ESG EMIRATES STALLIONS GROUP PJSC

Review report and interim financial information for the six-month period ended 30 June 2026

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Deloitte.

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REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF ESG EMIRATES STALLIONS GROUP PJSC

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of ESG Emirates Stallions Group PJSC (the "Company") and its subsidiaries (together referred to as the "Group") as of 30 June 2026 and the related interim condensed consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the six-month period then ended and material accounting policy information. Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, "*Interim Financial Reporting*". Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

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

Conclusion

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

Deloitte & Touche (M.E.)

Mohammad Khamees Al Tah
Registration Number 717
28 July 2026
Abu Dhabi
United Arab Emirates

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

	Notes	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
ASSETS			
Non-current assets			
Property and equipment	**3**	**363,473**	335,342
Investment properties	**4**	**470,989**	436,126
Intangible assets and goodwill	**5**	**83,574**	87,603
Right-of-use assets	**6**	**105,116**	166,388
Investments in associate and joint ventures	**7**	**1,238,035**	1,225,956
Financial assets at fair value through other comprehensive income		**374**	374
Deferred tax assets	**21**	**5,569**	4,503
Trade and other receivables	**12**	**39,796**	31,464
Due from related parties	**10**	**-**	950
Total non-current assets		**2,306,926**	2,288,706
Current assets			
Inventories	**8**	**67,114**	91,601
Development work in progress	**9**	**544,616**	309,909
Biological assets – plants		**8,187**	8,189
Financial assets at fair value through profit or loss		**480**	672
Due from related parties	**10**	**103,229**	115,201
Contract assets	**11**	**247,995**	348,840
Trade and other receivables	**12**	**512,135**	466,510
Cash and bank balances	**13**	**997,809**	694,587
Total current assets		**2,481,565**	2,035,509
Total assets		**4,788,491**	4,324,215
EQUITY AND LIABILITIES			
Equity			
Share capital		**250,000**	250,000
Statutory reserve		**125,000**	125,000
Merger, acquisition and other reserves		**789,117**	789,117
Currency translation reserve		**(345)**	(495)
Cumulative changes in fair value reserve		**(1,337)**	(1,337)
Fair value of cashflow hedges		**(7,679)**	(8,386)
Retained earnings		**1,467,118**	1,325,858
Equity attributable to the equity holders of the parent		**2,621,874**	2,479,757
Non-controlling interest		**580,651**	440,754
Total equity		**3,202,525**	2,920,511

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

	Notes	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
EQUITY AND LIABILITIES (continued)			
Liabilities			
Non-current liabilities			
Provision for employees' end of service benefits		**80,174**	73,552
Deferred tax liabilities	21	**1,602**	2,001
Lease liabilities		**95,676**	148,579
Trade and other payables	15	**5,921**	2,718
Bank borrowings	14	**108,786**	4,375
Due to related parties	10	**2,520**	2,520
Total non-current liabilities		**294,679**	233,745
Current liabilities			
Due to related parties	10	**10,430**	8,636
Lease liabilities		**45,920**	48,693
Bank borrowings	14	**22,734**	17,500
Current tax payable	21	**75,584**	47,906
Contract liabilities	11	**653,267**	474,767
Trade and other payables	15	**483,352**	572,457
Total current liabilities		**1,291,287**	1,169,959
Total liabilities		**1,585,966**	1,403,704
Total equity and liabilities		**4,788,491**	4,324,215

To the best of our knowledge, the interim financial information included in the report fairly presents in all material respects the financial condition, results of operations and cash flows of the Group as of, and for, the periods presented in these interim condensed consolidated financial statements.

Fawad Abdul Hameed Chief Financial Officer	**Kayed Ali D. Khorma** Group Chief Executive Officer	**Matar Suhail Ali Al Yabhouni Aldhaheri** Chairman

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

	Notes	**Three-month ended 30 June**		Six-month ended 30 June	
		2026 AED'000 *(unaudited)*	2025 AED'000 *(unaudited)*	**2026 AED'000 *(unaudited)***	2025 AED'000 *(unaudited)*
Revenue	**16**	**396,630**	377,317	**766,693**	709,997
Direct costs	**17**	**(263,551)**	(255,011)	**(503,057)**	(488,596)
Gross profit		**133,079**	122,306	**263,636**	221,401
General and administrative expenses		**(49,186)**	(37,508)	**(92,086)**	(60,686)
Selling, marketing and distribution expenses		**(36,234)**	(27,727)	**(71,559)**	(57,883)
Share of profit from investment in associates and joint ventures	**7**	**17,583**	11,465	**36,478**	23,855
Gain from change in fair value of biological assets		**958**	181	**1,629**	181
(Loss) / gain from change in fair value of financial assets carried at fair value through profit or loss		**(98)**	443	**(192)**	363
Gain on deconsolidation of a subsidiary	**18**	**32,498**	-	**32,498**	-
Impairment loss on investment property		**-**	-	**(767)**	-
Interest and other income	**20**	**21,833**	7,637	**35,068**	13,776
Finance costs		**(6,128)**	(4,175)	**(12,189)**	(8,696)
Profit before tax for the period		**114,305**	72,622	**192,516**	132,311
Income tax expense	**21**	**(16,649)**	(10,222)	**(26,213)**	(16,873)
Profit after tax for the period		**97,656**	62,400	**166,303**	115,438
Profit attributable to:					
Equity holders of the parent company:		**87,853**	46,767	**141,260**	95,252
Non-controlling interest:		**9,803**	15,633	**25,043**	20,186
Profit for the period		**97,656**	62,400	**166,303**	115,438
Basic earnings per share (AED)	**22**	**0.35**	0.19	**0.57**	0.38

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

	Note	**Three-month ended 30 June**		Six-month ended 30 June	
		2026 AED'000 *(unaudited)*	2025 AED'000 *(unaudited)*	**2026 AED'000 *(unaudited)***	2025 AED'000 *(unaudited)*
Profit for the period		**97,656**	62,400	**166,303**	115,438
Other comprehensive income / (loss)					
Items that may be reclassified subsequently to the interim condensed consolidated statement of profit or loss					
Foreign exchange difference on translation of foreign operations		**179**	213	**150**	307
Share of fair value gain/ (loss) on cash flow hedges of an associate	**7**	**110**	(564)	**707**	(2,235)
Items that will not be reclassified subsequently to interim condensed consolidated statement of profit or loss (net of tax):					
Change in fair value of financial assets carried at fair value through other comprehensive income, net of tax		**-**	-	**-**	(19)
Total other comprehensive income / (loss) for the period		**289**	(351)	**857**	(1,947)
Total comprehensive income for the period		**97,945**	62,049	**167,160**	113,491
Attributable to:					
Equity holders of the parent		**88,142**	46,416	**142,117**	93,305
Non-controlling interests		**9,803**	15,633	**25,043**	20,186
		97,945	62,049	**167,160**	113,491

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

	Attributable to equity holders of the Parent									
	Share capital AED'000	Statutory reserve AED'000	Merger, acquisition and other reserves AED'000	Currency translation reserve AED'000	Cumulative changes in fair value reserve AED'000	Fair value of cash flow hedges AED'000	Retained earnings AED'000	Equity attributable to the equity holders of the parent AED'000	Non-controlling interests AED'000	Total AED'000
Balance at 1 January 2025 *(audited)*	250,000	113,362	789,117	(6)	(1,439)	(4,947)	1,037,463	2,183,550	319,205	2,502,755
Profit for the period	-	-	-	-	-	-	95,252	95,252	20,186	115,438
Other comprehensive income / (loss) for the period				307	(19)	(2,235)	-	(1,947)	-	(1,947)
Total comprehensive income for the period	-	-	-	307	(19)	(2,235)	95,252	93,305	20,186	113,491
Capital injection by non-controlling interest (i)	-	-	-	-	-	-	-	-	70,845	70,845
Incorporation of subsidiaries	-	-	-	-	-	-	-	-	327	327
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(13,339)	(13,339)
Disposal of investments carried at fair value through other comprehensive income	-	-	-	-	117	-	(117)	-	-	-
Balance at 30 June 2025 *(unaudited)*	250,000	113,362	789,117	301	(1,341)	(7,182)	1,132,598	2,276,855	397,224	2,674,079

(i) Includes capital injection of incorporation of Royal Harbor LTD during the period.

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

	Attributable to equity holders of the Parent									
	Share capital AED'000	**Statutory reserve AED'000**	**Merger, acquisition and other reserves AED'000**	**Currency translation reserve AED'000**	**Cumulative changes in fair value reserve AED'000**	**Fair value of cash flow hedges AED'000**	**Retained earnings AED'000**	**Equity Attributable to the equity holders of the parent AED'000**	**Non-controlling interests AED'000**	**Total AED'000**
Balance at 1 January 2026	**250,000**	**125,000**	**789,117**	**(495)**	**(1,337)**	**(8,386)**	**1,325,858**	**2,479,757**	**440,754**	**2,920,511**
Profit for the period	-	-	-	-	-	-	**141,260**	**141,260**	**25,043**	**166,303**
Other comprehensive income / (loss) for the period	-	-	-	**150**	-	**707**	-	**857**	-	**857**
Total comprehensive income for the period	-	-	-	**150**	-	**707**	**141,260**	**142,117**	**25,043**	**167,160**
Capital injection by non-controlling interest (i)	-	-	-	-	-	-	-	-	**127,405**	**127,405**
Incorporation of subsidiaries	-	-	-	-	-	-	-	-	**132**	**132**
Dividends paid to non-controlling interests	-		-	-	-	-	-	-	**(12,683)**	**(12,683)**
Balance at 30 June 2026 *(unaudited)*	**250,000**	**125,000**	**789,117**	**(345)**	**(1,337)**	**(7,679)**	**1,467,118**	**2,621,874**	**580,651**	**3,202,525**

(i) Relates to capital injections from Royal Park Development Limited, Royal Gate Development Limited, Royal Harbor LTD, Royal Dunes Real Estate Development LLC and Royal Luxury Hotel Management LLC.

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

	Notes	Six-month period ended 30 June 2026 AED'000 *(unaudited)*	2025 AED'000 *(unaudited)*
Cash flows from operating activities			
Profit before tax for the period		**192,516**	132,311
Adjustments for:			
Depreciation of property and equipment	**3**	**14,544**	11,680
Gain on disposal of property and equipment	**3**	**(123)**	(200)
Depreciation on investment properties	**4**	**4,573**	3,862
Impairment loss on investment property	**4**	**767**	-
Depreciation on right of use assets	**6**	**32,243**	25,663
Amortisation of intangible assets	**5**	**4,597**	4,483
Gain on modification / termination of lease		**-**	(1,223)
Gain on change in fair value of biological assets		**(1,629)**	(181)
Gain on deconsolidation of a subsidiary	**18**	**(32,498)**	-
Share of profit from associates and joint ventures	**7**	**(36,478)**	(23,855)
Provision for employees' end of service benefits		**11,984**	10,753
Allowance for slow moving inventory	**8**	**810**	810
Charge / (reversal) of provision for expected credit losses on trade and other receivables	**12**	**2,375**	(11,699)
Reversal of allowance for expected credit losses on due from related parties		**(4,682)**	(5,250)
Charge for allowance for expected credit losses on contract assets	**11**	**1,091**	4,281
Loss / (gain) on change in fair value of financial assets carried at fair value through profit or loss		**192**	(363)
Finance costs		**12,189**	8,696
		202,471	159,768
Working capital adjustments:			
Inventories		**12,096**	16,325
Development work in progress		**(154,584)**	(11,837)
Trade and other receivables		**(61,986)**	45,371
Contract assets		**99,754**	(36,216)
Due from related parties		**8,096**	30,556
Biological assets – plants		**1,631**	(3,636)
Contract liabilities		**178,500**	29,726
Trade and other payables		**(38,768)**	(3,769)
Due to related parties		**8,741**	(58,767)
Cash generated from operations		**255,951**	167,521
Employees' end of service benefits paid		**(5,178)**	(5,214)
Finance costs paid		**(3,848)**	(2,772)
Net cash generated from operating activities		**246,925**	159,535

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

	Notes	Six-month period ended 30 June 2026 AED'000 *(unaudited)*	2025 AED'000 *(unaudited)*
Cash flows from investing activities			
Purchase of property and equipment	3	**(46,913)**	(61,011)
Payment for investment property under development		**(17,933)**	(33,128)
Payment for investment properties		**(1,176)**	-
Purchase of intangible assets		**(1,622)**	-
Proceeds from disposal of property and equipment	3	**187**	200
Cash disposed of as part of deconsolidation of a subsidiary	18	**(5,614)**	-
Proceeds from disposal of financial assets carried at fair value through profit or loss		**-**	3,961
Proceeds from disposal of financial assets carried at fair value through other comprehensive income		**-**	1,000
Dividend received from associates and joint ventures	7	**25,106**	23,906
Movement in restricted cash		**(235,532)**	(55,163)
Movement in fixed deposits with original maturity more than three months		**58,378**	71,127
Net cash used in investing activities		**(225,119)**	(49,108)
Financing activities			
Principal paid on lease liabilities		**(19,366)**	(34,786)
Repayments of bank borrowings	14	**(8,750)**	(14,424)
Drawdown from bank borrowings	14	**118,395**	-
Dividends paid to non-controlling interests		**(12,683)**	(13,339)
Capital injection by non-controlling interest		**26,405**	70,845
Net cash generated from financing activities		**104,001**	8,296
Net increase in cash and cash equivalents		**125,807**	118,723
Cash and cash equivalents at beginning of the period		**277,447**	189,750
Effect of foreign exchange rate changes		**261**	18
Cash and cash equivalents at the end of the period	13	**403,515**	308,491
Non-cash transactions:			
Capital injection by non-controlling interest – Due from related parties		**132**	-
Capital injection by non-controlling interest - development work in progress		**101,000**	-

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

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

1 General information

ESG Emirates Stallions Group PJSC (the "Company") is a private joint stock company incorporated under the UAE Federal Law 32 of 2021. The registered office address of the Company is P.O. Box 32619, Abu Dhabi, United Arab Emirates.

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

These interim condensed consolidated financial statements include the results of operations and financial position of the Company and its subsidiaries, associate and joint ventures (together referred to as the "Group"). The main activities of the Group are:

- Buying, selling, and dividing plots;
- Management services of companies and private institutions;
- Land and real estate purchase and sale;
- All kinds of building projects contracting including metal construction contracting, afforestation contracting, bridges contracting, rainwater drainage contracting, electrical and mechanical contracting, main roads, streets and other associated business;
- Interior design engineering consultancy, design services, architectural, construction and feasibility studies consultancy services, air conditioning, ventilation air cooling systems maintenance, installation and contracting;
- Real estate enterprises investment, development institution and management, industrial enterprises investment;
- Contracting transmission networks and distribution of water, ports and marine contracting;
- Onshore and offshore oil and gas fields and facilities services;
- Landscape and gardening services, transportation of organic waste, construction and demolition concrete waste transportation;
- Wholesale of plants and trees saplings trading;
- Camps, labour accommodation management and facilities management services;
- Importing and exporting, retail sale of fodder, chemical fertilizers, fresh fruits and vegetables, natural fertilizers, reclamation materials, agricultural and veterinary pesticides, seeds, and cereal, prepared farms animal feeds, its concentrates and supplement manufacturing and forage cultivation;
- Hospitality services including hotel accommodation and management, restaurant and coffee shop;
- House and office furniture manufacturing;
- Manufacturing of wooden doors, windows, shutters, fire proof wooden doors and their frames, construction plaster products manufacturing (gypsum);
- Private buses passengers transport service;
- Upon request employees provision services;
- Domestic workers mediation and temporary employment services;
- On Demand Labors Supply (Temporary Employment);
- Trading of decoration materials, blankets, towels, wallpapers, metal blinds carpet, pictures, painting, curtains and upholstery;
- Buildings cleaning services, water fitting maintenance, electrical fitting and fixture services and cleaning the outside interface buildings;
- Consultancy services related to administrative, marketing, economic feasibility, human resources, and logistics;
- Stone cutting, shaping and finishing, stone furniture manufacturing and construction plaster products manufacturing;
- Marketing consultancy and studies, marketing operations management;
- Real estate development construction, real estate lease and management services;
- Industrial enterprises investment, institution and management;
- Marketing of real estate and institutions; and
- Importing, exporting and commercial brokerage.

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

1 General information (continued)

These interim condensed consolidated financial statements of the Group for the six-month period ended 30 June 2026, were approved and authorised by the Board of Directors for issuance on 28 July 2026.

2 Basis of preparation and critical accounting judgements

2.1 Statement of compliance

The interim condensed consolidated financial statements of the Group are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting.

These interim condensed consolidated financial statements are presented in UAE Dirham ("AED") which is the currency of the primary economic environment in which the Group operates. Each entity in the Group determines its own functional currency. All financial information presented in AED has been rounded to the nearest thousand except otherwise stated.

These interim condensed consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that have been measured at fair value.

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments apply for the first time in 2026, but do not have any material impact on the condensed consolidated interim financial statements of the Group.

The interim condensed consolidated financial statements do not include all information and disclosures required in the annual consolidated financial statements 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 financial year ending 31 December 2026.

2.2 Application of new and revised IFRS Accounting Standards (IFRS)

2.2.1 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.

2 Basis of preparation and critical accounting judgements (continued)

2.2 Application of new and revised IFRS Accounting Standards (IFRS) (continued)

2.2.1 New and revised IFRSs applied with no material effect on the condensed consolidated interim financial statements (continued)

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

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*.

Amendments IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity

The amendments aim at enabling entities to include information in their financial statements that in the IASB's view more faithfully represents contracts referencing nature-dependent electricity.

2.2.2 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 and its amendments *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
Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to IAS 28)	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

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

2 Basis of preparation and critical accounting judgements (continued)

2.2 Application of new and revised IFRS Accounting Standards (IFRS) (continued)

2.2.2 New and revised IFRS in issue but not yet effective (continued)

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.

2.3 Critical accounting judgments and key sources of estimation uncertainty

The preparation of interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

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 were the same as those applied in the consolidated financial statements for the year ended 31 December 2025 except for the below:

Control over ESG Farm Operations LLC – SPC

The Directors of the parent entity assessed whether or not the group has control over ESG Farm Operations LLC – SPC based on whether the group has the practical ability to direct the relevant activities unilaterally as per requirements of control defined under IFRS 10, *Consolidated Financial statements*. In making their judgement, the Directors considered that the Group does not have sufficiently dominant voting interest to direct the relevant activities and therefore the Group does not have control.

2.4 Basis consolidation

Details of the Company's subsidiaries are as follows:

Nos.	*Name of subsidiaries*	*Ownership percentage*		*Place of incorporation*	*Principal activities*
		30 June 2026	31 December 2025		
Below is the subsidiary of ESG Emirates Stallions Group PJSC:					
1	ESG Holding-Sole Proprietorship LLC	**100%**	100%	UAE	Management services of companies and private institutions, land and real estate purchase and sale.

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

2 Basis of preparation and critical accounting judgements (continued)

2.4 Basis consolidation (continued)

Nos.	*Name of subsidiaries*	*Ownership percentage*		*Place of incorporation*	*Principal activities*
		30 June 2026	31 December 2025		
Below are the subsidiaries of ESG Holding - Sole Proprietorship LLC:					
2	ESG Companies Management- Sole Proprietorship LLC	**100%**	100%	UAE	Management services of the companies and private institutions, commercial enterprises investment, institution, and management.
3	ESG Capital Holding LLC	**100%**	100%	UAE	Commercial enterprises investment, institution, and management
Below is the subsidiary of ESG Companies Management - Sole Proprietorship LLC:					
4	Tri Star Investment LLC	**100%**	100%	UAE	Commercial brokers, commercial enterprises investment institution and management, real estate investment, development, institution and management.
Below are the subsidiaries of ESG Capital Holding LLC:					
5	ESG Agriculture Services and Landscaping Holding LLC	**100%**	100%	UAE	Industrial enterprises investment, management services
6	ESG Interiors LLC	**100%**	100%	UAE	Interior design implementation works
7	Royal Development Holding Company LLC	**100%**	100%	UAE	Management services of companies and private institutions
8	Century Human Resources and Logistics - L.L.C. - O.P.C	**100%**	100%	UAE	Human resources consultancy, logistics consultancy
9	ESG Human Resources Solutions LLC	**100%**	100%	UAE	Industrial enterprise investment, institution and management, management services of companies and private institution, real estate enterprises investment, development, institution and management

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

2 Basis of preparation and critical accounting judgements (continued)

2.4 Basis consolidation (continued)

Nos.	*Name of subsidiaries*	*Ownership percentage*		*Place of incorporation*	*Principal activities*
		30 June 2026	31 December 2025		
	Below are the subsidiaries of Royal Development Holding Company LLC:				
10	Abu Dhabi Land General Contracting LLC - SPC	**100%**	100%	UAE	Building maintenance, real estate lease and management services, general contracting and other associated business.
11	Royal Harbor LTD	**51%**	51%	UAE	Real estate lease and management services, real estate development construction
12	Ocean Luxury Living Estate Development LLC	**51%**	51%	UAE	Marketing consultancy and studies, real estate enterprises investment, development institution, marketing operations management, economical feasibility consultancy and studies
13	Royal Development Company LLC - SPC	**100%**	100%	UAE	Real estate development construction, real estate enterprise investment, development, institution and management, lease management, marketing, economic feasibility, and real estate consultancy
14	Mangrove Living Real Estate LTD	**100%**	100%	UAE	Real estate development construction, real estate enterprises investment, development, institution and management, real estate activities with own or leased property, real estate and management services
15	Royal Gate Development Limited	**52%**	52%	UAE	Real estate development construction, real estate enterprises investment, development, institution and management, real estate activities with own or leased property and real estate lease and management services
16	Royal Park Development Limited (i)	**60%**	-	UAE	Real estate development construction, real estate enterprises investment, development, institution and management, real estate activities with own or leased property and real estate lease and management services

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

2 Basis of preparation and critical accounting judgements (continued)

2.4 Basis consolidation (continued)

Nos.	*Name of subsidiaries*	*Ownership percentage* **30 June 2026**	31 December 2025	*Place of incorporation*	*Principal activities*
	Below are the subsidiaries of Royal Development Holding Company LLC:				
17	ESG Hospitality Sole Proprietorship LLC	**100%**	100%	UAE	Hospitality services
	Below are the subsidiaries of ESG Interiors LLC:				
18	Afkar Financial & Property Investments LLC	**60%**	60%	UAE	Retail trade of household and office furniture, mats, curtain and upholstery materials and interior decoration materials, and companies' representation, commercial enterprises investment institution and management, real estate enterprises investment, development, institution and management
19	Deco Vision Company WLL	**85%**	85%	UAE	Interior design implementation works (decor), retail sale of wall paper, decor and partitions material and importing
20	Vision Marble Industries LLC – SPC	**100%**	100%	UAE	Stones cutting, shaping and finishing, stone furniture manufacturing
21	Imagine Marketing LLC	**60%**	60%	UAE	Marketing consultancy and studies Marketing operations management
22	Vision Furniture & Decoration Factory L.L.C - SPC	**100%**	100%	UAE	House and office furniture manufacturing, Fireproof wooden doors manufacturing, onshore and offshore oil and gas fields and facilities.
	Below are the subsidiaries of ESG Agriculture Services & Landscaping Holding LLC:				
23	Gulf Dunes Landscaping and Agricultural Services Company LLC - SPC	**100%**	100%	UAE	Landscape, gardening, agricultural pest control, disinfection and sterilization services, rain water drainage, sewerage and irrigation network, afforestation and mechanical contracting
24	ESG Agro LLC - SPC	**100%**	100%	UAE	Agricultural enterprises investment, institution and management

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

2 Basis of preparation and critical accounting judgements (continued)

2.4 Basis consolidation (continued)

Nos.	*Name of subsidiaries*	*Ownership percentage* 30 June 2026	31 December 2025	*Place of incorporation*	*Principal activities*
	Below are the subsidiaries of ESG Human Resources Solutions LLC:				
25	Century Real Estate Investment LLC	**87%**	87%	UAE	Real estate management
26	Sawaeed Holding PJSC	**89.35%**	89.35%	UAE	Management services of companies and private institution, commercial enterprise investment, institution and management and real estate enterprises investment
27	Century Village Real Estate Investment L.L.C	**70%**	70%	UAE	Real estate lease and management services, development construction, facilities management services, commercial enterprises investment, institution, and management real estate enterprise investment, development, institution, and management
28	ESG Commercial International Investments - Sole Proprietorship L.L.C.	**100%**	100%	UAE	Commercial enterprises investment, institution and management, tourist enterprises investment, institution and management
	Below are the subsidiaries of Royal Development Company LLC - SPC:				
29	Royal Architect Project Management LLC - SPC	**100%**	100%	UAE	Architectural engineering consultancy, construction projects management consultancy
30	Royal Development Company Hellas Single Member P.C (iii)	**-**	100%	Greece	Project management consultancy services
31	Royal Development Company d.o.o. Beogard-Vracar	**100%**	100%	Serbia	Hotel accommodation

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

2 Basis of preparation and critical accounting judgements (continued)

2.4 Basis consolidation (continued)

Nos.	*Name of subsidiaries*	*Ownership percentage* 30 June 2026	31 December 2025	*Place of incorporation*	*Principal activities*
	Below are the subsidiaries of ESG Hospitality Sole Proprietorship LLC:				
32	Royal Dunes Real Estate Development LLC	**51%**	51%	UAE	Real estate development
33	Royal Luxury Hotel management LLC	**51%**	51%	UAE	Hotel management
	Below is the subsidiary of Royal Luxury Hotel Management LLC:				
34	Royal Luxury Restaurant LLC	**100%**	100%	UAE	Restaurant, coffee shop
	Below is the subsidiary of Vision Furniture & Decoration Factory LLC - SPC:				
35	Cedar Gate Industrial Company Sole Proprietorship LLC	**100%**	100%	KSA	Decoration works and its installation.
	Below are the subsidiaries of Afkar Financial & Property Investments LLC:				
36	OC Home Furniture LLC	**100%**	100%	UAE	Retail trade of household and office furniture, mats, wall paper, curtain and upholstery materials and interior decoration materials
37	2XL Home LLC	**100%**	100%	UAE	Retail trade of household and office furniture, mats, wall paper, curtain and upholstery materials and interior decoration materials
38	2XL Furnishings LLC - SPC	**100%**	100%	UAE	Retail trade of household and office furniture, mats, wall paper, curtain and upholstery materials and interior decoration materials
	Below is the subsidiary of Deco Vision Company - WLL:				
39	Vision for Interior LLC Decoration Limited - One Person Company	**100%**	100%	KSA	Decoration works and its installation.

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

2 Basis of preparation and critical accounting judgements (continued)

2.4 Basis consolidation (continued)

Nos.	*Name of subsidiaries*	*Ownership percentage*		*Place of incorporation*	*Principal activities*
		30 June 2026	31 December 2025		
	Below are the subsidiaries of Sawaeed Holding PJSC:				
40	Sawaeed Employment - Sole Proprietorship LLC	**100%**	100%	UAE	Providing upon request employee provision services
41	Sawaeed Training Centre - Sole Proprietorship LLC	**100%**	100%	UAE	Training of construction workers
42	Sawaeed Investment - Sole Proprietorship LLC	**100%**	100%	UAE	Real estate enterprises investment development, institution and management and camps and labour accommodation management
43	Sawaeed General Project — Sole Proprietorship LLC	**100%**	100%	UAE	Building projects contracting, project management services, building
44	Solutions Investments Services LLC	**60%**	60%	UAE	Provide onshore and offshore oil and gas fields and facilities services, commercial enterprises, investment, institution and management
45	Progressive Real Estate Development LLC -S.P.C	**100%**	100%	UAE	Real estate enterprise investment, development, institution and management
46	United International Group for Manpower Services LLC - S.P.C	**100%**	100%	UAE	Domestic workers mediation and temporary employment services, onshore and offshore oil and gas fields and facilities services, and upon request employees provision services

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

2 Basis of preparation and critical accounting judgements (continued)

2.4 Basis consolidation (continued)

Nos.	*Name of subsidiaries*	*Ownership percentage* 30 June 2026	31 December 2025	*Place of incorporation*	*Principal activities*
	Below are the subsidiaries of United International Group For Manpower Services LLC SPC:				
47	Howdra Employment Services LLC	**100%**	100%	UAE	On demand labors supply temporary employment
48	Career Line for Employment - Sole Proprietorship LLC	**100%**	100%	UAE	Upon request employees provision services and onshore and offshore oil and gas fields and facilities services
	Below is the subsidiary of Sawaeed Investment-Sole Proprietorship LLC:				
49	Takatof Employment Co. LLC	**100%**	100%	UAE	Providing employees services upon request (temporary employment) and labor and employment supply
	Below is the subsidiary of ESG Agro SP LLC:				
50	ESG Farm Operations LLC – SPC (ii)	**100%**	100%	UAE	Importing, agricultural enterprise investment institution and management, wholesale of fresh fruits and vegetables trading, farms and manors operations and management, exporting
	Below is the subsidiary of Sawaeed Employment - Sole Proprietorship LLC:				
51	Sawaeed Service Centre for Domestic Workers LLC SPC	**100%**	100%	UAE	Mediation and temporary employment services for domestic workers

(i) Subsidiary established during the period.
(ii) Pursuant to the agreement signed between the parties, beneficial ownership is held by another party and the Group does not have control, therefore the entity has not been consolidated in these interim condensed consolidated financial statements (note 18).
(iii) Subsidiary dissolved during the period.

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

3 Property and equipment

During the period, additions to property and equipment amounted to AED 46,913 thousand (six-month period ended 30 June 2025: AED 61,011 thousand) and depreciation charge amounted to AED 14,544 thousand (six-month period ended 30 June 2025: AED 11,680 thousand).

During the period, property and equipment having net book value of AED 64 thousand (six-month period ended 30 June 2025: AED nil) were disposed off with a gain of AED 123 thousand (six-month period ended 30 June 2025: gain of AED 200 thousand).

During the period, property and equipment having net book value of AED 4,063 thousand were derecognised due to deconsolidation of a subsidiary (note 18) (six-month period ended 30 June 2025: AED nil).

4 Investment properties

During the period, additions to investment properties including investment properties under development amounted to AED 19,109 thousand (six-month period ended 30 June 2025: AED 33,128 thousand) and depreciation charge amounted to AED 4,573 thousand (six-month period ended 30 June 2025: AED 3,862 thousand). Impairment loss amounted to AED 767 thousand (six months period ended 30 June 2025: nil).

During the period, investment property under development having a net book value of AED nil (six-month period ended 30 June 2025: AED 162,534 thousand) was transferred from property and equipment.

During the period, investment property having a net book value of AED nil (six-month period ended 30 June 2025 AED 15,661 thousand) was transferred from property and equipment.

During the period, right of use asset (land) having a carrying value of AED nil (six-month period ended 30 June 2025 AED 7,080 thousand) was transferred from right of use asset.

During the period, property amounted to AED 20,877 thousand were transferred from development work in progress (six-month period ended 30 June 2025: AED nil).

5 Intangible assets and goodwill

During the period additions to intangible assets amounted to AED 1,622 thousand (six-month period ended 30 June 2025: AED nil) and amortisation charge amounted to AED 4,597 thousand (six-month period ended 30 June 2025: AED 4,483 thousand).

During the period, intangible assets having net book value of AED 1,054 thousand (note 18) (six-month period ended 30 June 2025: AED nil) were derecognised due to deconsolidation of a subsidiary.

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

6 Right-of-use assets

The right of use assets includes land, office buildings, showrooms, shops and warehouses.

During the period additions to right of use assets amounted to AED 47,533 thousand (six-month period ended 30 June 2025: AED 12,373 thousand) and depreciation charge amounted to AED 32,243 thousand (six-month period ended 30 June 2025: AED 25,663 thousand). Further, there were lease modification amounting to AED 1,297 thousand (six-month period ended 30 June 2025: AED 6,240 thousand)

During the period right of use assets (land) having a carrying value of AED nil (six-month period ended 30 June 2025 AED 7,080 thousand was transferred to investment properties.

During the period, right of use assets having net book value of AED 77,859 thousand were derecognised due to deconsolidation of a subsidiary (six-month period ended 30 June 2025: AED nil) (note 18).

7 Investments in associate and joint ventures

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

Name of entity	***Principal activities***	***Ownership percentage***		***Place of incorporation***
Associate		***30 June 2026***	*31 December 2025*	
Emirates Sdeira Real Estate Investment Group LLC	Real estate lease and management services, commercial enterprises investment, institution and management	**23.91%**	23.91%	UAE
Joint ventures				
Lazio Real Estate Investment LLC ("Lazio") (i)	Real estate enterprise, investment, development, institution, and management	**65%**	65%	UAE
Deyafah Holding Limited (ii)	SPC Special Purpose Vehicle	**50%**	50%	UAE

(i) In 2018, the Directors of Lazio Real Estate Investment LLC had elected to liquidate the company. As of 30 June 2026, the liquidation process is still on going.

(ii) The investment has been fully impaired, and no unrecognized share of losses has been recorded, as the entity is non-operational.

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

7 Investments in associate and joint ventures (continued)

Movement in investments in associate and joint ventures was as follows:

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
Balance at the beginning of the period/year	**1,225,956**	1,204,224
Share of the Group's profit for the period/year	**36,478**	49,077
Share of other comprehensive gain/(loss) for the period/year	**707**	(3,439)
Dividend received during the period/year (note 10)	**(25,106)**	(23,906)
At the end of the period/year	**1,238,035**	1,225,956

Summarised financial information in respect of Emirates Sdeira Real Estate Investment Group LLC is set out below:

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
Total assets	**5,682,045**	5,753,190
Total liabilities	**(983,832)**	(1,105,500)
Net assets	**4,698,213**	4,647,690
Group's carrying amount of the investments, net	**1,238,035**	1,225,956

	30 June 2026 AED'000 *(unaudited)*	30 June 2025 AED'000 *(unaudited)*
Total revenue for the period	**434,072**	346,022
Total profit for the period	**152,564**	99,768
Group's share in profit for the period	**36,478**	23,855
Total other comprehensive income / (loss) for the period	**2,959**	(9,350)
Group's share of other comprehensive income / (loss) for the period	**707**	(2,235)
Dividend received during the period	**25,106**	23,906

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

8 Inventories

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
Household furniture	**70,627**	91,961
Raw material and supplies	**6,152**	5,868
Work in progress	**2,069**	2,932
Spares and consumables	**963**	325
Goods in transit	**-**	2,402
Less: allowance for slow moving inventories	**(12,697)**	(11,887)
	67,114	91,601

Movement in the allowance for slow moving inventories is as follows:

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
At the beginning of the period/year	**11,887**	7,872
Charge for the period/year	**810**	4,015
At the end of the period/year	**12,697**	11,887

9 Development work in progress

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
Seamont project, Al Reem Island	**240,286**	152,834
Radisson residences project, Al Reem Island	**137,262**	123,697
Rotana Residences North, Al Reem Island	**83,773**	-
Rotana Residences South, Al Reem Island	**66,660**	-
Mallside project, Dubai Hills Estate	**16,635**	33,378
	544,616	309,909

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

9 Development work in progress (continued)

Movement during the period/year is as follow:

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
At the beginning of the period/year	**309,909**	252,909
Additions	**310,484**	322,483
Recognized in direct costs (note 17)	**(54,900)**	(191,632)
Transfers to investment properties (note 4)	**(20,877)**	-
Transfers to property and equipment	**-**	(73,851)
At the end of the period/year	**544,616**	309,909

* Included in additions is an amount of AED 101,000 thousand which pertains to the land in relation to the new projects (2025: AED 206,977 thousand which pertains to the purchase of assets relating to a project on Al Reem Island).

10 Related parties

Related parties, as defined in International Accounting Standard 24: Related Party Disclosure, comprise the majority shareholder, directors and key management personnel of the Group and entities in which the Group and their Parent have the ability to control or exercise significant influence. Pricing policies and terms of these transactions are approved by the Group's management.

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

	30 June 2026 AED' 000 *(unaudited)*	31 December 2025 AED' 000 *(audited)*
Due from related parties:		
Non-current		
Other related entities	**-**	950
Due from related parties:		
Current		
Entities under common control	**97,496**	108,590
Other related entities	**24,614**	35,241
Parent entity	**1,161**	742
	123,271	144,573
Less: allowance for expected credit losses	**(20,042)**	(29,372)
	103,229	115,201

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

10 Related parties (continued)

Movement in allowance for expected credit losses against amounts due from related parties:

	30 June 2026 AED' 000 *(unaudited)*	31 December 2025 AED' 000 *(audited)*
At the beginning of the period/year	**29,372**	38,557
Reversal for the period/year*, net	**(4,956)**	(4,358)
Written off during the period/year	**-**	(4,758)
Transferred to trade receivables and contract assets	**(4,374)**	(69)
At the end of the period/year	**20,042**	29,372

* This includes AED 274 thousand collected from impaired related parties' receivables during the period (beneficially owned by previous shareholders of one of the subsidiaries of the Group). The amounts collected are paid or payable to the previous shareholders in terms of the relevant agreement.

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

	30 June 2026 AED' 000 *(unaudited)*	31 December 2025 AED' 000 *(audited)*
Due to related parties:		
Non-current		
Other related entities	**2,520**	2,520
Due to related parties:		
Current		
Entity under common control	**4,495**	1,267
Other related entities	**4,762**	6,792
Parent entity	**1,173**	577
	10,430	8,636

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

10 Related parties (continued)

Other balances with related parties disclosed in the interim condensed consolidated statement of financial position:

	30 June 2026 AED' 000 *(unaudited)*	31 December 2025 AED' 000 *(audited)*
Financial assets carried at fair value through profit or loss	**144**	166
Financial assets carried at fair value through other comprehensive income	**374**	374
Balances with a financial institution	**755,640**	506,499

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

	Three-month period ended 30 June		**Six-month period ended 30 June**	
	2026 AED' 000 *(unaudited)*	2025 AED' 000 *(unaudited)*	**2026 AED' 000 *(unaudited)***	2025 AED' 000 *(unaudited)*
Revenue	**54,237**	65,652	**97,667**	181,277
Cost of revenue and expenses	**3,391**	2,091	**4,380**	3,960
Interest income on deposits with financial institution	**826**	979	**1,423**	1,943
Finance cost on bank borrowings with financial institution	**-**	75	**-**	242
Dividend received from associate (note 7)	**25,106**	23,906	**25,106**	23,906
Land under development work in progress for new projects (note 9)	**-**	-	**101,000**	-
Key management compensation				
Salaries and other benefits	**928**	822	**1,765**	1,640
Number of key management personnel	**2**	2	**2**	2
Board of Director's remuneration	**1,345**	645	**2,143**	1,290

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

11 Contract assets and contract liabilities

Details of contract assets and contract costs are as follows:

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
Contract assets	**265,430**	361,655
Less: allowance for expected credit losses	**(17,435)**	(12,815)
	247,995	348,840

The contract liabilities includes:

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
Advances received from customers	**596,195**	413,788
Billing in excess of value of work in progress	**57,072**	60,979
	653,267	474,767

The contract work in progress is presented as follows:

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
Contracts assets, net	**247,995**	348,840
Billing in excess of value of work in progress (contract liabilities)	**(57,072)**	(60,979)
	190,923	287,861
Contracts costs incurred plus recognised profits less recognised losses to date	**2,406,855**	1,762,553
Progress billings to date	**(2,215,932)**	(1,474,692)
	190,923	287,861

11 Contract assets and contract liabilities (continued)

Allowance for expected credit losses

Movement in the allowance for expected credit losses of contract assets is as follows:

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
At the beginning of the period/year	**12,815**	19,961
Charge/(reversal) for the period/year, net	**1,091**	(3,358)
Written off during the period/year	**-**	(3,754)
Transfers during the period/year	**3,529**	(34)
At the end of the period/year	**17,435**	12,815

12 Trade and other receivables

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
Trade receivables	**433,098**	393,746
Retention receivables	**53,325**	49,904
Advances to suppliers	**98,658**	77,924
Prepaid expenses, accrued and other receivables	**145,779**	155,158
	730,860	676,732
Less: allowance for expected credit losses	**(178,929)**	(178,758)
	551,931	497,974

Trade and other receivables are disclosed in the interim condensed consolidated statement of financial position as:

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
Non-current	**39,796**	31,464
Current	**512,135**	466,510
	551,931	497,974

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

12 Trade and other receivables (continued)

Allowance for expected credit losses

Movement in the allowance for expected credit losses of trade receivables, retention receivables and advances to suppliers is as follows:

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
At the beginning of the period/year	**178,758**	216,499
Reversal for the period/year, net *	**(674)**	(14,217)
Transfers	**845**	103
Written off during the period/year	**-**	(23,627)
At the end of the period/year	**178,929**	178,758

* This includes AED 3,049 thousand collected from impaired receivables during the period (beneficially owned by previous shareholders of one of the subsidiaries of the Group). The amounts collected are paid or payable to the previous shareholders in terms of the relevant agreement.

	1 January AED'000	**Charge/ (reversal) for the period/year AED'000**	**Write off during the period/year AED'000**	**Transfers AED'000**	**At reporting date AED'000**
At 30 June 2026 *(unaudited)*					
Trade receivables	**175,875**	**16**	**-**	**845**	**176,736**
Retention receivables	**1,991**	**(690)**	**-**	**-**	**1,301**
Advances to suppliers	**892**	**-**	**-**	**-**	**892**
Total	**178,758**	**(674)**	**-**	**845**	**178,929**
At 31 December 2025 *(audited)*					
Trade receivables	212,503	(13,104)	(23,627)	103	175,875
Retention receivables	3,104	(1,113)	-	-	1,991
Advances to suppliers	892	-	-	-	892
Total	216,499	(14,217)	(23,627)	103	178,758

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

13 Cash and bank balances

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
Cash on hand	**1,748**	1,021
Bank balances	**838,542**	464,440
Margin deposits	**9,384**	9,102
Term deposits*	**148,135**	220,097
	997,809	694,660
Less: allowance for expected credit losses	**-**	(73)
Cash and bank balances	**997,809**	694,587
Less: restricted cash**	**(491,545)**	(256,013)
Less: term deposits with original maturity of more than three months	**(102,749)**	(161,127)
Cash and cash equivalents	**403,515**	277,447

*The term deposits' carry interest rate that ranges between 0.05% to 5% (31 December 2025: 0.05% to 5.5% per annum). These deposits are held in a local bank and are denominated in UAE Dirhams, and these deposits have original maturity between 1 to 12 months.

** Restricted cash represents funds received in advance against sale of properties in the Mallside project, Seamont project, Radisson residences project and Rotana residences projects.

14 Bank borrowings

Bank borrowings comprise of the following:

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
Term loans	**131,520**	21,875

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

14 Bank borrowings (continued)

Movement in bank borrowings during the period/year is as follows:

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
At the beginning of the period/year	**21,875**	50,141
Drawdown during the period/year	**118,395**	-
Repayments made during the period/year	**(8,750)**	(28,266)
At the end of the period / year	**131,520**	21,875

Classified in the interim condensed consolidated statement of financial position as follows:

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
Current	**22,734**	17,500
Non-current	**108,786**	4,375
	131,520	21,875

	Security	**Interest rates**	**Maturity**	**30 June 2026 AED'000 *(unaudited)***	31 December 2025 AED'000 *(audited)*
Term loan - 1	Secured	2% + 6M EIBOR	February 2027	**13,125**	21,875
Term loan - 2	Secured	1.6% + 3M EIBOR	May 2035	**118,395**	-
				131,520	21,875

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

The facility is subject to certain restrictive covenants. The facility is secured by mortgage over property, assignment of contractor's all risk insurance policy of mortgaged properties in favour of the bank, agreement of pledge and hypothecation of inventories and movables over stocks, deed of assignment of receivables, undated security cheque drawn on Bank covering the total facility in favour of the bank. The loan is repayable in quarterly instalments.

Term loan 2

During the period, a subsidiary of the Group obtained a term loan from a bank in UAE. The facility is subject to covenants and secured by mortgage of the plots, assignment of receivables and corporate guarantee from the parent entity. The loan is repayable on quarterly instalments commencing August 2026.

15 Trade and other payables

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
Trade payables	**96,441**	92,016
Accrued expenses	**164,770**	172,744
Provisions and deposits	**145,000**	144,758
Retention payables	**60,845**	53,573
VAT payable	**6,384**	4,923
Other payables	**15,833**	107,161
	489,273	575,175

Trade and other payables are disclosed in the interim condensed consolidated statement of financial position as:

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
Non-current	**5,921**	2,718
Current	**483,352**	572,457
	489,273	575,175

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

16 Revenue

	Three-month ended 30 June		Six-month ended 30 June	
	2026	2025	**2026**	2025
	AED'000	AED'000	**AED'000**	AED'000
	(unaudited)	*(unaudited)*	***(unaudited)***	*(unaudited)*
Type of revenue				
Furniture manufacturing and retail revenues and interior fit out	**130,550**	120,828	**263,008**	286,645
Business process and manpower outsourcing	**106,024**	95,565	**200,175**	176,639
Contracting and consultancy revenue	**92,943**	97,248	**170,845**	124,020
Landscaping, agriculture and maintenance revenue	**67,113**	63,676	**132,665**	122,693
	396,630	377,317	**766,693**	709,997
Timing of revenue recognition				
Services transferred over the period of time	**295,737**	290,195	**545,579**	513,256
Services transferred at point of time	**100,893**	87,122	**221,114**	196,741
	396,630	377,317	**766,693**	709,997
Geographical markets				
Revenue generated within UAE	388,606	368,451	**745,167**	695,073
Revenue generated outside UAE	8,024	8,866	**21,526**	14,924
	396,630	377,317	**766,693**	709,997

17 Direct costs

	Three-month ended 30 June		Six-month ended 30 June	
	2026	2025	**2026**	2025
	AED'000	AED'000	**AED'000**	AED'000
	(unaudited)	*(unaudited)*	***(unaudited)***	*(unaudited)*
Staff costs	**124,470**	101,540	**242,878**	198,713
Cost of inventories consumed	**45,904**	40,490	**97,374**	89,633
Cost of properties development (note 9)	**24,434**	44,174	**54,900**	44,174
Direct materials	**9,871**	11,847	**15,438**	19,293
Subcontracting and maintenance costs	**43,503**	37,285	**60,969**	94,892
Depreciation and amortisation	**6,191**	5,861	**12,302**	11,617
Rent, utilities and communication	**3,050**	1,098	**5,591**	3,162
Others	**6,128**	12,716	**13,605**	27,112
	263,551	255,011	**503,057**	488,596

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

18 Deconsolidation of a subsidiary during the period

During the period, the Group entered into an agreement with a third party which led to loss of control in accordance with IFRS 10 *Consolidated Financial Statements* over ESG Farms Operations LLC – SPC, a legally owned subsidiary of the Group. Accordingly, the Group has deconsolidated the subsidiary's identifiable assets and liabilities upon the loss of control. The carrying value of the identifiable assets and liabilities on the date of deconsolidation was as follows:

	ESG Farms Operations LLC - SPC AED'000
ASSETS	
Non-current assets	
Property and equipment	**4,063**
Right of use assets	**77,859**
Intangible assets	**1,054**
	82,976
Current assets	
Trade and other receivables	**5,654**
Due from related parties	**9,640**
Inventories	**11,581**
Cash and bank balances	**5,614**
	32,489
Total assets	**115,465**
LIABILITIES	
Non-current liabilities	
Provision for employees' end of service benefits	**184**
Lease liabilities	**83,578**
	83,762
Current liabilities	
Lease liabilities	**10,120**
Due to related parties	**6,947**
Trade and other payables	**47,134**
	64,201
Total liabilities	**147,963**

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

18 Deconsolidation of a subsidiary during the period (continued)

	ESG Farms Operations LLC - SPC AED'000
Total identified net liabilities	**(32,498)**
Net liabilities attributable to the owners	**(32,498)**
Consideration received on deconsolidation	**-**
Gain on deconsolidation of a subsidiary	**32,498**

The Group has recorded loss of AED 17,068 thousand from the entity up to the date of deconsolidation. (31 December 2025: loss of AED 15,430 thousand).

19 Segment analysis

The management monitors the operating results of its segments 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 consolidated financial statements.

Contracting and consultancy	includes the real estate development construction and technical consultancy and design services.
Landscaping, agriculture and maintenance	includes landscaping design, execution and maintenance and agriculture related business.
Business process / manpower outsourcing	includes providing services with respect to human service, outsourcing and labour supply cadres, human resources and administrative consultancy, mediation of domestic workers and temporary employment services, includes real estate enterprise development, training institution managements, camps and labour accommodation management.
Furniture manufacturing, retail and interior fit out	includes retail trading of household, office furniture and interior decoration material, wooden door manufacturing, house and furniture manufacturing.
Others (unallocated)	includes Group's expenses and income not allocated to any segment.

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

19 Segment analysis (continued)

30 June 2026 (unaudited)	Contracting And consultancy AED'000	Landscaping, agriculture and maintenance AED'000	Business process / manpower outsourcing AED'000	Furniture manufacturing, retail and interior fit out AED'000	Others / unallocated AED'000	Total segments AED'000	Elimination AED'000	Consolidated AED'000
Revenue								
External customers	170,845	132,665	200,175	263,008	-	766,693	-	766,693
Inter-segment	86,096	1,535	111,473	1,370	-	200,474	(200,474)	-
Total	256,941	134,200	311,648	264,378	-	967,167	(200,474)	766,693
Less: Expenses								
Direct costs	(163,837)	(104,483)	(241,645)	(165,107)	-	(675,072)	172,015	(503,057)
General and administrative expenses	(8,720)	(28,873)	(16,434)	(38,759)	(11,002)	(103,788)	11,702	(92,086)
Selling, marketing and distribution expenses	(10,433)	(59)	(5,946)	(54,991)	(130)	(71,559)	-	(71,559)
Loss from changes in fair value of financial asset carried at fair value through profit or loss	-	-	-	(192)	-	(192)	-	(192)
Share of profit from investment in associate and joint ventures	-	-	36,478	-	-	36,478	-	36,478
Gain from change in fair value of biological assets	-	1,629	-	-	-	1,629	-	1,629
Gain on deconsolidation of a subsidiary	-	32,498	-	-	-	32,498	-	32,498
Impairment loss on investment property	-	-	(767)	-	-	(767)	-	(767)
Interest and other income	15,301	1,866	165,735	16,305	48,180	247,387	(212,319)	35,068
Finance costs	(513)	(4,424)	(2,677)	(2,930)	(1,645)	(12,189)	-	(12,189)
Profit before tax for the period	88,739	32,354	246,392	18,704	35,403	421,592	(229,076)	192,516
Income tax expense	(13,559)	(4,388)	(6,310)	(3,178)	1,222	(26,213)	-	(26,213)
Profit after tax for the period	75,180	27,966	240,082	15,526	36,625	395,379	(229,076)	166,303
Total assets	2,143,784	563,317	2,926,639	1,149,846	1,998,656	8,782,242	(3,993,751)	4,788,491
Total liabilities	1,341,462	375,196	858,856	670,860	1,092,216	4,338,590	(2,752,624)	1,585,966

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

19 Segment analysis (continued)

30 June 2025 (unaudited)	Contracting And consultancy AED'000	Landscaping, agriculture and maintenance AED'000	Business process / manpower outsourcing AED'000	Furniture manufacturing, retails and interior fit out AED'000	Others / unallocated AED'000	Total segments AED'000	Elimination AED'000	Consolidated AED'000
Revenue								
External customers	124,020	122,693	176,639	286,645	-	709,997	-	709,997
Inter-Segment	3,073	6,036	67,810	17,682	-	94,601	(94,601)	-
Total	127,093	128,729	244,449	304,327	-	804,598	(94,601)	709,997
Less: Expenses								
Direct costs	(78,752)	(101,356)	(187,779)	(204,272)	-	(572,159)	83,563	(488,596)
General and administrative expenses	(9,052)	(8,329)	(16,982)	(22,436)	(14,231)	(71,030)	10,344	(60,686)
Selling, marketing and distribution expenses	-	-	-	(57,883)	-	(57,883)	-	(57,883)
Gain from changes in fair value of financial asset carried at fair value through profit or loss	-	-	-	167	196	363	-	363
Share of profit from investment in associate and joint ventures	-	-	23,855	-	-	23,855	-	23,855
Gain from change in fair value of biological assets	-	181	-	-	-	181	-	181
Interest and other income	5,696	677	103,675	29,423	79,096	218,567	(204,791)	13,776
Finance costs	(416)	(380)	(1,027)	(5,083)	(1,790)	(8,696)	-	(8,696)
Profit before tax for the period	44,569	19,522	166,191	44,243	63,271	337,796	(205,485)	132,311
Income tax expense	(2,090)	(3,041)	(5,913)	(3,153)	(2,676)	(16,873)	-	(16,873)
Profit after tax for the period	42,479	16,481	160,278	41,090	60,595	320,923	(205,485)	115,438
Total assets (31 December 2025)	1,559,551	519,391	2,548,279	1,152,884	1,769,419	7,549,524	(3,225,309)	4,324,215
Total liabilities (31 December 2025)	1,115,938	329,019	722,854	647,731	904,135	3,719,677	(2,315,973)	1,403,704

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

20 Interest and other income

Interest and other income include interest income of AED 2,360 thousand, rental income of AED 13,798 thousand and other income of AED 18,910 thousand (six-month period ended 30 June 2025: AED 3,212 thousand, AED 6,027 thousand and AED 4,537 thousand respectively).

21 Income tax

On 9 December 2022, the United Arab Emirates (UAE) Ministry of Finance ("MoF") released Federal Decree-Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law") to enact Corporate Tax (CT) regime in the UAE. The CT regime became effective for accounting periods beginning on or after 1 June 2023. The taxable income of the entities that are in scope for UAE CT purposes are subject to the rate of 9% corporate tax.

In order to align with OECD's Global Minimum Tax effort (Pillar Two), the UAE Ministry of Finance (MoF) has introduced a Domestic Minimum Top-Up Tax of 15% for Multinational Enterprises (MNEs) with effect from financial years starting on or after 1st January 2025. ESG Emirates Stallions Group PJSC and its subsidiaries are constituent entities within an MNE group in scope of Pillar Two.

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'000	AED'000	**AED'000**	AED'000
	(unaudited)	*(unaudited)*	***(unaudited)***	*(unaudited)*
Income tax charge – current	**8,309**	5,170	**16,393**	9,291
Pillar two taxes – UAE	**7,962**	4,658	**11,311**	7,062
Income tax charge – prior	**-**	72	**(26)**	(1,924)
Deferred tax, net	**378**	322	**(1,465)**	2,444
Income tax expense recognized in the interim condensed consolidated statement of profit or loss	**16,649**	10,222	**26,213**	16,873

The Effective Tax Rate (ETR) for the period ended 30 June 2026 is 13.6% (30 June 2025: 12.7%).

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

21 Income tax (continued)

Current tax payable

The movement in the current tax payable account is as follows:

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
At the beginning of the period/year	**47,906**	21,736
Tax expense – current period/year	**16,393**	31,963
Pillar two taxes – UAE	**11,311**	15,966
Tax credit – prior year	**(26)**	(4,095)
Tax credit – other comprehensive income	**-**	(24)
Paid during the period/year	**-**	(17,640)
At the end of the period/year	**75,584**	47,906

Deferred tax

Deferred tax assets and liabilities presented in the interim condensed consolidated statement of financial position is as follows:

	30 June 2026 AED'000 *(unaudited)*	31 December 2025 AED'000 *(audited)*
Deferred tax assets	**5,569**	4,503
Deferred tax liabilities	**(1,602)**	(2,001)
Deferred tax assets, net	**3,967**	2,502

Tax related to items recognised in other comprehensive income during the year:

	30 June 2026 AED'000 *(unaudited)*	30 June 2025 AED'000 *(unaudited)*
Change in fair value of financial assets carried at fair value through other comprehensive income – current tax	**-**	2
Tax credit to other comprehensive income	**-**	2

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

22 Earnings per share

Basic earnings per share are calculated by dividing the profit for the year attributed to the equity holders of the parent by the weighted average number of shares in issue throughout the year.

Diluted earnings per share is calculated by dividing the profit for the year attributed to the equity holders of the parent by the weighted average number of shares in issue throughout the period, adjusted for the effects of dilutive instruments.

	Three-month ended 30 June		**Six-month ended 30 June**	
	2026	2025	**2026**	2025
	AED'000	AED'000	**AED'000**	AED'000
	(unaudited)	*(unaudited)*	***(unaudited)***	*(unaudited)*
Profit for the period attributable to equity holders of the parent (AED'000)	**87,853**	46,767	**141,260**	95,252
Weighted average number of ordinary shares ('000)	**250,000**	250,000	**250,000**	250,000
Basic earnings per share for the period (AED)	**0.35**	0.19	**0.57**	0.38

As of 30 June 2026 and 30 June 2025, the Company has not issued any instruments that have a dilutive impact on earnings per share when exercised and therefore basic and diluted earnings per share are identical.

23 Contingent liabilities and commitments

	30 June 2026	31 December 2025
	AED' 000	AED' 000
	(unaudited)	*(audited)*
Letters of guarantee	**218,283**	200,210
Capital commitments	**197,085**	213,389

Bank guarantees and letter of credit are issued in the normal course of business.

The Group in the normal course of business is involved from time to time in litigations and claims from third parties. The Group undertakes periodic review of its potential exposure to litigations and claims made against it. The Group believes that no material liability will result from those litigations and claims that requires to be accrued for as of 30 June 2026.

24 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.

25 Financial instruments' fair value disclosures

The Group's management considers that the fair values of its financial assets and financial liabilities approximate to their carrying amounts as stated in the interim condensed consolidated statement of financial position.

26 Geopolitical developments

During the reporting period, geopolitical tensions in the Middle East have escalated following a regional conflict. As at the date of authorisation of these interim condensed consolidated 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 have been identified by the 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 Group's operations, financial position, and financial performance.