PALMS SPORTS PJSC

Review report and interim condensed consolidated financial statements for six-month period ended 30 June 2026

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Deloitte & Touche (M.E.)
Level 11, Al Sila Tower
Abu Dhabi Global Market Square
Al Maryah Island
P.O. Box 990
Abu Dhabi
United Arab Emirates

Tel: +971 (0) 2 408 2424
Fax:+971 (0) 2 408 2525
www.deloitte.com

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF PALM SPORTS P.J.S.C.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Palms Sports P.J.S.C. ("the Company") and its subsidiaries (together "the Group") as of 30 June 2026 and the related statement of profit or loss and other comprehensive income for the three-months and six-months period then ended, and the related statements of changes in equity and cash flows for the six-month period then ended and selected explanatory notes. Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410,*"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Other Matter

The consolidated financial statements of the Group for the year ended 31 December 2025 and interim financial information for the six-month period ended 30 June 2025 were audited and reviewed respectively by another auditor who expressed an unmodified opinion on those statements and an unmodified conclusion on that information on 20 January 2026 and 21 July 2025 respectively.

Deloitte & Touche (M.E.)

Mohammed Khamees Al Tah
Registration No. 717
21 July 2026
Abu Dhabi
United Arab Emirates

Interim condensed consolidated statement of financial position
as at 30 June 2026

	Notes	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Assets			
Non-current assets			
Property and equipment	**4**	**90,208,297**	92,544,592
Prepayments	**8**	**6,093,864**	5,448,399
Intangible assets and goodwill	**5**	**73,031,991**	74,586,802
Investment in joint ventures	**6**	**7,204,089**	8,914,204
Right-of-use asset		**7,968,503**	10,478,704
Investments in financial assets	**7**	**25,810,219**	27,780,040
		210,316,963	219,752,741
Current assets			
Inventories		**7,232,648**	5,422,489
Investments in financial assets	**7**	**59,653,739**	66,881,440
Trade and other receivables	**8**	**441,807,027**	511,209,001
Amounts due from related parties	**12**	**28,668,467**	53,099,802
Loans to related parties	**12**	**32,297,251**	34,197,251
Cash and bank balances	**9**	**227,215,318**	194,499,327
		796,874,450	865,309,310
Total assets		**1,007,191,413**	1,085,062,051
Equity and liabilities			
Equity			
Share capital	**10**	**150,000,000**	150,000,000
Legal reserve	**11**	**64,052,002**	64,052,002
Merger reserve		**4,267,579**	4,267,579
Cumulative changes on revaluation of investments		**(9,272,516)**	(6,675,134)
Retained earnings		**385,755,928**	426,906,822
Equity attributable to the Owners of the Company		**594,802,993**	638,551,269
Non-controlling interest		**(1,490,982)**	(679,443)
Total equity		**593,312,011**	637,871,826

The accompanying notes form an integral part of these condensed financial statements.

Interim condensed consolidated statement of financial position as at 30 June 2026 (continued)

	Notes	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Non-current liabilities			
Provision for employees' end of service benefits		**145,577,813**	139,769,702
Deferred tax liabilities	20	**2,920,962**	3,751,627
Lease liabilities		**6,461,285**	6,879,012
Bank borrowings	14	**65,835,000**	71,668,000
		220,795,060	222,068,341
Current liabilities			
Trade and other payables		**121,157,738**	147,396,528
Amounts due to related parties	12	**4,685,461**	14,729,953
Current tax liabilities	20	**24,213,888**	17,555,810
Bank borrowings	14	**41,666,000**	41,666,000
Lease liabilities		**1,361,255**	3,773,593
		193,084,342	225,121,884
Total liabilities		**413,879,402**	447,190,225
Total equity and liabilities		**1,007,191,413**	1,085,062,051

Chief Executive Officer

Director

The accompanying notes form an integral part of these condensed financial statements.

Interim condensed consolidated statement of profit or loss and other comprehensive income for the six month-period ended 30 June 2026

	Notes	Three-month ended 30 June		Six-month ended 30 June	
		2026 (unaudited) AED	2025 (unaudited) AED	**2026 (unaudited) AED**	2025 (unaudited) AED
Revenue from contracts with customers	**15**	**280,420,531**	280,860,080	**568,948,824**	557,139,505
Cost of sales	**16**	**(235,310,077)**	(239,036,367)	**(470,038,700)**	(467,343,551)
Gross profit		**45,110,454**	41,823,713	**98,910,124**	89,795,954
General and administrative expenses	**17**	**(23,952,397)**	(18,079,480)	**(43,731,707)**	(34,138,596)
Share of profit/(loss) of joint ventures	**6**	**(1,463,132)**	504,673	**(1,710,115)**	738,504
Finance income		**2,037,030**	1,357,238	**3,488,645**	2,765,069
Finance costs		**(2,301,179)**	(3,092,905)	**(4,642,318)**	(6,505,518)
Changes in fair value of financial assets carried at fair value through profit or loss	**7.2**	**5,604,569**	5,407,446	**(7,227,701)**	(3,485,524)
Dividend income		**264,424**	324,271	**495,898**	440,635
Reversal of (provision for) expected credit losses, net	**8**	**721,033**	1,314,264	**931,259**	(870,102)
Other income		**963,136**	880,232	**2,657,778**	1,609,655
Profit before tax for the period		**26,983,938**	30,439,452	**49,171,863**	50,350,077
Income tax expense	**20**	**(2,194,199)**	(3,000,980)	**(6,084,296)**	(5,465,144)
Net profit for the period		**24,789,739**	27,438,472	**43,087,567**	44,884,933
Attributable to:					
Owners of the Company		**25,261,456**	27,811,845	**43,899,106**	45,404,266
Non-controlling interest		**(471,717)**	(373,373)	**(811,539)**	(519,333)
		24,789,739	27,438,472	**43,087,567**	44,884,933
Basic earnings per share	**18**	**0.17**	0.19	**0.29**	0.30

The accompanying notes form an integral part of these condensed financial statements.

Interim condensed consolidated statement of profit or loss and other comprehensive income for the six month-period ended 30 June 2026 (continued)

		Three-month ended 30 June		**Six-month ended 30 June**	
	Notes	**2026 (unaudited) AED**	2025 (unaudited) AED	**2026 (unaudited) AED**	2025 (unaudited) AED
Profit for the period		**24,789,739**	27,438,472	**43,087,567**	44,884,933
Other comprehensive income					
Items that will not to be reclassified to profit or loss:					
Equity investments at fair value through other comprehensive loss (net of tax)		**(2,597,382)**	(2,634,738)	**(2,597,382)**	(2,634,738)
Total other comprehensive income for the period		**(2,597,382)**	(2,634,738)	**(2,597,382)**	(2,634,738)
Total comprehensive income for the period		**22,192,357**	24,803,734	**40,490,185**	42,250,195
Attributable to:					
Owners of the Company		**22,664,074**	25,177,107	**41,301,724**	42,769,528
Non- controlling interest		**(471,717)**	(373,373)	**(811,539)**	(519,333)
		22,192,357	24,803,734	**40,490,185**	42,250,195

The accompanying notes form an integral part of these condensed financial statements.

Interim condensed consolidated statement of changes in equity for the six-month period ended 30 June 2026

	Attributable to equity holders of the Company							
	Share Capital AED	Legal reserve AED	Merger reserve AED	Cumulative changes in fair value AED	Retained earnings AED	Total AED	Non-controlling interest AED	Total equity AED
Balance at 1 January 2025 (audited)	150,000,000	52,489,578	4,267,579	(4,420,372)	372,846,008	575,182,793	238,224	575,421,017
Profit for the period / (loss)	-	-	-	-	45,404,266	45,404,266	(519,333)	44,884,933
Other comprehensive loss for the period	-	-	-	(2,634,738)	-	(2,634,738)	-	(2,634,738)
Total comprehensive income for the period/(loss)	-	-	-	(2,634,738)	45,404,266	42,769,528	(519,333)	42,250,195
Dividends paid (note 10.1)	-	-	-	-	(50,001,000)	(50,001,000)	-	(50,001,000)
At 30 June 2025 (unaudited)	150,000,000	52,489,578	4,267,579	(7,055,110)	368,249,274	567,951,321	(281,109)	567,670,212
At 1 January 2026 (audited)	150,000,000	64,052,002	4,267,579	(6,675,134)	426,906,822	638,551,269	(679,443)	637,871,826
Profit for the period/(loss)	-	-	-	-	43,899,106	43,899,106	(811,539)	43,087,567
Other comprehensive loss for the period	-	-	-	(2,597,382)	-	(2,597,382)	-	(2,597,382)
Total comprehensive income for the period/(loss)	-	-	-	(2,597,382)	43,899,106	41,301,724	(811,539)	40,490,185
Dividends paid (note 10.1)	-	-	-	-	(85,050,000)	(85,050,000)	-	(85,050,000)
At 30 June 2026 (unaudited)	**150,000,000**	**64,052,002**	**4,267,579**	**(9,272,516)**	**385,755,928**	**594,802,993**	**(1,490,982)**	**593,312,011**

The accompanying notes form an integral part of these condensed financial statements.

Interim condensed consolidated statement of cash flows for the six-month period ended 30 June 2026

	Notes	Six-month ended 30 June 2026 AED (unaudited)	2025 AED (unaudited)
Operating activities			
Profit for the period before tax		**49,171,863**	50,350,077
Adjustments for:			
Depreciation of property and equipment	4	**4,573,458**	4,218,917
Amortisation of intangible assets		**3,023,807**	3,035,350
Depreciation of right-of-use asset		**2,525,316**	2,320,222
Gain on disposal of property and equipment		**-**	(81,582)
Provision for slow moving inventory		**276,202**	-
Loss on termination of lease		**2,044**	-
Provision for employees' end of service benefits		**14,218,215**	13,703,950
Provision/(reversal) for expected credit losses		**(931,259)**	870,102
Changes in fair value of investments carried At fair value through profit or loss		**7,227,701**	3,485,524
Reversal of impairment of investment in joint venture		**-**	(150,000)
Share of profit/(loss) of joint ventures	5	**1,710,115**	(738,504)
Finance income		**(3,488,645)**	(2,765,069)
Finance costs		**4,642,318**	6,505,515
		82,951,135	80,754,502
Working capital changes:			
Inventories		**(2,086,361)**	292,356
Trade and other receivables		**68,607,197**	(64,236,576)
Amounts due from related parties		**25,511,895**	14,029,612
Trade and other payables		**(26,973,290)**	2,490,019
Amounts due to related parties		**(10,044,471)**	(6,227,943)
Cash generated from operations		**137,966,105**	27,101,973
Employees' end of service benefits paid		**(8,410,104)**	(5,171,255)
Finance costs paid		**(4,393,217)**	(6,177,031)
Net cash generated from operating activities		**125,162,784**	15,753,687
Investing activities			
Movement in term deposits with Original maturities more than three-month		**(75,938,030)**	(8,627,664)
Purchase of property and equipment	4	**(2,237,164)**	(3,428,993)
Proceeds from sale of property and equipment		**-**	179,048
Finance income received		**2,604,201**	1,974,028
Cash paid on acquisition of subsidiaries	21.1	**(734,500)**	(1,000,000)
Net cash used in investing activities		**(76,305,493)**	(10,903,581)
Financing activities			
Repayment of bank borrowings		**(5,833,000)**	(87,074,400)
Loans repaid by related party		**1,900,000**	500,000
Loans to related party		**-**	(5,000,000)
Dividends paid	10.1	**(85,050,000)**	(50,001,000)
Repayment of lease liabilities		**(3,096,330)**	(2,886,695)
Cash used in financing activities		**(92,079,330)**	(144,462,095)
Net decrease in cash and Cash equivalents during the period		**(43,222,039)**	(139,611,989)
Cash and cash equivalents at beginning of the period		**144,094,639**	241,262,102
Cash and cash equivalents at the end of the period		**100,872,600**	101,650,113

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2026

1 General information

Palms Sports PJSC (the "Company") is a private joint stock company incorporated in Abu Dhabi under the UAE Federal Law No. (2) of 2015. The address of its registered office is at P.O. Box 39877, Abu Dhabi, United Arab Emirates.

These interim condensed consolidated financial statements include the results of operations and financial position of the Company and its subsidiaries (together referred to as the "Group"). The Group's principal activities are trading sports goods, providing sport enterprises investment, education services enterprise investment, security guards services, physiotherapy and sports injury rehabilitation.

International Holding Company PJSC is the Parent and Fount Trust is the Ultimate Parent of the Company.

The interim condensed consolidated financial statements were approved by the Board of Directors and authorised for issue on 21 July 2026.

2 Application of new and revised IFRS Accounting Standards (IFRSs)

2.1 New and revised IFRSs applied with no material effect on the condensed consolidated interim financial statements

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2026, have been adopted in condensed consolidated interim financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior periods but may affect the accounting for future transactions or arrangements.

Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments

The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 *Financial Instruments*.

Annual improvements to IFRS Accounting Standards — Volume 11

The pronouncement comprises the following amendments:

- IFRS 1: Hedge accounting by a first-time adopter
- IFRS 7: Gain or loss on derecognition
- IFRS 7: Disclosure of deferred difference between fair value and transaction price
- IFRS 7: Introduction and credit risk disclosures
- IFRS 9: Lessee derecognition of lease liabilities
- IFRS 9: Transaction price
- IFRS 10: Determination of a 'de facto agent'
- IAS 7: Cost method

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2026 (continued)

2 Application of new and revised IFRS Accounting Standards (IFRSs) (continued)

2.2 New and revised IFRS in issue but not yet effective

New and revised IFRSs	Effective for annual periods beginning on or after
IFRS 18 Presentation and Disclosures in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
IFRS 20 Regulatory Assets and Regulatory Liabilities	1 January 2029
Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21)	1 January 2027
IFRS Sustainability Disclosure Standards	
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	Effective date not yet decided by the regulator in the United Arab Emirates
IFRS S2 Climate-related Disclosures	Effective date not yet decided by the regulator in the United Arab Emirates

The above stated new standards and amendments are not expected to have any significant impact, other than IFRS 18, will have a material impact on the condensed consolidated interim financial statements. The Group is currently working to identify the impacts IFRS 18 will have on the condensed consolidated interim financial statements and its notes.

There are no other applicable new standards and amendments to published standards or IFRIC interpretations that have been issued that would be expected to have a material impact on the condensed consolidated interim financial statements of the Group.

3 Summary of material accounting policy information

Basis of preparation

Statement of compliance

The interim condensed consolidated financial statements for the six-month ended 30 June 2026 have been prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting and also comply with the applicable requirements of the laws in the United Arab Emirates,

The interim condensed consolidated financial statements do not include all information and disclosures required in the annual consolidated financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025. In addition, results for the six-month period ended 30 June 2026 are not necessarily indicative of the results that may be expected for the year ending 31 December 2026.

These interim condensed consolidated financial statements have been prepared on historical cost basis, except for investments in financial assets carried at fair value through other comprehensive income and investments carried at fair value through profit or loss which are stated at fair value.

The interim condensed consolidated financial statements are presented in United Arab Emirates Dirham (AED), which is the presentation currency of the Group and the functional currency of the Company.

3 Summary of material accounting policies (continued)

Basis of preparation (continued)

Basis for consolidation

The interim condensed consolidated financial statements of the Group comprise the financial information of the Company and its subsidiaries.

Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

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

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders
- potential voting rights held by the Group, other vote holders and other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meeting.

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

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

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between member of the Group are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2026 (continued)

3 Summary of material accounting policies (continued)

Basis of preparation (continued)

Basis for consolidation (continued)

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Details of the Company's subsidiaries as at 30 June 2026 and 31 December 2025 were as follows:

Name of subsidiary	*Place of incorporation and operation*	*Principal activities*	*Proportion of ownership interest and voting power held*	
			30 June 2026	*31 December 2025*
Direct Trading LLC	United Arab Emirates	Distribution Company	**60%**	60%
Palms Sports Events LLC	United Arab Emirates	Dormant Company	**100%**	100%
Securiguard Middle East LLC	United Arab Emirates	Provision of security guards and cleaning services	**100%**	100%
Secure Recruitment Services Establishment LLC	United Arab Emirates	Provision of recruitment services	**100%**	100%
Secure Facilities General Maintenance LLC OPC	United Arab Emirates	Dormant Company	**100%**	100%
Securiguard Middle East Co LLC	United Arab Emirates	General security guard services	**100%**	100%
Securiguard Parking Management - Sole Proprietorship L.L.C.	United Arab Emirates	Dormant Company	**100%**	100%
Yas Ortho Day Surgery and Rehabilitation Center by Palms Sports - L.L.C (formerly Yas Physiotherapy Center - L.L.C)	United Arab Emirates	Physiology Treatment Centre	**80%**	80%
Neuronso Technology for AI Applications And Services Co. LLC	United Arab Emirates	Cyber Risk Management, Cyber Security Services and Electronic Chips Programming	**51%**	51%
Thai T-shirt Factory Co. Ltd*	Kingdom of Thailand	Textile manufacturing and apparel production	**45%**	-
Palm Security Services – L.L.C – O.P.C	United Arab Emirates	Dormant Company	**100%**	100%

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2026 (continued)

3 Summary of material accounting policies (continued)

Basis of preparation (continued)

Basis for consolidation (continued)

Name of subsidiary	*Place of incorporation and operation*	*Principal activities*	*Proportion of ownership interest and voting power held*	
			30 June 2026	*31 December 2025*
Learn Educational Investment LLC	United Arab Emirates	Holding Company	**100%**	100%
Below are the subsidiaries of Learn Educational Investment LLC:				
Al Rabeeh Academy LLC	United Arab Emirates	Provision of education services	**100%**	100%
Al Rabeeh School LLC	United Arab Emirates	Provision of education services	**100%**	100%
Below is the subsidiary of Securiguard Middle East LLC:				
Securiguard Gents Salon LLC – SPC **	United Arab Emirates	Men Hairdressing, Trimming and Styling	**100%**	-

* The Company appoints majority of the directors to the board of Thai T-Shirt Factory Co. Ltd, thereby exercising control.

** The Group incorporated Securiguard Gents Salon LLC – SPC on 07 May 2026, a wholly-owned subsidiary, with an issued and paid-up capital of AED 100,000.

Significant accounting estimates and judgements

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

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

In preparing these interim condensed consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those applied in the consolidated financial statements as at and for the year ended 31 December 2025.

4 Property and equipment

During the period, additions to property and equipment amounted to AED 2,237,164 (period ended 30 June 2025: AED 3,428,993) and depreciation charge for the period ended 30 June 2026 amounted to AED 4,573,458 (period ended 30 June 2025: AED 4,218,917). Assets with a net book value of nil were disposed during the six month period ended 30 June 2026 (30 June 2025: AED 97,466).

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2026 (continued)

5 Intangible assets and goodwill

During the period, additions to intangible assets and goodwill amounted to AED 1,469,000 (six month period ended 30 June 2025: AED 1,000,000) and amortisation charge for six month period ended 30 June 2026 amounted to AED 3,023,807 (six month period ended 30 June 2026: AED 3,035,352).

As of the reporting period, the net carrying amount amounts to AED 73,031,991 (31 December 2025: AED 74,586,802) which pertains to computer software, goodwill, customer and supplier contracts and brand and trademark amounting to AED 376,518, AED 19,128,381, AED 26,708,000 and AED 26,819,092 (31 December 2025: AED 430,307, AED 17,659,383, AED 28,577,784 and AED 27,919,328) respectively.

6 Investment in joint ventures

Details of the Group's investment in joint ventures is as follows:

Name of entity	**Principal activities**	**Place of incorporation and operation**	**Ownership interest 2026**	Ownership interest 2025
Exceed Holding for Sports LLC	Sport enterprises investment, institution and management	UAE	**50%**	50%
AL Qudra Sports Management LLC	Sport enterprises investment, institution and management	UAE	**50%**	50%

Movement in investment in joint ventures is as follows:

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Carrying value of investment at the beginning of the period	**8,914,203**	5,358,953
Group's share of (loss)/profit for the period / year	**(1,710,116)**	3,405,250
Reversal of impairment	**-**	150,000
	7,204,089	8,914,203

Exceed Holding for Sports LLC

The investment in Exceed Holding for Sports LLC is AED 652,693 as on 30 June 2026 (2025: AED 2,757,768). During 2022, the Group incorporated Exceed Holding for Sports LLC (Exceed) with 50% shareholding and injected their share capital of AED 150,000. The other venturer owns the remaining 50%.

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2026 (continued)

6 Investment in joint ventures (continued)

Exceed Holding for Sports LLC (continued)

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Carrying value of investment at the beginning of the period	**2,757,768**	-
Group's share of (loss)/profit for the period / year	**(2,105,075)**	2,607,768
Reversal of impairment	**-**	150,000
	652,693	2,757,768

Summarized statement of financial position of Exceed Holding for Sports LLC:

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Total assets	**96,836,656**	114,594,258
Total liabilities*	**95,531,272**	109,078,721

Total liabilities include dividend payable to the Company of AED 3,509,416 as at 30 June 2026 (31 December 2025: AED 3,531,498).

Summarized statement of profit or loss of Exceed Holding for Sports LLC:

	Six-month ended 30 June	
	2026 AED (unaudited)	2025 AED (unaudited)
Revenue	**29,019,901**	33,312,284
Direct costs	**(25,400,143)**	(27,647,792)
Gross profit	**3,619,758**	5,664,492
Total comprehensive (loss) income for the period	**(2,929,228)**	1,156,641
Group's share of (loss) profit for the period	**(2,105,075)**	659,745

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2026 (continued)

6 Investment in joint ventures (continued)

Al Qudra Sports Management LLC

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Carrying value of investment at the beginning of the period	**6,156,436**	5,358,983
Group's share of profit for the period / year	**394,960**	797,483
	6,551,396	6,156,436

Summarized statement of financial position of Al Qudra Sports Management LLC:

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Total assets	**18,317,849**	16,835,102
Total liabilities	**12,214,776**	11,521,949

Summarized statement of profit or loss of Al Qudra Sports Management LLC:

	Six-month ended 30 June	
	2026 AED (unaudited)	2025 AED (unaudited)
Revenue	**15,362,048**	13,788,572
Direct costs	**(13,280,727)**	(12,511,454)
Gross profit	**2,081,321**	1,277,118
Total comprehensive income for the period	**789,920**	457,517
Group's share of profit for the period	**394,960**	228,759

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2026 (continued)

7 Investments in financial assets

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Investments carried at fair value through other comprehensive income (note 7.1)	**6,970,447**	9,824,712
Investments carried at fair value through profit or loss (note 7.2)	**59,653,739**	66,881,440
Investment carried at amortised cost (note 7.3)	**18,839,772**	17,955,328
	85,463,958	94,661,480

7.1 Investment carried at fair value through other comprehensive income

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Unquoted and inside the UAE	**6,970,447**	9,824,712

The investment is in a fund created by a related party, against a total commitment of USD 5,000,000 (2025: USD 5,000,000). This investment in equity instrument is not held for trading. Instead, it is held for long-term strategic purpose. Accordingly, management of the Group has elected to designate the investment as equity instrument at FVTOCI, as they believe that recognising short-term fluctuations would not be consistent with the Group's strategy of holding the investment for long-term purposes and realising the performance potential in the long run.

The investments are recorded at fair value using the valuation techniques as disclosed in note 19. Movement in investment in financial assets carried at fair value through other comprehensive income is as follows:

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
At 1 January	**9,824,712**	12,535,126
Additions	**-**	39,637
Disposal of investment during the period / year	**-**	(272,289)
Changes in fair value	**(2,854,266)**	(2,477,762)
At the end of the period / year	**6,970,447**	9,824,712

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2026 (continued)

7 Investments in financial assets (continued)

7.2 Investment carried at fair value through profit or loss

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Quoted and inside the UAE	**59,653,739**	66,881,440

These investments in equity instruments are held for trading with an intention of recognising short-term fluctuations in these investments. Fair values of the quoted investments are determined by reference to published price quotations in an active market.

The sensitivity analyses have been determined based on the exposure to equity price risks at the end of the reporting period. If equity prices had been 1% higher/lower, profit or loss for the period would have been higher/lower by AED 596,537 higher/lower.

The investments are recorded at fair value using the valuation techniques as disclosed in note 22. Movement in investment in financial assets carried at fair value through profit and loss is as follows:

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
At 1 January of the period / year	**66,881,440**	77,739,726
Changes in fair value during the period / year	**(7,227,701)**	(10,858,286)
At the end of the period / year	**59,653,739**	66,881,440

7.3 Investment carried at amortised cost

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Investment in debt instruments	**18,839,772**	17,955,328

These investments carry an interest ranging from 5% to 10% (2025: 5% to 10%). During the period, the interest earned on these investments amounted to AED 884,443 (30 June 2025: AED 791,041).

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2026 (continued)

7 Investments in financial assets (continued)

Classification of investments

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Non-current financial assets	**25,810,219**	27,780,040
Current financial assets	**59,653,739**	66,881,440
	85,463,958	94,661,480

8 Trade and other receivables

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Trade receivables	**369,845,103**	443,736,440
Less: allowance for expected credit losses	**(22,184,899)**	(22,035,598)
	347,660,204	421,700,842
Prepayments and deposits	**52,479,936**	54,397,059
Advances to suppliers	**18,755,010**	17,135,927
Other receivables	**29,005,741**	23,423,572
	447,900,891	516,657,400

Trade and other receivables as of 30 June 2026 are analysed in the consolidated statement of financial position as follows:

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Current portion	**441,807,027**	511,209,001
Non-current portion – prepayments	**6,093,864**	5,448,399
	447,900,891	516,657,400

Notes to the interim condensed consolidated financial statements
for the six-month period ended 30 June 2026 (continued)

8 Trade and other receivables (continued)

Movements in the allowance for expected credit losses were as follows:

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
At 1 January	**22,035,598**	24,624,615
Provision (reversals) during the period / year, net	**149,301**	(2,589,017)
At the end of the period / year	**22,184,899**	22,035,598

9 Cash and bank balances

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Cash on hand	**894,369**	899,931
Cash at bank - current account	**99,978,231**	143,194,708
Cash and cash equivalents	**100,872,600**	144,094,639
Fixed deposits with an original maturity of more than three-month	**119,082,327**	42,824,442
	219,954,927	186,919,081
Margin deposits	**7,305,930**	7,625,785
Less: allowance for expected credit losses	**(45,539)**	(45,539)
Cash and bank balances	**227,215,318**	194,499,327

Fixed deposits comprise short term deposits placed with commercial banks bearing interest rates ranging from 0.12% per annum to 4% per annum (2025: from 0.15% per annum to 4.5% per annum).

10 Share capital

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Authorized, issued and fully paid shares		
150,000,000 ordinary shares of AED 1 each (2025: 150,000,000 ordinary shares of AED 1 each)	**150,000,000**	150,000,000

10.1 Dividends

During the period, the shareholders of the Company declared a dividend of AED 0.567 per share (2025: AED 0.334 per share) amounting to AED 85,050,000 (2025: AED 50,001,000) which was paid on 31 March 2026 (2025: 12 March 2025).

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2026 (continued)

11 Legal reserve

In accordance with the UAE Federal Law No. (32) of 2021 amended, and the Company's Articles of Association, 10% of the profit for the year is transferred to legal reserve, which is non-distributable. Transfers to this reserve are required to be made until such time as it equals at least 50% of the share capital of the Company.

12 Related party transactions and balances

The Group enters into transactions with companies and entities that fall within the definition of a related party as contained in the International Accounting Standard (IAS) 24 Related Party Disclosures.

Related parties represent the associated companies, shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

Terms and conditions of transactions with related parties

The Group enters into transactions with related parties in the ordinary course of business at mutually agreed rates. Outstanding balances at the period-end are unsecured, interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

For the period ended 30 June 2026, the Group has recorded an (impairment) reversals of receivables relating to amounts owed by related parties of AED 1,080,560 (2025: impairment of AED 1,087,119). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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

	Nature of relationship	**30 June 2026 AED (unaudited)**	31 December 2025 AED (audited)
Amounts due from related parties:			
Rafed Healthcare Supplies L.L.C.	Other related party	**9,119,250**	10,467,647
Aldar Properties PJSC	Entities under common control	**3,057,705**	3,057,705
National Petroleum Construction Company (NPCC)	Entities under common control	**2,737,251**	1,347,479
Asteco Property Management LLC	Entities under common control	**2,455,805**	181,967
Exceed Holding for Sports LLC	Joint Venture	**2,154,862**	4,614,562
Pyxis Events L.L.C.	Subsidiary of a Joint venture	**1,797,831**	1,355,289
Royal Technology Solutions LLC (RTS)	Other related party	**1,162,392**	-
Al Jazira Football Sports Company L.L.C	Other related party	**1,132,184**	217,552
M42 Ltd	Other related party	**592,027**	871,206
Emirates Palace Hotel Abu Dhabi	Other related party	**534,456**	1,802,421
G42 Companies Management RSC LTD	Other related party	**522,247**	382,188
Inspire Integrated Facilities Management LLC	Entities under common control	**465,294**	5,147,659

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2026 (continued)

12 Related party transactions and balances (continued)

	Nature of relationship	**30 June 2026 AED (unaudited)**	31 December 2025 AED (audited)
Amounts due from related parties:			
Trojan General Contracting and six construct Limited-Zayed National Museum	Other related party	**411,439**	771,606
The Private Affairs Department of Sheikha Fatima	Other related party	**405,063**	580,627
Tourism Development & Investment Company	Other related party	**392,481**	707,116
Bunya Enterprises LLC	Other related party	**387,639**	309,374
Khidmah - Sole Proprietorship LLC	Entities under common control	**376,698**	515,529
Pure C S It Infrastructure LLC	Other related party	**327,320**	325,553
G42 Cloud Technology LLC	Other related party	**316,777**	102,165
Abu Dhabi United Hospitality – Sole Propietorship L.L.C.	Entities under common control	**306,684**	460,026
St. Regis Saadiyat Island Resort Abu Dhabi	Entities under common control	**298,762**	334,868
Burjeel Holding	Other related party	**214,579**	146,237
Presight AI Technologies LLC	Other related party	**192,815**	107,765
Etihad International Hospitality LLC	Entities under common control	**108,990**	110,124
Al Wathba A Luxury Collection Desert Report & Spa – Sole Propreitorship L.L.C.	Entities under common control	**81,428**	111,356
Aldar Investment Properties LLC	Entities under common control	**19,740**	236,880
800TEK Facilities Management LLC	Entities under common control	**16,432**	605,106
Spark Securities Services - Sole Prop LLC	Entities under common control	**-**	566,055
Etihad Airways Group	Other related party	**-**	5,800,205
AD Ports ICP	Other related party	**-**	9,497,666
Senaat - Emirates Steel	Other related party	**-**	3,534,162
Senaat - Al Foah	Other related party	**-**	530,255
UAE Jiu Jitsu Federation	Other related party	**-**	499,786
Others		**1,287,747**	1,089,657
Provision for expected credit losses		**(2,207,431)**	(3,287,991)
		28,668,467	53,099,802

Loans to related parties			
Exceed Holding for Sports LLC	Joint Venture	**19,297,251**	19,297,251
Pyxis Events Sole Proprietorship LLC	Subsidiary of a Joint Venture	**13,000,000**	14,900,000
		32,297,251	34,197,251

12 Related party transactions and balances (continued)

The loan is repayable in one year and carries an interest rates ranging from 6.25% to 7.5% per annum.

	Nature of relationship	**30 June 2026 AED**	31 December 2025 AED
Balances with a financial institution	Other related party	**198,662,274**	139,264,120
Investments in financial assets:			
Two Point Zero Group PJSC (formerly Multiply Group PJSC)	Entity under common control	**32,153,500**	39,215,250
Chimera Global Fund I LP	Entity under common control	**6,970,447**	9,824,712
Pure Health Holding PJSC	Other related party	**2,044,250**	2,358,750
NMDC Energy P.J.S.C	Entity under common control	**2,476,896**	1,936,633
Invictus Investment Company PLC	Other related party	**2,460,000**	3,345,000
Presight AI Holding PLC	Other related party	**2,537,931**	2,378,403
Burjeel Holdings PLC	Other related party	**752,417**	893,495
		49,395,441	59,952,243
Amounts due to related parties:			
National Health Insurance Company – Daman PJSC	Other related party	**3,720,763**	11,187,299
International Holding Company PJSC	Parent Company	**36,750**	1,009,378
Pyxis Events L.L.C.	Subsidiary of a Joint Venture	**126,473**	1,300,568
Khidmah - Sole Proprietorship LLC	Entities under common control	**406,410**	406,410
Capital Medical Center - Sole Proprietorship LLC	Other related party	**174,750**	247,350
Others		**220,315**	578,948
		4,685,461	14,729,953

Transactions

During the period, the Group entered into the following significant transactions with related parties:

	Three-month ended 30 June		**Six-month ended 30 June**	
	2026 AED (unaudited)	2025 AED (unaudited)	**2026 AED (unaudited)**	2025 AED (unaudited)
Transactions with ultimate parent and other related parties:				
Revenue	**14,543,609**	29,658,058	**28,608,334**	64,044,385
Purchase of goods and services	**728,267**	3,786,121	**2,366,456**	5,933,902
Interest income on bank deposits	**750,652**	690,842	**1,189,471**	1,441,377
Dividend income	**94,057**	324,271	**227,087**	440,635
Interest income from loan to related party	**486,424**	91,988	**1,027,006**	153,967

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2026 (continued)

12 Related party transactions and balances (continued)

Transactions with key management personnel

	Three-month ended 30 June		Six-month ended 30 June	
	2026 AED (unaudited)	2025 AED (unaudited)	**2026 AED (unaudited)**	2025 AED (unaudited)
Salaries and short-term benefits	**878,647**	612,142	**1,755,462**	1,237,500
Employees' end of service benefits	**7,051**	-	**15,750**	-
	885,698	612,142	**1,771,212**	1,237,500

Transactions with related parties were entered into on terms agreed with management.

13 Contingent liabilities

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Bank guarantees	**245,829,175**	242,181,820
Commitments	**7,919,200**	7,919,200

The above bank guarantees have been issued from a local bank in the ordinary course of business on which the bank charges a fee of 1% per annum (31 December 2025: 1% per annum).

14 Bank borrowings

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Current	**41,666,000**	41,666,000
Non-current	**65,835,000**	71,668,000
	107,501,000	113,334,000
Term loan 1	**90,000,000**	90,000,000
Term loan 2	**17,501,000**	23,334,000
	107,501,000	113,334,000

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2026 (continued)

14 Bank borrowings (continued)

Term loan 1

During the year 2023, the Group obtained a loan amounting to AED 120,000,000 to finance the acquisition of a subsidiary, Securiguard Middle East LLC. The principal portion of the facility is repayable in five annual instalments with last payment due 30 September 2028. The loan carries an interest charged at the aggregate of 3 months EIBOR plus 1.25% spread per annum. During the period, the interest expense incurred on this loan amounted to AED 2,224,883 (30 June 2025: AED 3,419,991).

Term loan 2

During 2024, a subsidiary of the Group obtained a new loan amounting to AED 35,000,000 to finance the working capital of the subsidiary. The principal portion of the facility is repayable in six equal instalments with the last payment due on 31 October 2027. The loan carries an interest charged at the aggregate of 3 months EIBOR plus 1.25% spread per annum. During the period, the interest expense incurred on this loan amounted to AED 509,758 (30 June 2025: AED 974,203).

15 Revenue from contracts with customers

	Three-month ended 30 June		Six-month ended 30 June	
	2026 AED (unaudited)	2025 AED (unaudited)	**2026 AED (unaudited)**	2025 AED (unaudited)
Types of goods or service				
Coaching and training services	**112,632,559**	109,272,224	**225,681,221**	217,529,858
Income from guarding, cleaning and equipment services	**146,938,401**	151,614,306	**300,353,216**	301,099,090
Income from educational services	**19,610,724**	16,461,299	**40,096,213**	33,183,965
Sale of material	**117,238**	2,195,006	**670,361**	2,815,315
Physiotherapy services	**665,703**	726,110	**1,248,869**	1,329,007
Other services	**455,906**	591,135	**898,944**	1,182,270
	280,420,531	280,860,080	**568,948,824**	557,139,505
Geographical markets				
United Arab Emirates	**280,126,231**	280,566,280	**568,213,824**	556,405,005
United States of America	**294,300**	293,800	**735,000**	734,500
	280,420,531	280,860,080	**568,948,824**	557,139,505
Timing of revenue recognition				
Revenue over time	**279,637,590**	277,938,964	**567,029,594**	552,995,183
Revenue at a point in time	**782,941**	2,921,116	**1,919,230**	4,144,322
	280,420,531	280,860,080	**568,948,824**	557,139,505

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2026 (continued)

16 Cost of revenue

	Three-month ended 30 June		Six-month ended 30 June	
	2026	2025	**2026**	2025
	AED	AED	**AED**	AED
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Staff cost	**204,627,651**	209,933,464	**408,175,961**	408,475,517
Events	**5,994,816**	5,073,586	**11,411,149**	13,073,051
Recruitment expense	**4,242,068**	4,235,688	**8,358,443**	8,383,371
Transportation expense	**4,054,315**	3,819,243	**8,267,660**	7,225,215
Material cost	**1,203,687**	2,760,001	**2,502,898**	3,057,305
Other direct costs	**15,187,540**	13,214,385	**31,322,589**	27,129,092
	235,310,077	239,036,367	**470,038,700**	467,343,551

17 General and administrative expenses

	Three-month ended 30 June		Six-month ended 30 June	
	2026	2025	**2026**	2025
	AED	AED	**AED**	AED
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Staff costs	**11,500,218**	8,162,003	**20,053,813**	14,627,088
Depreciation and amortization	**5,035,967**	4,777,895	**10,060,379**	9,488,754
Bus operating cost	**1,339,451**	1,163,591	**2,705,361**	1,957,820
Legal and professional fees	**1,409,085**	973,241	**2,492,196**	2,045,345
Marketing and exhibition expenses	**1,124,238**	736,258	**1,817,353**	1,224,748
Rent	**804,392**	764,644	**1,639,233**	1,537,329
Telephone and IT charges	**721,564**	242,629	**1,458,594**	442,044
Repair and maintenance	**212,802**	525,228	**260,935**	699,852
Other expenses	**1,804,680**	733,995	**3,243,843**	2,115,618
	23,952,397	18,079,484	**43,731,707**	34,138,598

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2026 (continued)

18 Basic earnings per share

Basic earnings per share are calculated by dividing the total profit for the period of the Group by the weighted average number of shares in issue throughout the period as follows:

	Three-month ended 30 June		**Six-month ended 30 June**	
	2026 (unaudited)	2025 (unaudited)	**2026 (unaudited)**	2025 (unaudited)
Profit attributable to the owners of the Group (AED)	**25,261,454**	27,811,845	**43,899,105**	45,404,266
Weighted average number of shares (shares)	**150,000,000**	150,000,000	**150,000,000**	150,000,000
Basic earnings per share for the period (AED)	**0.17**	0.19	**0.29**	0.30

As of 30 June 2026, the Group has not issued any dilutive instruments that have an impact on earnings per share when exercised.

19 Segment reporting

Segments were identified based on the Group's internal reporting and how the Chief Operating Decision Maker ("CODM") assesses the performance of the business. The Group has two reportable segments listed below.

Income from guarding and cleaning services includes provision of services of security guards and onshore and offshore oil cleaning services to its customer.

Income from coaching and training services includes providing specialized sports training services with regards to Jiu-Jitsu, mixed martial arts and combat sports.

Income from educational services includes providing educational services, management of educational institutions.

Others includes IT research and physiotherapy treatment services.

The Chief Operating Decision Makers (CODM) monitor the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the interim condensed consolidated financial statements.

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2026 (continued)

19 Segment reporting (continued)

	Coaching and training AED	Guarding and cleaning AED	Educational services AED	Others AED	Unallocated AED	Elimination AED	Total AED
30 June 2026							
Revenue from contracts with customers	**225,681,221**	**300,947,882**	**40,096,213**	**3,429,994**	**-**	**(1,206,486)**	**568,948,824**
Cost of sales	**(154,791,139)**	**(286,349,304)**	**(24,236,071)**	**(5,557,209)**	**-**	**895,023**	**(470,038,700)**
Gross profit	**70,890,082**	**14,598,578**	**15,860,142**	**(2,127,215)**	**-**	**(311,463)**	**98,910,124**
Profit (loss) for the period before tax	**51,191,628**	**5,484,165**	**931,613**	**(5,471,851)**	**(2,909,904)**	**(53,788)**	**49,171,863**
Segment assets	**647,264,843**	**394,985,821**	**65,790,054**	**27,412,948**	**146,195,133**	**(274,457,386)**	**1,007,191,413**
Segment liabilities	**111,120,262**	**159,509,173**	**68,372,782**	**29,059,483**	**90,000,000**	**(44,182,298)**	**413,879,402**
30 June 2025							
Revenue from contracts with customers	217,529,858	301,577,911	33,183,965	7,433,336	-	(2,585,565)	557,139,505
Cost of sales	(150,606,910)	(288,113,630)	(24,414,734)	(6,793,842)	-	2,585,565	(467,343,551)
Gross profit	66,922,948	13,464,281	8,769,231	639,494	-	-	89,795,954
Profit (loss) for the period before tax	48,948,974	4,938,405	(826,913)	(3,319,073)	608,684	-	50,350,077
Segment assets	611,906,083	444,457,038	69,361,747	20,101,572	164,964,389	(284,149,691)	1,026,641,138
Segment liabilities	130,893,275	172,820,045	74,479,346	18,691,463	118,134,884	(56,048,087)	458,970,926

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2026 (continued)

20 Income tax

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the interim condensed consolidated statement of profit or loss are:

	Three-month ended 30 June		**Six-month ended 30 June**	
	2026	2025	**2026**	2025
	AED	AED	**AED**	AED
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Current tax expense	**2,415,110**	2,541,269	**5,798,628**	5,302,078
Domestic minimum top-up tax	**95,710**	623,480	**859,448**	803,215
Deferred tax income	**(316,621)**	(163,769)	**(573,780)**	(640,149)
Income tax expense recognized in the consolidated statement of profit or loss	**2,194,199**	3,000,980	**6,084,296**	5,465,144

	Three-month ended 30 June		**Six-month ended 30 June**	
	2026	2025	**2026**	2025
	AED	AED	**AED**	AED
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Deferred tax income credited to OCI	**(256,884)**	(260,578)	**(256,884)**	(260,578)

Current tax liabilities

The movement in the current tax liabilities is as follows:

	30 June 2026	31 December 2025
	AED	AED
	(unaudited)	(audited)
At 1 January of the period / year	**17,555,810**	13,723,980
Charge for the period / year	**6,658,078**	17,628,169
Transferred to parent company towards utilisation of its tax losses	**-**	(10,372,567)
Payments made during the period / year	**-**	(3,423,772)
At the end of the period / year	**24,213,888**	17,555,810

Notes to the interim condensed consolidated financial statements
for the six-month period ended 30 June 2026 (continued)

20 Income tax (continued)

Deferred tax liabilities
Deferred tax liabilities relates to the following:

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Intangible assets acquired during business combination	**4,851,327**	5,123,633
Financial instruments measured through OCI	**(857,221)**	(600,337)
Carry forward of losses	**(1,073,144)**	(771,669)
At the end of the period / year	**2,920,962**	3,751,627

Considering the offsetting requirements set out in IAS 12, management has concluded that;
(a) there is legal enforceable right to offset the deferred tax asset and deferred tax liability and
(b) both deferred tax asset and deferred tax liability arise on the same group.

As such, for the purposes of financial statements' presentation, AED 1,930,365 deferred tax asset has been offset against AED 4,851,327 deferred tax liability.

21 Business acquisitions

21.1 Business combination during the period

During 2026, the Group acquired the following entity, which was accounted for using the acquisition method under IFRS 3 Business Combination:

Thai T-shirt Factory Co. Ltd
Effective 12 February 2026, the Group acquired a 45% interest in Thai T-shirt Factory Co. Ltd for a total consideration of AED 1,469,000. Thai T-shirt Factory Co. Ltd is based in Kingdom of Thailand and is engaged in manufacturing of T-shirts. From the date of acquisition, Thai T-shirt Factory Co. Ltd has not contributed any revenue and profit to the Group.

At the date of acquisition Thai T-shirt Factory Co. Ltd did not have any assets and liabilities, hence the purchase price was allocated as goodwill.

	2026 AED
Proportionate share of identifiable assets acquired	**-**
Goodwill arising at acquisition (note 6)	**1,469,000**
Purchase consideration	**1,469,000**

The net assets recognised for Thai T-shirt Factory Co. Ltd are based on the assessment of their fair values as at the acquisition date. The purchase price is allocated on a provisional basis. The 50% purchase consideration has been paid on 4 March 2026. Balance 50% is payable as on 30 June 2026.

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2026 (continued)

21 Business acquisitions (continued)

21.1 Business combination during the period (continued)

Analysis of cashflows on acquisition:

	2026 AED
Cash paid for acquisition	**734,500**
Net cash acquired on business combination	**-**
Acquisition of operating business – net of cash acquired (included in cash flows from investing activities)	**734,500**

21.2 Business combination during the prior year

Effective 16 January 2025, the Group acquired a 51% interest in Neuronso Technology for AI Applications and Services Co. L.L.C. ("Neuronso") for a consideration amounting to of AED 1,000,000. Neuronso is based in the Emirate of Dubai and is specialized in Cyber Risk Management Services, IT Infrastructure, Electronic chip Programming. From the date of acquisition to 31 December 2025, Neuronso Technology for AI Applications L.L.C has contributed nil revenue and loss amounting to AED 972,170 to the Group.

The fair values of the identifiable assets and liabilities of the acquired entity as at the date of acquisition were as follows :

	2025 AED
Assets	
Intangible assets – computer software	537,884
Total assets	537,884
Liabilities	
Deferred tax liability	48,410
Total liabilities	48,410
Total identifiable net assets at fair value	489,474
Proportionate share of identifiable assets acquired	249,632
Goodwill arising at acquisition	750,368
Purchase consideration	1,000,000

The net assets recognised for Neuronso Technology for AI Applications L.L.C. are based on the assessment of their fair values as at the acquisition date. The purchase consideration has been paid on 3 February 2025.

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2026 (continued)

21 Business acquisitions (continued)

21.2 Business combination during the prior year (continued)

	2025 AED
Non-controlling interest	239,843
Analysis of cashflows on acquisition:	
Cash paid for acquisition	1,000,000
Net cash acquired on business combination	-
Acquisition of operating business – net of cash acquired (included in cash flows from investing activities)	1,000,000

22 Fair values of financial instruments

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the interim condensed consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table gives information about how the fair value of the Group's assets are determined.

Financial assets	Fair value as at 30 June 2026 AED	Fair value as at 31 December 2025 AED	Fair value hierarchy	Valuation techniques and key inputs	Relationship of unobservable inputs to fair value
Quoted equity investments – investment in financial assets	**59,653,740**	66,881,440	Level 1	Quoted bid prices in an active market.	Not applicable
Unquoted equity investments – investment in financial assets at fair value through comprehensive income	**6,970,447**	9,824,712	Level 3	Net assets value - Discounted cash flow method and latest transaction price of underlying investments	Higher long term growth rate for cashflows for subsequent years, higher the fair value. Higher WACC and discount rate, lower the fair value.

There were no transfers between each of levels during the period. There are no financial liabilities which should be measured at fair value and accordingly no disclosure is made in the above table.

23 Seasonality of results

The nature of Group's business is such that the income and expenditure are incurred in a manner, which is not impacted by any forms of seasonality. These interim condensed consolidated financial statements were prepared based upon accrual concept, which requires income and expenses to be recorded as earned or incurred and not as received or paid throughout the period.

24 Geopolitical events

During the reporting period, geopolitical tensions in the Middle East had escalated following a conflict involving the certain countries. As at the date of authorisation of these financial statements, management is actively monitoring the situation. The evolving geopolitical conditions present heightened risks related to regional security, logistics, energy supply, and insurance coverage, which may potentially affect operational continuity. However, as of the reporting date, no disruptions to operations within the United Arab Emirates have been identified by management.

Given the rapidly changing circumstances, it is currently not possible to reliably estimate any potential financial impact. Management will continue to closely monitor the situation and assess any implications for the Company’s operations, financial position, and financial performance.

25 Approval of the condensed financial statements

The condensed financial statements were approved by the Board of Directors and authorised for issue on 21 July 2026.