Emirates Strategic Investments Company – Sole Proprietorship L.L.C

REPORT OF THE BOARD OF DIRECTORS AND
INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS

30 JUNE 2025

Emirates Strategic Investments Company – Sole Proprietorship L.L.C

REPORT OF THE BOARD OF DIRECTORS

30 JUNE 2025

Emirates Strategic Investments Company – Sole Proprietorship L.L.C

Report of the Board of Directors

For the period ended 30 June 2025

The Directors are pleased to present their report and interim condensed consolidated financial statements for the period ended 30 June 2025.

Results

During the six month period ended 30 June 2025, Emirates Strategic Investments Company - Sole Proprietorship L.L.C earned revenues of AED 1,448,514 thousand (Six-month period ended 30 June 2024: AED 964,606 thousand). The Group reported a profit for the six-month period ended 30 June 2025 amounting to AED 1,134,137 thousand. (Six-month period ended 30 June 2024: AED 675,243 thousand).

On behalf of the Board of Directors

Group Chief Financial Officer

Group Chief Executive Officer

EMIRATES STRATEGIC INVESTMENTS COMPANY - SOLE PROPRIETORSHIP L.L.C.
شركة الامارات للاستثمارات الاستراتيجية – شركة الشخص الواحد ذ.م.م

Dusit Thani Office Tower - Sultan Bin Zayed The First St, Abu Dhabi, UAE
برج مكاتب دوست ثاني، شارع سلطان بن زايد الأول، أبوظبي، الإمارات العربية المتحدة
T: +971 2 444 1443 | F: +971 2 66 777 47

Emirates Strategic Investments Company – Sole Proprietorship L.L.C

INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS

30 JUNE 2025

EY
Shape the future with confidence

ERNST & YOUNG MIDDLE EAST (ABU DHABI BRANCH)
P.O. Box 136
Nation Towers, Tower 2, Floor 27
Corniche Road West
Emirate of Abu Dhabi
United Arab Emirates

Tel: +971 2 417 4400
+971 2 627 7522
Fax: +971 2 627 3383
abudhabi@ae.ey.com
https://www.ey.com

C.L No. 1001276

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF

EMIRATES STRATEGIC INVESTMENTS COMPANY – SOLE PROPRIETORSHIP L.L.C

Introduction
We have reviewed the accompanying interim condensed consolidated financial statements of Emirates Strategic Investments Company – Sole Proprietorship L.L.C (the "Company") and its subsidiary (together referred to as, the "Group") as at 30 June 2025, comprising the interim consolidated statement of financial position as at 30 June 2025, and the related interim consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six month period then ended, and the explanatory notes. 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* ("IAS 34"). 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 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 condensed consolidated financial statements are not prepared, in all material respects in accordance with IAS 34, *"Interim Financial Reporting"*.

For Ernst & Young

Ahmad Al Dali
Registration No 5548

29 September 2025
Abu Dhabi, United Arab Emirates

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

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

	Notes	***2025*** ***AED '000***	*2024* *AED '000*
INCOME			
Income from investment properties	7	**191,280**	181,697
Revenue from sale of development properties	8	**39,236**	-
Income from investments in financial assets	5	**348,829**	309,764
Share of results of joint ventures	6	**701,137**	400,875
Share of results of an associate		**-**	10,165
Gain on sale of investment property	7	**152,249**	1,954
Finance income		**12,169**	56,980
Other income		**3,614**	3,171
		1,448,514	964,606
EXPENSES			
General and administrative expenses	3	**(63,522)**	(60,454)
Finance costs	3	**(89,634)**	(109,927)
Property management costs	3	**(49,814)**	(45,733)
Properties development cost	3	**(28,807)**	-
Depreciation	3	**(73,363)**	(73,249)
PROFIT FOR THE PERIOD BEFORE TAX		**1,143,374**	675,243
Income tax expense	14	**(9,237)**	-
PROFIT FOR THE PERIOD		**1,134,137**	675,243

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six-month period ended 30 June 2025 (Unaudited)

	2025	*2024*
	AED '000	*AED '000*
PROFIT FOR THE PERIOD	**1,134,137**	675,243
Other comprehensive income (loss)		
Items that will not be reclassified to profit or loss in subsequent periods		
Changes in fair value of investments carried at fair value through other comprehensive income, net of tax	**865,752**	(588,348)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**1,999,889**	86,895

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 30 June 2025 (Unaudited)

	Notes	*30 June 2025 (Unaudited) AED '000*	*31 December 2024 (Audited) AED '000*
ASSETS			
Bank balances and cash	4	**1,309,456**	1,034,838
Trade and other receivables	9	**207,221**	58,375
Investments in financial assets	5	**6,965,150**	5,190,683
Interest in joint ventures	6	**4,121,194**	3,622,252
Development work in progress	8	**585,219**	388,990
Investment properties	7	**3,516,280**	3,664,189
Property and equipment		**11,767**	10,541
Deferred tax asset	14	**4,512**	945
Right-of-use assets		**25,523**	26,170
TOTAL ASSETS		**16,746,322**	13,996,983
LIABILITIES AND EQUITY			
Liabilities			
Trade and other payables	10	**1,043,178**	662,790
Income tax payable	14	**11,127**	1,475
Term loans	11	**627,606**	269,260
Non - convertible Sukuk	12	**2,562,625**	2,561,437
Lease liabilities		**25,491**	26,239
Deferred income		**78,952**	78,517
Employees' end of service benefits		**1,939**	1,750
Total liabilities		**4,350,918**	3,601,468
EQUITY			
Share capital		**150**	150
Group restructuring reserve		**50**	50
Legal reserve		**100**	100
Merger reserve		**(454,283)**	(454,283)
Retained earnings		**5,129,975**	3,995,838
Shareholder's account		**5,910,998**	5,910,998
Fair value reserve		**1,808,414**	942,662
Total equity		**12,395,404**	10,395,515
TOTAL LIABILITIES AND EQUITY		**16,746,322**	13,996,983

Group Chief Financial Officer

Group Chief Executive Officer

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the period ended 30 June 2025

	Share capital AED '000	*Group structuring reserve AED '000*	*Legal reserve AED '000*	*Retained earnings AED '000*	*Shareholder's account AED '000*	*Merger reserve AED '000*	*Fair value reserve AED '000*	*Total AED '000'*
At 1 January 2024 (Audited)	150	50	100	2,872,609	5,910,998	(173,688)	803,574	9,413,793
Profit for the period	-	-	-	675,243	-	-	-	675,243
Other comprehensive loss for period	-	-	-	-	-	-	(588,348)	(588,348)
Total comprehensive income (loss) for period	-	-	-	675,243	-	-	(588,348)	86,895
Transfer to retained earnings upon disposal of equity investments carried at fair value through other comprehensive income	-	-	-	(9,102)	-	-	9,102	-
At 30 June 2024 (Unaudited)	150	50	100	3,538,750	5,910,998	(173,688)	224,328	9,500,688
At 1 January 2025 (Audited)	150	50	100	3,995,838	5,910,998	(454,283)	942,662	10,395,515
Profit for the period	-	-	-	1,134,137	-	-	-	1,134,137
Other comprehensive income for period	-	-	-	-	-	-	865,752	865,752
Total comprehensive income for period	-	-	-	1,134,137	-	-	865,752	1,999,889
At 30 June 2025 (Unaudited)	**150**	**50**	**100**	**5,129,975**	**5,910,998**	**(454,283)**	**1,808,414**	**12,395,404**

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

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

	Notes	*2025* *AED '000*	*2024* *AED '000*
OPERATING ACTIVITIES			
Profit before tax for the period		**1,143,374**	675,243
Adjustments for:			
Depreciation	3	**73,363**	73,249
Dividend income	5	**(340,512)**	(250,607)
Share of results of joint ventures	6	**(701,137)**	(400,875)
Share of result of associate		**-**	(10,165)
Finance costs	3	**89,634**	109,927
Finance income		**(12,169)**	(56,980)
Gain on sale of investment property		**(152,249)**	(1,954)
Change in fair value of investments carried at fair value through profit or loss	5	**(8,317)**	(59,157)
Provision for employees' end of service benefits		**192**	152
		92,179	78,833
Working capital changes:			
Trade and other receivables		**(149,356)**	(250,234)
Development Work in Progress		**(196,229)**	(18,518)
Trade and other payables		**381,688**	481,772
Net movement in restricted cash		**(225,485)**	(275,275)
Deferred income		**435**	(3,365)
Cash (used in) generated from operations		**(96,768)**	13,213
Employees' end of service benefits paid		**(3)**	(28)
Finance costs paid		**(89,063)**	(48,193)
Net cash used in operating activities		**(185,834)**	(35,008)
INVESTING ACTIVITIES			
Purchases of property and equipment		**(3,116)**	(576)
Distribution received from joint ventures	6	**546,995**	12,000
Cash contribution in joint ventures	6	**(260,421)**	(77,000)
Dividends received from investments in financial assets	5	**340,512**	250,607
Proceed from sale of investment property	7	**184,174**	24,146
Purchase of investments in financial assets		**(904,179)**	(13,040)
Proceeds from disposal of investments in financial assets		**629**	32,316
Purchase of investment properties	7	**(39,221)**	(41,414)
Movement in term deposits with original maturities of more than three months	4	**-**	(2,572,500)
Finance income received		**12,679**	1,947
Net cash used in investing activities		**(121,948)**	(2,383,514)
FINANCING ACTIVITIES			
Sukuk receipt – net of issuance cost		**-**	2,557,640
Term loan, net	11	**358,346**	(5,000)
Lease payments		**(1,431)**	(1,431)
Net cash flows from financing activities		**356,915**	2,551,209
NET INCREASE IN CASH AND CASH EQUIVALENTS		**49,133**	132,687
Cash and cash equivalents at 1 January	4	**446,362**	518,878
CASH AND CASH EQUIVALENTS AT 30 JUNE	4	**495,495**	651,565

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

1 ACTIVITIES

Emirates Strategic Investments Company – Sole Proprietorship L.L.C (the "Company") is a limited liability company incorporated on 5 February 2019 and is registered in the Emirate of Abu Dhabi. The Company is owned by Liwa Holdings (the "Parent Company") which is ultimately owned by His Highness Sheikh Mansour Bin Zayed Al Nahyan (the "Ultimate Beneficial Owner"). The principal activities of the Company are real estate and commercial enterprise investment, development, institution and management.

These interim condensed consolidated financial statements include the results of operations and financial position of the Company, its subsidiaries (together, the "Group") and the Group's interest in its joint ventures.

The registered office of the Company is at P O Box 161, Abu Dhabi, United Arab Emirates.

These interim condensed consolidated financial statements were authorised for issue by the Board of Directors on 29 September 2025.

2.1 BASIS OF PREPARATION

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

The interim condensed consolidated financial statements have been presented in the United Arab Emirates Dirham ("AED"), which is the functional currency of the Company. Each entity in the Group determines its own functional currency based on a determination of the currency of primary economic environment in which the entities operate. All financial information presented in AED has been rounded to the nearest thousand except otherwise stated.

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 2024. In addition, results for the six month period ended 30 June 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

Basis of consolidation
The interim condensed consolidated financial statements comprise the financial statements of the Company and its subsidiary (together, the "Group"). Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

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

2.1 BASIS OF PREPARATION continued

Basis of consolidation continued

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the interim condensed consolidated statement of profit or loss 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 equity holders of the parent of the Group 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 in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

The interim condensed consolidated financial statements comprise the financial statements of the Company and those of its following subsidiaries:

Name of subsidiaries	*Ownership*	*Country of incorporation*	*Principal activities*
East and West International Group – Sole Proprietorship L.L.C	100%	U.A.E	Real estate business including real estate management, land and real estate purchase and sale service
East and West Properties L.L.C	100%	U.A.E	Real estate business including real estate development, land and real estate purchase and sale service.
East and West Properties – Sole – Proprietorship L.L.C	100%	U.A.E	Real estate business including real estate enterprise investment, development, institution and management land.
Bond International Trading Investment L.L.C	100%	U.A.E	Commercial Enterprises Investment, Institution and Management.
East and West Properties 2 SPV Limited (i)	100%	U.A.E	Special purpose vehicle for real estate investment.
East and West Properties 3 SPV Limited (i)	100%	U.A.E	Special purpose vehicle for real estate investment.

(i) Subsidiary incorporated during the period.

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

New standards, interpretations and amendments adopted by the Group
The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amendments effective as of 1 January 2025. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

- Amendments to IAS 21 - Lack of Exchangeability.

These amendments had no significant impact on the interim condensed consolidated financial statements of the Group.

2.3 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 2024.

3 EXPENSES

	(Unaudited) Six months period ended 30 June 2025 AED '000	*(Unaudited) Six months period ended 30 June 2024 AED '000*
Property management costs:		
Water and electricity	**16,519**	13,882
Maintenance	**20,167**	18,146
Security charges	**3,005**	2,858
Facilities management cost	**5,091**	5,537
Others	**5,032**	5,310
	49,814	45,733
Properties development cost:		
Properties development cost (note 8)	**28,807**	-
General and administrative expenses:		
Management fees	**52,489**	50,220
Staff costs	**7,799**	6,619
Others	**3,234**	3,615
	63,522	60,454

3 EXPENSES continued

	(Unaudited) Six months period ended 30 June 2025 AED '000	*(Unaudited) Six months period ended 30 June 2024 AED '000*
Finance costs:		
Profit charge on non-convertible Sukuk, net of amortisation	**74,889**	104,340
Interest charges on term loans	**12,717**	3,548
Interest on leases	**683**	638
Bank charges	**1,345**	585
Other finance cost	**-**	816
	89,634	109,927
Depreciation:		
on investment properties (note 7)	**70,826**	71,181
on property and equipment	**1,890**	1,514
on right-of-use assets	**647**	554
	73,363	73,249

4 BANK BALANCES AND CASH

Cash and cash equivalents in the interim consolidated statement of cash flows consist of the following balance sheet amounts:

	(Unaudited) 30 June 2025 AED '000	*(Audited) 31 December 2024 AED '000*	*(Unaudited) 30 June 2024 AED '000*
Cash in hand	**37**	36	16
Bank balances	**1,087,544**	813,324	504,438
Term deposits*	**221,875**	221,478	2,994,886
Bank balances and cash	**1,309,456**	1,034,838	3,499,340
Less: term deposits with original maturities of more than three months	**-**	-	(2,572,500)
Less: margin deposit	**(23,000)**	(23,000)	-
Less: restricted cash**	**(790,961)**	(565,476)	(275,275)
Cash and cash equivalents	**495,495**	446,362	651,565

* Term deposits are placed with local and international commercial banks at prevailing market rates.

** Restricted cash represents amounts deposited into escrow accounts for cash received as advances against the sale of residential units of 25 Hours Heimat Dubai and Rixos Financial Center Road Dubai Residences.

Bank balances were assessed for expected credit losses (ECL) as per IFRS 9 and the impact of ECL has not been identified as material.

4 BANK BALANCES AND CASH continued

The following significant non-cash items have been excluded from the interim consolidated statement of cash flows:

	(Unaudited) Six months period ended 30 June 2025 AED '000	*(Unaudited) Six months period ended 30 June 2024 AED '000*
Changes in fair value of investments carried at fair value through other comprehensive income	**862,600**	(588,348)
Investment property contributed to a joint venture (Note 6)	**84,379**	-

5 INVESTMENTS IN FINANCIAL ASSETS

	(Unaudited) Six months period ended 30 June 2025 AED '000	*(Unaudited) Six months period ended 30 June 2024 AED '000*
Income from investments		
Dividend income	**340,512**	250,607
Change in fair value of investments carried at fair value through profit or loss	**8,317**	59,157
	348,829	309,764

	(Unaudited) 30 June 2025 AED '000	*(Audited) 31 December 2024 AED '000*
Investments carried at fair value through profit or loss		
Quoted equities – Outside United Arab Emirates	**69,242**	69,166
Managed funds – United Arab Emirates	**39,805**	20,100
Managed funds – Cayman Islands	**56,872**	49,012
Unquoted equity investment	**142,365**	134,312
	308,284	272,590
Investments carried at fair value through other comprehensive income		
Quoted equities – United Arab Emirates	**6,522,752**	4,846,803
Managed funds - UAE	**60,638**	-
Unquoted equity investment	**73,476**	71,290
	6,656,866	4,918,093
	6,965,150	5,190,683

During the period, Group purchased listed equities amounting to AED 814,671 thousand from a related party along with margin trading facility amounting to AED 347,527 thousand which was also transferred in the name of Group (Note 11).

6 INVESTMENT IN JOINT VENTURES

	(Unaudited) ***30 June 2025*** ***AED '000***	*(Audited)* *31 December 2024* *AED '000*
Business Bay Capitol LLC	**2,101,552**	2,037,846
Palm Capitol Ltd	**832,075**	826,097
Business Bay One Capitol LLC	**485,925**	397,972
Burj District Development Ltd	**301,146**	269,662
D3 Capitol SPV Limited (ii)	**123,957**	-
PJA 1 Capitol SPV Limited (iii)	**115,807**	-
East and West Properties 1 SPV Limited (i)	**72,184**	-
Planet Tax Free L.L.C	**67,876**	90,675
PJA 2 Capitol SPV Limited (iv)	**20,657**	-
Marina Capitol LLC	**15**	-
	4,121,194	3,622,252

The movement in interest in joint ventures during the period/year is as follows:

	(Unaudited) ***30 June 2025*** ***AED '000***	*(Audited)* *31 December 2024* *AED '000*
At the beginning of the period / year	**3,622,252**	2,300,844
Acquired through business combination	-	49,405
Transfer from investment in associate	-	29,946
Transfer of land to a new joint venture (i)	**84,379**	-
Cash contribution to new joint ventures (ii) (iii) (iv)	**260,421**	89,000
Share of results for the period/year*	**701,137**	1,181,633
Distribution received	**(546,995)**	(28,576)
At the end of the period/year	**4,121,194**	3,622,252

* Share of results for the six month period ended 30 June 2024 was AED 400,875 thousand.

(i) During the period, the Group along with a joint venture partner, TSZ Investment In Commercial Enterprises & Management L.L.C CO. L.L.C, established East & West Properties 1 SPV Limited ("EWP 1 SPV"). EWP 1 SPV is a limited liability company incorporated under the laws of the Abu Dhabi Global Market ("ADGM") on 28 February 2025 to build residential apartments.

The Group contributed 2 plots of land amounting to AED 84,379 thousand to EWP 1 SPV. The plots of land had a carrying value of AED 46,851 thousand and were transferred at their fair value of AED 84,379 thousand resulting in a gain on transfer amounting to AED 37,528 thousand.

(ii) During the period, the Group along with a joint venture partner, Select Developments Limited, established D3 Capitol SPV Limited ("D3 Capitol"). D3 Capitol is a limited liability company incorporated under the laws of the Abu Dhabi Global Market ("ADGM") on 27 May 2025 for the purpose of real estate development projects. The Group has contributed the cash amounting to AED 123,957 thousand.

6 INVESTMENT IN JOINT VENTURES continued

(iii) During the period, the Group along with a joint venture partner, Select Developments Limited, established PJA 1 Capitol SPV Limited ("PJA 1 Capitol"). PJA 1 Capitol is a limited liability company incorporated under the laws of the Abu Dhabi Global Market ("ADGM") on 27 May 2025 for the purpose of real estate development projects. The Group has contributed the cash amounting to AED 115,807 thousand.

(iv) During the period, the Group along with a joint venture partner, Select Developments Limited, established PJA 2 Capitol SPV Limited ("PJA 2 Capitol"). PJA 2 Capitol is a limited liability company incorporated under the laws of the Abu Dhabi Global Market ("ADGM") on 27 May 2025 for the purpose of real estate development projects. The Group has contributed the cash amounting to AED 20,657 thousand.

7 INVESTMENT PROPERTIES

	Land and buildings AED '000	*Properties under construction AED '000*	*(Unaudited) Total AED '000*
30 June 2025			
Cost:			
At 1 January	4,572,777	154,471	4,727,248
Additions	120	39,101	39,221
Transfers	9,365	(9,365)	-
Disposals	(120,345)	-	(120,345)
At 30 June 2025	**4,461,917**	**184,207**	**4,646,124**
Depreciation and impairment:			
At 1 January	1,063,059	-	1,063,059
Depreciation charge for the period	70,826	-	70,826
Impairment and depreciation related to disposal of properties	(4,041)	-	(4,041)
At 30 June 2025	**1,129,844**	-	**1,129,844**
Net carrying amount:			
At 30 June 2025	**3,332,073**	**184,207**	**3,516,280**
31 December 2024			
Cost:			
At 1 January	4,585,330	85,856	4,671,186
Additions	464	85,701	86,165
Disposals	(30,103)	-	(30,103)
Transfers	17,086	(17,086)	-
At 31 December	4,572,777	154,471	4,727,248
Depreciation and impairment:			
At 1 January	914,318	-	914,318
Depreciation charge for the year	142,583	-	142,583
Impairment and depreciation related to disposal of properties	(7,084)	-	(7,084)
Provision of impairment	13,242	-	13,242
At 31 December	1,063,059	-	1,063,059
Net carrying amount:			
At 31 December	3,509,718	154,471	3,664,189

7 INVESTMENT PROPERTIES continued

(i) Legal formalities relating to the transfer of title to property amounting to AED 38,664 thousand (2024: AED 39,822 thousand) is in progress at the date of approval of these consolidated financial statements.

(ii) At 30 June 2025, investment properties amounting to AED 194,785 thousand (31 December 2024: AED 197,872 thousand) were held as security against term loans from a local commercial bank.

(iii) At 30 June 2025, investment properties amounting to AED 188,502 thousand (31 December 2024: AED 191,948) were held as security against term loan obtained by related parties under common ownership.

(iv) Gross profit arising from investment properties is as follows:

	(Unaudited) Six months period ended 30 June 2025 AED '000	*(Unaudited) Six months period ended 30 June 2024 AED '000*
Income from investment properties		
Rental income	**181,553**	172,729
Facilities management income *	**9,727**	8,968
	191,280	181,697
Property management costs		
Direct operating expenses (including repairs and maintenance) arising from investment properties that generated rental income (note 3)	**(49,814)**	(45,733)
Gross profit arising from investment properties, excluding provision for impairment	**141,466**	135,964

*Facilities management income comprises revenues earned by the Group on some of its leased properties for additional services provided such as food, laundry and other facilities services.

(v) The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements other than the properties. Fair value disclosures for investment properties are presented in note 16.

(vi) During the period, the Group sold investment properties with net book value of AED 69,453 thousand for AED 184,174 thousand resulting in net gain on sale amounting to AED 114,721 thousand. Additionally, the Group contributed 2 plots of land amounting to AED 84,379 thousand to EWP 1 SPV. The plots of land had a carrying value of AED 46,851 thousand and were transferred at their fair value of AED 84,379 thousand resulting in a gain on transfer amounting to AED 37,528 thousand.

8 DEVELOPMENT WORK IN PROGRESS

Development work in progress represents development and construction-related costs incurred on properties being constructed by the Group for sale in the ordinary course of business.

The movement in development work in progress during the year is as follows:

	(Unaudited) 30 June June 2025 AED '000	*(Audited) 31 December December 2024 AED '000*
At beginning of the period / year	**388,990**	294,551
Additions during the period / year	**225,036**	178,621
Recognised in cost of development properties during the period / year	**(28,807)**	(84,182)
At the end of the period / year	**585,219**	388,990

	(Unaudited) Six months period ended 30 June 2025 AED '000	*(Unaudited) Six months period ended 30 June 2024 AED '000*
Revenue from sale of development properties	**39,236**	-

9 TRADE AND OTHER RECEIVABLES

	(Unaudited) 30 June June 2025 AED '000	*(Audited) 31 December December 2024 AED '000*
Trade receivables, net	**20,585**	19,328
Amounts due from related parties (note 13)	**40,262**	12,920
Prepayments	**1,211**	1,331
Other receivables	**145,163**	24,796
	207,221	58,375

The Group recognizes lifetime expected credit loss (ECL) for trade receivables using the simplified approach.

At 30 June 2025, trade receivables of AED 7,944 thousand (2024: AED 7,944 thousand) were impaired and provided for.

10 TRADE AND OTHER PAYABLES

	(Unaudited) ***30 June*** ***June*** ***2025*** ***AED '000***	*(Audited)* *31 December* *December* *2024* *AED '000*
Trade and sub-contractor payables	**116,927**	11,618
Advance from customers*	**650,394**	496,430
Amounts due to related parties (note 13)	**169,732**	53,289
Accrued profit on non–convertible Sukuk	**55,517**	56,817
Maintenance deposits	**22,350**	22,029
Retentions payable	**17,063**	16,093
Accrued expenses and provisions	**10,878**	3,900
Other payables	**317**	2,614
	1,043,178	662,790

*This includes AED 645,885 thousand (2024: AED 489,909 thousand) that pertains to the amount received from customers towards sales of residential units relating to property under development.

11 TERM LOANS

The movement in the term loans during the period / year is as follows:

	(Unaudited) ***30 June*** ***2025*** ***AED '000***	*(Audited)* *31 December* *2024* *AED '000*
At beginning of the period / year	**269,260**	104,187
Additions during the period / year	**363,346**	175,073
Loan repaid during the period / year	**(5,000)**	(10,000)
At the end of the period/year	**627,606**	269,260
Current	**366,715**	19,187
Non-current	**260,891**	250,073
	627,606	269,260

The term loans include AED 347,527 thousand margin trading facility which was also transferred in the name of Group along with the listed equities purchased from a related party.

12 NON CONVERTIBLE SUKUK

	(Unaudited) **30 June 2025 AED '000**	*(Audited)* *31 December 2024 AED '000*
Non – Convertible Sukuk (2024 -2029)	**2,562,625**	2,561,437

During 2024, the Group issued a 5-year non-convertible Sukuk of US$ 700 million which is listed on the London Stock Exchange. The Sukuk carries a profit rate of 5.831% per annum payable semi-annually. The Sukuk is repayable on 14 February 2029.

The Sukuks are stated net of discount and transaction costs amounting to AED 9.8 million (31 December 2024: AED 11 million), which are amortised using the effective interest method.

13 RELATED PARTY BALANCES AND TRANSACTIONS

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

(i) Amounts due from related parties comprise:

	(Unaudited) **30 June 2025 AED '000**	*(Audited)* *31 December 2024 AED '000*
Amounts due from related parties:		
Entities under common directorship	**6,826**	7,992
Entities under common ownership	**33,436**	4,928
	40,262	12,920

The expected credit losses (ECL) on balances due from related parties are not assessed as material because the Loss Given Default (LGD) on balances receivable from entities under common ownership / directorship is minimal as the balances are guaranteed by the Ultimate Beneficial Owner.

(ii) Amounts due to related parties comprise:

	(Unaudited) **30 June 2025 AED '000**	*(Audited)* *31 December 2024 AED '000*
Amounts due to related parties:		
Entities under common ownership	**169,732**	53,289

13 RELATED PARTY BALANCES AND TRANSACTIONS continued

(iii) Shareholder's account representing amounts due to the shareholder is interest free and unsecured. No terms of repayment have been specified for the shareholder's account and it is subject to terms of repayments as resolved by the Board of Directors of the Company. During the period, there was no movement in the shareholder's account (31 December 2024: AED nil).

(iv) Transactions with related parties include property management cost amounting to AED 22,832 thousand (Six months period ended 30 June 2024: AED 18,292 thousand).

(v) Other transactions with related parties are disclosed in note 3, 5 and 7 of the interim condensed consolidated financial statements.

Compensation of key management personnel:
The remuneration of directors and other key management personnel during the period were as follows:

	(Unaudited) Six months period ended 30 June 2025 AED '000	*(Unaudited) Six months period ended 30 June 2024 AED '000*
Short-term benefits	**420**	420
End of service benefits	**194**	162

14 INCOME TAX

The major components of income taxation disclosed in the interim condensed consolidated financial statements are:

	(Unaudited) Six months period ended 30 June 2025 AED '000	*(Unaudited) Six months period ended 30 June 2024 AED '000*
Consolidated statement of profit or loss		
Current Income tax:		
Current tax expense	**9,652**	-
Deferred tax:		
Relating to origination and reversal of temporary differences	**(415)**	-
	9,237	-
Consolidated statement of other comprehensive income		
Deferred tax related to items recognised in other comprehensive income:		
Fair value changes on investments in financial assets	**(3,152)**	-
	(3,152)	-

14 INCOME TAX continued

The movement in income tax payable is as follows:

	(Unaudited) **30 June 2025 AED '000**	*(Audited)* *31 December 2024 AED '000*
At beginning of the period/year	**1,475**	-
Charge for the period/year	**9,652**	1,475
At the end of the period/year	**11,127**	1,475

The movement in net deferred tax asset is as follows:

	(Unaudited) **30 June 2025 AED '000**	*(Audited)* *31 December 2024 AED '000*
At beginning of the period/year	**945**	-
Finance costs	**(170)**	5,314
Unrealised gain on investments through profit or loss	**585**	(927)
Unrealised gain on investments through other comprehensive income	**3,152**	(3,442)
At the end of the period/year	**4,512**	945

15 MATURITY PROFILE

The maturity profile of assets and liabilities at 30 June 2025 was as follows:

		Amounts expected to be recovered or settled	
	Total AED '000 (Unaudited)	***Within 12 months of reporting date AED '000 (Unaudited)***	***After 12 months of reporting date AED '000 (Unaudited)***
ASSETS			
Bank balances and cash	**1,309,456**	**1,309,456**	-
Trade and other receivables	**207,221**	**207,221**	-
Investments in financial assets	**6,965,150**	**308,284**	**6,656,866**
Interest in joint ventures	**4,121,194**	-	**4,121,194**
Investment properties	**3,516,280**	-	**3,516,280**
Development work in progress	**585,219**	**585,219**	-
Property and equipment	**11,767**	-	**11,767**
Deferred tax asset	**4,512**	-	**4,512**
Right-of-use assets	**25,523**	-	**25,523**
TOTAL ASSETS	**16,746,322**	**2,410,180**	**14,336,142**
LIABILITIES			
Trade and other payables	**1,043,178**	**1,007,064**	**36,114**
Income tax payable	**11,127**	**11,127**	-
Term loans	**627,606**	**366,715**	**260,891**
Lease liabilities	**25,491**	**3,781**	**21,710**
Non - convertible sukuk	**2,562,625**	-	**2,562,625**
Deferred income	**78,952**	**78,952**	-
Employees' end of service benefits	**1,939**	-	**1,939**
TOTAL LIABILITIES	**4,350,918**	**1,467,639**	**2,883,279**

The maturity profile of assets and liabilities at 31 December 2024 was as follows:

		Amounts expected to be recovered or settled	
	Total AED '000	*Within 12 months of reporting date AED '000*	*After 12 months of reporting date AED '000*
ASSETS			
Bank balances and cash	1,034,838	1,034,838	-
Trade and other receivables	58,375	58,375	-
Investments in financial assets	5,190,683	272,590	4,918,093
Interest in joint ventures	3,622,252	-	3,622,252
Investment properties	3,664,189	-	3,664,189
Development work in progress	388,990	388,990	-
Property and equipment	10,541	-	10,541
Deferred tax asset	945	-	945
Right-of-use assets	26,170	-	26,170
Total assets	13,996,983	1,754,793	12,242,190
LIABILITIES			
Trade and other payables	662,790	659,326	3,464
Income tax payable	1,475	1,475	-
Term loans	269,260	19,187	250,073
Lease liabilities	26,239	2,101	24,138
Non - convertible sukuk	2,561,437	-	2,561,437
Deferred income	78,517	78,517	-
Employees' end of service benefits	1,750	-	1,750
Total liabilities	3,601,468	760,606	2,840,862

16 FAIR VALUE MEASUREMENT

The following table shows the analysis of assets measured and disclosed at fair value by level of the fair value hierarchy as at 30 June 2025:

	Date of valuation	*Level 1 AED '000*	*Level 2 AED '000*	*Level 3 AED '000*	*Total AED '000*
Assets for which fair value is disclosed (Unaudited)					
Investment properties	**30 June 2025**	**-**	**-**	**5,427,312**	**5,427,312**
Liabilities for which fair value is disclosed (Unaudited)					
Sukuk	**30 June 2025**	**2,616,901**	**-**	**-**	**2,616,901**
Assets measured at fair value (Unaudited)					
Investments carried at fair value through other comprehensive income	**30 June 2025**	**6,522,752**	**-**	**134,114**	**6,656,866**
Investments carried at fair value through profit or loss	**30 June 2025**	**69,242**	**-**	**239,042**	**308,284**

The following table shows the analysis of assets measured and disclosed at fair value by level of the fair value hierarchy as at 31 December 2024:

	Date of valuation	*Level 1 AED '000*	*Level 2 AED '000*	*Level 3 AED '000*	*Total AED '000*
Assets for which fair value is disclosed					
Investment properties	31 December 2024	-	-	5,677,570	5,677,570
Liabilities for which fair value is disclosed					
Sukuk	31 December 2024	2,614,921	-	-	2,614,921
Assets measured at fair value					
Investments carried at fair value through other comprehensive income	31 December 2024	4,846,803	-	71,290	4,918,093
Investments carried at fair value through profit or loss	31 December 2024	69,166	-	203,424	272,590

The following is a description of the determination of fair value for assets for which fair values are disclosed using valuation techniques. These incorporate the Group's estimate of assumptions that a market participant would make when valuing the assets.

Investment properties
Investment properties classified under Level 3 have been valued using income method and sales comparison method of valuation. The significant assumptions used for valuation include market rentals, yield rates, occupancy, operating costs and vacancy (void). Fair values are determined based on an annual valuation performed by an accredited external independent valuer.

Investments carried at fair value through other comprehensive income
Investment classified under Level 1 have been valued using active market prices of the quoted equities on the reporting date.

Investments carried at fair value through profit or loss
Investments classified under Level 1 have been valued using active market prices of the quoted equities on the reporting date. Investment classified under Level 3 values are derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Transfers between categories
During the period, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements (Six months period ended 30 June 2024: None).

17 COMMITMENTS AND CONTINGENCIES

	***(Unaudited)* 30 June 2025 AED '000**	*(Audited) 31 December 2024 AED '000*
Capital committed and contracted	**47,981**	113,018
Letters of guarantee	**10**	10