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of MBME Group P.J.S.C. (the Company), which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements presents fairly, in all material respects, the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to audit of the financial statements in the United Arab Emirates. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Matter Paragraph

The financial statements of the Company for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 10 February 2025.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

**Independent auditor's report (continued)**

**Key Audit Matters (continued)**

<b>Key Audit Matter</b>	<b>How our scope addressed this matter</b>
<p><b>Valuation of investments in unquoted entities</b> (as per the accounting policy 4.1 and note 6 of the financial statements)</p> <p>The Group holds significant investments in unquoted equity instruments which are measured at fair value at the reporting date. In the absence of quoted market prices, management determines fair values using valuation techniques such as Discounted Cashflow "DCF" model and enterprise value to revenue multiple model, both of which involve significant judgement and estimation uncertainty. There is therefore a risk that the judgements and estimates applied under these valuation techniques may lead to a material misstatement of the investment values and the fair value gain or loss recognized in respect of these investment.</p> <p>We therefore identified the valuation of investments in unquoted entities as a key audit matter, as it had significant effect on our overall audit strategy and our allocation of audit resources.</p>	<p>We performed the following procedures, inter alia, in respect of the key audit matter:</p> <ol style="list-style-type: none"> <li>1. Performed the walkthrough on Management's process around investment valuations and evaluating the design and implementation of the relevant controls in place;</li> <li>2. Assessed the competence, capabilities and objectivity of management's expert, including evaluating their qualification, experience and independence.</li> <li>3. Engaging our internal valuation experts to evaluate and challenge management's valuation report, applying a critical assessment of the underlying assumptions:               <ol style="list-style-type: none"> <li>a. Whether the methodologies and models applied for valuing investments in unquoted entities are in accordance with relevant valuation guidelines and market practice.</li> <li>b. Reasonableness of key assumption within the valuation models including discount rates, terminal growth rates, and other assumptions used in the valuation model.</li> </ol> </li> <li>4. Performed sensitivity analyses on key assumptions and evaluated whether reasonably possible changes could result in a material change in the valuations and related disclosures.</li> <li>5. Reperformed the mathematical accuracy of the valuations, where applicable.</li> <li>6. Assessed whether the related disclosures, including the valuation techniques, key unobservable inputs, sensitivity disclosures and fair value hierarchy classification, were appropriate and in accordance with IFRS requirements.</li> </ol>

**Other information**

Management is responsible for the other information. The other information comprises the Directors' report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in compliance with the applicable provisions of UAE Federal Law No.32 of 2021 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Independent auditor's report (continued)**

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements (continued)**

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidating financial statements as a whole are free from material misstatement, whether due to error or fraud, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Independent auditor's report (continued)**

**Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

Further, as required by the UAE Federal Law No. 32 of 2021, we report that:

- (a) We have obtained all the information we considered necessary for the purpose of our audit.
- (b) The financial statements have been prepared and comply, in all material aspects, with the applicable provisions of the UAE Federal Law No. 32 of 2021, and the Memorandum and Articles of Association of the Company.
- (c) The Company maintained proper books of account.
- (d) The financial information included in the Directors' report is consistent with the books of account of the Company.
- (e) Note 6 to the financial statements discloses the investment in shares during the year ended 31 December 2025.
- (f) Based on the information that has been made available to us, nothing has come to our attention which causes us to believe that Company has contravened during the year ended 31 December 2025 any of the applicable provisions of the UAE Federal Law No. 32 of 2021, or its Articles of Association which would materially affect its activities or its financial position as at 31 December 2025.
- (g) Note 9 to the financial statements discloses material related party transactions and the terms under which they were conducted.

Baker Tilly SM Auditing L.L.C. S.O.C



Saad Maniar  
Managing Partner  
Registered Auditor Number: 574  
Dubai, United Arab Emirates  
03 June 2026



**MBME Group P.J.S.C.**  
**Abu Dhabi, United Arab Emirates**

**Statement of financial position as at 31 December 2025**

	Notes	2025 AED	2024 AED
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	5	1,099,184	1,508,652
Right-of-use assets	7	351,941	1,055,821
Investment entities	6	6,671,044,350	6,958,027,545
<b>Total non-current assets</b>		<b>6,672,495,475</b>	<b>6,960,592,018</b>
<b>Current assets</b>			
Other receivables	8	9,102,772	11,301,878
Due from related parties	9	13,479,410	7,246,206
Cash and cash equivalents	11	24,010,427	48,752,134
<b>Total current assets</b>		<b>46,592,609</b>	<b>67,300,218</b>
<b>Total assets</b>		<b>6,719,088,084</b>	<b>7,027,892,236</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity and shareholders' funds</b>			
Share capital	12	60,500,000	55,000,000
Statutory reserve		50,000,000	50,000,000
Retained earnings		728,761,616	1,043,728,951
Additional contribution	10	5,830,812,810	5,830,812,810
<b>Total equity</b>		<b>6,670,074,426</b>	<b>6,979,541,761</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Employees' end-of-service benefits	13	1,240,738	330,889
Lease liabilities	15	-	373,479
<b>Total non-current liabilities</b>		<b>1,240,738</b>	<b>704,368</b>
<b>Current liabilities</b>			
Trade and other payables	14	3,830,947	1,430,446
Due to related parties	9	43,568,495	45,495,490
Lease liabilities	15	373,478	720,171
<b>Total current liabilities</b>		<b>47,772,920</b>	<b>47,646,107</b>
<b>Total liabilities</b>		<b>49,013,658</b>	<b>48,350,475</b>
<b>Total equity and liabilities</b>		<b>6,719,088,084</b>	<b>7,027,892,236</b>

The statutory financial statements were approved and authorized for issue on 03 June 2026.

The financial statements set out on pages 12 to 36, were approved by the Directors on the date of these financial statements and signed on behalf of the Company by:

 <hr/> <b>Chairman</b>	 <hr/> <b>Chief Executive Officer</b>	 <hr/> <b>Chief Financial Officer</b>
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The accompanying notes and policies form an integral part of these financial statements.  
The report of the auditor is set out on pages 8 to 11.

**MBME Group P.J.S.C.**  
**Abu Dhabi, United Arab Emirates**

**Statement of profit or loss and other comprehensive income for the year ended  
31 December 2025**

	Notes	2025 AED	2024 AED
Income from management services	16	<b>1,828,779</b>	569,030
Unrealised gain on financial assets at fair value through profit or loss	19	<b>160,242,600</b>	121,551,545
Unrealised loss on financial assets at fair value through profit or loss	19	<b>(449,502,745)</b>	-
General and administrative expenses	18	<b>(22,913,773)</b>	(20,328,676)
Other income	17	<b>877,804</b>	2,318,692
<b>Net (loss)/profit for the year</b>		<b>(309,467,335)</b>	104,110,591
Other comprehensive income for the year		-	-
<b>Total comprehensive (loss)/income for the year</b>		<b>(309,467,335)</b>	104,110,591
Earnings per share-Basic and Diluted		<b>(0.102)</b>	0.038

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The report of the auditor is set out on pages 8 to 11.

**MBME Group P.J.S.C.**  
**Abu Dhabi, United Arab Emirates**

**Statement of changes in equity for the year ended 31 December 2025**

	Share capital	Statutory reserve	Retained earnings	Additional contribution	Total
	AED	AED	AED	AED	AED
Balance at 1 January 2024	50,000,000	50,000,000	944,618,360	5,830,812,810	6,875,431,170
Profit for the year	-	-	104,110,591	-	104,110,591
Total comprehensive income for the year	-	-	104,110,591	-	104,110,591
Issue of bonus shares	5,000,000	-	(5,000,000)	-	-
Balance at 31 December 2024	55,000,000	50,000,000	1,043,728,951	5,830,812,810	6,979,541,761
Balance at 1 January 2025	55,000,000	50,000,000	1,043,728,951	5,830,812,810	6,979,541,761
Loss for the year	-	-	(309,467,335)	-	(309,467,335)
Total comprehensive loss for the year	-	-	(309,467,335)	-	(309,467,335)
Issue of bonus shares	5,500,000	-	(5,500,000)	-	-
<b>Balance at 31 December 2025</b>	<b>60,500,000</b>	<b>50,000,000</b>	<b>728,761,616</b>	<b>5,830,812,810</b>	<b>6,670,074,426</b>

The accompanying notes and policies form an integral part of these financial statements.  
The report of the auditor is set out on pages 8 to 11.

**MBME Group P.J.S.C.**  
**Abu Dhabi, United Arab Emirates**

**Statement of cash flows for the year ended 31 December 2025**

	Notes	2025 AED	2024 AED
<b>Cash flows from operating activities</b>			
(Loss)/Profit for the year		(309,467,335)	104,110,591
Adjustments for:			
Depreciation of property and equipment	5	489,067	385,079
Employees' end-of-service benefits	13	909,849	330,889
Unrealised loss on financial assets at fair value through profit or loss		449,502,745	-
Unrealised gain on measurement of financial assets at fair value through profit or loss		(160,242,600)	(121,551,545)
Interest on lease liabilities		29,829	64,123
Depreciation of right-of-use asset	7	703,880	703,880
<b>Operating cash flows before changes in operating assets and liabilities</b>		<b>(18,074,565)</b>	<b>(15,956,983)</b>
(Increase)/decrease in due from related parties	9	(6,233,204)	1,735,549
Decrease/(increase) in other receivables	8	2,199,105	(328,075)
Decrease in due to related parties	9	(1,926,995)	(5,219,392)
Increase in trade and other payables	14	2,400,501	203,337
<b>Cash used in operating activities</b>		<b>(21,635,158)</b>	<b>(19,565,564)</b>
<b>Net cash used in operating activities</b>		<b>(21,635,158)</b>	<b>(19,565,564)</b>
<b>Cash flows from investing activities</b>			
Purchase of property and equipment	5	(79,599)	(770,995)
Capital contribution to newly incorporated investment entity	6	(2,276,950)	-
<b>Net cash used in investing activities</b>		<b>(2,356,549)</b>	<b>(770,995)</b>
<b>Cash flows from financing activities</b>			
Repayment of lease liabilities	15	(750,000)	(750,000)
<b>Net cash used in financing activities</b>		<b>(750,000)</b>	<b>(750,000)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(24,741,707)</b>	<b>(21,086,559)</b>
Cash and cash equivalents at the beginning of the year		48,752,134	69,838,693
<b>Cash and cash equivalents at the end of the year</b>	11	<b>24,010,427</b>	<b>48,752,134</b>

The accompanying notes and policies form an integral part of these financial statements.  
The report of the auditor is set out on pages 8 to 11.

**Notes to the Financial Statements for the year ended 31 December 2025**

**1 General information**

MBME Group P.J.S.C. (the Company) was incorporated on 27 January 2010. On 10 November 2022, the shareholders passed a special resolution to convert the Establishment into a Private Joint Stock Company and obtained the registration certificate on 30 December 2022 for the Private Joint Stock Company. It operates in the United Arab Emirates under a license issued by Abu Dhabi Department of Economic Development under the license number CN-1827215.

The address of the registered office of the Company is Office 3303 & 3304, Landmark Tower, Abu Dhabi, United Arab Emirates.

The principal activities of the Company consist of investment, establishment, and management of commercial enterprises, industrial ventures, and technology-related projects.

The management and controls are vested with the Board of Directors.

These financial statements incorporate the operating results of the commercial license no. CN-1827215.

These financial statements are presented in Emirati Dirham (AED) and are rounded to the nearest AED.

**2 Application of new and revised Standards**

**2.1 New and amended Standards that are effective for the current year**

In the current year, the Company has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2025. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

<u><i>New and revised Standards</i></u>	<u><i>Effective for annual periods beginning on or after</i></u>
Amendments to IAS 21 Lack of exchangeability	1 January 2025

**2.2 New and revised Standards in issue but not yet effective**

The Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

<u><i>New and revised Standards</i></u>	<u><i>Effective for annual periods beginning on or after</i></u>
Amendments to IFRS 10 and IAS 28 – Sale or Contribution of assets between an Investor and its Associate or Joint Venture:	No effective date set
Annual Improvements to IFRS Accounting Standards - Volume 11	1 January 2026
Amendments to IFRS 9 Financial Instruments and IFRS 7 Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Management anticipates that these standards will not have any significant impact on these financial statements.	

**3 Material accounting policies**

**3.1 Statement of compliance**

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

**Notes to the Financial Statements for the year ended 31 December 2025**

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**3 Material accounting policies (continued)**

**3.2 Basis of preparation**

The financial statements have been prepared on the historical cost basis except investment entities which have been accounted for as per note 3.8 and 6. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The principal accounting policies are set out below.

**3.3 Functional currency**

These financial statements are presented in United Arab Emirates Dirham (AED), which is the Company's functional and presentation currency.

**3.4 Leases**

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company leases the office premises, rental contracts are typically made for a fixed period but may have an extension option.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company's incremental borrowing rate can be used.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The lease liability is presented as a separate line in the statement of financial position.

Right-of-use assets are initially measured at cost and subsequently measured at cost less accumulated depreciation and impairment losses, if any. The right-of-use assets are presented as a separate line in the statement of financial position.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

**3.5 Foreign currencies**

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

**3.6 Taxation**

*Current tax*

The current tax liability is calculated on taxable profits in accordance with the tax laws.

*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.

**Notes to the Financial Statements for the year ended 31 December 2025**

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**3 Material accounting policies (continued)**

**3.6 Taxation (continued)**

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. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are set-off only if certain conditions are met. However, management has not recognized deferred tax asset on the losses incurred by the Company based on prudent basis.

**3.7 Property and equipment**

Property and equipment are stated at cost less accumulated depreciation and impairment loss, if any. Subsequent costs are included in the asset's 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 Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income when incurred.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The following useful lives are used in the calculation of depreciation:

	<u><i>Useful lives</i></u>
Furniture and fixtures	4 years
IT equipment	4 years
Leasehold improvements	4 years

**3.8 Investment entities**

The Company has adopted the investment entities exemption as per amendments of IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interest in Other Entities and IAS 27 Separate Financial Statements, to the principle that all subsidiaries shall not be consolidated. The amendments define an investment entity and require a parent that is an investment entity to measure its investment in particular entities at fair value through profit or loss as per IFRS 9 Financial Instruments.

**3.9 Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**3.10 Financial assets**

On initial recognition, a financial asset is classified as measured at:

- Amortized cost;
- Fair value through other comprehensive income ("FVOCI") – debt investment;
- FVOCI – equity investment; or

**Notes to the Financial Statements for the year ended 31 December 2025**

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**3 Material accounting policies (continued)**

**3.10 Financial assets (continued)**

- FVTPL.

A financial asset is measured at amortized 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.

On initial recognition of an equity investment that is not held for trading, the Company 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 amortized cost or FVOCI are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

*Financial assets – Business model assessment*

The Company 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. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice;
- These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Company's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

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 Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

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.

- 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 Company's claim to cash flows from specified assets (e.g. non-recourse features).

**Notes to the Financial Statements for the year ended 31 December 2025**

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**3 Material accounting policies (continued)**

**3.10 Financial assets (continued)**

*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 expected credit losses, if any. 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.

*Impairment of financial assets*

The Company recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

*Derecognition of financial assets*

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

**3.11 Financial liabilities and equity instruments**

*Classification as debt or equity*

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

*Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

*Financial liabilities*

The Company classifies its financial liabilities, as measured at amortized cost. Amortized cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR. Subsequent to initial recognition, financial liabilities are measured at amortized cost, unless they are required to be measured at fair value through profit or loss or a Company has opted to measure a liability at fair value through profit or loss.

Financial liabilities classified as FVTPL using fair value option, if any, after initial recognition, for such liabilities, changes in fair value related to changes in own credit risk are presented separately in OCI and all other fair value changes are presented in the profit and loss.

**Notes to the Financial Statements for the year ended 31 December 2025**

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**3 Material accounting policies (continued)**

**3.11 Financial liabilities and equity instruments (continued)**

*Derecognition of financial liabilities*

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

On derecognition of a financial liability, the difference between the carrying amount is extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

**3.12 Current/Non-Current Classification**

The Company presents assets and liabilities in statement of financial position based on current/noncurrent classification. An asset is current when it is:

Expected to be realised or intended to be sold or consumed in normal operating cycle or held primarily for the purpose of trading or expected to be realised within twelve months after the reporting year, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as non-current.

A liability is current when it is expected to be settled in normal operating cycle or it is held primarily for the purpose of trading or it is due to be settled within twelve months after the reporting year, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

The Company classifies all other liabilities as non-current.

**4 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the accounting policies, which are described in note 3 to these financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The significant judgements and estimates made by management that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below:

**4.1 Critical judgements in applying accounting policies**

*Fair value measurement of investment entities*

The Company engages external, independent, and qualified valuers to determine the fair value of its investment entities, which are carried at fair value through profit or loss. Where available, the valuation models use observable market inputs. However, where such inputs are not available, management applies judgement in determining the fair value, including assumptions relating to forecast cash flows, discount rates, and volatility. The probabilities of the various possible estimates within the range are reasonably assessed and incorporated into management's estimate of fair value.

The investment entities have intangible assets which have licenses and source codes, payment gateways and digital banking among others. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

*Judgment applied in determining Investment Entity status and application of the exemption from consolidation under IFRS 10 Consolidated Financial Statements*

**Notes to the Financial Statements for the year ended 31 December 2025**

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**4 Critical accounting judgements and key sources of estimation uncertainty (continued)**

**4.1 Critical judgements in applying accounting policies (continued)**

In accordance with IFRS 10 Consolidated Financial Statements, the Company has assessed whether it meets the definition of an investment entity. An investment entity is defined as an entity that:

(a) obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;

(b) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and (c) measures and evaluates the performance of substantially all of its investments on a fair value basis.

In assessing whether it meets this definition, the Company has also considered the typical characteristics of an investment entity set out in IFRS 10 paragraph 28:

- i. it has more than one investment;
- ii. it has more than one investor;
- iii. it has investors that are not related parties of the Company; and
- iv. it has ownership interests in the form of equity or similar interests.

The Company has concluded that it meets the definition of an investment entity. Its sole purpose is to generate returns for its investors through investment entities and other investees. It does not carry out any other substantive activities. Substantially all investments are measured and evaluated on a fair value basis, and performance is reported to investors on this basis.

Although a limited number of the Company's investors may meet the definition of related parties under IAS 24 Related Party Disclosures, the mere existence of related party relationships does not preclude the Company from qualifying as an investment entity, as confirmed by the application guidance in IFRS 10. The presence of such investors does not change the fundamental business purpose or the way in which the Company manages and evaluates its investments.

Consequently, in accordance with IFRS 10 paragraph 31, the Company does not consolidate its subsidiaries (except for any subsidiaries whose main purpose and activities are to provide investment-related services to the Company, if applicable). Instead, investments in entities are measured at fair value through profit or loss in accordance with IFRS 9 Financial Instruments.

Management has applied significant judgement in concluding that the Company qualifies as an investment entity and is therefore exempt from consolidation. This judgement involved evaluating all relevant facts and circumstances, including the Company's purpose and design, its commitment to investors, its investment strategy, exit plans for investments, and the manner in which performance is measured and reported. The Company will reassess its investment entity status if facts and circumstances indicate that any of the three elements of the definition are no longer met.

**4.2 Key sources of estimation uncertainty**

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

*Discounting of lease payments*

The Company measures its lease liabilities at the present value of the remaining lease payments, discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Company's incremental borrowing rate (IBR) is used.

The weighted average lessee's incremental borrowing rate applied to lease liabilities recognised in the statement of financial position at the date of initial application / lease commencement is 5.00%. Management has applied significant judgement in determining the IBR, taking into account the Company's credit risk, the nature and quality of the underlying leased assets, and the economic environment in the relevant jurisdictions (in accordance with IFRS 16 Leases).

**Notes to the Financial Statements for the year ended 31 December 2025**

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**4 Critical accounting judgements and key sources of estimation uncertainty (continued)**

**4.2 Key sources of estimation uncertainty (continued)**

*Discount rates applied in the valuation of investments*

Investment entities are measured at fair value through profit or loss. The valuation of these investments is performed using discounted cash flow models, which require the determination of appropriate discount rates.

The discount rates applied in the valuations range between 14% and 30%, depending on the specific risk profile of each entity. These rates have been determined using the Capital Asset Pricing Model (CAPM) and incorporate the following key assumptions:

- Risk-free rate;
- Equity risk premium;
- Country risk premium;
- Size premium (for companies with relatively small intangible asset portfolios); and
- Company-specific risk premium,

Significant judgement is applied by management, in consultation with external independent valuers, in estimating these discount rates and other key inputs to the valuation models, including forecast cash flows and volatility. Changes in these assumptions could result in material adjustments to the fair value of the investments.

**MBME Group P.J.S.C.**  
**Abu Dhabi, United Arab Emirates**

**Notes to the Financial Statements for the year ended 31 December 2025**

5	Property and equipment	Furniture and fixtures	IT equipment	Leasehold improvements	Total
		AED	AED	AED	AED
	<b>Cost</b>				
	As at 1 January 2024	267,688	74,084	788,489	1,130,261
	Additions	<u>13,092</u>	<u>249,538</u>	<u>508,365</u>	<u>770,995</u>
	As at 31 December 2024	280,780	323,622	1,296,854	1,901,256
	Additions	<u>47,381</u>	<u>32,218</u>	<u>-</u>	<u>79,599</u>
	<b>As at 31 December 2025</b>	<b><u>328,161</u></b>	<b><u>355,840</u></b>	<b><u>1,296,854</u></b>	<b><u>1,980,855</u></b>
	<b>Accumulated depreciation</b>				
	As at 1 January 2024	-	7,525	-	7,525
	Depreciation expense	<u>69,377</u>	<u>67,763</u>	<u>247,939</u>	<u>385,079</u>
	As at 31 December 2024	69,377	75,288	247,939	392,604
	Depreciation expense	<u>72,820</u>	<u>85,661</u>	<u>330,586</u>	<u>489,067</u>
	<b>As at 31 December 2025</b>	<b><u>142,197</u></b>	<b><u>160,949</u></b>	<b><u>578,525</u></b>	<b><u>881,671</u></b>
	<b>Carrying amount</b>				
	As at 31 December 2024	<u>211,403</u>	<u>248,334</u>	<u>1,048,915</u>	<u>1,508,652</u>
	<b>As at 31 December 2025</b>	<b><u>185,964</u></b>	<b><u>194,891</u></b>	<b><u>718,329</u></b>	<b><u>1,099,184</u></b>

The depreciation charge has been allocated in the statement of profit or loss and other comprehensive income as follows:

	2025	2024
	AED	AED
General and administrative expenses (Note 18)	<u>489,067</u>	<u>385,079</u>

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**Notes to the Financial Statements for the year ended 31 December 2025**

**6 Investment entities**

Fair Value Through Profit or Loss

Investments are held in the following entities:

Name of entities	Principal activities	Country of incorporation	Ownership interest		Carrying amount of investment	
			2025	2024	2025	2024
					AED	AED
Wow Pay Payment Services Provider LLC	Payment Service Provider	United Arab Emirates	100.00%	100.00%	212,860,000	212,860,000
MBME Pay Payment Services Provider Sole Proprietorship LLC	Payment Service Provider	United Arab Emirates	100.00%	100.00%	6,376,929,000	6,216,686,400
MBME Neo Information Technology LLC	Information Technology	United Arab Emirates	100.00%	100.00%	11,010,000	11,010,000
MBME Investment LLC	Investment Entity	United Arab Emirates	100.00%	100.00%	67,968,400	517,471,145
M Capital Limited	Alternative investment management (FSRA-regulated, Category 3C)	ADGM, United Arab Emirates	100.00%	100.00%	2,276,950	-
					<b>6,671,044,350</b>	<b>6,958,027,545</b>

**Notes to the Financial Statements for the year ended 31 December 2025**

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**6 Investment entities (continued)**

On 01 July 2021, the Company entered into an agreement (Sale Purchase Agreement - SPA) with a related company of the common shareholders i.e. Wow Pay Payment Services Provider LLC (the "Wow Pay") whereby the Company had purchased the shares of Wow Pay. As a result of this SPA between the parties, The Company obtained the rights to use the intellectual properties of Wow Pay. These intellectual properties include the source codes, algorithmic concepts for web-portals, mobile application for customers, payments and bills, payment platform etc.

The purchase consideration was in kind and was a non-cash consideration which has been accounted as additional contribution being the residual interest of the shareholders (Note 10). Wow Pay has planned to build its revenues on license fees from distribution of software licenses and API licenses. The primary market for these technology services include the UAE, GCC countries and Africa.

On 15 September 2022, the Company entered into SPA's with related parties of the common shareholders, MBME Pay Payment Services Provider (MBME Pay) and MBME Neo Information Technology LLC (MBME Neo). The purchase prices for both these were agreed based on the valuation of the external expert as on 31 August 2022. The purchase consideration for these investments was in kind and non cash consideration being the residual interest of the shareholders (Note 10).

On 15 September 2022, the Company entered into a SPA with related parties of the common shareholders MBME Investment LLC (MBME Investments) which is an investment firm with focus on high growth markets such as UAE, Egypt, Saudi Arabia, Malaysia, Indonesia. As a result of this SPA the Company also assumed all the liabilities of MBME Investments LLC.

In May 2023 MBME Investments entered into an SPA with another technology based company Black Orca Investment LLC (Black Orca) for the purchase of 20% shareholding in Black Orca Investment LLC (Black Orca) in consideration for the shares to be issued. On February 2025, MBME Investments has further acquired 10% shareholding in Black Orca.

During the previous year, MBME Investment LLC entered into a SPA with Fadia Altaweel Event Management LLC for the acquisition of 70% stake in it.

During the previous year, an entity was incorporated by the name of MBME Gold Trading LLC, which is established for trading in precious metals and stones. As at the reporting date, MBME Investment owns 80% stake in MBME Gold Trading LLC.

During the year M Capital Limited was incorporated and licensed by obtaining the ADGM Financial Services Regulatory Authority Category 3C license.

The Company has adopted the investment entities exemption as per amendments of IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interest in Other Entities and IAS 27 Separate Financial Statements, to the principle that all subsidiaries shall not be consolidated. The amendments define an investment Company and require a parent that is an investment Company to measure its investment entities at fair value through profit or loss as per IFRS 9 Financial Instruments.

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**Notes to the Financial Statements for the year ended 31 December 2025**

**6 Investment entities (continued)**

Movement in fair value of investment entities during the year

	Opening balance 2025 (AED)	Additions during year (AED)	FV gain / (loss) recognised in P&L (AED)	Closing balance 2025 (AED)
	AED	AED	AED	AED
MBME Pay Payment Services Provider Sole Proprietorship LLC	6,216,686,400	-	160,242,600	6,376,929,000
Wow Pay Payment Services Provider LLC	212,860,000	-	-	212,860,000
MBME Neo Information Technology LLC	11,010,000	-	-	11,010,000
MBME Investment LLC	517,471,145	-	(449,502,745)	67,968,400
M Capital Limited	-	2,276,950	-	2,276,950
	<b>6,958,027,545</b>	<b>2,276,950</b>	<b>(289,260,145)</b>	<b>6,671,044,350</b>

Fair value gain/(loss) is presented as follow:

	2025	2024
	AED	AED
Unrealised gain on financial assets at fair value through profit or loss	160,242,600	121,551,545
Unrealised loss on financial assets at fair value through profit or loss	(449,502,745)	-
	<b>(289,260,145)</b>	<b>121,551,545</b>

***Fair value adjustment***

**MBME Investment LLC**

During the year, the fair value of the investment in MBME Investment LLC decreased from AED 517,471,145 at 31 December 2024 to AED 67,968,400 as at 31 December 2025, representing a fair value reduction of AED 449,502,745 recognised in the statement of profit or loss. The fair value reduction is attributable to the write-off at the reporting date of the carrying amount previously recognised in respect of the intellectual property associated with the Black Orca portfolio investment. In the absence of demonstrable economic interest, or a recoverable cash flow stream attributable to the asset at the reporting date, the corresponding carrying amount of AED 449,502,745 previously recognised within MBME Investment LLC in respect of the Black Orca has accordingly been reversed through the statement of profit or loss for the year ended 31 December 2025.

The fair values of the remaining portfolio investments held by MBME Investment LLC, being the 30% equity interest in Black Orca operations (AED 25,690,000), the 70% equity interest in Fadia Altaweel Event Management LLC (AED 17,616,000), and the 80% equity interest in MBME Gold Trading LLC (AED 24,662,400), were assessed by the independent external valuer at 31 December 2025 and are unchanged relative to the prior reporting date. No fair value adjustment has been recognised in respect of these portfolio investments during the year.

**MBME Pay Payment Services Provider Sole Proprietorship LLC**

The fair value of the investment at 31 December 2025 was AED 6,376,929,000 (2024: AED 6,216,686,400) (Refer note 6 and note 19), representing a fair value gain of AED 160,242,600 recognised in the statement of profit or loss and other comprehensive income for the year.

Subsequent to year end, on 8 April 2026, MBME Pay received a Category 3 license approval from the Central Bank, representing a significant strategic milestone for the investee.

**Notes to the Financial Statements for the year ended 31 December 2025**

**6 Investment entities (continued)**

The license approval strengthens MBME Pay's regulatory standing and enhances its ability to expand its digital payment solutions and service offerings.

The investment in MBME Pay represents the Company's principal platform investment and the most significant contributor to fair value within the portfolio.

**Valuation Method**

During the year, the independent external valuers carried out valuations using a combination of Discounted Cash Flows and Market Approach Method. Various assumptions were used in arriving at the final values including the future cash flows, discount rate, growth projections etc.

Apart from these assumptions, the experts also used available data on comparable companies for the Market Approach Method such as their revenue, expenses, profit margins, EBITDA margins, enterprise value etc.

**7 Leases (the Company as Lessee)**

*Right-of-use assets*

Movement of the recognised right-of-use assets during the year:

	<b>Property AED</b>	<b>Total AED</b>
As at 1 January 2024	1,759,701	<b>1,759,701</b>
Depreciation	<u>(703,880)</u>	<u><b>(703,880)</b></u>
As at 31 December 2024	<b>1,055,821</b>	<b>1,055,821</b>
As at 1 January 2025	1,055,821	<b>1,055,821</b>
Depreciation	<u>(703,880)</u>	<u><b>(703,880)</b></u>
<b>As at 31 December 2025</b>	<b>351,941</b>	<b>351,941</b>
<i>Amounts recognised in profit or loss</i>		
	<b>2025</b>	2024
	<b>AED</b>	AED
Depreciation expense on right-of-use assets	<u><b>703,880</b></u>	<u>703,880</u>

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**Notes to the Financial Statements for the year ended 31 December 2025**

**8 Other receivables**

	<b>2025</b>	2024
	<b>AED</b>	AED
Advances	-	38,333
Deposits	<b>5,039,500</b>	10,039,500
Prepayments	<b>571,047</b>	364,872
Other receivables	<b>3,492,225</b>	859,173
	<b>9,102,772</b>	11,301,878

Deposits represent an amount paid to Al Ramz Capital LLC, a duly registered limited liability company for the improvement of liquidity of shares.

**9 Related party balances and transactions**

The Company 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 companies and entities under common ownership and/or common management and control, key management personnel, shareholders and the ultimate controlling party. The management decides on the terms and conditions of the transactions and services received/rendered from/to related parties as well as on other charges.

*a) At the end of the reporting year, amounts due from related parties were as follows:*

	<b>2025</b>	2024
	<b>AED</b>	AED
<b>Due from related parties</b>		
MBME Investment LLC	<b>4,719,105</b>	2,377,882
Payriff by MBME Information Technology LLC	<b>82,196</b>	22,122
WOW Pay Payment Services Provider LLC	<b>1,215,681</b>	1,215,681
Versology Information Technology LLC	<b>929,602</b>	4,103
IP Advisory Legal Services LLC	<b>7,604</b>	6,029
Black Orca Investment LLC	<b>41,539</b>	31,370
M Capital Limited	-	163,219
ITC Vault Information Technology LLC	<b>2,116</b>	-
MBME Neo Information Technology LLC	<b>6,868</b>	2,116
Fadia Altaweel Event Management LLC	<b>4,498,751</b>	2,026,524
M Sign Information Technology LLC	<b>168,394</b>	57,373
MBME Gold Trading LLC	<b>280,278</b>	-
MBME Holding Ltd	<b>50,538</b>	-
M Sports Sports Services LLC	<b>17,382</b>	-
IT Corner Emirates LLC	<b>1,459,356</b>	1,339,787
	<b>13,479,410</b>	7,246,206

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**Notes to the Financial Statements for the year ended 31 December 2025**

**9 Related party balances and transactions (continued)**

*b) At the end of the reporting year, amounts due to related parties were as follows:*

	<b>2025</b>	2024
	<b>AED</b>	AED
<b>Due to related parties</b>		
Other payables	<b>37,436,000</b>	42,436,000
M Capital Limited	<b>611,003</b>	-
MBME Pay Payment Services Provider Sole Proprietorship LLC	<b>5,521,492</b>	3,059,490
	<b>43,568,495</b>	45,495,490

*c) Compensation of key management personnel*

The remuneration of Director and other members of key management personnel during the year was as follows:

	<b>2025</b>	2024
	<b>AED</b>	AED
Director's fee	<b>2,500,000</b>	2,500,000

**10 Additional contribution**

	<b>2025</b>	2024
	<b>AED</b>	AED
Additional contribution	<b>5,830,812,810</b>	5,830,812,810

The additional contribution represents the residual interest of the shareholders due to acquisition of the investment entities by the Company. All of these acquisitions of the investment entities have been mutually agreed between the common shareholders of the Company and its subsidiaries. No shares have been issued by the Company to their shareholders and no cash was involved in the sale purchase agreements. Instead, all the investments have been made through in kind contribution from the common shareholders. The additional contribution represents this non cash consideration and the residual interest of the shareholders (Refer note 6).

**11 Cash and cash equivalents**

	<b>2025</b>	2024
	<b>AED</b>	AED
Bank balances	<b>24,010,427</b>	6,752,134
Term deposits	-	42,000,000
	<b>24,010,427</b>	48,752,134

The expected profit rate from the term deposits ranges from 4% to 7% per annum and due for maturity within 90 days from the year end.

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**Notes to the Financial Statements for the year ended 31 December 2025**

**12 Share capital**

	<b>2025</b>	2024
	<b>AED</b>	AED
Authorised, issued and paid up share capital:		
3,025,000,000 (2024: 2,750,000,000)- shares of AED - (0.02 each)	<b>60,500,000</b>	55,000,000

On 13 March 2025, the shareholders approved an amendment to Article (7) of the Articles of Association, increasing the authorised and issued share capital of the Company from AED 55,000,000 to AED 60,500,000 through the issuance of 275,000,000 ordinary shares of AED 0.02 each.

As at 31 December 2025, the total issued and fully paid share capital of the Company comprises 3,025,000,000 ordinary shares of AED 0.02 each.

**13 Employees' end-of-service benefits**

	<b>2025</b>	2024
	<b>AED</b>	AED
Balance at the beginning of the year	<b>330,889</b>	-
Charge for the year	<b>909,849</b>	330,889
<b>Balance at the end of the year</b>	<b>1,240,738</b>	330,889

Amounts required to cover end of service indemnity at the statement of financial position date are computed pursuant to the applicable Labour Law based on the employees' accumulated period of service and current basic remuneration at the end of reporting year.

**14 Trade and other payables**

	<b>2025</b>	2024
	<b>AED</b>	AED
Trade payables	<b>3,226,401</b>	445,267
Accrued expenses	<b>604,546</b>	985,179
	<b>3,830,947</b>	1,430,446

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**Notes to the Financial Statements for the year ended 31 December 2025**

**15 Lease liabilities**

Lease liabilities recognized and maturity analysis:

	<b>2025</b>	2024
	<b>AED</b>	AED
<i>Amount due for settlement within 12 months</i>		
Not later than 1 year (shown under current liabilities)	<u>373,478</u>	720,171
	<u>373,478</u>	<u>720,171</u>
<i>Amount due for settlement after 12 months</i>		
Later than 1 year and not later than 5 years	<u>-</u>	373,479
	<u>.</u>	<u>373,479</u>

*The movement in lease liabilities is as follows:*

	<b>2025</b>	2024
	<b>AED</b>	AED
As at the beginning of the year	<b>1,093,650</b>	1,779,527
Interest expense during the year	<b>29,828</b>	64,123
Repayment of lease liabilities during the year	<u>(750,000)</u>	<u>(750,000)</u>
<b>As at the end of the year</b>	<b><u>373,478</u></b>	<u>1,093,650</u>

**16 Income from management services**

	<b>2025</b>	2024
	<b>AED</b>	AED
<b>Disaggregation of revenue – over time</b>		
Management services	<u>1,828,779</u>	<u>569,030</u>

Revenue from services rendered to related parties during the year, conducted in the ordinary course of business under agreed terms.

**17 Other income**

	<b>2025</b>	2024
	<b>AED</b>	AED
Profit from term deposits	<u>877,804</u>	<u>2,318,692</u>

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**Notes to the Financial Statements for the year ended 31 December 2025**

**18 General and administrative expenses**

	<b>2025</b>	2024
	<b>AED</b>	AED
Employee costs	<b>10,643,716</b>	9,109,626
Directors fee	<b>2,500,000</b>	2,500,000
Legal, license and professional	<b>2,650,628</b>	2,717,797
Depreciation of property, plant and equipment	<b>489,067</b>	385,079
Depreciation of right-of-use assets	<b>703,880</b>	703,880
Office expenses	<b>113,109</b>	331,088
Sponsorship and advertisement fee	<b>4,001,555</b>	3,506,903
Interest expense	<b>29,829</b>	64,123
Other general and administrative expenses	<b>1,781,989</b>	1,010,180
	<b>22,913,773</b>	20,328,676

**19 Unrealised gain/(loss) on financial assets at fair value through profit or loss**

	<b>2025</b>	2024
	<b>AED</b>	AED
Unrealised gain on financial assets at fair value through profit or loss	<b>160,242,600</b>	121,551,545
Unrealised loss on financial assets at fair value through profit or loss	<b>(449,502,745)</b>	-
	<b>(289,260,145)</b>	121,551,545

**20 Financial instruments and risk management**

*Material accounting policies*

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 financial statements.

*Categories of financial instruments*

**31 December 2025**

	<b>Financial assets</b>	<b>Financial liabilities</b>	
	<b>Amortised cost</b>	<b>Amortised cost</b>	<b>Total</b>
	<b>AED</b>	<b>AED</b>	<b>AED</b>
Cash and cash equivalents (Note 11)	24,010,427	-	24,010,427
Other receivables (Note 8)	8,531,725	-	8,531,725
Trade and other payables (Note 14)	-	3,830,947	3,830,947
Due from related parties (Note 9)	13,479,410	-	13,479,410
Due to related party (Note 9)	-	43,568,495	43,568,495
Lease liabilities (Note 15)	-	373,478	373,478
	<b>46,021,562</b>	<b>47,772,920</b>	<b>93,794,482</b>

**Notes to the Financial Statements for the year ended 31 December 2025**

**20 Financial instruments and risk management (continued)**

**31 December 2024**

	<b>Financial assets</b>	<b>Financial liabilities</b>	
	<b>Amortised cost</b>	<b>Amortised cost</b>	<b>Total</b>
	<b>AED</b>	<b>AED</b>	<b>AED</b>
Cash and cash equivalents (Note 11)	48,752,134	-	48,752,134
Other receivables (Note 8)	10,898,673	-	10,898,673
Trade and other payables (Note 14)	-	1,430,446	1,430,446
Due from related parties (Note 9)	7,246,206	-	7,246,206
Due to related party (Note 9)	-	45,495,490	45,495,490
Lease liabilities (Note 15)	-	1,093,650	1,093,650
	<b>66,897,013</b>	<b>48,019,586</b>	<b>114,916,599</b>

*Financial risk management objectives*

The Company's financial risk management policies set out the Company's overall business strategies and risk management philosophy. The Company's overall financial risk management program seeks to minimise potential adverse effects to the financial performance of the Company. 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 Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates.

The Company does not hold or issue derivative financial instruments for speculative purposes.

*Market risk*

Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which it manages and measures the risk.

*Interest risk*

Interest risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

At the reporting date, there is no significant interest rate risk as there are no borrowings at year end.

*Foreign currency risk*

Foreign 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.

As at the reporting date, the Company is not exposed to any significant foreign currency risk as all of the Company's operations and transactions are denominated in United States Dollar (USD) or Emirati Dirham (AED), which are pegged to each other.

*Credit risk*

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from cash and cash equivalents, due from related parties and other receivables. The Company's maximum exposure to credit risk at the reporting date is the carrying amount of the respective financial assets as presented in the statement of financial position.

Cash and cash equivalents are placed with reputable financial institutions in the UAE. Related party receivables arise from transactions with entities that fall within the definition of related parties under IAS 24 and are monitored by management on an ongoing basis with reference to settlement patterns and expected recoverability.

**Notes to the Financial Statements for the year ended 31 December 2025**

**20 Financial instruments and risk management (continued)**

*Liquidity risk*

Responsibility for liquidity risk management rests with the management which has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company continuously monitors its liquidity position and assesses any potential funding gaps, taking appropriate measures to bridge such gaps through shareholder contributions when required. Management believes that the Company is not exposed to significant liquidity risk, as the majority of its payables relate to related parties.

*Capital risk management*

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the equity balance and complying with statutory requirements.

**21 Fair value hierarchy**

At year end, the Company held the following financial assets measured at fair value:

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>AED</b>	<b>AED</b>	<b>AED</b>	<b>AED</b>
<b>As at 31 December 2025</b>				
Investment entities: Financial assets at fair value through profit and loss (Amount in 000)	-	-	<b>6,671,044</b>	<b>6,671,044</b>
	-	-	<b>6,671,044</b>	<b>6,671,044</b>

	Level 1	Level 2	Level 3	Total
	AED	AED	AED	AED
<b>As at 31 December 2024</b>				
Investment entities: Financial assets at fair value through profit and loss (Amount in 000)	-	-	6,958,028	6,958,028
	-	-	6,958,028	6,958,028

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value there is a presumption that an enterprise is a going concern without any intention or need to liquidate, curtail materially the scale of operations or undertake a transaction on adverse terms.

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The Company has classified the investment entities at level 3 since the fair value measurements are derived from valuation techniques that include inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

**Notes to the Financial Statements for the year ended 31 December 2025**

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**21 Fair value hierarchy (continued)**

The Company hired an independent external valuer to carry out the valuation of the investment entities. As a result of the valuation, the investment entities have been revalued at approximately AED 6,671 million (Note 6).

The expert has used different methods to arrive at the fair values of the investments. Two approaches have been applied, namely the Income Approach (Discounted Cash Flow (DCF)) and the Market Approach (Guideline Public Companies Method). The base discount rate has been determined using the Weighted Average Cost of Capital (WACC).

For investments valued using the DCF method, the key input applied is the discount rate, and a sensitivity analysis has been performed by applying a reasonably possible change of  $\pm 1\%$  in the discount rate which would result in  $\pm$  AED168 million in the profit or loss account.

During the year, there were no transfers between the various levels of fair value measurements.

**22 Taxation**

The United Arab Emirates introduced a Corporate Income Tax ('CIT') regime, effective for financial years beginning on or after June 1, 2023. Under the new legislation, the Company is subject to corporate income tax at a rate of 9% on taxable income. The Company is committed to full compliance with the tax laws and regulations of the United Arab Emirates and has included all relevant disclosures herein. The tax charged for the year ended 31 December 2025 is Nil as the Company has taxable loss during the year. In accordance with IAS 12 Income Taxes, the Company has not recognised any deferred tax assets or liabilities, as the carrying amounts of all assets and liabilities are equal to their respective tax bases, resulting in no temporary differences.

**23 Segment Reporting**

For operating purpose, the Company's only operation is of holding company, so no segment reporting is presented.

**24 Events after the reporting period**

Subsequent to 31 December 2025, geopolitical tensions in the Middle East escalated significantly. In accordance with IAS 10 Events after the Reporting Period, these developments represent non adjusting events after the reporting period. Management is monitoring the situation and assessing the potential impact on the Company's operations, financial position and liquidity; however, given the evolving and uncertain nature of the circumstances, the financial effects cannot be reliably estimated at the date of approval of these financial statements. Accordingly, no adjustments have been made to the amounts recognised, and the financial statements continue to be prepared on a going concern basis.