

**ALPHA DHABI HOLDING PJSC**

**Review report and interim  
condensed consolidated financial  
statements for the six-month  
period ended 30 June 2023 (unaudited)**

## **ALPHA DHABI HOLDING PJSC**

### **Review report and interim condensed consolidated financial statements for the six-month period ended 30 June 2023**

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## **REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF ALPHA DHABI HOLDING PJSC**

### *Introduction*

We have reviewed the accompanying interim condensed consolidated statement of financial position of Alpha Dhabi Holding PJSC (the “Company”) and its subsidiaries (together referred to as “the Group”), as at 30 June 2023 and the related interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended and other explanatory notes. Management is responsible for the preparation and 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 interim condensed consolidated financial statements 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 International Accounting Standard 34 *Interim Financial Reporting*.

Deloitte & Touche (M.E.)



Mohammad Khamees Al Tah  
Registration No. 717  
1 August 2023  
Abu Dhabi  
United Arab Emirates

**Interim condensed consolidated statement of financial position  
as at 30 June 2023**

		<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
	<b>Notes</b>		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	12,925,397	14,342,991
Intangible assets	6	2,334,981	5,519,512
Goodwill	7	3,115,765	4,007,444
Biological assets		19,233	27,008
Investment properties		22,810,313	23,062,483
Right-of-use assets	8	1,023,538	2,429,330
Investment in associates and joint ventures	9	18,503,831	4,714,276
Investment in financial assets		764,641	1,209,831
Trade and other receivables	11	641,810	832,929
		<hr/>	<hr/>
<b>Total non-current assets</b>		<b>62,139,509</b>	<b>56,145,804</b>
<b>Current assets</b>			
Investment in financial assets		5,863,692	5,384,806
Contract assets	10	7,687,619	7,186,319
Trade and other receivables	11	16,785,487	20,667,141
Inventories	12	13,112,679	10,377,725
Development work-in-progress		4,359,757	4,139,938
Due from related parties	13	371,103	1,639,393
Cash and bank balances	14	17,562,681	25,488,098
		<hr/>	<hr/>
<b>Total current assets</b>		<b>65,743,018</b>	<b>74,883,420</b>
		<hr/>	<hr/>
<b>Total assets</b>		<b>127,882,527</b>	<b>131,029,224</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	15	10,000,000	10,000,000
Statutory reserve		685,408	685,408
Merger reserve		11,539,393	11,539,393
Other reserves		(1,113,988)	(493,604)
Retained earnings		19,003,448	10,163,414
		<hr/>	<hr/>
<b>Equity attributable to the Owners of the Company</b>		<b>40,114,261</b>	<b>31,894,611</b>
Hybrid equity instruments		1,815,646	1,815,646
Non-controlling interests		29,948,044	36,328,703
		<hr/>	<hr/>
<b>Total equity</b>		<b>71,877,951</b>	<b>70,038,960</b>
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The accompanying notes form an integral part of the interim condensed consolidated financial statements.

Interim condensed consolidated statement of financial position (continued)  
as at 30 June 2023

	Notes	30 June 2023 (unaudited) AED '000	31 December 2022 (audited) AED '000
<b>Non-current liabilities</b>			
Lease liabilities	8	980,149	2,365,898
Provision for employees' end of service benefits	16	987,530	2,542,495
Bank borrowings	17	12,755,359	13,210,294
Non-convertible sukuk	18	5,474,623	3,644,812
Trade and other payables	20	4,914,960	1,698,307
<b>Total non-current liabilities</b>		<b>25,112,621</b>	<b>23,461,806</b>
<b>Current liabilities</b>			
Lease liabilities	8	64,926	141,989
Due to related parties	13	395,576	2,019,205
Bank borrowings	17	2,134,945	1,305,266
Non-convertible sukuk	18	46,098	37,104
Contract liabilities	19	8,609,028	9,940,067
Trade and other payables	20	19,641,382	24,084,827
<b>Total current liabilities</b>		<b>30,891,955</b>	<b>37,528,458</b>
<b>Total liabilities</b>		<b>56,004,576</b>	<b>60,990,264</b>
<b>Total equity and liabilities</b>		<b>127,882,527</b>	<b>131,029,224</b>





Group Chief Financial Officer      Managing Director      Chairman

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

**Interim condensed consolidated statement of profit or loss  
for the six-month period ended 30 June 2023**

	Notes	6 months ended 30 June		3 months ended 30 June	
		2023 (unaudited) AED '000	2022 (unaudited) AED '000	2023 (unaudited) AED '000	2022 (unaudited) AED '000
<b>Revenue</b>	<b>21</b>	<b>22,140,899</b>	17,128,796	<b>9,365,664</b>	8,961,760
Direct costs		<b>(17,519,924)</b>	(12,134,996)	<b>(7,367,036)</b>	(6,660,921)
<b>Gross profit</b>		<b>4,620,975</b>	4,993,800	<b>1,998,628</b>	2,300,839
General, administrative and selling expenses		<b>(2,244,180)</b>	(1,470,646)	<b>(634,867)</b>	(1,027,252)
Share of results of associates and joint ventures	<b>9</b>	<b>469,048</b>	(140,611)	<b>512,029</b>	(209,883)
(Impairment) / reversal of financial and other assets		<b>(518,006)</b>	(88,463)	<b>10,981</b>	(77,118)
Other income	<b>22</b>	<b>508,111</b>	1,097,491	<b>450,146</b>	521,062
Government grant income	<b>23</b>	<b>330,767</b>	-	-	-
Gain on derecognition of a subsidiary	<b>26</b>	<b>7,457,394</b>	-	<b>894,703</b>	-
Gain on derecognition and partial disposal of investment in associates and joint ventures	<b>9</b>	-	3,659,356	-	3,659,356
Finance costs, net		<b>(173,004)</b>	(126,562)	<b>(97,227)</b>	(87,963)
<b>Profit before tax</b>		<b>10,451,105</b>	7,924,365	<b>3,134,393</b>	5,079,041
Income tax		<b>(114,177)</b>	(26,559)	<b>(109,198)</b>	(20,343)
<b>Profit after tax</b>		<b>10,336,928</b>	7,897,806	<b>3,025,195</b>	5,058,698
<b>Profit for the period attributable to:</b>					
Owners of the Company		<b>8,881,520</b>	6,287,333	<b>2,302,048</b>	4,314,730
Non-controlling interests		<b>1,455,408</b>	1,610,473	<b>723,147</b>	743,968
<b>Profit for the period</b>		<b>10,336,928</b>	7,897,806	<b>3,025,195</b>	5,058,698
Basic and diluted earnings per share (AED)	<b>30</b>	<b>0.88</b>	0.63	<b>0.23</b>	0.43

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

**Interim condensed consolidated statement of comprehensive income  
for the six-month period ended 30 June 2023**

	6 months ended 30 June		3 months ended 30 June	
	2023 (unaudited) AED '000	2022 (unaudited) AED '000	2023 (unaudited) AED '000	2022 (unaudited) AED '000
<b>Profit after tax</b>	<b>10,336,928</b>	7,897,806	<b>3,025,195</b>	5,058,698
<b>Other comprehensive loss:</b>				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Fair value loss on debt instruments measured at FVTOCI	-	(21,104)	-	(8,597)
Fair value (loss) / gain arising on hedging instruments during the period	<b>(3,626)</b>	18,090	<b>12,568</b>	10,711
Exchange differences arising on translation of foreign operations	<b>(365,156)</b>	(249,535)	<b>(1,703)</b>	(58,571)
Share of other comprehensive income / (loss) of associates and joint ventures	<b>577</b>	(20,042)	<b>191</b>	(226)
Net gains / (loss) on debt instruments, hedging instruments and translation of foreign operations reclassified to profit or loss	<b>328</b>	18,848	<b>(1,337)</b>	18,848
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Fair value (loss) / gain on investments in equity instruments designated at FVTOCI	<b>(494,520)</b>	51,472	<b>(334,633)</b>	52,154
Share of other comprehensive gain / (loss) of associates and joint ventures	<b>8,202</b>	(4,122)	<b>16,587</b>	(18,370)
<b>Total other comprehensive loss</b>	<b>(854,195)</b>	(206,393)	<b>(308,327)</b>	(4,051)
<b>Total comprehensive income for the period</b>	<b>9,482,733</b>	7,691,413	<b>2,716,868</b>	5,054,647
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	<b>8,271,295</b>	6,119,556	<b>1,992,948</b>	4,288,618
Non-controlling interests	<b>1,211,438</b>	1,571,857	<b>723,920</b>	766,029
<b>Total comprehensive income for the period</b>	<b>9,482,733</b>	7,691,413	<b>2,716,868</b>	5,054,647

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

**Interim condensed consolidated statement of changes in equity  
for the six-month period ended 30 June 2023**

	Attributable to the Owners of the Company					Total AED '000	Hybrid equity instruments AED '000	Non- controlling interests AED '000	Total equity AED '000
	Share capital AED '000	Statutory reserve AED '000	Merger reserve AED '000	Other reserves AED '000	Retained earnings AED '000				
Balance at 1 January 2022 (audited)	10,000,000	318,325	8,723,368	10,880	3,964,433	23,017,006	-	2,954,575	25,971,581
Profit for the period	-	-	-	-	6,287,333	6,287,333	-	1,610,473	7,897,806
Other comprehensive loss for the period	-	-	-	(167,777)	-	(167,777)	-	(38,616)	(206,393)
<b>Total comprehensive (loss) / income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(167,777)</b>	<b>6,287,333</b>	<b>6,119,556</b>	<b>-</b>	<b>1,571,857</b>	<b>7,691,413</b>
Equity arising from business combinations under common control (Note 24)	-	-	861,818	-	-	861,818	-	354,957	1,216,775
Non-controlling interests arising from business combinations under common control (Note 24)	-	-	-	-	-	-	-	70,360	70,360
Non-controlling interests arising from acquisition of subsidiaries (Note 25)	-	-	-	-	-	-	-	19,510,392	19,510,392
Hybrid equity instruments arising on acquisition of a subsidiary (Note 25)	-	-	-	-	-	-	1,126,639	-	1,126,639
Hybrid equity instruments issued during the period	-	-	-	-	-	-	689,007	-	689,007
Transfer to non-controlling interests on dilution of ownership (Note 26)	-	-	(450,259)	-	(59,648)	(509,907)	-	509,907	-
Acquisition of assets from entities under common control (Note 26)	-	-	754,820	-	-	754,820	-	-	754,820
Dividend	-	-	-	-	-	-	-	(872,464)	(872,464)
Movement in non-controlling interests on disposal of subsidiaries (Note 28)	-	-	-	-	-	-	-	2,311	2,311
Transfer of fair value reserve of equity instruments designated as FVTOCI	-	-	-	(26,704)	26,704	-	-	-	-
Non-controlling interests arising from formation of a new subsidiary	-	-	-	-	-	-	-	292	292
<b>At 30 June 2022 (unaudited)</b>	<b>10,000,000</b>	<b>318,325</b>	<b>9,889,747</b>	<b>(183,601)</b>	<b>10,218,822</b>	<b>30,243,293</b>	<b>1,815,646</b>	<b>24,102,187</b>	<b>56,161,126</b>

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



**Interim condensed consolidated statement of changes in equity (continued)  
for the six-month period ended 30 June 2023**

	Attributable to the Owners of the Company						Hybrid equity instruments AED '000	Non- controlling interests AED '000	Total equity AED '000
	Share capital AED '000	Statutory reserve AED '000	Merger reserve AED '000	Other reserves AED '000	Retained earnings AED '000	Total AED '000			
Balance at 1 January 2023 (audited)	10,000,000	685,408	11,539,393	(493,604)	10,163,414	31,894,611	1,815,646	36,328,703	70,038,960
Profit for the period	-	-	-	-	8,881,520	8,881,520	-	1,455,408	10,336,928
Other comprehensive loss for the period	-	-	-	(610,225)	-	(610,225)	-	(243,970)	(854,195)
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Total comprehensive (loss) / income for the period	-	-	-	(610,225)	8,881,520	8,271,295	-	1,211,438	9,482,733
Non-controlling interests arising from acquisition of subsidiaries (Note 25)	-	-	-	-	-	-	-	508,977	508,977
Derecognition of non-controlling interests of a subsidiary (Note 26)	-	-	-	-	-	-	-	(7,059,849)	(7,059,849)
Dividend	-	-	-	-	-	-	-	(1,049,225)	(1,049,225)
Coupon paid on hybrid equity instrument	-	-	-	-	(51,645)	(51,645)	-	-	(51,645)
Contribution from a minority shareholder	-	-	-	-	-	-	-	18,000	18,000
Payment to non-controlling interests towards contributed capital	-	-	-	-	-	-	-	(10,000)	(10,000)
Transfer of fair value reserve of equity instruments designated at FVOCI	-	-	-	(10,159)	10,159	-	-	-	-
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<b>At 30 June 2023 (unaudited)</b>	<b>10,000,000</b>	<b>685,408</b>	<b>11,539,393</b>	<b>(1,113,988)</b>	<b>19,003,448</b>	<b>40,114,261</b>	<b>1,815,646</b>	<b>29,948,044</b>	<b>71,877,951</b>

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

**Interim condensed consolidated statement of cash flows  
for the six-month period ended 30 June 2023**

	Notes	6-months period ended 30 June	
		2023 (unaudited) AED '000	2022 (unaudited) AED '000
<b>Cash flows from operating activities</b>			
Profit before tax		<b>10,451,105</b>	7,924,365
<b>Adjustment for non-cash charges:</b>			
Depreciation of property, plant and equipment		<b>655,658</b>	470,708
Amortisation of intangible assets		<b>116,601</b>	78,144
Depreciation of right-of-use assets		<b>91,493</b>	40,850
Depreciation of investment properties		<b>335,183</b>	164,051
Provision for employees' end of service benefits		<b>119,191</b>	90,322
Re-measurement of biological assets		<b>5,980</b>	(791)
Share of results of associates and joint ventures	<b>9</b>	<b>(469,048)</b>	140,611
Interest expense on lease liabilities		<b>41,461</b>	20,375
Loss on lease modifications		-	2,095
(Gain) / loss on lease cancellations		<b>(6,251)</b>	5,229
Net changes in fair value of derivative financial instruments		<b>(1,657)</b>	(13,182)
Gain on disposal of property, plant and equipment		<b>(1,089)</b>	(233,516)
Gain on disposal of investment properties		<b>(20,057)</b>	(31,423)
Net changes in fair value of investments carried at fair value through profit and loss ("FVTPL")		<b>(63,098)</b>	(185,004)
Interest on non-convertible sukuk		<b>74,956</b>	5,613
Impairment of financial assets		<b>513,940</b>	88,463
Reversal of impairment against assets of group held-for-sale		-	(36,169)
Dividend income	<b>22</b>	<b>(45,816)</b>	(251,661)
Gain on disposal of financial investments		-	20,043
Write-off of property, plant and equipment		<b>(110)</b>	1,589
Gain on derecognition of a subsidiary	<b>26</b>	<b>(7,457,394)</b>	-
Gain on bargain purchase of associates and joint ventures	<b>9</b>	<b>(75,472)</b>	-
Finance income		<b>(335,016)</b>	(56,090)
Finance costs		<b>391,603</b>	162,277
Provision for slow moving and obsolete inventories		<b>48,944</b>	2,267
Provision on islamic financial assets		-	52,681
Amortisation of borrowing costs		<b>(916)</b>	(2,108)
Fair value gain arising on remeasurement of associates and joint ventures		-	(116,430)
Gain on bargain purchase of a subsidiary	<b>25</b>	-	(9,104)
Reversal of impairment allowance against debt instruments		-	(1,791)
Gain on disposal of investment in associates	<b>9</b>	-	(3,659,356)
Goodwill written-off		-	265
Development work-in-progress written-off		<b>11,510</b>	18,408
Write-off of intangible assets	<b>6</b>	<b>2,601</b>	-
Other income		<b>(2,760)</b>	-
Gain on disposal of subsidiaries	<b>28</b>	-	(123,115)
Operating cashflows before movement in working capital		<b>4,381,542</b>	4,568,616

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

**Interim condensed consolidated statement of cash flows (continued)  
for the six-month period ended 30 June 2023**

	<b>6-months period ended 30 June</b>	
	<b>2023</b>	<b>2022</b>
<b>Notes</b>	<b>(unaudited) AED '000</b>	<b>(unaudited) AED '000</b>
<b>Movements in working capital</b>		
Inventories	(125,237)	7,105
Trade and other receivables	(4,931,917)	343,946
Islamic financing assets	-	(8,930)
Increase in development work-in-progress	(543,520)	(236,780)
Contract assets	(2,539,026)	503,532
Due from related parties	964,327	386,976
Contract liabilities	936,189	1,491,287
Trade and other payables	2,449,262	(2,305,451)
Due to related parties	(659,374)	44,281
Deferred tax	(101,183)	(3,759)
Margins against letters of guarantee	-	(73,969)
<b>Cash (used in) / generated from operating activities</b>	<b>(168,937)</b>	<b>4,716,854</b>
Employees' end of service benefits paid	(138,900)	(50,311)
Income tax paid	(15,777)	(100,402)
<b>Net cash (used in) / generated from operating activities</b>	<b>(323,614)</b>	<b>4,566,141</b>
<b>Cash flows from investing activities</b>		
Payments for purchases of property, plant and equipment	(859,014)	(1,607,254)
Cash inflows on business combinations	-	9,221,386
Proceeds from disposal of property, plant and equipment	4,328	18,219
Payments for purchases of intangible assets	(33,537)	(5,942)
Proceeds from disposal of investments in financial assets	411,746	305,037
Payments for purchase of investment properties	(162,842)	(122,283)
Payments for investment in associate and joint ventures	(1,022,192)	(847,182)
Proceeds for disposal of investment properties	81,144	77,598
Proceeds from disposal of biological assets	1,795	-
Dividend received from associates and joint ventures	10,729	1,590
Payments for investment in financial assets	(1,496,275)	(4,838,736)
Deposits withdrawn / (placed) with banks	1,796,597	(1,312,454)
Movement in restricted cash	(99,921)	(4,495,308)
Cash payment on acquisition of subsidiaries, net	(535,214)	(403,243)
Cash given up on derecognition of a subsidiary	(5,502,398)	-
Proceed from disposal of subsidiaries, net of cash disposed	-	105,624
Dividend income received	45,816	251,661
Finance income received	256,427	22,470
<b>Net cash used in investing activities</b>	<b>(7,102,811)</b>	<b>(3,628,817)</b>

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

**Interim condensed consolidated statement of cash flows (continued)  
for the six-month period ended 30 June 2023**

	<b>6-month period ended 30 June</b>	
	<b>2023</b> <b>(unaudited)</b> <b>AED '000</b>	<b>2022</b> <b>(unaudited)</b> <b>AED '000</b>
<b>Cash flows from financing activities</b>		
Repayment of borrowings	<b>(4,991,912)</b>	(1,476,548)
Proceeds from borrowings	<b>5,763,038</b>	4,223,629
Proceeds from non-convertible sukuk	<b>1,826,282</b>	-
Issue of hybrid equity instruments	-	689,007
Coupon paid on hybrid equity instruments	<b>(51,645)</b>	-
Dividend paid to non-controlling interest holders	<b>(1,049,225)</b>	(872,464)
Additional contribution from non-controlling interests	<b>8,000</b>	-
Finance costs paid	<b>(554,840)</b>	(167,352)
Payment of lease liabilities	<b>(85,816)</b>	(59,034)
Movement in derivative financial instruments	<b>183,930</b>	(9,841)
<b>Net cash from financing activities</b>	<b>1,047,812</b>	2,327,397
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(6,378,613)</b>	3,264,721
Effect of foreign exchange rate changes	<b>159,565</b>	(90,027)
Cash and cash equivalents at the beginning of the period	<b>16,945,182</b>	7,006,620
<b>Cash and cash equivalents at the end of the period</b>	<b>10,726,134</b>	10,181,314

## Notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2023

### 1 General information

Alpha Dhabi Holding PJSC (the “Company”) is a public joint stock company registered in the Emirate of Abu Dhabi, United Arab Emirates. Its parent company is International Holding Company PJSC. The Company’s registered address is P.O. Box 111059, Abu Dhabi, United Arab Emirates. The Company’s ordinary shares are listed on the Abu Dhabi Securities Exchange.

The principal activities of the Company and its subsidiaries (together referred to as “the Group”), associates and joint ventures carried out both in the UAE and abroad include:

- Medical services including management of hospitals, testing laboratories and medical clinics;
- Development, sale, investment, leasing, management and associated services for real estate;
- Engineering and construction contracting of buildings, infrastructure, earth and civil works;
- Engineering, procurement and dredging contracts and associated land reclamation works in the territorial waters of different countries;
- Oil and gas engineering, construction and operation management services;
- Tourism and hospitality-related investments, development and management;
- Industrial production-related investments, development and management;
- Forestry and natural vegetation management including farming, agricultural investments and management;
- Production and supply of ready-mix concrete;
- Investment in a diverse range of industries;
- Manufacturing, supply, installation and fabrication of aluminium and glass panels;
- Security services;
- Manufacturing of motor vehicles;
- Facilities management services;
- Renewable energy power plant installation and maintenance of energy equipment;
- Digital banking services; and
- Health insurance solutions.

### 2 Basis of preparation

#### Statement of compliance

These interim condensed consolidated financial statements for the six-month period ended 30 June 2023 have been prepared in accordance with IAS 34, *Interim Financial Reporting*. 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 2022. In addition, results for the six-month period ended 30 June 2023 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2023.

These interim condensed consolidated financial statements as at 30 June 2023 include the financial performance and position of the Group as disclosed in its annual consolidated financial statements for the year ended 31 December 2022 and new subsidiaries acquired during the period as disclosed in Note 24 and 25.

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)****2 Basis of preparation (continued)****Accounting convention**

These interim condensed consolidated financial statements have been prepared on a historical cost basis except for financial assets carried at fair value through other comprehensive income, or through profit and loss, derivative financial instruments and biological assets that are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for the acquired assets.

**Functional and presentation currency**

The interim condensed consolidated financial statements are prepared in United Arab Emirates Dirhams (AED), which is the Group's functional and presentation currency and all values are rounded to the nearest thousand (AED'000) except where otherwise stated.

**3 Summary of significant accounting policies**

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 2022, and the notes attached thereto, except for the adoption of certain new and revised standards, that became effective in the current period as set out below.

**a) Amendment to standards and interpretations issued and effective during the financial period beginning 1 January 2023**

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2023 (unless otherwise stated). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective:

- IFRS 17 Insurance Contracts;
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current;
- Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of accounting policies;
- Amendments to IAS 8 – Definition of Accounting Estimates;
- Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction;
- International Tax Reform — Pillar Two Model Rules (Amendments to IAS 12) (effective from 1 January 2023); and
- Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4).

The Group has applied IFRS 17 for the first time. As required by IAS 34, the nature and effect of these changes are discussed below. The other amendments and interpretations apply for the first time in 2023, but do not have an impact on the interim condensed consolidated financial statements.

**Impact on adoption of IFRS 17**

IFRS 17 replaces IFRS 4 Insurance Contracts for annual periods on or after 1 January 2023. The Group adopted IFRS 17 retrospectively from 1 January 2023.

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)****3 Summary of significant accounting policies (continued)****a) Amendment to standards and interpretations issued and effective during the financial period beginning 1 January 2023 (continued)****Impact on adoption of IFRS 17 (continued)**

The adoption of IFRS 17 did not change the classification of the Group's insurance contracts. The Group was previously permitted under IFRS 4 to continue accounting using its previous accounting policies.

However, IFRS 17 establishes specific principles for the recognition and measurement of insurance contracts issued and reinsurance contracts held by the Group.

*Measurement principles*

Under IFRS 17, the Group's insurance contracts issued and reinsurance contracts held are all eligible to be measured by applying the Premium Allocation Approach ('PAA'). The PAA simplifies the measurement of insurance contracts in comparison with the general model in IFRS 17.

The key changes in measurement principles under PAA include:

- The liability for remaining coverage reflects premiums received less deferred insurance acquisition cash flows and less amounts recognised in revenue for insurance services provided;
- There is no requirement to discount the liabilities for remaining coverage as all premiums written by the Group are received within 12 months from the policy start date, hence no significant financing component or credit facilities;
- The measurement of the liability for remaining coverage involves an explicit evaluation of risk adjustment for non-financial risk for onerous contracts;
- The measurement of the asset for remaining coverage reflects reinsurance premiums paid for reinsurance held and is adjusted to include a loss-recovery component for expected recovery of onerous contract losses;
- The liability for incurred claims is determined on an expected value basis and includes an explicit risk adjustment for non-financial risk. The liability also includes the Group's obligation to pay other incurred insurance expenses. There is no requirement to discount the liability for incurred claims as most claims are settled within 12 months from the date of incurrence; and
- The Group capitalises insurance acquisition cash flows for all product lines and allocates them to groups of insurance contracts issued or expected to be issued using a systematic and rational basis. When contracts are recognised, the related portion of the asset for insurance acquisition cash flows is derecognised and subsumed into the measurement of the insurance liability.

*Transition*

During the transition on 1 January 2023, the Group identified, recognised, and measured each group of insurance contracts and assets for insurance acquisition cash flows as if IFRS 17 had always applied. Existing balances that would not exist under IFRS 17 were derecognised.

The measurement categories under IFRS 4 and the new measurement categories under IFRS 17 for each class of the IFRS 17-line item as of 1 January 2023 were not presented separately as they are not material.

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)****3 Summary of significant accounting policies (continued)****a) New standards and amendments issued but not yet effective**

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's interim condensed consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective:

- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) (effective from 1 January 2024);
- Non-current Liabilities with Covenants (Amendments to IAS 1) (effective from 1 January 2024);
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) (effective from 1 January 2024); and
- Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective date not yet decided).

The above stated new standards and amendments are not expected to have any significant impact on the interim condensed consolidated financial statements of the Group. There are no other applicable new standards and amendments to published standards or International Financial Reporting Interpretations Committee "IFRIC" interpretations that have been issued that would be expected to have a material impact on the interim condensed consolidated financial statements of the Group.

**4 Significant accounting judgements and estimates**

The preparation of these interim condensed consolidated financial statements, in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. 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 that applied to the Group's annual consolidated financial statements for the year ended 31 December 2022, except as given below:

*Judgment related to derecognition of Pure Health Holding ('PHH')*

As disclosed in Note 26, on the loss of control over PHH, the Group derecognised its carrying value of assets and liabilities. The results of the operations of PHH were not segregated on the face of the interim condensed consolidated statement of profit or loss, considering there is no disposal of shares of PHH and absolute holding remains the same before and after the loss of control, and the Group will be able to recover investment principally through continuing use. Accordingly, the transaction was not considered as a discontinued operation under IFRS 5 *Non-Current Assets Held for Sale and Discontinued Operations*.



**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**4 Significant accounting judgements and estimates (continued)**

*Fair valuation of retained interest on loss of control*

As disclosed in Note 26, the Group fair valued its retained interest and recognised it as an investment in a joint venture and derecognised its investment as a subsidiary on the loss of control of PHH. In estimating the fair value, the Group engaged a third-party valuation expert to perform the valuation. The underlying assumptions and estimates in assessing the fair value of retained interest are mentioned in Note 26.

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**5 Property, plant and equipment**

	<b>Land AED '000</b>	<b>Buildings and base facilities AED '000</b>	<b>Dredgers, machinery and equipment AED '000</b>	<b>Barges, support vessels and vehicles AED '000</b>	<b>Furniture, equipment and leasehold improvements AED '000</b>	<b>Capital work- in-progress AED '000</b>	<b>Total AED '000</b>
<b>At 31 December 2022 (audited)</b>							
Cost	225,234	13,085,142	6,117,176	6,554,581	3,430,023	1,108,296	30,520,452
Less: accumulated depreciation	-	(6,241,985)	(3,527,211)	(3,890,106)	(2,507,099)	(11,060)	(16,177,461)
<b>Net carrying value at 31 December 2022</b>	<b>225,234</b>	<b>6,843,157</b>	<b>2,589,965</b>	<b>2,664,475</b>	<b>922,924</b>	<b>1,097,236</b>	<b>14,342,991</b>
Additions	40,290	7,971	138,927	165,873	109,302	436,941	899,304
Assets arising on acquisition of subsidiaries (Note 25)	805	2,812	19,756	202	22,692	100,791	147,058
Depreciation charge	-	(168,132)	(187,884)	(154,404)	(145,238)	-	(655,658)
Transfers	-	22,496	2,129	(450)	51,272	(75,447)	-
Transfer to intangible assets (Note 6)	-	-	-	-	-	(1,090)	(1,090)
Net carrying value of disposals	-	(1,213)	(179)	(1,016)	(831)	-	(3,239)
Reversal of impairment	-	110	-	-	-	-	110
Eliminated on derecognition of a subsidiary (Note 26)	-	(415,359)	(727,939)	(9,220)	(509,156)	(118,323)	(1,779,997)
Foreign currency translation differences	(6)	(15,741)	(1,079)	(2,182)	(2,809)	(2,265)	(24,082)
<b>Net carrying value at 30 June 2023 (unaudited)</b>	<b>266,323</b>	<b>6,276,101</b>	<b>1,833,696</b>	<b>2,663,278</b>	<b>448,156</b>	<b>1,437,843</b>	<b>12,925,397</b>
<b>At 30 June 2023 (unaudited)</b>							
Cost	266,323	12,272,953	3,423,350	6,490,216	1,921,557	1,448,903	25,823,302
Less: accumulated depreciation	-	(5,996,852)	(1,589,654)	(3,826,938)	(1,473,401)	(11,060)	(12,897,905)
<b>Net carrying value (unaudited)</b>	<b>266,323</b>	<b>6,276,101</b>	<b>1,833,696</b>	<b>2,663,278</b>	<b>448,156</b>	<b>1,437,843</b>	<b>12,925,397</b>

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**6 Intangible assets**

	Software and licenses AED '000	Customer related intangibles AED '000	Brand and trademarks AED '000	Intangible assets under development AED '000	Total AED '000
<b>At 31 December 2022 (audited)</b>					
Cost	1,223,029	2,487,183	3,092,341	15,718	6,818,271
Less: accumulated amortisation	(1,059,868)	(224,495)	(14,396)	-	(1,298,759)
Net carrying value at 31 December 2022	163,161	2,262,688	3,077,945	15,718	5,519,512
Additions	31,230	-	-	2,307	33,537
Assets arising on acquisition of subsidiaries (Note 25)	1,429	37,794	-	-	39,223
Amortisation charge	(21,271)	(85,532)	(9,798)	-	(116,601)
Transfer from property, plant and equipment (Note 5)	1,090	-	-	-	1,090
Transfer	2,051	-	-	(2,051)	-
Write-off	(2,601)	-	-	-	(2,601)
Eliminated on derecognition of a subsidiary (Note 26)	(95,521)	(1,666,932)	(1,356,623)	(15,364)	(3,134,440)
Foreign currency translation differences	(516)	(4,223)	-	-	(4,739)
<b>Net carrying value at 30 June 2023 (unaudited)</b>	<b>79,052</b>	<b>543,795</b>	<b>1,711,524</b>	<b>610</b>	<b>2,334,981</b>
<b>At 30 June 2023 (unaudited)</b>					
Cost	211,932	779,515	1,732,836	610	2,724,893
Less: accumulated depreciation	(132,880)	(235,720)	(21,312)	-	(389,912)
<b>Net carrying value (unaudited)</b>	<b>79,052</b>	<b>543,795</b>	<b>1,711,524</b>	<b>610</b>	<b>2,334,981</b>

**7 Goodwill**

	30 June 2023 (unaudited) AED'000	31 December 2022 (audited) AED'000
At the beginning of the period / year	4,007,444	451,672
Assets arising on acquisition of subsidiaries	461,120	3,573,733
Eliminated on derecognition of a subsidiary (Note 26)	(1,342,106)	-
Other movements	-	(265)
Foreign currency translation differences	(10,693)	(17,696)
<b>At the end of the period / year</b>	<b>3,115,765</b>	<b>4,007,444</b>

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**8 Right-of-use assets and lease liabilities**

*Right-of-use assets*

	Land AED '000	Building AED '000	Machinery AED '000	Total AED '000
<b>At 31 December 2022 (audited)</b>				
Cost	857,697	1,795,019	111,504	2,764,220
Less: accumulated depreciation	(79,505)	(197,132)	(58,253)	(334,890)
Net carrying value at 31 December 2022	778,192	1,597,887	53,251	2,429,330
Additions	737	68,004	-	68,741
Assets arising on acquisition of subsidiaries (Note 25)	-	79,655	-	79,655
Depreciation for the period	(28,205)	(25,339)	(37,949)	(91,493)
Lease modifications and cancellations for the period	(4,823)	(87,961)	-	(92,784)
Eliminated on derecognition of a subsidiary*	-	(1,362,872)	(5,768)	(1,368,640)
Foreign currency translation differences	-	(1,271)	-	(1,271)
<b>Net carrying value at 30 June 2023 (unaudited)</b>	<b>745,901</b>	<b>268,103</b>	<b>9,534</b>	<b>1,023,538</b>
<b>At 30 June 2023 (unaudited)</b>				
Cost	853,612	375,821	12,744	1,242,177
Less: accumulated depreciation	(107,711)	(107,718)	(3,210)	(218,639)
<b>Net carrying value (unaudited)</b>	<b>745,901</b>	<b>268,103</b>	<b>9,534</b>	<b>1,023,538</b>

*Lease liabilities*

	30 June 2023 (unaudited) AED'000	31 December 2022 (audited) AED'000
At the beginning of the period / year	2,507,887	587,439
Acquired in common control business combinations	-	20,337
Liabilities arising on acquisition of subsidiaries	81,746	591,603
Additions	68,741	1,456,450
Finance costs	41,461	61,172
Lease modifications and cancellations for the period / year	(99,035)	2,679
Eliminations arising on business combinations	-	(83,348)
Eliminated on derecognition of a subsidiary*	(1,469,222)	-
Eliminations on disposal of a subsidiary	-	(1,133)
Foreign currency translation differences	(687)	(938)
Payment of lease liabilities	(85,816)	(126,374)
<b>At the end of the period / year</b>	<b>1,045,075</b>	<b>2,507,887</b>

\*Numbers are presented net of elimination at the group level.

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**8 Right-of-use assets and lease liabilities (continued)**

Lease liabilities are classified as follows:

	<b>30 June 2023 (unaudited) AED'000</b>	31 December 2022 (audited) AED'000
Amounts due for settlement within 12 months	<b>64,926</b>	141,989
Amounts due for settlement after 12 months	<b>980,149</b>	2,365,898
	<b>1,045,075</b>	2,507,887

**9 Investment in associates and joint ventures**

Investment in associates and joint ventures are classified in the interim condensed consolidated statement of financial position as follows:

	<b>30 June 2023 (unaudited) AED'000</b>	31 December 2022 (audited) AED'000
Investment in associates	<b>5,377,137</b>	3,942,867
Investment in joint ventures	<b>13,126,694</b>	771,409
	<b>18,503,831</b>	4,714,276

Share of results of associates and joint ventures are classified in interim condensed consolidated statement of profit or loss:

	<b>6-months ended 30 June</b>		<b>3-months ended 30 June</b>	
	<b>2023 (unaudited) AED '000</b>	2022 (unaudited) AED '000	<b>2023 (unaudited) AED '000</b>	2022 (unaudited) AED '000
Investment in associates	<b>82,053</b>	14,616	<b>113,958</b>	(156,129)
Investment in joint ventures	<b>386,995</b>	(155,227)	<b>398,071</b>	(53,754)
	<b>469,048</b>	(140,611)	<b>512,029</b>	(209,883)

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**9 Investment in associates and joint ventures (continued)**

Movements in the Group's investment in associates are as follows:

	<b>30 June 2023 (unaudited) AED'000</b>	31 December 2022 (audited) AED'000
At the beginning of the period / year	<b>3,942,867</b>	11,617,762
Additions	<b>981,716</b>	868,585
Assets arising on acquisition of subsidiaries	<b>309,569</b>	69,365
Transfers from property, plant, and equipment	-	23,637
Dividends received	<b>(10,729)</b>	(22,324)
Share of other comprehensive gain / (loss)	<b>5,684</b>	(24,579)
Foreign exchange translation difference	<b>(1,980)</b>	(105,323)
Share of results	<b>82,053</b>	(165,758)
Partial disposal during the period / year	-	(381,393)
Gain on acquisition of an associate (a)	<b>75,472</b>	-
Other adjustments	<b>(7,515)</b>	-
Derecognition of investment in an associate (b)	-	(9,483,875)
Increase in equity (c)	-	1,598,346
Gain arising on remeasurement (d)	-	116,430
Reduction in investment in an associate (e)	-	(32,000)
Other movements (f)	-	(136,006)
<b>At the end of the period / year</b>	<b>5,377,137</b>	3,942,867

- a) During the period, the Group acquired 36.39% of National Corporation for Tourism and Hotels ('NCTH') for a purchase consideration of AED 730 million which resulted in a gain of AED 75.5 million recorded in the interim condensed consolidated financial statements on acquisition.

NCTH shares are listed on ADX with its fair value based on the quoted price as at 30 June 2023 being AED 962 million (2022: Nil).

- b) In 2022, the Group's interest in Aldar which was previously treated as an investment in an associate was derecognised and instead was consolidated as a subsidiary under IFRS 10, which resulted in a recognition of a gain of AED 2,621 million in the interim condensed consolidated financial statements for the period ended 30 June 2022.
- c) In 2022, Q Holding PSC ("Q Holding") acquired Reem Investments PJSC ("Reem") and issued new shares to the shareholders of Reem at a premium. This resulted in an increase in the Group's shareholding of equity of Q Holding by AED 1,598 million and diluted the Group's ownership interest in Q Holding from 25.24% to 20.61% but remained an associate, this also resulted in recognition of a gain of AED 1,039 million in the interim condensed consolidated financial statements for the period ended 30 June 2022.

Q Holding shares are listed on ADX with its fair value based on the quoted price as at 30 June 2023 being AED 3,298 million (2022: AED 5,701 million).

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**9 Investment in associates and joint ventures (continued)**

- d) The Group has incorporated an entity which involved an in-kind contribution of some of its property, plant and equipment, employees and revenue contracts. The Group disposed 51% of its interest in the entity and retained a 49% interest in the entity, which is classified as an associate and was initially recognised at a cost of AED 23.6 million. Subsequently, the interest was remeasured at fair value, resulting in a gain of AED 116.4 million.
- e) In 2022, the share capital of an associate was reduced, consequently, the Group received AED 32 million which was recognised as reduction the Group's interest in the associate.
- f) In 2022, the Group performed an impairment review of an associate and recorded an impairment of AED 136 million.
- g) The Group's investment in associates includes Response Plus Holding PrJSC ('RPM') whose shares are listed on ADX with a fair value based on the quoted price as at 30 June 2023 being AED 293 million (2022: AED 310 million)

The latest available financial information in respect of the Group's associates up to the period ended 30 June 2023 are summarised below:

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
Non-current assets	<b>16,555,890</b>	14,529,912
Current assets	<b>11,765,766</b>	11,600,534
Non-current liabilities	<b>(2,105,484)</b>	(3,479,015)
Current liabilities	<b>(4,858,932)</b>	(5,010,741)
Total net equity	<b>21,357,240</b>	17,640,690
Attributable to:		
Owners of the Company	<b>20,384,517</b>	16,685,435
Non-controlling interests	<b>972,723</b>	955,255
Total net equity	<b>21,357,240</b>	17,640,690
Group's share of net assets	<b>4,912,846</b>	3,652,930
Goodwill	<b>464,239</b>	433,453
Other adjustments	<b>52</b>	(143,516)
Group's share of net assets	<b>5,377,137</b>	3,942,867

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**9 Investment in associates and joint ventures (continued)**

The share of results of associates recognised during the period are as follows:

	6-months ended 30 June		3-months ended 30 June	
	2023 (unaudited) AED '000	2022 (unaudited) AED '000	2023 (unaudited) AED '000	2022 (unaudited) AED '000
Revenue	1,532,317	3,341,250	619,708	277,348
Profit / (loss) for the period	263,784	(81,816)	413,698	(686,641)
Group's share of profit / (loss) for the period	82,053	14,616	113,958	(156,129)
Other comprehensive income / (loss)	27,455	(195,956)	66,900	(88,189)
Group's share of other comprehensive income / (loss)	5,684	(24,579)	13,683	(18,596)
Dividend	(10,729)	(1,590)	(10,729)	-

Movements in the Group's investment in joint ventures are as follows:

	30 June 2023 (unaudited) AED '000	31 December 2022 (audited) AED '000
At the beginning of the period / year	771,409	70,886
Additions	58,458	854,072
Recognition of an investment on loss of control (Note 26)	11,957,944	
Assets arising on acquisition of subsidiaries	-	46,205
Foreign exchange translation differences	(9,172)	(7,957)
Share of results during the period / year	386,995	(191,797)
Share of other comprehensive loss	3,095	-
Eliminated on derecognition of a subsidiary (Note 26)	(46,273)	-
Others	4,238	-
<b>At the end of the period / year</b>	<b>13,126,694</b>	<b>771,409</b>



**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**9 Investment in associates and joint ventures (continued)**

The latest available financial information in respect of the Group's joint ventures up to the period ended 30 June 2023 are summarised below:

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
Non-current assets	<b>8,604,180</b>	124,341
Current assets	<b>23,599,895</b>	3,875,351
Non-current liabilities	<b>(3,568,599)</b>	-
Current liabilities	<b>(14,961,479)</b>	(2,001,190)
Total net equity	<b>13,673,997</b>	1,998,502
Attributable to:		
Owners of the Company	<b>13,038,385</b>	1,352,410
Non-controlling interests	<b>635,612</b>	646,092
Total net equity	<b>13,673,997</b>	1,998,502
Group's share of net assets	<b>5,168,971</b>	686,692
Intangible assets	<b>2,392,713</b>	-
Goodwill	<b>5,565,010</b>	84,717
Group's share of net assets	<b>13,126,694</b>	771,409

The share of results of joint ventures recognised during the period are as follows:

	<b>6-months ended 30 June</b>		<b>3-months ended 30 June</b>	
	<b>2023 (unaudited) AED '000</b>	2022 (unaudited) AED '000	<b>2023 (unaudited) AED '000</b>	2022 (unaudited) AED '000
Revenue	<b>4,430,204</b>	205,303	<b>4,313,093</b>	129,323
Profit / (loss) for the period	<b>1,004,561</b>	(353,108)	<b>1,026,328</b>	25,989
Group's share of profit / (loss) for the period	<b>386,995</b>	(155,227)	<b>398,071</b>	(53,754)
Other comprehensive income	<b>7,944</b>	-	<b>7,944</b>	-
Group's share of other comprehensive income	<b>3,095</b>	-	<b>3,095</b>	-

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**9 Investment in associates and joint ventures (continued)**

The investments in NCTH, WISY Holding Cyprus Ltd, Nammos World SARL, and WISY Management Cyprus Ltd are accounted for based on provisional fair values/net asset value of investment in associates which, will be finalised within 12 months from the date of acquisition. The finalisation of the purchase price allocation may result in a bifurcation of the investment in associate between net assets and goodwill.

**10 Contract assets**

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
<i>Contract assets</i>		
Amounts due from customers – third parties	<b>5,835,438</b>	4,267,962
Amounts due from customers – related parties (Note 13)	<b>1,061,179</b>	953,512
Less: allowance for ECL	<b>(153,903)</b>	(81,873)
	<hr/>	<hr/>
	<b>6,742,714</b>	5,139,601
Contract costs	<b>944,905</b>	1,652,591
Reinsurance contract assets	-	394,127
	<hr/>	<hr/>
	<b>7,687,619</b>	7,186,319
	<hr/> <hr/>	<hr/> <hr/>

The Group measures the expected credit loss allowance on amounts due from customers at an amount equal to lifetime ECL, taking into account the historical default experience and the future prospects of the respective industries.

The following table shows the movement in lifetime ECL that has been recognised for contract assets in accordance with the simplified approach set out in IFRS 9:

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
At the beginning of the period / year	<b>81,873</b>	96,336
Charge for the period / year	<b>74,760</b>	-
Reversal for the period / year	-	(14,463)
Write off	<b>(2,730)</b>	-
	<hr/>	<hr/>
<b>At the end of the period / year</b>	<b>153,903</b>	81,873
	<hr/> <hr/>	<hr/> <hr/>

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**11 Trade and other receivables**

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
Trade receivables	7,332,399	9,135,123
Due from policy holders	-	1,046,248
Less: allowance for ECL	(427,128)	(603,501)
Net trade receivables	<u>6,905,271</u>	<u>9,577,870</u>
Retention receivables	1,001,735	730,245
Less: allowance for ECL	(62,674)	(48,406)
Net retention receivables	<u>939,061</u>	<u>681,839</u>
Other receivables	4,180,174	3,629,248
Less: allowance for ECL	(4,443)	(226,101)
Net other receivables	<u>4,175,731</u>	<u>3,403,147</u>
Advances to suppliers	4,566,542	3,823,420
Prepayments and deposits	801,432	1,063,544
Derivative financial instruments	39,260	248,792
Subsidy receivable from Government	-	961,380
Government funded programs receivables	-	1,740,078
	<u>17,427,297</u>	<u>21,500,070</u>

Allocation of total trade and other receivables into current and non-current is as follows:

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
Non-current	641,810	832,929
Current	16,785,487	20,667,141
	<u>17,427,297</u>	<u>21,500,070</u>

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**11 Trade and other receivables (continued)**

The following table shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with the simplified approach set out in IFRS 9.

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
At the beginning of the period / year	<b>603,501</b>	216,039
Acquired in common control business combinations	-	260,487
Net re-measurement of ECL	<b>22,840</b>	46,482
Written off	<b>(57,619)</b>	(95,502)
Additions due to acquisition of subsidiaries	-	175,995
Eliminated on derecognition of a subsidiary	<b>(141,594)</b>	-
	<hr/>	<hr/>
<b>At the end of the period / year</b>	<b>427,128</b>	603,501
	<hr/> <hr/>	<hr/> <hr/>

The following table shows the movement in lifetime ECL that has been recognised for retention receivables in accordance with the simplified approach set out in IFRS 9.

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
At the beginning of the period / year	<b>48,406</b>	45,493
Net re-measurement of ECL	<b>14,268</b>	2,913
	<hr/>	<hr/>
<b>At the end of the period / year</b>	<b>62,674</b>	48,406
	<hr/> <hr/>	<hr/> <hr/>

The following table shows the movement in lifetime ECL that has been recognised for other receivables in accordance with the simplified approach set out in IFRS 9.

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
At the beginning of the period / year	<b>226,101</b>	-
Net re-measurement of ECL	<b>23,086</b>	-
Additions due to acquisition of subsidiaries	-	226,101
Eliminated on derecognition of a subsidiary	<b>(244,744)</b>	-
	<hr/>	<hr/>
<b>At the end of the period / year</b>	<b>4,443</b>	226,101
	<hr/> <hr/>	<hr/> <hr/>

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**12 Inventories**

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
Land plots held-for-sale	<b>11,635,145</b>	8,115,029
Completed properties	<b>634,464</b>	940,240
Goods held-for-trading and finished goods	<b>17,570</b>	1,002,106
Materials, parts, and consumables	<b>891,622</b>	774,721
	<b>13,178,801</b>	10,832,096
Less: allowance for obsolescence	<b>(66,122)</b>	(454,371)
	<b>13,112,679</b>	10,377,725

The movement in the allowance for inventories obsolescence is as follows:

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
At the beginning of the period / year	<b>454,371</b>	62,747
Acquired in common control business combinations	-	400,303
Charge for the period / year	<b>48,944</b>	6,168
Write-off	<b>(41,597)</b>	(14,847)
Eliminated on derecognition of a subsidiary	<b>(395,596)</b>	-
<b>At the end of the period / year</b>	<b>66,122</b>	454,371

Charge for the period / year has been included in general, administrative and selling expenses.

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**13 Related parties**

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
<b>Due from related parties:</b>		
Entities managed by key management personnel	<b>381,189</b>	1,149,482
Entities under common control	<b>265,484</b>	413,550
Joint ventures	<b>391,486</b>	411,798
Associates	<b>74,227</b>	20,176
Others	<b>35,501</b>	43,178
	<hr/> <b>1,147,887</b>	<hr/> 2,038,184
Less: allowance for ECL	<b>(775,336)</b>	<b>(398,791)</b>
	<hr/> <b>372,551</b> <hr/>	<hr/> 1,639,393 <hr/>

Due from related parties are classified as follows:

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
Non-current (classified under trade and other receivables)	<b>1,448</b>	-
Current	<b>371,103</b>	1,639,393
	<hr/> <b>372,551</b> <hr/>	<hr/> 1,639,393 <hr/>

The following table shows the movement in lifetime ECL that has been recognised for due from related parties in accordance with the simplified approach set out in IFRS 9:

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
At the beginning of the period / year	<b>398,791</b>	42,854
Assets arising on acquisition of subsidiaries	-	184,356
Charge during the period / year	<b>375,837</b>	155,926
Eliminated on derecognition of a subsidiary	<b>(3,914)</b>	-
Other adjustments	<b>4,622</b>	15,655
	<hr/> <b>775,336</b> <hr/>	<hr/> 398,791 <hr/>

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**13 Related parties (continued)**

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
<b>Due to related parties:</b>		
Entities managed by key management personnel	<b>9,924</b>	845,061
Entities under common control	<b>187,496</b>	480,053
Key management personnel	-	523,118
Associates	-	2,894
Joint ventures	<b>43,048</b>	12,971
Others	<b>155,108</b>	155,108
	<b>395,576</b>	2,019,205
<b>Loan from a related party</b> (classified under trade and other payables)	<b>13,300</b>	13,300
<b>Contract assets</b> (Note 10)	<b>1,061,179</b>	953,512
<b>Contract liabilities</b> (Note 19)	<b>746,723</b>	23,892

Significant transactions with related parties during the period comprise:

	<b>6 months ended 30 June</b>		<b>3 months ended 30 June</b>	
	<b>2023 (unaudited) AED '000</b>	2022 (unaudited) AED '000	<b>2023 (unaudited) AED '000</b>	2022 (unaudited) AED '000
Revenue	<b>431,397</b>	741,682	<b>163,569</b>	333,836
Purchase of goods and services	<b>160,322</b>	346,133	<b>49,989</b>	139,146
Key management compensation	<b>41,513</b>	77,569	<b>22,822</b>	23,458

Transactions with a financial institution are as follows:

	<b>6 months ended 30 June</b>		<b>3 months ended 30 June</b>	
	<b>2023 (unaudited) AED '000</b>	2022 (unaudited) AED '000	<b>2023 (unaudited) AED '000</b>	2022 (unaudited) AED '000
Finance costs	<b>158,050</b>	41,340	<b>88,702</b>	23,029
Interest income	<b>106,450</b>	5,560	<b>87,932</b>	509

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**13 Related parties (continued)**

Balances with a financial institution are as follows:

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
Balances with a financial institution	<b>6,377,564</b>	7,125,780
Borrowings	<b>8,180,897</b>	6,154,521
Drawdowns	<b>2,515,557</b>	3,739,424
Repayment of borrowings	<b>118,724</b>	900,638

**14 Cash and bank balances**

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
Cash in hand and bank	<b>10,704,362</b>	15,219,324
Short term deposits and treasury bills	<b>6,741,154</b>	10,075,863
Wakala deposits	<b>148,070</b>	223,816
	<b>17,593,586</b>	25,519,003
Less: impairment loss allowance	<b>(30,905)</b>	(30,905)
Cash and bank balances	<b>17,562,681</b>	25,488,098
Less:		
Bank overdrafts (Note 17)	<b>(10,827)</b>	(20,520)
Restricted cash	<b>(5,640,534)</b>	(5,540,613)
Short term deposit having maturity more than six months	<b>(1,216,091)</b>	(3,012,688)
Add:		
Allowance for ECL	<b>30,905</b>	30,905
<b>Cash and cash equivalents</b>	<b>10,726,134</b>	16,945,182

Interest earned on short-term deposits and wakala deposits are at market rates.



**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**14 Cash and bank balances (continued)**

Bank overdraft facilities were availed from various local banks secured by customers approved payment certificates and are repayable on demand.

Balances with banks are assessed to have low credit risk since they are with reputable financial institutions selected by the Group. None of the balances with banks at the end of the reporting period are past due.

**15 Share capital**

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
Authorised, issued and fully paid 10,000 million shares of AED 1 each (31 December 2022: 10,000 million shares of AED 1 each)	<b>10,000,000</b>	10,000,000

**16 Provision for employees' end of service benefits**

Movements in provision for employee's end of service benefits are as follows:

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
At the beginning of the period / year	<b>2,542,495</b>	658,645
Liabilities arising on acquisition of subsidiaries	<b>5,946</b>	1,756,242
Charge for the period / year	<b>119,191</b>	256,167
Actuarial loss recognised in other comprehensive income	-	35,748
Acquired in common control business combinations	-	8,906
Transfer from a related party	<b>278</b>	551
Liabilities of group related to discontinued operations	-	(2,203)
Eliminated on derecognition of a subsidiary (Note 26)	<b>(1,541,480)</b>	-
Paid during the period / year	<b>(138,900)</b>	(171,561)
<b>At the end of the period / year</b>	<b>987,530</b>	2,542,495

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**17 Bank borrowings**

Bank borrowings included in the interim condensed consolidated statement of financial position comprise the following:

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
Term loan facilities	<b>14,879,477</b>	14,495,040
Bank overdrafts (Note 14)	<b>10,827</b>	20,520
	<b>14,890,304</b>	14,515,560

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

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
At the beginning of the period / year	<b>14,515,560</b>	5,583,727
Drawdowns during the period / year	<b>5,763,194</b>	10,643,959
Liabilities arising on acquisition of subsidiaries Acquired in common control business combinations	<b>445</b>	4,357,748
Amortisation of transaction costs	<b>(916)</b>	(9,728)
Liabilities of group related to discontinued operations (Note 28)	<b>-</b>	(3,429)
Eliminated on derecognition of a subsidiary (Note 26)	<b>(293,131)</b>	-
Foreign exchange differences	<b>(93,087)</b>	(113,280)
Repayments during the period / year	<b>(5,001,761)</b>	(6,243,437)
<b>At the end of the period / year</b>	<b>14,890,304</b>	14,515,560

Bank borrowings are classified as follows:

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
Non-current	<b>12,755,359</b>	13,210,294
Current	<b>2,134,945</b>	1,305,266
	<b>14,890,304</b>	14,515,560

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**17 Bank borrowings (continued)**

Details of group borrowings are as follows:

Loan type	Currency	Security	Instalments	Year of maturity	30 June 2023 (unaudited) AED'000	31 December 2022 (audited) AED '000	Purpose
Term loan 1	AED	Projects proceeds	Quarterly	2023	<b>18,000</b>	24,000	Project financing
Term loan 2	AED	Projects proceeds	Quarterly	2026	-	442,552	Investment purpose
Term loan 3	USD	Mortgage of property, plant and equipment	Quarterly	2027	<b>976,938</b>	1,109,155	Project financing
Term loan 4	AED	Mortgage of vessels	Quarterly	2026	<b>201,414</b>	217,414	To finance purchase of hopper suction dredger
Term loan 5	USD	Mortgage of property	Annually	2025	<b>158,120</b>	194,295	To finance purchase of a hotel
Term loan 6	USD	Unsecured	Semi-annual	2028	<b>367,500</b>	367,500	To finance construction of a factory
Term loan 7	AED	Mortgage of property	Semi-annual	2028	<b>202,445</b>	234,445	To finance purchase of a hotel
Term loan 8	AED	Pledge of financial instruments having fair value of AED 4.9 billion	Bullet	2024	<b>1,500,000</b>	1,500,000	To finance purchase of shares
Term loan 9	AED	Mortgage of property	Quarterly	2023	<b>66,613</b>	78,613	Construction of factory building
Term loan 10	AED	Corporate guarantee	Quarterly	2027	<b>25,465</b>	30,557	To finance the purchase of machinery and equipment
Term loan 11	USD	Mortgage of property	Quarterly	2032	<b>129,976</b>	84,574	Project financing
Term loan 12	AED	Secured on movable assets and shares	Quarterly	2036	-	294,316	Investment purpose
Term loan 13	AED	Pledge of financial instruments having fair value of AED 6.2 billion	Half in 3 years and rest in 5 years	2027	<b>4,500,000</b>	2,760,000	Investment purpose
Term loan 14	AED	Corporate guarantee	Revolving	2023	-	1,207	Working capital
Term loan 15	AED	Land plots	Revolving	2025	<b>419,950</b>	419,950	General corporate purposes
Term loan 16	AED	Unsecured	Revolving	2025	<b>(4,916)</b>	295,305	General corporate purposes
Term loan 17	AED	Unsecured	Revolving	2027	<b>(4,932)</b>	(4,427)	General corporate purposes
Term loan 18	AED	Unsecured	Bullet	2027	<b>995,750</b>	995,250	General corporate purposes
Term loan 19	AED	Commercial property	Revolving	2025	<b>469,244</b>	469,167	General corporate purposes
Term loan 20	AED	Unsecured	Revolving	2027	<b>(6,904)</b>	1,173,750	General corporate purposes
Term loan 21	AED	Mortgage of property	Revolving	2027	<b>(4,746)</b>	(4,306)	General corporate purposes
Term loan 22	AED	Retail and commercial assets	Bullet	2026	<b>297,711</b>	297,319	General corporate purposes
Term loan 23	AED	Assignment of receivables and insurance	Semi-annual	2027	-	94,626	General corporate purposes

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**17 Bank borrowings (continued)**

Details of group borrowings are as follows:

Loan type	Currency	Security	Instalments	Year of maturity	30 June 2023 (unaudited) AED'000	31 December 2022 (audited) AED '000	Purpose
Term loan 24	EGP	Mortgage of property, assignment of receivables and insurance	Quarterly	2027	65,368	81,578	Project financing
Term loan 25	EGP	Mortgage of property, assignment of receivables and insurance	Quarterly	2031	151,587	189,058	Project financing
Term loan 26	EGP	Mortgage of property, assignment of receivables and insurance	Quarterly	2024	-	29,814	Project financing
Term loan 27	EGP	Mortgage of property, assignment of receivables and insurance	Quarterly	2027	98,055	131,618	Project financing
Term loan 28	EGP	Mortgage of property, assignment of receivables and insurance	Bullet	2028	28,198	37,172	Project financing and general corporate purposes
Term loan 29	AED	Mortgage of vessel	Quarterly	2032	413,213	436,169	To finance purchase of a vessel
Term loan 30	AED	Unsecured	Bullet	2027	995,555	995,055	General corporate purposes
Term loan 31	AED	Unsecured	Revolving	2027	497,777	497,560	General corporate purposes
Term loan 32	AED	Unsecured	Bullet	2027	398,260	398,055	General corporate purposes
Term loan 33	AED	Corporate guarantee	Monthly	2026	37,455	38,324	Project financing
Term loan 34	AED	Commercial property	Bullet	2023	499,602	499,555	General corporate purposes
Term loan 35	AED	Mortgage of equipment and vehicles	Various	Various	66,218	5,924	Vehicles finance
Term loan 36	AED	Mortgage of equipment and vehicles	Various	Various	16,757	20,501	Vehicles finance
Term loan 37	AED	Mortgage of property	Quarterly	2025	47,395	59,395	Construction of accommodation building
Term loan 38	EGP	Mortgage of property	Quarterly	2030	27,336	-	Project financing
Term loan 39	AED	Unsecured	Quarterly	2029	498,562	-	General corporate purposes
Term loan 40	AED	Pledge of financial instruments having fair value of AED 2.1 billion	Half in 3 years and rest in 5 years	2028	730,000	-	Investment purpose
Term loan 41	EGP	Secured against cash deposit	Monthly	2023	101	-	General corporate purposes
Term loan 42	AED	Unsecured	Bullet	2029	(32)	-	General corporate purposes
Term loan 43	EUR	Unsecured	Bullet	2023	442	-	General corporate purposes
Bank overdrafts	AED	Partially secured against approved payment certificates and invoices	-	-	10,827	20,520	Working capital
					<b>14,890,304</b>	<b>14,515,560</b>	

Note: The above borrowing facilities carry interest at market rates.

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**18 Non-convertible sukuk**

	<b>30 June 2023 (unaudited)</b>				31 December 2022
	<b>----- AED '000 -----</b>				(audited)
	<b>Sukuk No.1</b>	<b>Sukuk No.2</b>	<b>Sukuk No.3</b>	<b>Total</b>	<b>AED '000 Total</b>
At the beginning of the period / year	1,847,444	1,834,472	-	<b>3,681,916</b>	-
Issued during the period / year	-	-	1,836,250	<b>1,836,250</b>	-
Additions due to acquisition of a subsidiary (Note 25)	-	-	-	-	3,732,381
Accrued profits	36,104	29,652	9,200	<b>74,956</b>	99,682
Amortisation of issue costs	2,347	3,864	-	<b>6,211</b>	4,860
Other movements	-	-	(12,648)	<b>(12,648)</b>	(59,541)
Less: Paid	(36,110)	(29,854)	-	<b>(65,964)</b>	(95,466)
<b>At the end of the period / year</b>	<b>1,849,785</b>	<b>1,838,134</b>	<b>1,832,802</b>	<b>5,520,721</b>	<b>3,681,916</b>

Sukuks are classified as follows:

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
Non-current	<b>5,474,623</b>	3,644,812
Current	<b>46,098</b>	37,104
	<b>5,520,721</b>	<b>3,681,916</b>

**Sukuk No.1**

The Group has issued a non-convertible sukuk ("Sukuk No. 1") for a total value of AED 1,836,750 thousand (USD 500,000 thousand). Sukuk No. 1 has a profit rate of 4.750% per annum payable semi-annually and is due for repayment in September 2025.

**Sukuk No.2**

The Group has also issued a non-convertible sukuk ("Sukuk No. 2") for a total value of AED1,836,750 thousand (USD 500,000 thousand). Sukuk No. 2 has a profit rate of 3.875% per annum payable semi-annually and is due for repayment in October 2029.

**Sukuk No.3**

During the period, the Group has issued a non-convertible sukuk ("Sukuk No. 3") for a total value of AED1,836,250 thousand (USD 500,000 thousand). Sukuk No. 3 has a profit rate of 4.875% per annum payable semi-annually and is due for repayment in May 2033.

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**19 Contract liabilities**

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
Amounts related to construction contracts	<b>3,596,483</b>	2,901,142
Amounts related to insurance contracts	-	2,500,381
Amounts received in advances from customers	<b>5,012,545</b>	4,538,544
	<b>8,609,028</b>	9,940,067

Amounts related to construction contracts include amounts payable to related parties amounting to AED 746.7 million (2022: AED 23.9 million) [Note 13].

**20 Trade and other payables**

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
Accruals and other payables	<b>16,968,454</b>	14,819,787
Trade payables	<b>2,589,072</b>	3,730,956
Retention payables	<b>2,836,417</b>	2,382,564
Project related accruals and provisions	<b>1,973,123</b>	1,872,569
Government funded programs payables	-	1,870,022
Finance charge payable	<b>110,041</b>	207,284
Dividend payables	<b>18,678</b>	109,534
Derivative financial instruments	<b>26,538</b>	50,171
Deferred tax liabilities	<b>34,019</b>	-
Deferred government grant	-	42,143
Insurance and reinsurance payables	-	698,104
	<b>24,556,342</b>	25,783,134

Allocation of total trade and other payables into current and non-current is as follows:

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
Non-current	<b>4,914,960</b>	1,698,307
Current	<b>19,641,382</b>	24,084,827
	<b>24,556,342</b>	25,783,134

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**21 Revenue**

The breakdown of the Group's revenue is as follows:

	6 months ended 30 June		3 months ended 30 June	
	2023 (unaudited) AED '000	2022 (unaudited) AED '000	2023 (unaudited) AED '000	2022 (unaudited) AED '000
<b><i>Revenue by activity:</i></b>				
Commercial and industrial services	6,764,668	3,538,160	3,556,399	2,995,234
Real estate development and sales	4,287,793	1,555,242	2,226,404	1,555,242
Construction contracts	3,669,427	3,282,089	1,983,510	1,730,227
Medical and related services	2,571,607	6,122,103	-	1,894,921
Management and related services	2,036,635	1,651,888	992,755	157,343
Insurance and related services	1,466,282	-	-	-
Sale of goods and others	1,344,487	979,314	606,596	628,793
	<b>22,140,899</b>	17,128,796	<b>9,365,664</b>	8,961,760
<b><i>Timing of revenue recognition:</i></b>				
Revenue over time	17,716,385	10,141,316	8,316,626	6,544,356
Revenue at a point in time	4,424,514	6,987,480	1,049,038	2,417,404
	<b>22,140,899</b>	17,128,796	<b>9,365,664</b>	8,961,760
<b><i>Geographical markets:</i></b>				
UAE	20,207,905	15,027,664	8,360,535	7,727,858
Outside the UAE	1,932,994	2,101,132	1,005,129	1,233,902
	<b>22,140,899</b>	17,128,796	<b>9,365,664</b>	8,961,760

The transaction price allocated to (partially) unsatisfied performance obligations at 30 June 2023 and 2022 are as set out below.

	6-months ended 30 June	
	2023 (unaudited) AED '000	2022 (unaudited) AED '000
<b><i>Unsatisfied performance obligations</i></b>		
Medical and related services	-	18,589,500
Real estate development and sales	24,377,094	11,256,149
Commercial and industrial services	27,668,009	22,586,134
Construction contracts	14,859,745	9,196,328
Management and related services	6,192,265	6,178,788
	<b>73,097,113</b>	67,806,899

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**22 Other income**

The breakdown of the Group's other income is as follows:

	<b>6 months ended 30 June</b>		<b>3 months ended 30 June</b>	
	<b>2023</b> <b>(unaudited)</b> <b>AED '000</b>	<b>2022</b> <b>(unaudited)</b> <b>AED '000</b>	<b>2023</b> <b>(unaudited)</b> <b>AED '000</b>	<b>2022</b> <b>(unaudited)</b> <b>AED '000</b>
Dividend income	<b>45,816</b>	251,661	<b>45,816</b>	82,047
Profit for the period from discontinued operations (Note 28)	-	126,456	-	123,115
Gain on bargain purchase of associates (Note 9)	<b>75,472</b>	-	<b>75,472</b>	-
Gain on bargain purchase of a subsidiary	-	9,104	-	9,104
Recovery of doubtful receivables	<b>5</b>	64,746	<b>5</b>	50,435
Others	<b>386,818</b>	645,524	<b>328,853</b>	256,361
	<b>508,111</b>	1,097,491	<b>450,146</b>	521,062

**23 Government grant**

The breakdown of the Group's government grant is as follows:

	<b>6 months ended 30 June</b>		<b>3 months ended 30 June</b>	
	<b>2023</b> <b>(unaudited)</b> <b>AED '000</b>	<b>2022</b> <b>(unaudited)</b> <b>AED '000</b>	<b>2023</b> <b>(unaudited)</b> <b>AED '000</b>	<b>2022</b> <b>(unaudited)</b> <b>AED '000</b>
Government grant	<b>330,767</b>	-	-	-



**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**24 Business combinations under common control**

Transfers during the prior period

During the period ended 30 June 2022, the ownership interests of the following entities, along with their subsidiaries, was transferred to the Group. Each of the transfer was accounted for as a business combination under common control.

Name of subsidiary	Date of Acquisition	Proportion of effective equity acquired %	Principal activity
W Solar Investment LLC ('W Solar')	1 January 2022	75%	Clean energy business
Yas Clinic Group Sole Proprietorship LLC ('Yas Clinic')	1 January 2022	70.83%	Hospital management services
Abu Dhabi Stem Cells Center – Sole Proprietor LLC ('ADSCC')	1 January 2022	70.83%	Healthcare provider
Tamouh Healthcare LLC ('Tamouh')	1 January 2022	70.83%	Healthcare provider

Details of the assets and liabilities recognised at the date of transfer of ownership are as follows:

	W Solar AED '000	Yas Clinic AED '000	ADSCC AED '000	Tamouh AED '000	Total AED '000
Non-current assets					
Property, plant and equipment	-	420,985	60,306	30,796	512,087
Intangible assets	-	5,749	874	-	6,623
Right-of-use assets	-	18,900	1,437	-	20,337
	-	445,634	62,617	30,796	539,047
Current assets					
Inventories	-	7,433	1,280	6,877	15,590
Contract assets	-	-	-	6,209	6,209
Trade and other receivables	-	1,294,406	82,794	650,018	2,027,218
Due from related parties	300	54,623	-	29,552	84,475
Cash and bank balances	987	20,600	5,079	89,720	116,386
	1,287	1,377,062	89,153	782,376	2,249,878
Total assets	1,287	1,822,696	151,770	813,172	2,788,925

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**24 Business combinations under common control (continued)**

	W Solar AED '000	Yas Clinic AED '000	ADSCC AED '000	Tamouh AED '000	Total AED '000
Non-current liabilities					
Lease liabilities	-	18,134	687	-	18,821
Provision for employees' end of service benefits	-	828	693	7,423	8,944
Bank borrowings	-	295,408	-	-	295,408
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	314,370	1,380	7,423	323,173
Current liabilities					
Lease liabilities	-	766	750	-	1,516
Due to related parties	1,764	-	-	259,293	261,057
Bank borrowings	-	4,592	-	-	4,592
Trade and accounts payables	-	686,178	43,840	181,434	911,452
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,764	691,536	44,590	440,727	1,178,617
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	1,764	1,005,906	45,970	448,150	1,501,790
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net (liabilities) / assets at the date of transfer	(477)	816,790	105,800	365,022	1,287,135
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Less: net assets attributable to non- controlling interests	-	-	-	(70,360)	(70,360)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net (liabilities) / assets attributable to owners of the Group	(477)	816,790	105,800	294,662	1,216,775
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The assets as on the date of transfer under common control were allocated as follows:

	(unaudited) AED '000
Merger reserve	861,818
Non-controlling interests	354,957
	<hr/>
	1,216,775
	<hr/> <hr/>

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**25 Business combinations under IFRS 3**

Acquisition during the current period

*Mustard & Linen Interior Design Holding Limited (“M&L”)*

Effective 14 February 2023, the Group acquired a 75 % equity interest in M&L, for a consideration of AED 25 million which was accounted for using the acquisition method under IFRS 3. M&L is a limited liability company, registered and incorporated in the Abu Dhabi Global Market and is engaged in premium interior design business services. From the date of acquisition, M&L contributed revenue and profit to the Group amounting to AED 6,443 thousand and AED 3,941 thousand respectively.

*Basatin Holding SPV Ltd. (“Basatin”)*

Effective 28 May 2023, the Group acquired a 75 % equity interest in Basatin, for a consideration of AED 138 million which was accounted for using the acquisition method under IFRS 3. Basatin is a limited liability company, registered and incorporated in the Abu Dhabi Global Market and is engaged in landscaping services. From the date of acquisition, Basatin contributed revenue and profit to the Group amounting to AED 18,145 thousand and AED 2,401 thousand respectively.

*ADMO Lifestyle Holding Limited (“ADMO”)*

Effective 1 May 2023, the Group acquired a 51% equity interest in ADMO, for a consideration of AED 716.5 million which was accounted for using the acquisition method under IFRS 3. ADMO is a limited liability company, registered and incorporated in Abu Dhabi Global Market and is engaged in hotel and restaurant management. From the date of acquisition, ADMO contributed revenue and loss to the Group amounting to AED 30,354 thousand and AED 2,668 thousand respectively.

Identifiable assets acquired and liabilities assumed

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

	Notes	M&L AED'000	Basatin AED'000	ADMO AED'000	Total AED'000
<b>Non-current assets</b>					
Property, plant and equipment	5	137	8,337	138,584	<b>147,058</b>
Intangible assets	6	-	38,276	947	<b>39,223</b>
Goodwill	7	-	-	122,121	<b>122,121</b>
Right-of-use-assets	8	-	-	79,655	<b>79,655</b>
Investment in associates and joint ventures	9	-	-	309,569	<b>309,569</b>
Deferred tax assets		-	-	552	<b>552</b>
		137	46,613	651,428	<b>698,178</b>

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**25 Business combinations under IFRS 3 (continued)**

Identifiable assets acquired and liabilities assumed (continued)

		M&L	Basatin	ADMO	Total
	Notes	AED'000	AED'000	AED'000	AED'000
<b>Current assets</b>					
Contract assets		-	20,638	-	<b>20,638</b>
Trade and other receivables		771	65,197	93,131	<b>159,099</b>
Inventories		-	1,376	4,818	<b>6,194</b>
Due from a related party		1	-	243,953	<b>243,954</b>
Cash and bank balances		1,781	36,960	115,864	<b>154,605</b>
		2,553	124,171	457,766	<b>584,490</b>
Total assets		2,690	170,784	1,109,194	<b>1,282,668</b>
<b>Non-current liabilities</b>					
Lease liabilities	8	-	-	79,162	<b>79,162</b>
Provision for employees' end of service benefits	16	701	5,245	-	<b>5,946</b>
		701	5,245	79,162	<b>85,108</b>
<b>Current liabilities</b>					
Lease liabilities	8	-	-	2,584	<b>2,584</b>
Bank borrowings		-	-	445	<b>445</b>
Due to related parties		-	-	22,204	<b>22,204</b>
Trade and other payables		1,673	73,225	45,321	<b>120,219</b>
Contract liabilities		-	1,842	-	<b>1,842</b>
		1,673	75,067	70,554	<b>147,294</b>
Total liabilities		2,374	80,312	149,716	<b>232,402</b>
Net assets acquired		316	90,472	959,478	<b>1,050,266</b>
Less: non-controlling interests		-	-	(31,638)	<b>(31,638)</b>
Proportionate share of identifiable net assets acquired		316	90,472	927,840	<b>1,018,628</b>
Less: Additional non-controlling interests at group level		(79)	(22,618)	(454,642)	<b>(477,339)</b>
Purchase consideration		(25,000)	(138,822)	(716,466)	<b>(880,288)</b>
Goodwill	7	24,763	70,968	243,268	<b>338,999</b>

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**25 Business combinations under IFRS 3 (continued)**

Non-controlling interests on the date of transfer under business combinations are allocated as:

	<b>30 June 2023 (unaudited) AED '000</b>
Non-controlling interests on acquisition	<b>31,638</b>
Additional non-controlling interests at Group level	<b>477,339</b>
	<hr/> <b>508,977</b> <hr/>

Following are the subsidiaries which the Group controls through its partially owned subsidiary ADMO.

<u>Sr. no.</u>	<u>Name of subsidiary</u>	<u>Percentage of ownership</u>	<u>Country of incorporation</u>	<u>Principal activities</u>
1	ADMO One Holding Limited	100%	United Arab Emirates	Holding company
2	Nammos Holding STA Ltd	62.47%	Cyprus	Holding company
3	MRINLON2SUB Ltd	62.47%	Cyprus	Holding company
4	Nammos Restaurant London Limited	62.47%	United Kingdom	Restaurant
5	Nammos Restaruant LLC	62.47%	United Arab Emirates	Restaurant
6	ADMO Hospitality Holding Limited	100%	United Arab Emirates	Holding company
7	Mystic Quartz Resorts Ltd	100%	Cyprus	Holding company
8	Monte London Limited	100%	United Kingdom	Hospitality
9	Damesin LTD	100%	Cyprus	Holding company
10	Benestar SA	100%	Greece	Hospitality
11	ADMO Hotel Management Holding Limited	100%	United Arab Emirates	Hotel management

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**25 Business combinations under IFRS 3 (continued)**

Further these interim condensed consolidated financial statements include the associates through ADMO and their effective ownership as at 30 June 2023 are listed below:

<u>Sr. no.</u>	<u>Name of associate</u>	<u>Percentage of ownership</u>	<u>Country of incorporation</u>	<u>Principal activities</u>
1	WISY Holding Cyprus Ltd	44.40%	Cyprus	Holding company
2	Nammos World SARL	44.40%	Monaco	Holding company
3	WISY Management Cyprus Ltd	44.40%	Cyprus	Holding company

Acquisition during the prior period

*GenQore Drug store LLC (“GenQore”)*

Effective 1 February 2022, the Group acquired a 90% equity interest in GenQore, for a consideration of AED 1 which was accounted for using the acquisition method under IFRS 3. GenQore is a limited liability company, registered and incorporated in the Emirate of Dubai and is engaged in trading of cosmetic and medical related items. From the date of acquisition, GenQore contributed revenue and loss to the Group amounting to AED 5,891 thousand and AED 79 thousand respectively.

*Aldar Properties PJSC (“Aldar”)*

Effective 11 April 2022, the Group gained control over another 2% ownership interest in Aldar. As a result, the Group was able to appoint four out of the seven board members at the annual general meeting held on 11 April 2022, giving the Group control over Aldar. Accordingly, this has been treated as a step acquisition under IFRS 3 and the investment in Aldar has been de-recognised as an investment in an associate and instead been consolidated as a subsidiary under IFRS 10.

Aldar is a company registered and incorporated in the Emirate of Abu Dhabi and is engaged in various businesses primarily the development, sales, investment, construction, leasing, management and associated services for real estate. From the date of acquisition, Aldar contributed revenue and income to the Group amounting to AED 2,669,406 thousand and AED 841,358 thousand respectively.

*Al Shohub Private School LLC (“Al Shohub”)*

Effective 20 January 2022, the Group signed an agreement to purchase Al Shohub Private School LLC, a limited liability company registered in Abu Dhabi, United Arab Emirates for a total consideration of AED 72 million. On 1 June 2022, the transaction was completion were completed and is therefore the date on which the Group acquired control over Al Shohub.

*Twafq Projects Development Property LLC (“Twafq”)*

Effective 18 April 2022, the Group signed an agreement for the acquisition of 70% of Twafq for a consideration of AED 331 million.

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**25 Business combinations under IFRS 3 (continued)**

Identifiable assets acquired and liabilities assumed

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

	Note	GenQore AED'000	Aldar AED'000	Al Shohub AED'000	Twafq AED'000	Total AED'000
Non-current assets						
Property, plant and equipment		21	3,533,403	71,694	2,447	3,607,565
Intangible assets		371	174,776	1,483	-	176,630
Goodwill		-	96,226	-	-	96,226
Investment properties		-	17,915,386	-	584,495	18,499,881
Right-of-use-assets		-	379,596	2,360	113,034	494,990
Investment in associates and joint ventures	9	-	108,582	-	-	108,582
Investment in financial assets		-	45,972	-	-	45,972
Deferred tax assets		-	34,510	-	-	34,510
Trade and other receivables		-	518,521	-	-	518,521
		392	22,806,972	75,537	699,976	23,582,877
Current assets						
Investment in financial assets		-	142,801	-	-	142,801
Contract assets		-	221,056	-	-	221,056
Trade and other receivables		6,319	7,549,106	2,158	5,404	7,562,987
Inventories		-	6,447,912	-	-	6,447,912
Development work-in-progress		-	3,547,814	-	-	3,547,814
Due from a related party		-	-	1,821	31,945	33,766
Cash and bank balances		261	9,060,667	-	-	9,060,928
		6,580	26,969,356	3,979	37,349	27,017,264
Total assets		6,972	49,776,328	79,516	737,325	50,600,141

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**25 Business combinations under IFRS 3 (continued)**

Identifiable assets acquired and liabilities assumed (continued)

	GenQore AED'000	Aldar AED'000	Al Shohub AED'000	Twafq AED'000	Total AED'000
Non-current liabilities					
Lease liabilities	-	315,582	2,370	128,714	446,666
Provision for employees' end of service benefits	418	241,812	1,246	1,411	244,887
Bank borrowings	-	4,218,570	-	86,137	4,304,707
Non-convertible sukuk	-	3,639,951	-	-	3,639,951
Trade and other payables	-	1,914,385	-	-	1,914,385
	418	10,330,300	3,616	216,262	10,550,596
Current liabilities					
Lease liabilities	-	55,657	187	4,724	60,568
Bank borrowings	-	36,823	-	16,218	53,041
Non-convertible sukuk	-	32,889	-	-	32,889
Trade and other payables	6,848	7,840,957	12,624	9,536	7,869,965
Contract liabilities	-	2,313,004	-	8,576	2,321,580
	6,848	10,279,330	12,811	39,054	10,338,043
Total liabilities	7,266	20,609,630	16,427	255,316	20,888,639
Net assets acquired	(294)	29,166,698	63,089	482,009	29,711,502
Less: non-controlling interests	29	(641,298)	-	(141,871)	(783,140)
Hybrid equity instruments	-	(1,126,639)	-	-	(1,126,639)
Proportionate share of identifiable net assets acquired	(265)	27,398,761	63,089	340,138	27,801,723
Less: Additional non-controlling interests					
at group level	-	(18,727,252)	-	-	(18,727,252)
Purchase consideration	-	(12,865,365)	(72,210)	(331,034)	(13,268,609)
Goodwill*	265	4,193,856	9,121	-	4,203,242
Gain on bargain purchase	-	-	-	9,104	9,104

\* The goodwill amounting to AED 265 thousand from GenQore was impaired during the period ended 30 June 2022.



**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**25 Business combinations under IFRS 3 (continued)**

Non-controlling interests on the date of transfer under business combinations are allocated as:

	30 June 2022 (unaudited) AED '000
Non-controlling interests on acquisition	783,140
Additional non-controlling interests at Group level	18,727,252
	<hr/>
	19,510,392
	<hr/> <hr/>

**26 Group's reorganisations**

- a) On 1 January 2022, the Group transferred its ownership interest in Pure Health Medical Services LLC ('PHMS') to PHH, an investment holding company registered as a limited liability company in United Arab Emirates. As a result of this transaction, the Group's ownership in PHMS was reduced from 63% to 51.71% and an amount of AED 59.7 million and AED 450.2 million was transferred from the retained earnings and merger reserve, respectively, to non-controlling interests during the year ended 31 December 2022.

Merger reserves transfer are as follows:

	PHMS
31 December 2022	
Reduction in shareholding (%)	11.29%
Carrying value of the shareholding (AED'000)	509,907
	<hr/>
Difference recognised directly in	
Retained earnings (AED'000)	59,648
	<hr/>
Merger reserves (AED'000)	450,259
	<hr/> <hr/>

- b) During the prior year, an additional 2% ownership interest in Aldar was transferred by related parties under common control without consideration and was treated as an additional contribution by the ultimate parent company, Accordingly, it was recorded at the fair value of AED 754,820 thousand as an investment in a subsidiary with the corresponding amount accounted for in merger reserve.

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**26 Group's reorganisations (continued)**

- c) The Group holds 38.95% of PHH. On 30 March 2023, the shareholders of PHH amended shareholders' agreement, pursuant of which shareholder resolutions, which earlier required approval from majority of shareholders, has been amended to unanimous approval. As a result, the Group lost control over PHH and accordingly derecognised carrying value of assets and liabilities of PHH and recognised its interest as an investment in a joint venture at fair value.

The fair value of the retained interest in PHH was determined by a third-party valuation expert at 100% equity stake valued based on a sum of the parts ("SOTP") approach using the discounted cash flow ("DCF") methodology under the income approach as primary valuation methodology to arrive at the enterprise value of each business. The significant assumptions used in the fair value calculation include a discount rate of 9.5% to 15.2% and a terminal growth rate of 3%.

During the period, the Group completed the purchase price allocation ('PPA') of the investment and recognized an additional gain of AED 894,703 thousand (30 June 2022: Nil) for the period ended 30 June 2023. The resultant goodwill is based on the fair value of retained interest.

The carrying value of the assets and liabilities of PHH derecognised are as follows:

	Notes	30 June 2023 (unaudited) AED '000
<b>Non-current assets</b>		
Property, plant and equipment	5	1,779,997
Intangible assets	6	3,134,440
Goodwill	7	1,342,106
Right-of-use assets		1,425,275
Investment in associates and joint ventures	9	46,273
Investment properties		3,145
Investment in financial assets		238,433
Trade and other receivables		4,757
		<hr/> 7,974,426 <hr/>
<b>Current assets</b>		
Inventories		544,640
Due from related parties		172,439
Trade and other receivables		7,944,436
Investment in financial assets		343,085
Contract assets		1,986,334
Cash and bank balances		5,497,768
		<hr/> 16,488,702 <hr/>
<b>Total assets</b>		<hr/> 24,463,128 <hr/>

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**26 Group's reorganisations (continued)**

	Notes	30 June 2023 (unaudited) AED '000
<b>Non-current liabilities</b>		
Provision for employees' end of service benefits	16	1,541,480
Bank borrowings		288,358
Lease liabilities		1,409,841
Trade and other payables		103,019
		<hr/> 3,342,698 <hr/>
<b>Current liabilities</b>		
Lease liabilities		144,498
Due to related parties		1,008,357
Contract liabilities		2,269,070
Bank borrowings		4,773
Trade and other payables		6,133,333
		<hr/> 9,560,031 <hr/>
<b>Total liabilities</b>		<hr/> 12,902,729 <hr/>
Net asset directly associated with derecognition of a subsidiary		11,560,399
Less: net assets attributable to non-controlling interests		(7,059,849)
		<hr/>
Net assets attributable to owners of the Company		4,500,550
Less: fair value of retained interest	9	(11,957,944)
		<hr/>
<b>Gain on derecognition</b>		<hr/> (7,457,394) <hr/>

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**27 Contingent liabilities and commitments**

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
Letter of guarantees	<b>23,573,839</b>	18,650,662
Letters of credit	<b>904,941</b>	1,047,577
Capital commitments	<b>48,358,758</b>	36,624,017
Purchase commitments	<b>4,600,692</b>	4,537,861
Operating lease commitments	<b>7,328,740</b>	6,823,781

The above bank guarantees, and letters of credit are issued in the normal course of business.

**Operating lease commitments of the group as a lessor**

The future minimum rental receivables under non-cancellable operating leases contracted are as follows:

	<b>30 June 2023 (unaudited) AED '000</b>	31 December 2022 (audited) AED '000
Within one year	<b>1,482,295</b>	1,384,743
In the second to fifth year	<b>3,716,065</b>	3,403,562
After five years	<b>2,130,380</b>	2,035,476
	<b>7,328,740</b>	6,823,781

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**28 Discontinued operations**

Discontinued operations in the prior period

On 1 April 2022, the Group sold its interests in Magenta Investments LLC ("Magenta"), a partially owned subsidiary. The sale of Magenta has been completed and classified as a discontinued operation as at 30 June 2022.

On 1 April 2022, the Group sold its interests in Pure Capital Investments LLC ("PCI"), a partially owned subsidiary. This was also completed and classified as a discontinued operation as at 30 June 2022.

The net assets of Magenta & PCI were as follows:

	Magenta	PCI	Total
	-----30 June 2022-----		
	AED '000	AED '000	AED '000
<i>Total assets</i>			
Property, plant and equipment	1,479	582	2,061
Right-of-use assets	-	1,070	1,070
Inventories	523	-	523
Trade and other receivables	40,178	133,492	173,670
Due from related parties	181	6,854	7,035
Cash and bank balances	6,223	4,453	10,676
	<hr/>	<hr/>	<hr/>
	48,584	146,451	195,035
	<hr/>	<hr/>	<hr/>
<i>Total liabilities</i>			
Bank borrowings	3,429	-	3,429
Lease liabilities	-	1,133	1,133
Provision for employees' end of service benefits	895	856	1,751
Due to related parties	-	101,416	101,416
Trade and other payables	33,365	63,067	96,432
	<hr/>	<hr/>	<hr/>
	37,689	166,472	204,161
	<hr/>	<hr/>	<hr/>
Net assets / (liabilities) directly associated with disposed group	10,895	(20,021)	(9,126)
Add: net liabilities attributable to non-controlling interests	1,653	658	2,311
	<hr/>	<hr/>	<hr/>
Net assets / (liabilities) attributable to owners of the Group	12,548	(19,363)	(6,815)
Less: consideration received	2,000	114,300	116,300
	<hr/>	<hr/>	<hr/>
(Loss) / gain on disposal	(10,548)	133,663	123,115
	<hr/>	<hr/>	<hr/>

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**28 Discontinued operations (continued)**

Discontinued operations in the prior period (continued)

The results of the discontinued operations, which have been included in the profit for the prior period, were as follows:

	Notes	6 months ended 30 June 2022			3 months ended 30 June 2022		
		Magenta AED '000	PCI AED '000	Total AED '000	Magenta AED '000	PCI AED '000	Total AED '000
Revenue		60,341	32,780	93,121	-	-	-
Cost of sales		(43,374)	(27,109)	(70,483)	-	-	-
General and administrative expenses		(4,601)	(3,047)	(7,648)	-	-	-
Other income		8	-	8	-	-	-
Finance costs		(4,807)	(1,512)	(6,319)	-	-	-
		<u>7,567</u>	<u>1,112</u>	<u>8,679</u>	<u>-</u>	<u>-</u>	<u>-</u>
(Loss) / gain on disposal of investment		(10,548)	133,663	123,115	(10,548)	133,663	123,115
Less: inter-company eliminations up to date of disposal		-	(5,338)	(5,338)	-	-	-
(Loss) / gain attributable to discontinued operations	22	<u>(2,981)</u>	<u>129,437</u>	<u>126,456</u>	<u>(10,548)</u>	<u>133,663</u>	<u>123,115</u>

**29 Segment information**

IFRS 8 *Operating Segments* requires operating segments to be identified on the basis of financial performance and internal reports about components of the Group in order to allocate resources to the segment and to assess its performance. For operating purposes, the Group is organised into the following business segments or revenue streams:

- (i) Industrial, which relates to the providing of dredging and associated land reclamation works;
- (ii) Construction, which provides contracting services relating to commercial and residential buildings, infrastructure development and civil construction works;
- (iii) Real estate, which includes development of properties, rental income from properties and income from investment in real estate companies or sale of real estate;
- (iv) Healthcare, which includes hospital and medical laboratory management services and laboratory diagnostic services; and
- (v) Services and others which mainly comprise management services, hospitality income, education services as well as a variety of smaller ancillary activities.

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**29 Segment information (continued)**

The following table presents revenue and profit information for the Group's operating segments:

	<b>Real estate AED '000</b>	<b>Industrial AED '000</b>	<b>Healthcare AED '000</b>	<b>Construction AED '000</b>	<b>Services and other segments AED '000</b>	<b>Eliminations AED '000</b>	<b>Total AED '000</b>
<b>For the period ended 30 June 2023</b>							
External sales	4,865,328	6,793,154	2,732,940	3,917,750	3,831,727	-	<b>22,140,899</b>
Inter-segment sales	145,381	-	-	220,478	173,520	(539,379)	-
<b>Total revenue</b>	<b>5,010,709</b>	<b>6,793,154</b>	<b>2,732,940</b>	<b>4,138,228</b>	<b>4,005,247</b>	<b>(539,379)</b>	<b>22,140,899</b>
<b>Segment gross profit</b>	<b>1,857,564</b>	<b>795,953</b>	<b>608,795</b>	<b>365,169</b>	<b>1,114,413</b>	<b>(120,919)</b>	<b>4,620,975</b>
General, administrative and selling expenses	(531,334)	(104,946)	(974,696)	(102,578)	(630,100)	99,474	<b>(2,244,180)</b>
Share of results of associates and joint ventures	8,212	34,892	412,439	1	13,504	-	<b>469,048</b>
Impairment of financial and other assets	(32,871)	6,216	(18,791)	(57,414)	(415,146)	-	<b>(518,006)</b>
Other income	156,453	180,529	(1,772)	1,522	726,796	(555,417)	<b>508,111</b>
Government grant income	-	-	330,767	-	-	-	<b>330,767</b>
Gain on derecognition of a subsidiary	-	-	-	-	7,457,394	-	<b>7,457,394</b>
Gain on derecognition and partial disposal of investment in associates and joint ventures	-	-	-	-	-	-	-
Finance costs, net	(104,456)	3,181	(18,076)	4,052	(65,981)	8,276	<b>(173,004)</b>
<b>Profit before tax</b>	<b>1,353,568</b>	<b>915,825</b>	<b>338,666</b>	<b>210,752</b>	<b>8,200,880</b>	<b>(568,586)</b>	<b>10,451,105</b>
Income tax	(98,577)	(104)	-	-	(15,496)	-	<b>(114,177)</b>
<b>Profit after tax</b>	<b>1,254,991</b>	<b>915,721</b>	<b>338,666</b>	<b>210,752</b>	<b>8,185,384</b>	<b>(568,586)</b>	<b>10,336,928</b>

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**29 Segment information (continued)**

	Real estate AED '000	Industrial AED '000	Healthcare AED '000	Construction AED '000	Services and other segments AED '000	Eliminations AED '000	Total AED '000
For the period ended 30 June 2022							
External sales	2,221,166	3,594,131	6,270,886	3,290,742	1,751,871	-	17,128,796
Inter-segment sales*	22,472	7,672	-	89,088	49,507	(168,739)	-
Total revenue	2,243,638	3,601,803	6,270,886	3,379,830	1,801,378	(168,739)	17,128,796
Segment gross profit	1,100,819	100,857	2,898,545	267,086	643,432	(16,939)	4,993,800
General, administrative, and selling expenses	(463,808)	(67,657)	(483,497)	(56,402)	(423,552)	24,270	(1,470,646)
Share of results of associates and joint ventures	35,666	2,545	5,438	(37,512)	(146,748)	-	(140,611)
Impairment of financial and other assets	-	(37,638)	1,701	(566)	(51,960)	-	(88,463)
Other income	24,561	589,342	11,704	51,695	425,212	(5,023)	1,097,491
Government grant income	-	-	-	-	-	-	-
Gain on derecognition of a subsidiary	-	-	-	-	-	-	-
Gain on derecognition and partial disposal of investment in associates and joint ventures	-	-	-	-	3,659,356	-	3,659,356
Finance costs, net	(84,371)	(10,381)	(13,412)	(2,893)	(21,800)	6,295	(126,562)
Profit before tax	612,867	577,068	2,420,479	221,408	4,083,940	8,603	7,924,365
Income tax	(2,320)	(15,391)	-	-	(8,848)	-	(26,559)
Profit after tax	610,547	561,677	2,420,479	221,408	4,075,092	8,603	7,897,806



**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**29 Segment information (continued)**

The following table presents segment assets and liabilities of the Group's operating segments as at 30 June 2023.

	<b>Real estate AED'000</b>	<b>Industrial AED'000</b>	<b>Healthcare AED'000</b>	<b>Construction AED'000</b>	<b>Services and other segments AED'000</b>	<b>Eliminations AED'000</b>	<b>Total AED'000</b>
<b>At 30 June 2023 (unaudited)</b>							
Total assets	<b>70,528,206</b>	<b>17,994,474</b>	<b>13,495,697</b>	<b>8,529,946</b>	<b>21,827,380</b>	<b>(4,493,176)</b>	<b>127,882,527</b>
Total liabilities	<b>27,660,639</b>	<b>10,698,401</b>	<b>44</b>	<b>6,485,943</b>	<b>15,083,963</b>	<b>(3,924,414)</b>	<b>56,004,576</b>
<b>At 31 December 2022 (audited)</b>							
Total assets	<b>56,341,485</b>	<b>16,380,194</b>	<b>20,507,681</b>	<b>6,756,092</b>	<b>37,051,069</b>	<b>(6,007,297)</b>	<b>131,029,224</b>
Total liabilities	<b>24,185,134</b>	<b>9,714,182</b>	<b>8,064,270</b>	<b>5,130,239</b>	<b>19,937,345</b>	<b>(6,040,906)</b>	<b>60,990,264</b>

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**29 Segment information (continued)**

The Group has aggregated its geographical segments into UAE and International. UAE segment includes projects in the UAE, while international segment includes operations in Egypt, Kingdom of Saudi Arabia, Bahrain, India, Kuwait, Maldives, Seychelles, East Africa, United Kingdom, Cyprus, Greece, Switzerland, France, and Monaco.

The following table shows the Group's geographical segment analysis:

	<b>UAE</b> <b>AED '000</b>	<b>International</b> <b>AED '000</b>	<b>Total</b> <b>AED '000</b>
<b>30 June 2023 (unaudited)</b>			
Revenue	<b>20,207,905</b>	<b>1,932,994</b>	<b>22,140,899</b>
<b>Gross profit</b>	<b>4,297,339</b>	<b>323,636</b>	<b>4,620,975</b>
<b>Non-current assets</b>	<b>59,324,182</b>	<b>2,815,327</b>	<b>62,139,509</b>
<b>30 June 2022 (unaudited)</b>			
Revenue	14,974,551	2,154,245	17,128,796
Gross profit	4,721,898	271,902	4,993,800
<b>31 December 2022 (audited)</b>			
Non-current assets	54,490,143	1,655,661	56,145,804

**30 Earnings per share**

The following reflects the profit and share data used in the earnings per share computations:

	<b>6 months ended 30 June</b>		<b>3 months ended 30 June</b>	
	<b>2023</b> <b>(unaudited)</b>	2022 (unaudited)	<b>2023</b> <b>(unaudited)</b>	2022 (unaudited)
Profit for the period attributable to equity holders of the Company – AED '000	<b>8,881,520</b>	6,287,333	<b>2,302,048</b>	4,314,730
Weighted average number of ordinary shares issued (million)	<b>10,000</b>	10,000	<b>10,000</b>	10,000
Basic earnings per share (AED)	<b>0.88</b>	0.63	<b>0.23</b>	0.43

No figure for diluted earnings per share has been presented as the Group has not issued any instruments which would have an impact on earnings per share when exercised.

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)**

**31 Fair value of financial assets and liabilities**

The Group follows the below hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

	Significant input	Quoted prices in active markets (Level 1) AED '000	Significant observable inputs (Level 2) AED '000	Significant unobservable inputs (Level 3) AED '000	30 June 2023 Total (unaudited) AED '000	31 December 2022 Total (audited) AED '000
<b>Financial assets</b>						
Investment in financial assets at FVTPL	None	2,020,407	4,112,913	-	6,133,320	5,330,750
Investment in financial assets at FVTOCI	None	1,586	363,489	-	365,075	1,095,969
Derivative financial assets	None	-	39,260	-	39,260	248,792
<b>Financial liabilities</b>						
Derivative financial liabilities	None	-	26,538	-	26,538	50,171
<b>Non-financial assets</b>						
Biological assets	None	-	19,233	-	19,233	27,008
Investment properties						
- Plots of land	Comparable transactions. Current market prices of similar assets	-	-	663,715	663,715	623,715
- Commercial and residential properties	Capitalisation approach, annual market rent, discount rate	-	-	22,061,783	22,061,783	22,324,005
- Property under construction	Capitalisation of construction costs incurred	-	-	84,815	84,815	114,763

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

**Notes to the interim condensed consolidated financial statements  
for the six-month period ended 30 June 2023 (continued)****32 Seasonality of results**

No income of a seasonal nature was recorded in the interim condensed consolidated financial statements for the six-month period ended 30 June 2023 and 2022.

**33 Corporate Income Tax**

On 3 October 2022, the United Arab Emirates (UAE) Ministry of Finance (“MoF”) issued Federal Decree Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law (“CT Law”) to implement a new CT regime in the UAE. The new CT regime is applicable for accounting periods beginning on or after 1 June 2023. Generally, UAE businesses will be subject to a 9% CT rate, however a rate of 0% could be applied to taxable income not exceeding a particular threshold or to certain types of entities, to be prescribed by way of a Cabinet Decision.

The Corporate Tax Law is considered enacted for the period ended 30 June 2023 based on facts, circumstances and recent development in relation to the Cabinet of Minister’s Decision No. 116 of 2022.

The Group has recorded deferred income tax expense of AED 99 million (30 June 2022: nil) for the period ended 30 June 2023 which relates to the initial recognition of a deferred tax liability in respect of PPA adjustments and accounting policy alignments carried on the Group’s interim consolidated statement of financial position and attributable to certain UAE-based Group entities. While the PPA adjustments relate to a corporate transaction completed in prior accounting periods, the deferred tax liability arises due to the introduction of the UAE CT Law in the UAE, and on the basis that the UAE based entities to which those PPA adjustments are attributed should be subject to UAE CT in the future.

**34 Events after the reporting period**

Subsequent to period end, the Group has entered into a shareholders’ and contribution agreement to consolidate the facilities and property management platform of the Aldar and Eltizam Asset Management LLC, a property and facilities management services company, owned by IHC Real Estate Holding LLC and Abu Dhabi National Exhibitions Company PJSC into Aldar Estates Holding Limited.

**35 Approval of interim condensed consolidated financial statements**

To the best of our knowledge, the financial information included in these interim condensed consolidated financial statements 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 therein. The interim condensed consolidated financial statements were approved by the Board of Directors and authorised for issue on 1 August 2023.